TOTAL
COMMITTED TO BETTER ENERGY

Registration Document **2013**

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including the annual financial report

This translation is a non binding translation into English of the Chairman and Chief Executive Officer's certification issued in French and is provided solely for the convenience of English-speaking readers.

"I certify, after having taken all reasonable measures to this purpose and to the best of my knowledge, that the information contained in this *Document de référence* (Registration Document) is in accordance with the facts and makes no omission likely to affect its import.

I certify, to the best of my knowledge, that the statutory and consolidated financial statements of TOTAL S.A. (the Company) have been prepared in accordance with applicable accounting standards and give a fair view of the assets, liabilities, financial position and results of the Company and of all the entities taken as a whole included in the consolidation, and that the *rapport de gestion* (Management Report) of the Board of Directors as referenced in the cross reference list included on page 383 of this *Document de référence* (Registration Document) presents a fair view of the development and performance of the business and financial position of the Company and of all the entities taken as a whole included in the consolidation, as well as a description of the main risks and uncertainties they are exposed to.

I have received a completion letter from the statutory auditors in which they state that they have audited the information related to the financial situation and the financial statements included in this *Document de référence* (Registration Document), as well as read this *Document de référence (*Registration Document) in its entirety.

The statutory auditors have reviewed the historical financial information contained in this *Document de référence* (Registration Document). The statutory auditors' report on the consolidated financial statements for the year ended December 31, 2013, is included on page 234 of this *Document de référence* (Registration Document) and contains a remark.

Christophe de Margerie
Chairman and Chief Executive Officer

AMF | AUTORITÉ DES MARCHÉS FINANCIERS

The French language version of this *Document de référence* (Registration Document) was filed with the French Financial Markets Authority (*Autorité des marchés financiers*) on March 27, 2014 pursuant to Article 212-13 of its general regulations. It may be used in connection with a financial operation if supplemented by a prospectus which will have received the visa of the French Financial Markets Authority. This document has been drawn up by the issuer and is binding for its signatories.

Abbreviations

b:	barrel
cf:	cubic feet
/d:	per day
/y:	per year
€:	euro
$ and/or dollar:	U.S. dollar
t:	metric ton
boe:	barrel of oil equivalent
kboe/d:	thousand boe/d
kb/d:	thousand barrel/d
Btu:	British thermal unit
M:	million
B:	billion
MW:	megawatt
MWp:	megawatt peak (direct current)
TWh:	terawatt hour
AMF:	French Financial Markets Authority
API:	American Petroleum Institute
ERMI:	*European Refining Margin Indicator*. ERMI is an indicator intended to represent the margin after variable costs for a hypothetical complex refinery located around Rotterdam in Northern Europe. The indicator margin may not be representative of the actual margins achieved by TOTAL in any period because of TOTAL's particular refinery configurations, product mix effects or other company-specific operating conditions.
FEED:	Front-End Engineering and Design
FPSO:	Floating Production Storage and Offloading
IFRS:	International Financial Reporting Standards
LNG:	liquefied natural gas
LPG:	liquefied petroleum gas
ROE	Return on Equity
ROACE:	Return on Average Capital Employed
SEC:	United States Securities and Exchange Commission
SAGD:	Steam Assisted Gravity Drainage

Conversion table

1 boe = 1 barrel of crude oil = approx. 5,403 cf of gas* in 2013.
1 b/d = approx. 50 t/y
1 t = approx. 7.5 b (for a gravity of 37° API)
1 Bm^3/y = approx. 0.1 Bcf/d
1 m^3 = approx. 35.3 cf
1 t of LNG = approx. 48 kcf of gas
1 Mt/y of LNG = approx. 131 Mcf/d

* This ratio is calculated based on the actual average equivalent energy content of TOTAL's natural gas reserves and is subject to change.

Definitions

The terms "TOTAL" and "Group" as used in this Registration Document refer to TOTAL S.A. collectively with all of its direct and indirect consolidated subsidiaries located in, or outside of France.

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Key figures

1. Operating and market data

	2013	2012	2011
Brent ($/b)	108.7	111.7	111.3
Exchange rate (€-$)	1.33	1.28	1.39
European Refinery Margin Indicator (ERMI) ($/t)	17.9	36.0	17.4
Hydrocarbon production (kboe/d)	2,299	2,300	2,346
Liquids (kb/d)	1,167	1,220	1,226
Gas (Mcf/d)	6,184	5,880	6,098
Refinery throughput (kb/d)	1,719	1,786	1,863
Refined products sales (kb/d) [(a)]	3,418	3,403	3,639

(a) Includes Trading.

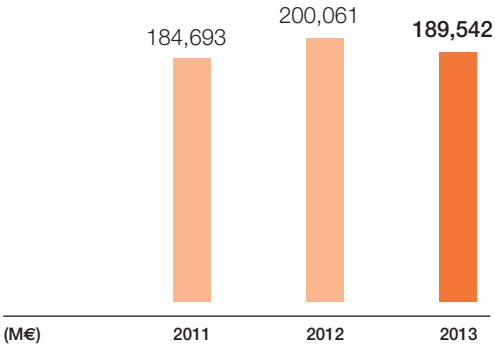
2. Selected financial information

Consolidated data in million euros, except for earnings per share, dividends, number of shares and percentages.

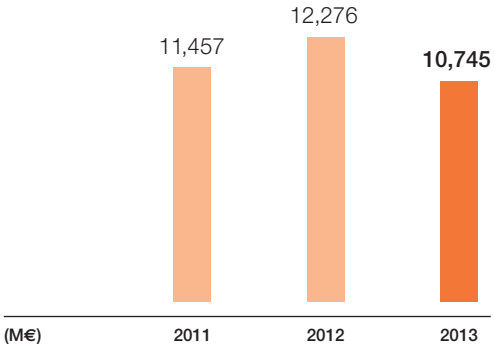
(M€)	2013	2012	2011
Sales	189,542	200,061	184,693
Adjusted operating income from business segments [a]	20,779	24,866	24,456
Adjusted net operating income from business segments [a]	11,925	13,351	12,295
Net income (Group share)	8,440	10,609	12,309
Adjusted net income (Group share) [a]	10,745	12,276	11,457
Fully-diluted weighted-average shares (millions)	2,272	2,267	2,257
Adjusted fully-diluted earnings per share (euros) [a] [b]	4.73	5.42	5.08
Dividend per share (euros) [c]	2.38	2.34	2.28
Net-debt-to-equity ratio (as of December 31)	23%	22%	23%
Return on Average Capital Employed (ROACE) [d]	13%	16%	16%
Return on Equity (ROE)	15%	18%	19%
Cash flow from operations	21,473	22,462	19,536
Investments [e]	25,922	22,943	24,541
Divestments	4,814	5,871	8,578

(a) Adjusted results are defined as income using replacement cost, adjusted for special items, excluding the impact of changes for fair value from January 1, 2011.
(b) Based on fully-diluted weighted-average number of common shares oustanding during the period.
(c) Dividend 2013 is subject to approval at the May 16, 2014 Annual Shareholders' Meeting.
(d) Based on adjusted net operating income and average capital employed at replacement cost.
(e) Including acquisitions.

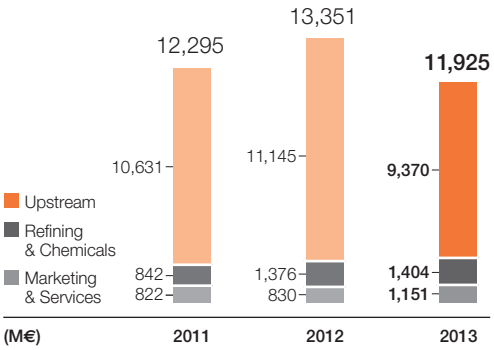
Sales



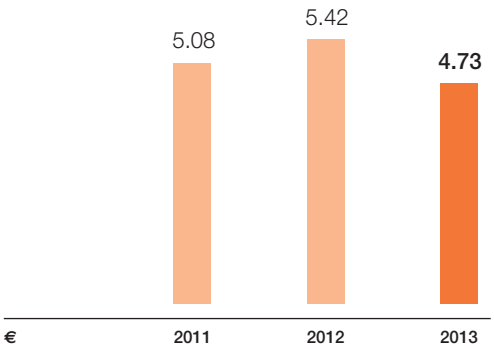
Adjusted net income (Group share) (a)



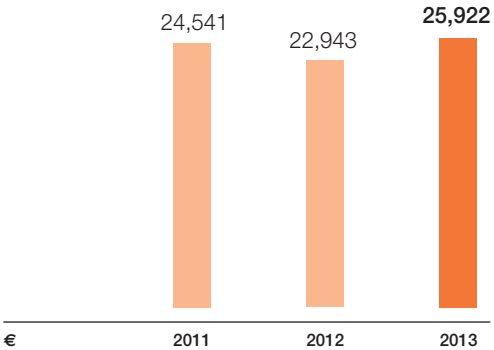
Adjusted net operating income from business segments (a)



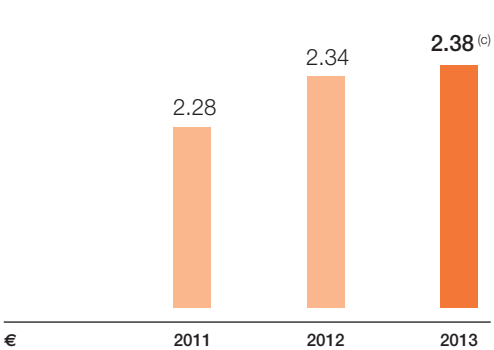
Adjusted fully-diluted earnings per share (a) (b)



Investments (e)

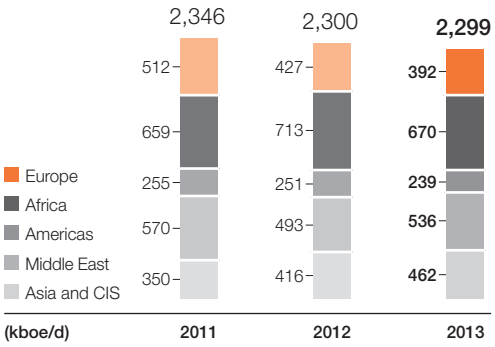


Dividend per share

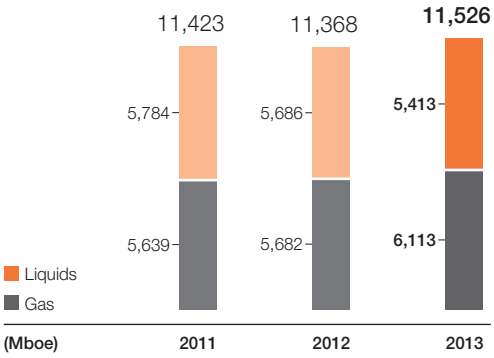


Upstream

Oil and gas production



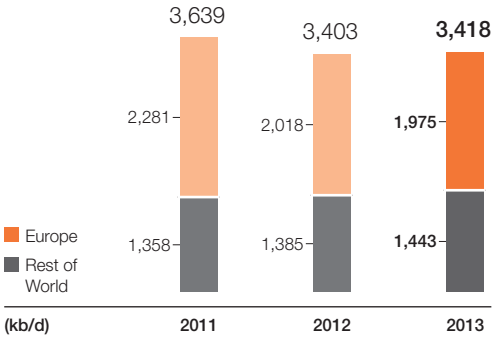
Liquids and gas reserves



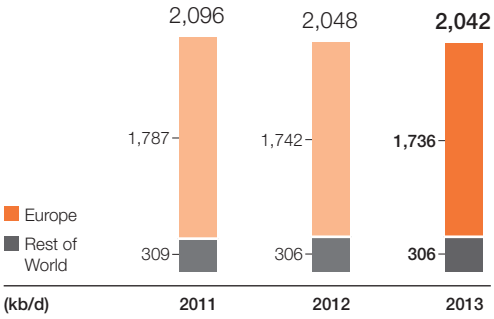
Refining & Chemicals and Marketing & Services

Refined product sales

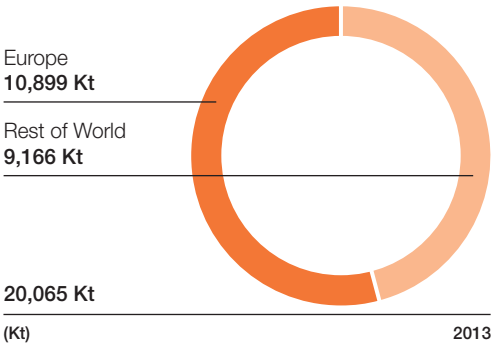
including Trading



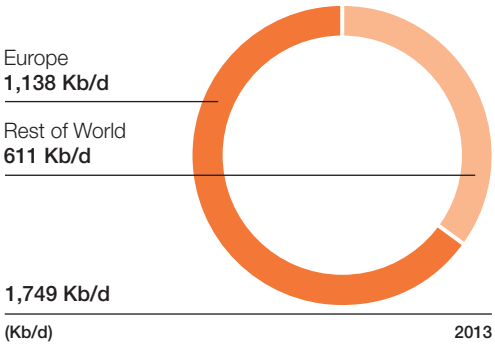
Refining capacity at year-end



Petrochemicals production capacity by geographic area at year end

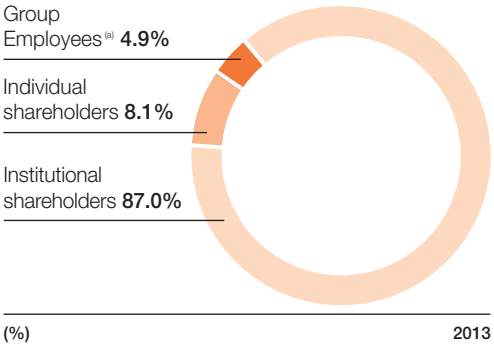


Marketing & Services refined products sales by geographic area in 2013



Shareholder base

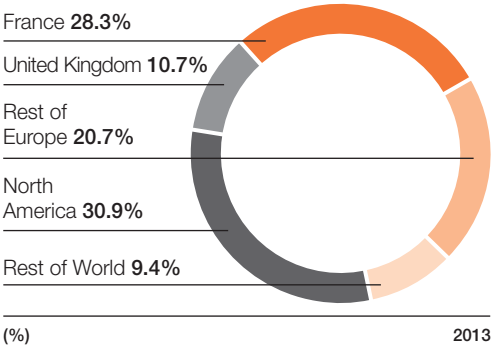
Estimates as of December 31, 2013, excluding treasury shares, based on the survey of identifiable holders of bearer shares (TPI) conducted on that date.



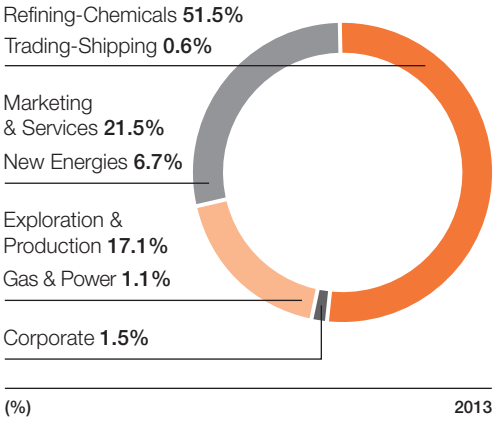
(a) Based on the definition of employee shareholding pursuant to Article L. 225-102 of the French Commercial Code.

Shareholder base by region

Estimates as of December 31, 2013, excluding treasury shares, based on the survey of identifiable holders of bearer shares (TPI) conducted on that date.

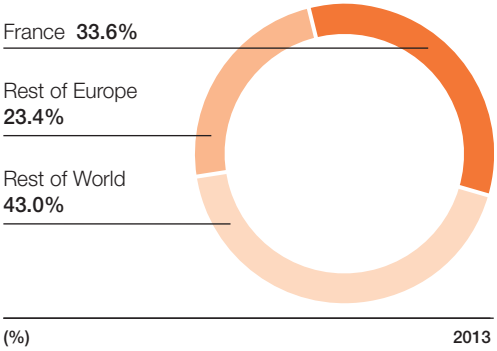


Employees by business segment[a]



(a) Consolidated companies.
Workforce as of December 31, 2013: 98,799 employees.

Employees by region[a]



(a) Consolidated companies.
Workforce as of December 31, 2013: 98,799 employees.

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1. History and strategy of TOTAL

1.1. History and development

TOTAL S.A., a French *société anonyme* (limited company) incorporated on March 28, 1924, together with its subsidiaries and affiliates, is the fifth largest publicly-traded integrated international oil and gas company in the world (1).

With operations in more than 130 countries, TOTAL has activities in every sector of the oil industry: including in the upstream (oil and gas exploration, development and production, liquefied natural gas) and downstream (refining, petrochemicals, specialty chemicals, the trading and shipping of crude oil and petroleum products, marketing). In addition, TOTAL operates in the power generation and renewable energy sectors and has equity stakes in coal mines.

TOTAL began its Upstream operations in the Middle East in 1924. Since that time, the Company has grown and expanded its operations worldwide. In early 1999, the Company acquired control of PetroFina S.A. (hereafter referred to as "PetroFina" or "Fina") and in early 2000, the Company acquired control of Elf Aquitaine S.A. (hereafter referred to as "Elf Aquitaine" or "Elf").

The Company's Corporate name is TOTAL S.A.

The Company's registered office is 2, place Jean Millier, La Défense 6, 92400 Courbevoie, France.

The telephone number is +33 1 47 44 45 46 and the website address is total.com.

TOTAL S.A. is registered in France at the Nanterre Trade Register under the registration number 542 051 180.

1.2. Strategy

TOTAL's activities lie at the heart of the two biggest challenges facing the world now and in future: energy supply and environmental protection. The Group's responsibility as an energy producer is to provide optimum management of these twin imperatives.

TOTAL's strategy, the implementation of which is based on a model for sustainable growth combining the acceptability of operations with a profitable investment program, aims at:

- expanding hydrocarbon exploration and production activities and strengthening its worldwide position as one of the global leaders in the natural gas and LNG markets;
- progressively expanding energy solutions and developing new energies to complement oil and gas;
- adapting its refining and petrochemical base to market changes, focusing on a small number of large, competitive platforms and maximizing the advantages of integration;
- developing its petroleum product marketing business, in particular in Africa, Asia and the Middle East, while maintaining the competitiveness of its operations in mature areas; and
- pursuing research and development to develop "clean" sources of energy, contributing to the moderation of the demand for energy, and participating in the effort against climate change.

(1) Based on market capitalization (in dollars) as of December 31, 2013.

2. Upstream segment

TOTAL's Upstream segment includes the activities of Exploration & Production and Gas & Power. The Group has exploration and production activities in more than fifty countries and produces oil or gas in approximately thirty countries. Gas & Power conducts activities downstream from production related to natural gas, liquefied natural gas (LNG) and liquefied petroleum gas (LPG), as well as power generation and trading, and other activities. Effective July 1, 2012, the Upstream segment no longer includes the activities of New Energies, which are now reported with Marketing & Services. As a result, certain information has been restated according to the new organization.

2.3 Mboe/d
of hydrocarbons produced in 2013

11.5 Bboe
of proved reserves as of December 31, 2013 (1)

€22.4 billion
Capital expenditure for 2013

18,054
employees

Upstream segment financial data

(M€)	2013	2012	2011
Non-Group sales	19,855	22,143	22,211
Adjusted operating income (a)	17,854	22,056	22,648
Adjusted net operating income (a)	9,370	11,145	10,631

(a) Adjusted results are defined as income using replacement cost, adjusted for special items, excluding the impact of changes for fair value from January 1, 2011.

Adjusted net operating income from the Upstream segment in 2013 was €9,370 million compared to €11,145 million in 2012, a decrease of 16%. Expressed in dollars, adjusted net operating income from the Upstream segment was 12.4 B$, a decrease of 13%, mainly due to a less favorable production mix, higher technical costs, particularly for exploration, and a higher tax rate for the Upstream segment. The effective tax rate for the Upstream segment was 60.1% in 2013 compared to 58.4% in 2012.

Technical costs(2) for consolidated subsidiaries, in accordance with ASC 932(3), were 26.1 $/boe in 2013, compared with 22.8 $/boe(4) in 2012.

The Return on Average Capital Employed (ROACE(5)) for the Upstream segment was 14% in 2013 compared with 18% in 2012.

Price realizations (a)	2013	2012	2011
Average liquids price ($/b)	103.3	107.7	105.0
Average gas price ($/Mbtu)	7.12	6.74	6.53

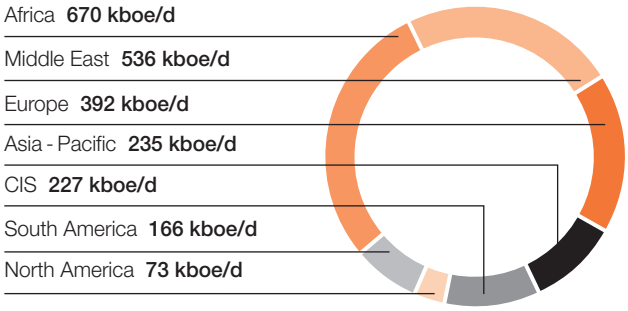
(a) Consolidated subsidiaries, excluding fixed margins. Effective first quarter 2012, included over/under-lifting valued at market prices.

TOTAL's average liquids price decreased by 4% in 2013 compared to 2012 and average gas price increased by 6% in 2013 compared to 2012.

(1) Based on a Brent crude price of $108.02/b.
(2) (Production costs + exploration expenses + depreciation, depletion and amortization and valuation allowances)/production of the year.
(3) FASB Accounting Standards Codification 932, Extractive industries – Oil and Gas.
(4) Excluding IAS 36 (impairment of assets).
(5) Calculated based on adjusted net operating income and average capital employed, using replacement cost.

Production

Hydrocarbon production	2013	2012	2011
Combined production (kboe/d)	2,299	2,300	2,346
Liquids (kb/d)	1,167	1,220	1,226
Gas (Mcf/d)	6,184	5,880	6,098

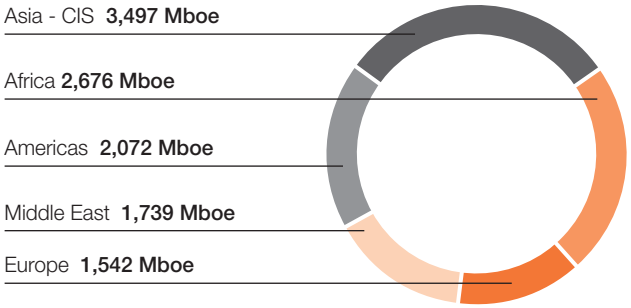


Hydrocarbon production was 2,299 kboe/d in 2013, stable compared to 2012, essentially as a result of:

- +2.5% for start-ups and ramp-ups from new projects;
- -1% for normal decline, partially offset by lower maintenance, the restart of production from Elgin/Franklin in the UK North Sea and OML 58 in Nigeria;
- -0.5% for portfolio changes, including mainly the sale of interests in Nigeria, the UK, Colombia, and Trinidad & Tobago, net of higher production corresponding to the increased stake in Novatek; and
- -1% for security issues in Nigeria and Libya, partially offset by improved security conditions in Yemen.

Reserves

As of December 31,	2013	2011	2010
Hydrocarbon reserves (Mboe)	11,526	11,368	11,423
Liquids (Mb)	5,413	5,686	5,784
Gas (Bcf)	33,026	30,877	30,717



Proved reserves based on SEC rules (based on Brent at 108.02$/b) were 11,526 Mboe at December 31, 2013. Based on the 2013 average rate of production, the reserve life is more than thirteen years. The 2013 proved reserve replacement rate(1), based on SEC rules, was 119%. The 2013 organic proved reserve replacement rate(2) was 109% in a constant price environment. At year-end 2013, TOTAL had a solid and diversified portfolio of proved and probable reserves(3) representing more than twenty years of reserve life based on the 2013 average production rate, and resources(4) representing about fifty years of production.

(1) Change in reserves excluding production (revisions + discoveries, extensions + acquisitions – divestments)/production for the period.
(2) The reserve replacement rate would be 100% in constant environment of 111.13 $/b oil price (reference price in 2012), excluding acquisitions and divestments.
(3) Limited to proved and probable reserves covered by Exploration & Production contracts on fields that have been drilled and for which technical studies have demonstrated economic development in a 100 $/b Brent environment, including projects developed by mining.
(4) Proved and probable reserves plus contingent resources (potential average recoverable reserves from known accumulations – Society of Petroleum Engineers – 03/07).

2.1. Exploration & Production

2.1.1. Exploration and development

TOTAL's Upstream segment aims at continuing to combine long-term growth and profitability at the level of the best actors of the industry.

TOTAL evaluates exploration opportunities based on a variety of geological, technical, political, economic (including taxes and license terms), environmental and societal factors and on projected oil and gas prices. Discoveries of new fields and extensions of existing fields have brought an additional 2,260 Mboe to the Upstream segment's proved reserves during the 3-year period ended December 31, 2013 (before deducting production and sales of reserves in place and adding any acquisitions of reserves in place during this period). The level of revisions during this 3-year period is close to nil (-11 Mboe) since the positive revisions on a large majority of the fields have been significantly impacted by the effects of the increase of the reference oil price (from $79.02/b in 2010 to $108.02/b in 2013 for Brent crude), the variations of the U.S. onshore gas price (from $4.38/MBtu in 2010 to $4.21/MBtu in 2011, $2.85/MBtu in 2012 and $3.67/MBtu in 2013 for Henry Hub) and by a perimeter change in four projects.

In 2013, the exploration investments of consolidated subsidiaries amounted to €2,809 million (including exploration bonuses included in the unproved property acquisition costs). Exploration investments were made primarily in the United States, United Kingdom, Australia, Norway, Iraq, French Guiana, Angola, Kenya, Côte d'Ivoire and Mauritania. In 2012, the exploration investments of consolidated subsidiaries amounted to €2,634 million (including exploration bonuses included in the unproved property acquisition costs). The main exploration investments were made in Angola, the United Kingdom, the United States, Norway, Iraq, Nigeria, Brazil, Malaysia, the Republic of Congo and French Guiana. In 2011, the exploration investments of consolidated subsidiaries amounted to €1,629 million (including exploration bonuses included in the unproved property acquisition costs) notably in Norway, the United Kingdom, Angola, Brazil, Azerbaijan, Indonesia, Brunei, Kenya, French Guiana and Nigeria.

The Group's consolidated Exploration & Production subsidiaries' development investments amounted to €16 billion in 2013, primarily in Norway, Angola, Australia, Nigeria, Canada, United Kingdom, the Republic of the Congo, Gabon, Indonesia, Russia, the United States and Kazakhstan. The Group's consolidated Exploration & Production subsidiaries' development investments amounted to €14 billion in 2012, primarily in Angola, Norway, Canada, Australia, Nigeria, the United Kingdom, Gabon, Kazakhstan, Indonesia, the Republic of the Congo, the United States and Russia. The Group's consolidated Exploration & Production subsidiaries' development investments amounted to €10 billion in 2011, mostly in Angola, Nigeria, Norway, Kazakhstan, the United Kingdom, Australia, Canada, Gabon, Indonesia, the Republic of the Congo, the United States and Thailand.

2.1.2. Reserves

The definitions used for proved, proved developed and proved undeveloped oil and gas reserves are in accordance with the United States Securities & Exchange Commission (SEC) Rule 4-10 of Regulation S-X as amended by the SEC Modernization of Oil and Gas Reporting release issued on December 31, 2008. Proved reserves are estimated using geological and engineering data to determine with reasonable certainty whether the crude oil or natural gas in known reservoirs is recoverable under existing regulatory, economic and operating conditions.

TOTAL's oil and gas reserves are consolidated annually, taking into account, among other factors, levels of production, field reassessments, additional reserves from discoveries and acquisitions, disposal of reserves and other economic factors. Unless otherwise indicated, any reference to TOTAL's proved reserves, proved developed reserves, proved undeveloped reserves and production reflects the Group's entire share of such reserves or such production. TOTAL's worldwide proved reserves include the proved reserves of its consolidated subsidiaries as well as its proportionate share of the proved reserves of equity affiliates. For further information concerning changes in TOTAL's proved reserves for the years ended December 31, 2013, 2012 and 2011, see "Supplemental Oil and Gas Information (Unaudited)" in Chapter 11.

The reserves estimation process involves making subjective judgments. Consequently, estimates of reserves are not exact measurements and are subject to revision under well-established control procedures.

The reserves booking process requires, among other things:

- internal peer reviews of technical evaluations to ensure that the SEC definitions and guidance are followed; and
- that management makes significant funding commitments towards the development of the reserves prior to booking.

For further information regarding the preparation of reserves estimates, see "Supplemental Oil and Gas Information (Unaudited)" in Chapter 11.

2.1.3. Proved reserves for years 2013, 2012 and 2011

In accordance with the amended Rule 4-10 of Regulation S-X, proved reserves at December 31, are calculated using a 12-month average price determined as the unweighted arithmetic average of the first-day-of-the-month price for each month of the relevant year unless prices are defined by contractual arrangements, excluding escalations based upon future conditions. The reference prices for 2013, 2012 and 2011 were, respectively, $108.02/b, $111.13/b and $110.96/b for Brent crude.

As of December 31, 2013, TOTAL's combined proved reserves of oil and gas were 11 526 Mboe (49% of which were proved developed reserves). Liquids (crude oil, condensates natural gas liquids and bitumen) represented approximately 47% of these reserves and natural gas the remaining 53%. These reserves were located in Europe (mainly in Norway and the United Kingdom), in Africa (mainly in Angola, Gabon, Nigeria and the Republic of the Congo), in the Americas (mainly in Canada, Argentina and

Venezuela), in the Middle East (mainly in Qatar, the United Arab Emirates and Yemen), and in Asia (mainly in Australia, Kazakhstan and Russia).

As of December 31, 2012, TOTAL's combined proved reserves of oil and gas were 11,368 Mboe (51% of which were proved developed reserves). Liquids (crude oil, condensates, natural gas liquids and bitumen) represented approximately 50% of these reserves and natural gas the remaining 50%. These reserves were located in Europe (mainly in Norway and the United Kingdom), in Africa (mainly in Angola, Gabon, Libya, Nigeria and the Republic of the Congo), in the Americas (mainly in Canada, Argentina and Venezuela), in the Middle East (mainly in Qatar, the United Arab Emirates and Yemen), and in Asia (mainly in Australia, Kazakhstan and Russia).

As of December 31, 2011, TOTAL's combined proved reserves of oil and gas were 11,423 Mboe (53% of which were proved developed reserves). Liquids (crude oil, condensates natural gas liquids and bitumen) represented approximately 51% of these reserves and natural gas the remaining 49%. These reserves were located in Europe (mainly in Italy, Norway and the United Kingdom), in Africa (mainly in Angola, Gabon, Libya, Nigeria and the Republic of the Congo), in the Americas (mainly in Canada, the United States, Argentina and Venezuela), in the Middle East (mainly in Qatar, the United Arab Emirates and Yemen), and in Asia (mainly in Australia, Indonesia, Kazakhstan and Russia).

2.1.4. Sensitivity to oil and gas prices

Changes in the price used as a reference for the proved reserves estimation result in non-proportionate inverse changes in proved reserves associated with production sharing and risked service contracts (which together represent approximately 25% of TOTAL's reserves as of December 31, 2013). Under such contracts, TOTAL is entitled to a portion of the production, the sale of which is meant to cover expenses incurred by the Group. As oil prices increase, fewer barrels are necessary to cover the same amount of expenses. Moreover, the number of barrels retrievable under these contracts may vary according to criteria such as cumulative production, the rate of return on investment or the income-cumulative expenses ratio. This decrease is partly offset by an extension of the duration over which fields can be produced economically. However, the increase in reserves due to extended field life resulting from higher prices is generally less than the decrease in reserves under production sharing or risked service contracts due to such higher prices. As a result, higher prices lead to a decrease in TOTAL's reserves.

Furthermore, changes in the price used as a reference for the proved reserves estimation have an impact on the volume of royalties in Canada and thus TOTAL's share of proved reserves.

Lastly, for any type of contract, a decrease of the reference price of petroleum products may involve a significant reduction of proved reserves.

2.1.5. Production

For the full year 2013, average daily oil and gas production was 2,299 kboe/d compared to 2,300 kboe/d in 2012 and 2,346 kboe/d in 2011. Liquids accounted for approximately 51% and natural gas for approximately 49% of TOTAL's combined liquids and natural gas production in 2013.

The table on the next page sets forth by geographic area TOTAL's average daily production of liquids and natural gas for each of the last three years.

Consistent with industry practice, TOTAL often holds a percentage interest in its fields rather than a 100% interest, with the balance being held by joint venture partners (which may include other international oil companies, state-owned oil companies or government entities). TOTAL frequently acts as operator (the party responsible for technical production) on acreage in which it holds an interest. See the table "Presentation of production activities by geographic area" on the following pages for a description of TOTAL's producing assets.

As in 2012 and 2011, substantially all of the liquids production from TOTAL's Upstream segment in 2013 was marketed by the Trading & Shipping division of TOTAL's Refining & Chemicals segment (see table "Trading's crude oil sales and supply and refined products sales" on paragraph 3.2.1. of the present Chapter).

The majority of TOTAL's natural gas production is sold under long term contracts. However, its North American production, and part of its production from the United Kingdom, Norway and Argentina, is sold on the spot market. The long-term contracts under which TOTAL sells its natural gas usually provide for a price related to, among other factors, average crude oil and other petroleum product prices, as well as, in some cases, a cost-of-living index. Though the price of natural gas tends to fluctuate in line with crude oil prices, a slight delay may occur before changes in crude oil prices are reflected in long-term natural gas prices. Due to the interaction between the contract price of natural gas and crude oil prices, contract prices are not usually affected by short-term market fluctuations in the spot price of natural gas.

Some of TOTAL's long-term contracts, notably in Argentina, Indonesia, Nigeria, Norway, Qatar and Russia, specify the delivery of quantities of natural gas that may or may not be fixed and determinable. Such delivery commitments vary substantially, both in duration and in scope, from contract to contract throughout the world. For example, in some cases, contracts require delivery of natural gas on an as-needed basis, and, in other cases, contracts call for the delivery of varied amounts of natural gas over different periods of time. Nevertheless, TOTAL estimates the fixed and determinable quantity of gas to be delivered over the period 2014-2016 to be 3,795 Bcf. The Group expects to satisfy most of these obligations through the production of its proved reserves of natural gas, with, if needed, additional sourcing from spot market purchases (see Chapter 11, "Supplemental Oil and Gas Information (Unaudited)" of this Registration Document).

2.1.6. Production by region

	2013			2012			2011		
	Liquids kb/d	Natural gas Mcf/d	Total kboe/d	Liquids kb/d	Natural gas Mcf/d	Total kboe/d	Liquids kb/d	Natural gas Mcf/d	Total kboe/d
Africa	**531**	**699**	**670**	**574**	**705**	**713**	**517**	**715**	**659**
Algeria	5	82	21	6	90	23	16	94	33
Angola	175	62	186	172	44	179	128	39	135
Cameroon	-	-	-	-	-	-	2	1	3
Gabon	55	16	59	54	19	57	55	17	58
Libya	50	-	50	62	-	62	20	-	20
Nigeria	158	511	261	173	521	279	179	534	287
The Congo, Republic of	88	28	93	107	31	113	117	30	123
North America	**28**	**256**	**73**	**25**	**246**	**69**	**27**	**227**	**67**
Canada[a]	13	-	13	12	-	12	11	-	11
United States	15	256	60	13	246	57	16	227	56
South America	**54**	**627**	**166**	**59**	**682**	**182**	**71**	**648**	**188**
Argentina	13	366	78	12	394	83	14	397	86
Bolivia	4	129	28	3	124	27	3	118	25
Colombia	-	-	-	1	23	6	5	27	11
Trinidad & Tobago	2	52	12	4	70	16	4	47	12
Venezuela	35	80	48	39	71	50	45	59	54
Asia-Pacific	**30**	**1,170**	**235**	**27**	**1,089**	**221**	**27**	**1,160**	**231**
Australia	-	25	4	-	29	5	-	25	4
Brunei	2	59	13	2	54	12	2	56	13
China	-	46	8	-	7	1	-	-	-
Indonesia	17	605	131	16	605	132	18	757	158
Myanmar	-	129	16	-	127	16	-	119	15
Thailand	11	306	63	9	267	55	7	203	41
CIS	**32**	**1,046**	**227**	**27**	**909**	**195**	**22**	**525**	**119**
Azerbaijan	5	82	20	4	64	16	4	57	14
Russia	27	964	207	23	845	179	18	468	105
Europe	**168**	**1,231**	**392**	**197**	**1,259**	**427**	**245**	**1,453**	**512**
France	1	45	9	2	58	13	5	69	18
The Netherlands	1	195	35	1	184	33	1	214	38
Norway	136	575	243	159	622	275	172	619	287
United Kingdom	30	416	105	35	395	106	67	551	169
Middle East	**324**	**1,155**	**536**	**311**	**990**	**493**	**317**	**1,370**	**570**
United Arab Emirates	247	71	260	233	70	246	226	72	240
Iran	-	-	-	-	-	-	-	-	-
Iraq	7	1	7	6	-	6	-	-	-
Oman	24	66	37	24	61	37	24	62	36
Qatar	36	558	137	38	560	139	44	616	155
Syria	-	-	-	-	-	-	11	218	53
Yemen	10	459	95	10	299	65	12	402	86
Total production	**1,167**	**6,184**	**2,299**	**1,220**	**5,880**	**2,300**	**1,226**	**6,098**	**2,346**
Including share of equity affiliates	**325**	**1,955**	**687**	**308**	**1,635**	**611**	**316**	**1,383**	**571**
Algeria	-	-	-	-	-	-	10	3	10
Angola	-	16	3	-	-	-	-	-	-
Colombia	-	-	-	-	-	-	4	-	4
Venezuela	35	7	37	38	7	40	44	7	45
United Arab Emirates	240	61	253	225	61	237	219	62	231
Oman	23	66	35	23	60	34	22	62	34
Qatar	8	385	78	7	364	74	8	382	78
Russia	19	962	197	15	844	171	9	465	95
Yemen	-	458	84	-	299	55	-	402	74

(a) The Group's production in Canada consists of bitumen only. All of the Group's bitumen production is in Canada.

2.1.7. Presentation of production activites by region

The table below sets forth, by country, TOTAL's producing assets, the year in which TOTAL's activities commenced, the Group's interest in each asset and whether TOTAL is operator of the asset.

TOTAL's producing assets as of December 31, 2013 [a]

	Year of entry into the country	Operated (Group share in %)	Non-operated (Group share in %)
Africa			
Algeria	**1952**		
			Tin Fouye Tabankort (35.00%)
Angola	**1953**		
		Girassol, Jasmim, Rosa, Dalia, Pazflor (block 17) (40.00%)	Cabinda Block 0 (10.00%)
			Kuito, BBLT, Tombua-Landana (block 14) (20.00%) [b]
			Angola LNG (13.60%)
Gabon	**1928**		
		Anguille (100.00%)	
		Anguille Nord Est (100.00%)	
		Anguille Sud-Est (100.00%)	
		Atora (40.00%)	
		Avocette (57.50%)	
		Ayol Marine (100.00%)	
		Baliste (50.00%)	
		Barbier (100.00%)	
		Baudroie Marine (50.00%)	
		Baudroie Nord Marine (50.00%)	
		Coucal (57.50%)	
		Girelle (100.00%)	
		Gonelle (100.00%)	
		Grand Anguille Marine (100.00%)	
		Grondin (100.00%)	
		Hylia Marine (75.00%)	
		Lopez Nord (100.00%)	
		Mandaros (100.00%)	
		M'Boukou (57.5%)	
		M'Boumba (100.00%)	
		Mérou Sardine Sud (50.00%)	
		Pageau (100.00%)	
		Port Gentil Océan (100.00%)	
		Port Gentil Sud Marine (100.00%)	
		Tchengue (100.00%)	
		Torpille (100.00%)	
		Torpille Nord Est (100.00%)	
			Rabi Kounga (47.50%)
Libya	**1959**		
			Zones 15, 16 & 32 (75.00%) [c]
			Zones 70 & 87 (75.00%) [c]
			Zones 129 & 130 (30.00%) [c]
			Zones 130 & 131 (24.00%) [c]
Nigeria	**1962**		
		OML 58 (40.00%)	
		OML 99 Amenam-Kpono (30.40%)	
		OML 100 (40.00%)	
		OML 102 (40.00%)	OML 102-Ekanga (40.00%)
		OML 130 (24.00%)	
		OML 138 (20.00%)	
			Shell Petroleum Development Company (SPDC 10.00%)
			OML 118 – Bonga (12.50%)

	Year of entry into the country	Operated (Group share in %)	Non-operated (Group share in %)
The Congo, Republic of	**1928**		
		Kombi-Likalala-Libondo (65.00%)	
		Moho Bilondo (53.50%)	
		Nkossa (53.50%)	
		Nsoko (53.50%)	
		Sendji (55.25%)	
		Tchendo (65.00%)	
		Tchibeli-Litanzi-Loussima (65.00%)	
		Tchibouela (65.00%)	
		Yanga (55.25%)	
			Loango (50.00%)
			Zatchi (35.00%)
North America			
Canada	**1999**		
			Surmont (50.00%)
United States	**1957**		
			Several assets in the Barnett Shale area (25.00%) [d]
			Several assets in the Utica Shale area (25.00%) [d]
			Chinook (33.33%)
			Tahiti (17.00%)
South America			
Argentina	**1978**		
		Aguada Pichana (27.27%)	
		Aguada San Roque (24.71%)	
		Aries (37.50%)	
		Cañadon Alfa Complex (37.50%)	
		Carina (37.50%)	
		Hidra (37.50%)	
		Kaus (37.5%)	
			Sierra Chata (2.51%)
Bolivia	**1995**		
			San Alberto (15.00%)
			San Antonio (15.00%)
			Itau (41.00%)
Venezuela	**1980**		
			PetroCedeño (30.323%)
			Yucal Placer (69.50%)
Asia-Pacific			
Australia	**2005**		
			Various fields in UJV GLNG (27.50%) [e]
Brunei	**1986**		
		Maharaja Lela Jamalulalam (37.50%)	
China	**2006**		
			South Sulige (49.00%)
Indonesia	**1968**		
		Bekapai (50.00%)	
		Handil (50.00%)	
		Peciko (50.00%)	
		Sisi-Nubi (47.90%)	
		South Mahakam (50.00%)	
		Tambora (50.00%)	
		Tunu (50.00%)	
			Badak (1.05%)
			Nilam-gas and condensates (9.29%)
			Nilam-oil (10.58%)
			Ruby-gas and condensates (15.00%)

	Year of entry into the country	Operated (Group share in %)	Non-operated (Group share in %)
Myanmar	**1992**		
		Yadana (31.24%)	
Thailand	**1990**		
			Bongkot (33.33%)
Commonwealth of Independant States			
Azerbaijan	**1996**		
			Shah Deniz (10.00%)
Kazakhstan	**1992**		
			Kashagan (16.81%)
Russia	**1991**		
		Kharyaga (40.00%)	
			Several fields through the participation in Novatek (16.96%)
Europe			
France	**1939**		
		Lacq (100.00%)	
		Lagrave (100.00%)	
Norway	**1965**		
		Atla (40.00%)	
		Skirne (40.00%)	
			Åsgard (7.68%)
			Ekofisk (39.90%)
			Ekofisk South (39.90%)
			Eldfisk (39.90%)
			Embla (39.90%)
			Gimle (4.90%)
			Glitne (21.80%)
			Gungne (10.00%)
			Heimdal (16.76%)
			Huldra (24.33%)
			Islay (5.51%)(f)
			Kristin (6.00%)
			Kvitebjørn (5.00%)
			Mikkel (7.65%)
			Morvin (6.00%)
			Oseberg (14.70%)
			Oseberg East (14.70%)
			Oseberg South (14.70%)
			Sleipner East (10.00%)
			Sleipner West (9.41%)
			Snøhvit (18.40%)
			Stjerne (14.70%)
			Tor (48.20%)
			Troll I (3.69%)
			Troll II (3.69%)
			Tune (10.00%)
			Tyrihans (23.145%)
			Vale (24.24%)
			Vilje (24.24%)
			Visund (7.70%)
			Visund South (7.70%)
			Visund North (7.70%)
			Yttergryta (24.50%)

	Year of entry into the country	Operated (Group share in %)	Non-operated (Group share in %)
The Netherlands	**1964**		
		F6a gaz (55.66%)	
		F6a huile (65.68%)	
		F15a Jurassic (38.20%)	
		F15a/F15d Triassic (32.47%)	
		F15d (32.47%)	
		J3a (30.00%)	
		K1a (40.10%)	
		K1b/K2a (60.00%)	
		K2c (60.00%)	
		K3b (56.16%)	
		K3d (56.16%)	
		K4a (50.00%)	
		K4b/K5a (36.31%)	
		K5b (50.00%)	
		K6/L7 (56.16%)	
		L1a (60.00%)	
		L1d (60.00%)	
		L1e (55.66%)	
		L1f (55.66%)	
		L4a (55.66%)	
		L4d (55.66%)	
			E16a (16.92%)
			E17a/E17b (14.10%)
			J3b/J6 (25.00%)
			Q16a (6.49%)
United Kingdom	**1962**		
		Alwyn North, Dunbar, Forvie North, Ellon, Grant, Jura Nuggets (100.00%)	
		Elgin-Franklin, West Franklin (EFOG 46.17%) [g]	
		Glenelg (49.47%)	
		Islay (94.49%) [f]	
			Bruce (43.25%)
			Markham unitized fields (7.35%)
			Keith (25.00%)

	Year of entry into the country	Operated (Group share in %)	Non-operated (Group share in %)
Middle East			
U.A.E.	**1939**		
		Abu Dhabi-Abu Al Bu Khoosh (75.00%)	
			Abu Dhabi offshore (13.33%) (h)
			Abu Dhabi onshore (9.50%) (i)
			GASCO (15.00%)
			ADGAS (5.00%)
Iraq	**1920**		
			Halfaya (18.75%) (j)
Oman	**1937**		
			Various fields onshore (block 6) (4.00%) (k)
			Mukhaizna field (block 53) (2.00%) (l)
Qatar	**1936**		
		Al Khalij (100.00%)	
			North Field-Bloc NF Dolphin (24.50%)
			North Field-Bloc NFB (20.00%)
			North Field-Qatargas 2 Train 5 (16.70%)
Yemen	**1987**		
		Kharir/Atuf (block 10) (28.57%)	
			Various fields onshore (block 5) (15.00%)

(a) The Group's interest in the local entity is approximately 100% in all cases except for Total Gabon (58.28%) and certain entities in Abu Dhabi and Oman (see notes b through l below).
(b) Stake in the company Angola Block 14 BV (TOTAL 50.01%).
(c) TOTAL's stake in the foreign consortium.
(d) TOTAL's interest in the joint venture with Chesapeake.
(e) TOTAL's interest in the unincorporated joint venture.
(f) The field of Islay extends partially in Norway. TOTAL E&P UK holds a 94.49% and TOTAL E&P Norge 5.51%.
(g) TOTAL holds a 46.17% indirect interest through its interest in EFOG (company 100% owned by TOTAL).
(h) Through ADMA (equity affiliate), TOTAL has a 13.33% interest and participates in the operating company, Abu Dhabi Marine Operating Company.
(i) Through ADPC (equity affiliate), TOTAL has a 9.50% interest and participates in the operating company, Abu Dhabi Company for Onshore Oil Operation.
(j) TOTAL holds an interest of 18.75% in the consortium.
(k) TOTAL holds an indirect interest of 4.00% in Petroleum Development Oman LLC, operator of Block 6, via its 10% interest in Pohol.
TOTAL also has a 5.54% interest in the Oman LNG facility (trains 1 and 2), and an indirect participation of 2.04% through OLNG in Qalhat LNG (train 3).
(l) TOTAL holds a direct interest of 2.00% in Block 53.

2.1.7.1. Africa

In 2013, TOTAL's production in Africa was 670 kboe/d, representing 29% of the Group's overall production, compared to 713 kboe/d in 2012 and 659 kboe/d in 2011.

In **South Africa**, TOTAL acquired an interest in the 11B-12B license (50%, operator) in September 2013. This license, which covers an area of 19,000 km², is located approximately 175 km south of the South African coast in water depths ranging from 200 m to 1,800 m. The drilling of an exploration well is planned for 2014.

In addition, in August 2013, the Group was granted approval by the South African authorities to convert its technical cooperation license for the Outeniqua Block (100%) into an exploration license, subject to the sale by TOTAL of 20% of its stake, when the corresponding license agreement will have been negociated and signed. The Outeniqua Block, which covers approximately 76,000 km², is located to the southwest of the 11B-12B license in water depths ranging from 400 m to 4,000 m. A 2D seismic campaign of 7,000 km combined with sea bed core drilling activities is expected to be launched.

In **Algeria**, TOTAL's production was 21 kboe/d during 2013, compared to 23 kboe/d in 2012 and 33 kboe/d in 2011. The decline in production between 2011 and 2012 was mainly due to the sale of TOTAL's interest in CEPSA (48.83%), which was completed in July 2011. All of the Group's production in Algeria now comes from the Tin Fouyé Tabenkort (TFT) field (35%). TOTAL also has stakes of 37.75% and 47% in the Timimoun and Ahnet gas development projects, respectively.

- On the TFT field, plateau production was maintained at 170 kboe/d.
- The development of the Timimoun field continued in 2013 and the responses for the main calls for tender (plant construction and drilling devices) have been reviewed. In February 2014, the main contract was allocated. Commercial gas production could start in 2017, with anticipated plateau production of 1.6 Bm³/year (160 Mcf/d). The 3D seismic survey of an area of 2,240 km², which started in December 2012, was completed in July 2013. The data is currently being analyzed.
- Within the framework of the Ahnet project, discussions are continuing between the project partners and the authorities, particularly in light of the provisions of the new 13-02 oil legislation, which provide greater incentives for the development of unconventional hydrocarbons. The anticipated plateau production is 4 Bm³/year (400 Mcf/d) as of 2018.

In **Angola**, the Group's production in 2013 was 186 kboe/d, compared to 179 kboe/d in 2012 and 135 kboe/d in 2011, and comes from Blocks 0, 14 and 17. Recent highlights include the launch of the CLOV project in 2010, the start-up of production on Pazflor in 2011, several discoveries on Blocks 15/06 and 17/06, and, finally, the acquisition of interests in exploration Blocks 25, 39 and 40 in the Kwanza basin.

- Deep-offshore Block 17 (40%, operator) is TOTAL's principal asset in Angola. It is composed of four major hubs: Girassol, Dalia, Pazflor, which are all in production, and CLOV, which is currently being developed. The Pazflor project, consisting of the Perpetua, Zinia, Hortensia and Acacia fields, has achieved plateau production (220 kb/d). The CLOV project, which was launched in 2010, will result in the installation of a fourth Floating Production, Storage and Offloading unit (FPSO) with a production capacity of 160 kbd/d. Production start-up is expected mid-2014.
- On the ultra-deep-offshore Block 32 (30%, operator), the basic engineering studies for the Kaombo project were completed and the final investment decision is expected to be made in the first half of 2014. The project will permit the development of the discoveries made in the southeast portion of the block through two FPSOs with a capacity in excess of 100 kb/d each.
- On Block 14 (20%[1]), production comes from the Tombua-Landana and Kuito fields as well as the BBLT project, comprising the Benguela, Belize, Lobito and Tomboco fields.
- Block 14K (36.75%) corresponds to the offshore unitization zone between Angola (Block 14) and the Republic of Congo (Haute Mer license). The development of the Lianzi field, which was started in 2012, will be achieved by means of a connection to the existing BBLT platform (Block 14). Production start-up is planned for 2015. TOTAL's interest in the unitized block is held 10% through Angola Block 14 BV and 26.75% through Total E&P Congo.
- On Block 0 (10%), the development of Mafumeira Sul was approved by the partners and the authorities in 2012. This project constitutes the second phase of the development of the Mafumeira field. Production start-up is planned for 2016.
- On Block 15/06 (15%), the development of a first production hub, including the discoveries located in the northwest portion of the block, began in early 2012. In February 2014, TOTAL signed an agreement to sell its entire interest in block 15/06. The closing of this transaction is expected during the first half of 2014.

TOTAL has operations on exploration Blocks 33 (58.67%, operator), 17/06 (30%, operator), 25 (35%, operator), 39 (15%) and 40 (50%, operator). The Group plans to drill pre-salt targets in Blocks 25, 39 and 40 in 2014 in the deep offshore Kwanza basin. TOTAL signed a disposal agreement to reduce its interest in Block 40 to 40%. The closing of this transaction is expected during the first half of 2014.

TOTAL is also developing its LNG activities through the Angola LNG project (13.6%), which includes a gas liquefaction plant near Soyo supplied in particular by the gas associated with production from Blocks 0, 14, 15, 17 and 18. LNG production started in June 2013 but, due to various incidents, the plant has not yet reached full capacity (5.2 Mt/y).

In **Cameroon**, TOTAL no longer holds any exploration or production assets since the sale of its subsidiary Total E&P Cameroun in 2011. Production was 3 kboe/d in 2011.

In **Côte d'Ivoire**, TOTAL is active in four deep offshore exploration licenses located 50 km to 100 km from the coast and covering approximately 5,200 km² at water depths ranging from 1,000 m to 3,000 m.

TOTAL is the operator of the CI-100 (60%) license in the Tano basin and holds stakes in the CI-514 (54%, operator), CI-515 (45%) and CI-516 (45%) licenses in the San Pedro basin.

A comprehensive 3D seismic survey has been conducted on the CI-100 license and an first exploration well (Ivoire-1X) was drilled in early 2013 in the northwest portion of the block at a water depth

(1) Interest held by the company Angola Block 14 BV (TOTAL 50.01%, INPEX Corporation 49.99% since February 2013).

of more than 2,300 m. This well has encountered a good-quality oil horizon. The recorded data is currently undergoing analysis in order to assess the potential of the discovered reservoirs and define an exploration and additional works program.

A 3D seismic survey campaign covering the whole of the three licenses CI-514, CI-515 and CI-516 was completed in December 2012. The interpretation of the data is on going. Following the drilling of a first exploration well on license CI-514, two more wells are due to be drilled on licenses CI-515 and CI-516 during the course of 2014.

In **Egypt**, TOTAL is the operator of Block 4 (East El Burullus Offshore) and reduced its stake in this license from 90% to 50% in January 2013. The license, located in the Nile river basin, covers a 4-year initial exploration period and includes a commitment to carrying out 3D seismic work and drilling exploration wells. Following the 3D seismic campaign covering 3,374 km^2 that was conducted in 2011, an exploration well (Kala-1) was drilled in late 2013, whose results have been disappointing.

In **Gabon**, the Group's production in 2013 was 59 kboe/d compared to 57 kboe/d in 2012 and 58 kboe/d in 2011. The Group's exploration and production activities in Gabon are mainly carried out by Total Gabon (1), one of the Group's oldest subsidiaries in sub-Saharan Africa.

– As part of the Anguille field redevelopment project (estimated production capacity of 20 kboe/d), the AGM North platform, from which twenty-one additional development wells are expected to be drilled, was installed in 2012. Production started as planned with two wells in March 2013.

– On the deep-offshore Diaba license, the operator Total Gabon sold off part of its interest in 2012 and now has a stake of 42.5%. An initial exploration well (Diaman-1B) was drilled during 2013 at a water depth of more than 1,700 m. This well revealed an accumulation of gas and condensates in the pre-salt reservoirs of the Gamba Formation. Data analysis is currently underway in order to assess this discovery and reassess the surrounding prospects.

– The Nguongui-updip well was drilled on the Mutamba-Iroru license (50%) in 2012 and revealed the presence of hydrocarbons. Work is currently being conducted to evaluate the commercial viability of this discovery. A 2D seismic survey was conducted on the Nziembou license (20%) in 2012. Drilling preparation activities are being conducted for a first exploration well scheduled in 2014.

In **Kenya**, TOTAL acquired a 40% stake in five offshore licenses in the Lamu basin in 2011, namely licenses L5, L7, L11a, L11b and L12, representing a total surface area of more than 30,600 km^2 at water depths of between 100 m and 3,000 m. Following the 3D seismic survey campaign covering 3,500 km^2 that was conducted during the initial exploration period, 25% of the surface area of the five blocks was relinquished. In 2013, two exploration wells were drilled in Blocks L7 and L11b, but did not result in positive results. In 2012, the results Group also acquired the L22 offshore license (100%, operator), located in the same basin and covering a surface area of more than 10,000 km^2 in water depths ranging from 2,000 m to 3,500 m. In December 2013, TOTAL sold 30% of its stake in this license. A 2D seismic survey and sea core drilling operations are planned for 2014 on the L22 offshore license.

In **Libya**, the Group's production in 2013 was 50 kb/d compared to 62 kb/d in 2012 and 20 kb/d in 2011. TOTAL is a partner in the following contract zones: 15, 16 & 32 (75% (2)), 70 & 87 (75% (2)), 129 & 130 (30% (2)) and 130 & 131 (24% (2)) and Block NC191 (100% (2), operator).

Production which, in 2012, had returned to its level prior to the events of 2011 was affected from mid-2013 onward by the blockade of most of the country's terminals and pipelines due to social and political unrest.

– In onshore zones 70 and 87 (Mabruk), production has been affected since August 2013 due to the blockade of the Es Sider export terminal. Development of the Garian field was approved in July 2013 and production at the field is expected to start in the third quarter 2014.

– In onshore zones 129, 130 and 131, production was stopped in 2013 during several months due to the blocking of the production installation and the evacuation pipeline. The seismic survey campaign, which was interrupted in 2011 due to force majeure, has not yet resumed. However, the exploration of these blocks continued in 2013 with the drilling of three wells.

– In the onshore Murzuk basin, a plan for the development of Block NC 191 was submitted to the authorities in 2009. Discussions have resumed following the interruptions associated with the events of 2011.

– In offshore zones 15, 16 and 32 (Al Jurf), production has not been affected by the social unrest in the country. The drilling of two exploration wells scheduled for the second quarter of 2013 was postponed due to technical reasons. The first of these wells was started at the end of 2013.

In **Madagascar**, TOTAL is active on the Bemolanga 3102 license (60%, operator). Since the exploitation of oil sand accumulations is no longer planned, TOTAL is refocusing on the conventional exploration of the block, which is expected to continue in 2014 with a 2D seismic survey following the approval of an additional 2-year extension of the exploration phase by the local authorities.

In **Morocco**, the Anzarane offshore reconnaissance contract covering an offshore zone of 100,000 km^2, which was granted in December 2011 to TOTAL and ONHYM (National Bureau of Petroleum and Mines), was extended for one year in December 2013. A 3D seismic survey campaign covering 5,900 km^2 that started in late 2012 was completed in July 2013. The collected data is currently being processed.

In **Mauritania**, the Group has exploration operations on the Ta7 and Ta8 licenses (60%, operator) located in the Taoudenni basin. In 2012, TOTAL acquired interests in two exploration licenses (90%, operator): Block C9 in ultra-deep offshore, and Block Ta29 onshore in the Taoudenni basin. During 2013, TOTAL sold 18% of its stake in Block Ta29, but retains operatorship and a 72% interest.

– Following a 2D seismic survey performed in 2011 on license Ta7, well Ta7-1 was drilled in 2013. Tests have been conducted, but they did not allow to highlight hydrocarbons in commercial quantity.

– On Block Ta29, a 900 km^2 seismic was performed in 2012. The processing and the interpretation of these seismic data have been completed. Studies are underway to identify a prospect on this block.

(1) Total Gabon is a Gabonese company listed on Euronext Paris. The Group holds 58.28%, the Republic of Gabon holds 25% and the public float is 16.72%.
(2) TOTAL's stake in the foreign consortium.

– A 3D seismic survey campaign covering 4,700 km² was conducted on Block C9 in 2013. The data is currently being processed and interpreted.

In **Mozambique**, TOTAL acquired in 2012 a 40% stake in the production sharing contract regarding offshore Blocks 3 and 6. Located in the Rovuma basin, these two blocks cover a total surface area of 15,250 km² in water depths ranging from 0 m to 2,500 m. An exploration well was drilled in 2012 and half of the surface area of the two blocks was relinquished in 2013 at the start of the second exploration period.

In **Nigeria**, Group production in 2013 was 261 kboe/d compared to 279 kboe/d in 2012 and 287 kboe/d in 2011. These declines are primarily due to the sharp increase in oil bunkering and in 2013 the blockade of Nigeria LNG export cargos. Despite such factors negatively affecting production, Nigeria remained the main contributor to the Group's production.

TOTAL, which has been present in the country since 1962, operates six production licenses (OML) out of the thirty-eight in which it has a stake, and one out of the four exploration licenses (OPL) in which it is present.

Regarding variations in TOTAL's licenses:

– In September 2013, TOTAL was granted approval by the authorities to increase its stake in exploration license OPL 285 from 26.67% to 60%. In May 2013, TOTAL obtained the approval of the authorities for the renewal of licenses OML 99, 100 and 102 for a period of twenty years.

– On the OML 138 license (20%), TOTAL started production in the Usan offshore field in 2012 (180 kb/d, FPSO capacity), which reached the level of 130 kboe/d in 2013. Since February 2014, TOTAL is no longer the operator of the OML 138 license. In 2012, TOTAL signed an agreement for the sale of its 20% stake in Block OML 138. The approval by the authorities has not yet been received.

– TOTAL decided not to continue its exploration activities in JDZ Block 1 (48.6%, operator) following the analysis of the results of wells drilled in 2012. Block was relinquished in September 2013. Also, the Block OPL 221 was relinquished in November 2013.

– TOTAL sold its 10% stake in Blocks OML 26 and 42 in 2011 and in Blocks OML 30, 34 and 40 in 2012. These interests had previously been indirectly controlled via the joint venture Shell Petroleum Development Company (SPDC).

TOTAL continues, with its developments, to meet the growing domestic demand for gas and to strengthen its ability to supply gas to the LNG projects in which it owns a stake:

– As part of its joint venture with the Nigerian National Petroleum Company (NNPC), TOTAL is pursuing the project to increase the gas production capacity of the OML 58 license (40%, operator) from 370 Mcf/d to 550 Mcf/d.

– On the OML 102 license (40%, operator), TOTAL is continuing to develop the Ofon phase 2 project, which was launched in 2011, with an expected capacity of 70 kboe/d and production start-up is scheduled for the end of 2014. In 2011, the Group also discovered Etisong North, located 15 km from the currently-producing Ofon field. The exploration campaign continued in 2012 with the drilling of the Eben well, which is also south of Ofon. The positive results produced by this well further enhance the interest of the future Etisong-Eben development hub as a satellite of the Ofon field.

– On the OML 130 license (24%, operator), the development of the Egina field (capacity of 200 kboe/d) was launched in June 2013 and contracts have been awarded. Production start-up is expected at year-end 2017.

– On the OML 99 license (40%, operator), engineering work is underway to develop the Ikike field, where production is expected to start in 2017 (estimated capacity of 55 kboe/d).

– On the OML 112/117 licenses (40%), development studies have been suspended waiting for the resolution of contractual issues that arose in 2013.

– TOTAL is also active in the LNG sector with a 15% holding in the company Nigeria LNG, which possesses a liquefaction plant of a total capacity of 22 Mt/y. In addition, TOTAL holds a 17% stake in Brass LNG, which is continuing to study the project for a gas liquefaction plant with two LNG trains of a capacity of 5 Mt/y each.

The production that is not operated by the Group in Nigeria comes mainly from the SPDC joint venture, in which TOTAL holds a 10% stake. The sharp increase of oil bunkering in 2013 had an impact on onshore production, as well as on the integrity of the facilities and the local environment.

In addition, TOTAL also holds a 12.5% stake in the OML 118 deep-offshore license. In connection with this license, the Bonga field contributed 15 kboe/d to Group production in 2013. The partners continued the development of the Bonga Northwest project in 2013. On the OML 118 license, a pre-unitization agreement relating to the Bonga South West discovery has been signed in December 2013.

In **Uganda**, TOTAL has been active since 2012 and holds a 33.33% interest in the EA-1, EA-1A and EA-2 licenses as well as the Kingfisher license. All of these licenses are located in the Lake Albert region, where oil resources have already been discovered. TOTAL is the operator of licenses EA-1 and EA-1A and a partner on the other licenses.

– On the appraisal license EA-1, a campaign of wells, production tests and a 3D seismic survey are underway. Five development plans will be submitted to the authorities before the end of 2014: Ngiri (submitted in December 2013), Jobi-Rii (April 2014), and Mpyo, Gunya and Jobi East (December 2014).

– The EA-1A license expired in February 2013, following a campaign involving the drilling of five exploration wells that resulted in one discovery (Lyec). With the exception of the scope relating to this discovery, the license has been returned to the authorities.

– On the appraisal license EA-2, the campaign of wells and production tests started in 2012 continued during 2013. An additional well is due to be drilled in 2014. Two development plans were submitted to the authorities in June 2013 (Kasamene and Wahrindi fields, as well as those of Kigogole, Ngege, Ngara and Nsoga).

– The development plan for the Kingfisher field, which is located on the EA-3 production license, was approved by the authorities in September 2013. The basic engineering studies are currently being prepared.

– The Kanywataba exploration well was drilled in June 2012 with negative results. The Kanywataba license expired in August 2012 and was returned to the authorities.

At the initiative of the Ugandan government, discussions are underway concerning the construction of a refinery that will be developed in two phases (30 kb/d in the first phase followed by a second phase providing an additional 30 kb/d), as well as an export pipeline.

In the **Republic of Congo**, the Group's production in 2013 was 93 kboe/d compared to 113 kboe/d in 2012 and 123 kboe/d in 2011. The decrease in production was due in particular to the end of plateau production at Moho Bilondo in mid-2010 and to a planned shut-down on the Nkossa field.

– The development of the Lianzi field was approved in 2012. Located in the offshore unitization zone Block 14K (36.75%) between Angola and the Republic of Congo (Haute Mer license), this field will be developed by a tieback to the existing Benguela-Belize-Lobito-Tomboco platform (Block 14 in Angola). Production start-up is expected in 2015. TOTAL's interest in the unitized block is held 26.75% through Total E&P Congo and 10% through Angola Block 14 BV.

– The Moho Bilondo offshore field (53.5%, operator) reached plateau production of 90 kboe/d in mid-2010. The field has now started its decline. The Phase 1b and Moho North projects were launched in March 2013 following agreements on the contractual and fiscal conditions in 2012. Production start-up is planned for 2015 and 2016, respectively, with estimated production capacity of 140 kboe/d (40 kboe/d for Phase 1b and 100 kboe/d for Moho North).

– Production at Libondo (65%, operator), which is part of the Kombi-Likalala-Libondo operating license, started in 2011. Plateau production reached 12 kboe/d in 2011.

– In July 2013, TOTAL obtained the Haute Mer B license (34.62%, operator) in association with other partners.

– As part of the renewal of the Loango and Zatchi licenses, an agreement on the related contractual and fiscal conditions was signed in October 2013. This agreement is subject to approval by the parliament. TOTAL's interest in these licenses will change respectively from 50% to 42.50% for Loango and from 35% to 29.75% for Zatchi with a retroactive effect in October 2013.

– In December 2013, in connection with a share capital increase of Total E&P Congo, Qatar Petroleum International Upstream (QPI) entered into the share capital of this subsidiary at a level of 15%.

In the **Democratic Republic of the Congo,** following the Presidential decree approving TOTAL's entry in 2011 as operator with a 60% interest in Block III of the Graben Albertine, the exploration permit was issued in January 2012 by the Minister of Hydrocarbons for a period of three years and subsequently extended by an additional year due to the postponement of the works in light of the general security situation in the eastern part of the country. This block is located in the Lake Albert region. TOTAL acquired an additional 6.66% of this block in March 2012. The prospecting program is limited to the northern portion of the license, which is outside the Virunga park. A helicopter acquisition of gravimetric and magnetic data was completed in August 2012 with encouraging results. The 2D seismic survey campaign prepared in 2013 is scheduled to start in 2014.

In the **Republic of South Sudan,** TOTAL is negotiating a new contract with the state authorities that would make it possible to resume exploration activities in part of Block B. Since the independence of the Republic of South Sudan on July 9, 2011, TOTAL is no longer present in Sudan.

2.1.7.2. North America

In 2013, TOTAL's production in North America was 73 kboe/d, representing 3% of the Group's total production, compared to 69 kboe/d in 2012 and 67 kboe/d in 2011.

In **Canada,** the Group's production in 2013 was 13 kboe/d compared to 12 kboe/d in 2012 and 11 kboe/d in 2011. The Group's oil sands portfolio is focused around two main hubs: on the one hand, a Steam Assisted Gravity Drainage (SAGD) hub focused on continuing developments at Surmont's (50%), and, on the other, a mining hub, which includes the Joslyn (38.25%, operator), Fort Hills (39.2%) and Northern Lights (50%, operator) mining projects as well as a 100% stake in a number of oil sands leases acquired through a series of auction sales.

– On the Surmont lease, additional wells were drilled in 2013 in order to optimize production. The decision to construct an additional steam generation unit was also made with the same aim in mind. The drilling of additional wells is expected to continue in 2014.

  In early 2010, the partners involved in the project decided to launch the construction of the second development phase. The goal of production start-up from Surmont Phase 2 has been set for 2015 and overall production capacity from the field is expected to increase to 130 kboe/d.

– On the Fort Hills project (production capacity estimated at 180 kb/d), the final investment decision was made in October 2013. Site preparation work is underway and production start-up is planned for the end of 2017.

– On the Joslyn license, engineering studies are currently being conducted in order to optimize production from the Joslyn North Mine project.

– In March 2013, TOTAL concluded an agreement for the sale of its 49% stake in the Voyageur upgrader project.

In the **United States**, the Group's production in 2013 was 60 kboe/d compared to 57 kboe/d in 2012 and 56 kboe/d in 2011.

– In the Gulf of Mexico:

  - Phase 2 of the deep-offshore Tahiti oil field (17%) was launched in 2010. This phase comprises drilling four injection wells and two producing wells. The injection of water started in 2012. The first producing well was put into operation in late 2013 and the second producing well, the drilling of which is currently being completed, is due to start production in 2014.
  - The Chinook 4 well in the deep-offshore Chinook project (33.33%) started production in the third quarter of 2012. Drilling of the Chinook 5 well was completed in 2013 and started production in early 2014.
  - The TOTAL (40%) – Cobalt (60%, operator) alliance's exploratory drilling campaign, which was launched in 2009, was resumed in 2012 after the U.S. government lifted the moratorium on deep-offshore drilling operations. This resulted in the drilling of the Ligurian 2 well (dry well) together with the North Platte well at which a major oil discovery was made and for which studies are currently being conducted. Results from the Ardennes well, which was drilled in 2013, gave disappointing results, just like the Aegean well, which was completed in December 2013. The Aegean well is the last one of the drilling campaign.

– TOTAL is active in shale gas production in Texas and has a 25% stake in the Chesapeake portfolio in the Barnett Shale basin through its participation in a joint venture with Chesapeake. Given the drop in gas prices in the United States, drilling operations have been sharply reduced from 2012 onwards (approximately sixty wells drilled in 2013 compared to 100 in 2012 and more than 300 in 2011).

  TOTAL is also active in the production of shale gas in Ohio and has a 25% stake in the liquid-rich Utica shale gas play through a joint venture with Chesapeake and EnerVest. More than 200 liquids-rich gas wells were drilled in 2013 (compared to approximately 100 in 2012) and approximately 190 of these have been connected and started producing (compared to forty-seven in 2012).

  Engineers from TOTAL are assigned to the teams led by Chesapeake.

– The Group holds a 50% stake in American Shale Oil LLC (AMSO) to develop *in situ* shale oil technology. The first *in situ* heating tests have been performed and are resulting in adaptations to the selected technology.

– In 2012, TOTAL entered into a 50/50 association with Red Leaf Resources for the *ex situ* development of oil shale and agreed to fund a production pilot before any larger-scale development. In addition, TOTAL finalized an agreement to purchase approximately 120 km² of additional land in Colorado and Utah, with a view to developing *in situ* shale oil techniques (AMSO technique) or *ex situ* techniques (Red Leaf technique).

In **Mexico**, TOTAL is conducting various studies with state-owned PEMEX under a general technical cooperation agreement renewed in July 2011 for a period of five years.

2.1.7.3. South America

In 2013, TOTAL's production in South America was 166 kboe/d, representing 7% of the Group's total production, compared to 182 kboe/d in 2012 and 188 kboe/d in 2011.

In **Argentina**, where TOTAL has been present since 1978, the Group operated about 30% (1) of the country's production in 2013. The Group's production in 2013 was 78 kboe/d compared to 83 kboe/d in 2012 and 86 kboe/d in 2011. In order to encourage investment in exploration and production, the Argentinean government has concluded gas price agreements with various producers as of December 2012. Under the terms of these agreements, the Argentinean government guarantees the price of gas for quantities above a fixed production level in exchange for compliance with defined production targets and applicable penalties (*i.e.*, "Deliver or Pay"). In February 2013, TOTAL signed an agreement of this type for a period of five years with retroactive effect from December 1, 2012.

– In Tierra del Fuego, the Group notably operates the Carina and Aries offshore fields (37.5%). Following the re-appraisal of the reserves of the Carina field, three additional wells are expected to be drilled from the existing platform. These wells should allow production levels from the facilities operated by the Group in Tierra del Fuego to be maintained at about 630 Mcf/d until the Vega Pleyade field (37.5%, operator) starts up in 2015. Development of this field started in October 2013.

– In the Neuquén basin, TOTAL started a drilling campaign on its mining licenses in 2011 in order to assess their shale gas and oil potential. In 2012 and 2013, this campaign, which started on the Aguada Pichana license (27.3%, operator), was extended to all the blocks operated by the Group: San Roque (24.7%, operator), Rincón la Ceniza and La Escalonada (85%, operator), Aguada de Castro (42.5%, operator), and Pampa de las Yeguas II (42.5%, operator), as well as to the blocks operated by third parties: Cerro Las Minas (40%), Cerro Partido (45%), Rincón de Aranda (45%), and Veta Escondida (45%). The first results, all positive, of the production tests on the wells drilled during this campaign permit envisaging various development scenarios in the region. A pilot development intended to test the unconventional production potential at the Aguada Pichana Block is expected to enter into production in late 2014.

In **Bolivia**, the Group's production, primarily gas, was 28 kboe/d in 2013 compared to 27 kboe/d in 2012 and 25 kboe/d in 2011. TOTAL has stakes in seven licenses: three production licenses, San Alberto and San Antonio (15%) and Block XX Tarija Oeste (41%), two licenses in the development phase, Aquio and Ipati (60%, operator), and two licenses in the exploration or appraisal phase, Rio Hondo (50%) and Azero (50%, operator).

– Production started in 2011 on the Itaú gas and condensates field located on Block XX Tarija Oeste; it is routed to the existing facilities of the neighboring San Alberto field. Phase 2 of the development of the field entered into production at the end of 2013.

– In 2004, TOTAL discovered the Incahuasi gas field on the Ipati Block. In 2011 and 2013, two additional wells confirmed the extension of the discovery northwards onto the adjacent Aquio Block as well as southwards onto the Ipati license. In April 2013, TOTAL was granted approval by the authorities to start development of Phase 1 of the project, including the connection of three existing drilled wells tied to a central processing plant of 6.5 Mm³/d. The key contracts relating to the construction of the plant and its connection to the export network were granted in October 2013. In July 2013, TOTAL sold 20% stakes in the Aquio and Ipati fields thereby reducing its interest in these fields from 80 to 60%.

– In August 2013, TOTAL acquired a 50% stake in the Azero exploration license in the Andean Piedmont. This is located to the west of the Ipati and Aquio Blocks and covers an area of more than 7,800 km².

In **Brazil**, the Group has stakes in fourteen exploration licenses.

– In October 2013, TOTAL acquired a 20% stake in the Libra field. This field is currently being assessed and is the largest pre-salt oil field discovered to date in the Santos basin off the coast of Brazil. The field is located in very deep water (2,000 m) approximately 170 km off the coast of Rio de Janeiro and covers an area of 1,550 km². Additional exploration works including contractual obligations to be realized by the end of 2017 and appraisal and development studies of the field were launched.

– Following the eleventh call for tender organized by the Brazilian authorities in May 2013, TOTAL acquired a stake in ten new operating licenses. Holding a 40% stake, the Group operates five blocks (FZA-M-57, FZA-M-86, FZA-M-88, FZA-M-125 and FZA-M-127) located in the Foz do Amazonas basin and has a

(1) Source: Argentinean Ministry of Federal Planning, Public Investment and Services – Energy Secretary.

45% interest in a block (CE-M-661) located in the Ceara basin. TOTAL also has a 25% stake in three blocks (ES-M-669, ES-M-671 and ES-M-743) located in the Espirito Santo basin and a 50% share in another block (BAR-M-346) located in the Barreirinhas basin.

– TOTAL also has a stake in the Xerelete field, which the Group has operated since 2012. This stake is primarily located on Block BC-2 (41.2%) and extends into Block BM-C-14 (50%). The drilling of a well targeting pre-salt horizons was launched at the beginning of January 2014.

– A well was drilled in 2012 in the Gato Do Mato field, which is located in Block BM-S-54 (20%) and was discovered in the Santos basin in 2010. The encouraging results are currently being analyzed in order to define the next stages in the assessment of the field.

In **Colombia**, TOTAL no longer has production since the sale in 2012 of one of its subsidiaries, TEPMA BV, which held a stake in the Cusiana field. Production was 6 kboe/d in 2012 and 11 kboe/d in 2011.

Following the discovery of Huron-1 on the Niscota (50%) license in 2009 and the drilling of the second well, Huron-2, which yielded positive test results in April 2013, a third well, Huron-3, was drilled with disappointing results. The conceptual development studies have started for a declaration of commerciality that is expected during the second quarter of 2014.

After selling 10% of its stake in the Ocensa pipeline in 2011 and reducing its interest in this asset to 5.2%, TOTAL sold its entire stake in 2013, but kept its transport rights. TOTAL has relinquished its stakes in the OAM and ODC pipelines that were previously held by TEPMA BV.

In **French Guiana**, TOTAL owns a 25% stake in the Guyane Maritime license. This license, located approximately 150 km from the coast in water depths ranging from 200 m to 3,000 m, covers an area of approximately 24,000 km^2. At the end of 2011, the authorities extended the research permit until May 31, 2016.

In 2011, drilling at the GM-ES-1 well, which is located on the Zaedyus prospect at a water depth of more than 2,000 m, revealed two hydrocarbon columns in sandstone reservoirs. Two 3D seismic survey campaigns covering a total area of more than 5,000 km^2 were conducted in the center and extreme eastern portions of the block in 2012. A drilling campaign consisting of four wells was conducted from July 2012 until the end of 2013. The results of this campaign did not make it possible to prove the extension of an exploitable reservoir but the results did provided additional information that is currently being analyzed.

In **Trinidad and Tobago,** where TOTAL has been active since 1996, the Group's production in 2013 was 12 kboe/d compared to 16 kboe/d in 2012 and 12 kboe/d in 2011. In September 2013, TOTAL sold all of its exploration and production assets by disposing of the companies Total E&P Trinidad BV, which held a 30% stake in the Angostura offshore field located in Block 2C, and Elf Exploration Trinidad BV, which owned an 8.5% share in the adjacent exploration Block 3A. The Group no longer owns any exploration or production assets in the country.

In **Uruguay**, TOTAL holds a 100% stake in three exploration licenses: offshore Block 14, and onshore Blocks B1 and B2.

– In October 2013, TOTAL signed two exploration and production contracts for Blocks B1 and B2 for unconventional plays. These two blocks, which cover a total area of 5,200 km^2, are primarily located in the Artigas province in the northwestern part of the country. The commitments undertaken in respect of these licenses relate to the conduct of geological, geochemical and environmental studies.

– In 2012, TOTAL acquired a stake in Block 14, which is located approximately 250 km offshore in water depths ranging from 2,000 m to 3,500 m and covers an area of some 6,700 km^2. In particular, TOTAL agreed to conduct a 3D seismic survey of the entire block, which was completed in early 2014. The Group has also agreed to drill one well in the first 3-year exploration phase.

In **Venezuela**, where TOTAL has had operations since 1980, the Group's production was 48 kboe/d in 2013 compared to 50 kboe/d in 2012 and 54 kboe/d in 2011. TOTAL has equity stakes in PetroCedeño (30.3%), which produces and upgrades extra heavy oil in the Orinoco Belt, in Yucal Placer (69.5%), which produces gas dedicated to the domestic market, and in the offshore exploration Block 4, located in Plataforma Deltana (49%). The development phase of the southern zone of the PetroCedeño field, which started in 2011, is continuing with forty-three producing wells having been drilled at the end of 2013. The postponement of a debottlenecking project in addition with a performance study performed on the field in 2013 led to a revision of PetroCedeño's reserves. Pursuant to an amendment to the gas sale contract, a new development phase of the Yucal Placer field, which is expected to boost the production capacity from 100 Mcf/d to 300 Mcf/d, was launched in June 2012.

2.1.7.4. Asia-Pacific

In 2013, TOTAL's production in Asia-Pacific was 235 kboe/d, representing 10% of the Group's total production, compared to 221 kboe/d in 2012 and 231 kboe/d in 2011.

In **Australia**, the Group produced 4 kboe/d in 2013 compared to 5 kboe/d in 2012 and 4 kboe/d in 2011. TOTAL has held leasehold rights in the country since 2005. The Group owns 30% of the Ichthys project, 27.5% of the Gladstone LNG project (GLNG), and nine offshore exploration licenses off the northwest coast in the Browse, Bonaparte and Carnarvon basins, including five that it operates, as well as four onshore shale gas exploration licenses in the southern part of the South Georgina basin. The acquisition of the fourth license located in the Northern Territory remains subject to the approval of authorities.

– In early 2013, TOTAL acquired an additional 6% in the Ichthys project, increasing its stake to 30%. This project, launched in early 2012, is aimed at the development of the Ichthys gas and condensates field located in the Browse basin. This development includes a floating platform designed for gas production, treatment and export, an FPSO (with a maximum capacity of 100 kb/d of condensates) to stabilize and export condensates, an 889 km gas pipeline and an onshore liquefaction plant (capacities of 8.4 Mt/y of LNG and 1.6 Mt/y of NGL) located in Darwin. The LNG has already been sold mainly to Asian buyers under long-term contracts. Production start-up is expected at year-end 2016.

– TOTAL has an indirect interest of 27.5% in the GLNG project. This integrated gas production, transport and liquefaction project is based on the development of coal gas from the Fairview,

Roma, Scotia and Arcadia fields. The final investment decision was made in early 2011 and start-up is expected in 2015. LNG production is expected to eventually reach 7.2 Mt/y. The Upstream development of the project and the construction of the gas pipeline and liquefaction plant are underway.

– In June 2013, the WA-492 and WA-493 licenses in the Carnarvon basin were awarded to TOTAL (100%, operator). TOTAL has undertaken to conduct a 2D seismic survey on these licenses during the coming years.

– At the end of 2012, TOTAL reduced its share in the WA-408 license located in the Browse basin (50%, operator) by disposing of 50% of its stake to partners. Two exploration wells were drilled in 2013. The first well, Bassett West 1, which was drilled during the first half of 2013, highlighted hydrocarbons. Studies are currently underway. The second one, which was completed at the end of 2013, has been definitively abandoned due to the negative results obtained.

– In 2012, TOTAL signed an agreement to enter four shale gas exploration licenses in the South Georgina basin in the center of the country. This agreement, which allows TOTAL to increase its stake to 68% and become the operator in the event of development, has now been finalized. Work started on the three blocks in Queensland during the course of 2013 in the form of a 2D seismic survey that was acquired during the second half of the year. The first exploration wells are due to be drilled during 2014.

– Two wells were drilled in 2011 on the WA-403 license (60%, operator) in the Bonaparte basin. As one well demonstrated the presence of hydrocarbons, additional appraisal work was performed on this block during 2013, including a 3D seismic survey, the results of which are currently being interpreted.

In **Brunei,** where TOTAL has been present since 1986, the Group operates the offshore Maharaja Lela Jamalulalam gas and condensates field located on Block B (37.5%). The Group's production in 2013 was 13 kboe/d compared to 12 kboe/d in 2012 and 13 kboe/d in 2011. The gas is delivered to the Brunei LNG liquefaction plant.

The study of the development project started in 2010 for the production of the new reserves discovered in the south of the field (Maharaja Leila South) was finalized in 2013. The project was officially launched in early 2014 with the execution of most of the related industrial contracts and with the formal signature of the 20-year extension of the present petroleum contract.

Studies are currently being conducted to reassess the potential of deep-offshore exploration Block CA1 (54%, operator) and are expected to result in a new operating strategy. In addition, discussions have started in the perspective of possible unitization with regards to the hydrocarbon identified in the southeast part of the block (Jagus East well) in 2012 and the discovery made by BSP (Geronggong) in a neighboring block.

In **China**, TOTAL has been present since 2006 on the South Sulige Block located in the Ordos basin in the Inner Mongolia province. Following appraisal work by TOTAL, China National Petroleum Corporation (CNPC) and TOTAL agreed to a development plan pursuant to which CNPC is the operator and TOTAL has a 49% stake. The first development wells have been drilled and test-phase production has been underway since August 2012. The Group's production in 2013 was 8 kboe/d compared to 1 kboe/d in 2012.

In March 2013, TOTAL and Sinopec concluded a joint study agreement relating to shale gas potential on the Xuancheng license (4,000 km^2) close to Nanjing. 2D seismic survey activities have been realized from October 2013 to February 2014 (600 km). A drilling campaign is scheduled for 2014 and 2015. If the results of this campaign are favorable, an agreement relating to the long-term development of these resources might subsequently be negotiated with Sinopec.

In **Indonesia**, where TOTAL has had operations since 1968, the Group's production in 2013 was 131 kboe/d compared to 132 kboe/d in 2012 and 158 kboe/d in 2011.

TOTAL's operations in Indonesia are primarily concentrated on the Mahakam permit (50%, operator), which covers in particular the Peciko and Tunu gas fields. TOTAL also has a stake in the Sisi-Nubi gas field (47.9%, operator). The Group delivers most of its natural gas production to the Bontang LNG plant. The overall capacity of the eight liquefaction trains at this plant is 22 Mt/y.

In 2013, TOTAL's gas production operations amounted to 1,757 Mcf/d. This value is down from the 2012 production level (1,871 Mcf/d) due to the maturity of most of the fields on the Mahakam permit, even though this decline was partially offset in 2013 by an increase in production in the South Mahakam fields. The gas operated and delivered by TOTAL accounted for approximately 80% of Bontang's LNG supply. This gas production is supplemented by condensate and oil production from the Handil and Bekapai fields, which are operated by the Group.

– With regard to the Mahakam permit:

  - On the Tunu field, in 2013, additional development wells were drilled in the main reservoir alongside in the shallow gas reservoirs.
  - On the Peciko field, Phase 7 drilling, which started in 2009, is continuing.
  - On South Mahakam, where production started in 2012 and which contains the Stupa, West Stupa and East Mandu condensate gas fields, other development wells are currently being drilled.
  - On the Sisi-Nubi field, which began production in 2007, drilling operations are continuing within the framework of a second phase of development. The gas from Sisi-Nubi is produced through Tunu's processing facilities.

– On the Sebuku license (15%), production started at the Ruby gas field in October 2013. Production capacity is estimated at 100 Mcf/d. Ruby's production is transported by pipeline for processing and separation at the Senipah terminal operated by TOTAL.

– On the Sageri exploration Block (50%), the first exploration well (Lempuk-1X), completed in early 2012, produced negative results. The license is currently being relinquished.

– On the South East Mahakam exploration Block (50%, operator), the Tongkol South-1 exploration well, completed in September 2013, produced negative results.

– In 2013, TOTAL took the necessary steps vis-à-vis the authorities to withdraw from the Sadang (30%), Arafura Sea (24.5%) and Amborip VI (24.5%) Blocks. In addition, and following the withdrawal of the other partners, the Group's stake in the South Sageri Block increased from 45% to 100% (operator), while its share in the South Mandar Block increased from 33% to 49.3%.

– In February 2013, TOTAL sold 10% in the South West Bird's Head exploration Block (90%, operator). This block is located onshore and offshore in the Salawati basin in the province of West Papua. Results from the Anggrek Hitam 1 exploration well, where drilling was completed in September 2013, were negative.

– In 2012, TOTAL acquired a 100% stake in the exploration Block Bengkulu I – Mentawai in the offshore Bengkulu basin, southwest of Sumatra. The preparatory work on the Rendang 1 exploration well started at the end of 2013 and drilling start-up is planned during the first half of 2014. The Group also acquired a stake in the exploration Block Telen (100%, operator) in the offshore Kutai basin in East Kalimantan province.

– In 2011, the Group acquired an 18.4% stake in a coal bed methane (CBM) block on Kutai II in East Kalimantan province as well as a 50% stake in the similar Kutai Timur Block.

In **Malaysia**, on deep-offshore exploration Block SK 317 B (85%, operator), which is located in Sarawak, an exploration well was started in December 2013. Following disappointing geological exploration results, TOTAL withdrew from the PM303 offshore exploration block at the start of 2011 and should do the same for the PM324 license (50%, operator) in May 2014 upon expiration of the operating period. An agreement has been reached with the regulator to convert the second commitment well on PM324 into expenditures on other exploration blocks.

In **Myanmar**, Group production in 2013 was 16 kboe/d compared to 16 kboe/d in 2012 and 15 kboe/d in 2011. TOTAL is the operator of the Yadana field (31.2%). This field, which is located on offshore Blocks M5 and M6, primarily produces gas for delivery to PTT (the Thai state-owned company) for use in Thai power plants. The Yadana field also supplies the domestic market via two pipelines built and operated by MOGE, a Myanmar state-owned company.

In 2012, TOTAL acquired a 40% share in a production sharing agreement on the M-11 offshore Block in the Martaban basin. The first exploration well, Manizawta-1, drilled in 2013 is dry.

In **Papua New Guinea,** TOTAL acquired in 2012 a 40% stake in the PPL234 and PPL244 offshore permits, as well as 50% in the PRL10 offshore permit and an option for 35% of the PPL338 and PPL339 onshore permits. The results of two exploration wells drilled on PPL244 are unsuccessful. An onshore 2D seismic survey was also conducted in 2013.

In March 2014, TOTAL acquired a stake in Block PRL-15 (40.1%) and an option to acquire an interest in exploration Blocks PPL-474, PPL-475, PPL-476 and PPL-477 and in the Triceratops discovery (PRL-39) located in the same zone. The government of Papua New Guinea retains the right to back-in for 22.5% when the final decision is made. In such scenario, TOTAL will hold a 31.1% participating interest when the final decision is made. Block PRL-15 contains two major discoveries: Elk and Antelope.

In the **Philippines,** TOTAL has held since 2012 a 75% stake in the SC56 license in the southern Sulu Sea. The program of operations includes the refurbishment of older seismic lines and a new seismic campaign that was realized at the beginning of 2013. The collected data is currently being interpreted.

In **Thailand,** the Group's production in 2013 was 63 kboe/d compared to 55 kboe/d in 2012 and 41 kboe/d in 2011. This production comes from the Bongkot (33.33%) offshore gas and condensates field. PTT purchases all of the natural gas and condensates production from this field.

– In the northern portion of the Bongkot field, new investments are in progress to allow gas demand to be met and plateau production to be maintained:

  - phase 3J (two wellhead platforms) was launched as scheduled in 2012;
  - phase 3K (two wellhead platforms) was launched as scheduled in 2013;
  - phase 3L (two wellhead platforms) was approved in 2012 with start-up scheduled for 2014;
  - phase 3M (four wellhead platforms) was approved in March 2013 with start-up scheduled for 2015; and
  - the fourth series of low-pressure compressors, which make it possible to boost gas production, was approved in 2012 and start-up is expected in late 2014.

– The southern portion of the field (Greater Bongkot South) is also being developed in several phases. This development is designed to include a processing platform, a residential platform and thirteen production platforms:

  - phase 4A (six well platforms) was launched as scheduled in 2012;
  - phase 4B (four well platforms) is continuing and start-up is scheduled for 2014; and
  - development of phase 4C (three well platforms) will take place following the other two phases.

The exploration on these licenses continues with the drilling of several wells every year (seven in 2013).

In **Vietnam**, the Group no longer possesses any exploration asset following the sale in August 2013 of its stake in offshore Block 15-1/05 (35%).

2.1.7.5. Commonwealth of Independent States (CIS)

In 2013, TOTAL's production in the CIS was 227 kboe/d, representing 10% of total Group production, compared to 195 kboe/d in 2012 and 119 kboe/d in 2011.

In **Azerbaijan**, where TOTAL has been present since 1996 on the Shah Deniz field (10%), production amounted to 20 kboe/d in 2013 and has been growing regularly year-on-year since 2010. TOTAL also has a 10% stake in the South Caucasus Pipeline Company (SCP) gas pipeline, which transports the gas produced at Shah Deniz to the Turkish and Georgian markets. TOTAL also holds a 5% stake in the Baku-Tbilisi-Ceyhan (BTC) oil pipeline, which connects Baku and the Mediterranean Sea and, among other functions, evacuates the condensates from the gas transported from Shah Deniz.

Gas deliveries to Turkey and Georgia continued throughout 2013, at a lower pace for Turkey due to weaker demand than initially expected. As in 2012, however, the Azerbaijan state-owned SOCAR continued to take greater quantities of gas than provided for by the agreement, thus making it possible for the facilities to operate at maximum capacity.

Following the agreements signed in 2011 regarding the sale of additional gas volumes to Turkey and the transfer conditions for volumes intended for the European market, the final investment decision concerning the second phase of development at Shah Deniz was made in December 2013. In September 2013, gas sales agreements representing a total volume of 10 Gm^3/y were signed with European buyers. These volumes are expected to be transported from 2021 through Turkey via the Trans Anatolian pipeline (TANAP) within the framework of a project headed by SOCAR, and via the Trans Adriatic Pipeline (TAP) that is expected

transported from 2021 through Turkey via the Trans Anatolian pipeline (TANAP) within the framework of a project headed by SOCAR, and via the Trans Adriatic Pipeline (TAP) that is expected to link Turkey to Italy and in which TOTAL acquired a 10% stake in July 2013.

With regard to the Absheron Block in the Caspian Sea, TOTAL (40%) is the operator during the exploration phase and a joint operating company will manage operations during the development and production phase. A discovery and commerciality declaration was filed in 2012 following a significant discovery in 2011. The development plan for the field is currently being prepared. Discussions are underway for the construction of a drilling rig in the Caspian Sea in order to prepare for the development of this discovery.

In **Kazakhstan**, TOTAL has been active since 1992 through its 16.81% stake in the North Caspian license, which covers the Kashagan field in particular.

The Kashagan project is expected to develop the field in several phases. Production from the first phase (300 kb/d) started on September 11, 2013 and was first halted on September 24, 2013, and then, after having been restarted, a second time on October 9, 2013, due to leaks detected on the gas export pipeline. Investigations are underway in order to identify the origin of these technical malfunctions and to allow production to resume rapidly.

In November 2012, TOTAL acquired a 75% share in the North and South Nurmunai onshore exploration blocks. These two blocks cover an area of 14,600 km^2 and are located in the southwest of the country. A 2D seismic survey was conducted on each of these blocks in 2013. The data is currently being interpreted and a well is planned to be drilled in 2014.

In **Russia**, where TOTAL has had operations through its subsidiary since 1991, the Group's production in 2013 was 207 kboe/d compared to 179 kboe/d in 2012 and 105 kboe/d in 2011. This production comes from the Kharyaga field and from TOTAL's stake in the Russian company Novatek, which is listed in Moscow and London.

– On the Kharyaga field (40%, operator), work related to the development plan for Phases 3 and 4 is ongoing. This plan aims to maintain plateau oil production above 30 kboe/d. Phase 3 is expected to be completed in 2015 with the end of the flaring of the associated gas.

– In compliance with the strategic partnership agreement signed in 2011 with Novatek, TOTAL continued to increase its share in Novatek to 16.9636% as of December 31, 2013 and intends to further increase its share up to 19.4%.

TOTAL is currently participating in two projects with Novatek:

– Termokarstovoye: This onshore deposit of gas and condensates is located in the Yamalo-Nenets district. The development and production license for the Termokarstovoye field is owned by ZAO Terneftegas, a joint venture between Novatek (51%) and TOTAL (49%). The development of this field started in late 2011, with production start-up being expected for mid-2015 at a capacity of 65 kboe/d.

– Yamal LNG: The aim of this project, which has been declared to be of national interest by Russian authorities, is to develop the South Tambey gas and condensates field in the Yamal Peninsula and to construct a three-train gas liquefaction plant with an LNG production capacity of 16.5 Mt/y. The first production is expected late 2017. The LNG produced is intended for sale in Europe and Asia using ice-class LNG tankers. The final investment decision was made in December 2013. The company Yamal LNG is jointly-owned by Novatek (60%), TOTAL (20%) and, as of January 2014, CNPC (20%).

In January 2014, Novatek increased its stake in the company Severenergia (production of 100 kb/d in 2013) by acquiring ENI's shares through the company Arcticgaz (50/50 Joint venture between Novatek and Gazpromneft). In December 2013, Novatek exchanged its interest held in Sibneftegas for the entirety of Rosneft's interests in Severenergia. Since June 2013, Novatek has held a 50% stake in the Nortgaz field.

– In 2013, TOTAL undertook conceptual studies showing that new technical solutions could allow a viable development of the Shtokman field. Discussions with Gazprom for further studies are required to find a technical, contractual and economically viable solution for the development of the Shtokman field.

In **Tajikistan**, TOTAL acquired a 33.3% stake in the Bocktar Block in the first half of 2013. The agreement represents the start of TOTAL's activity in the country. Environmental and societal studies started at the beginning of 2014. The first phase of a seismic campaign covering 800 km is due to start in 2014, with initial drilling operations planned for late 2015.

2.1.7.6. Europe

In 2013, TOTAL's production in Europe was 392 kboe/d, representing 17% of the Group's overall production, compared to 427 kboe/d in 2012 and 512 kboe/d in 2011.

In **Bulgaria**, the Khan Asparuh license, which covers 14,220 km^2 in the Black Sea, was awarded to TOTAL in 2012. In March 2013, TOTAL sold 60% of its stake and has retained 40% of this block. TOTAL will be the operator as of April 2014. A 2D and 3D seismic survey was performed from June 2013 to January 2014. The data is due to be processed and interpreted in 2014 in order to define drilling objectives in 2015 and 2016.

In **Cyprus**, TOTAL has been present since February 2013 in the deep-offshore exploration Blocks 10 (100%, operator) and 11 (100%, operator) located southwest of the country. A 3D seismic survey was completed on Block 11 in 2013. A 2D seismic survey on Block 10 started in February 2014.

In **Denmark**, TOTAL has, since 2010, owned an 80% stake in and the operatorship of licenses 1/10 (Nordjylland) and 2/10 (Nordsjaelland, formerly Frederoskilde). These onshore licenses, of which the shale gas potential continues to be assessed, cover areas of 3,000 km^2 and 2,300 km^2, respectively. Following geoscience surveys on license 1/10 in 2011, the decision was made to drill a well. Initially planned for 2013, this well is now scheduled for 2014 due to additional environmental studies requested by the local authorities. Geoscience studies are ongoing on license 2/10 and a gravimetry acquisition was made in 2013.

In **France**, the Group's production in 2013 was 9 kboe/d compared to 13 kboe/d in 2012 and 18 kboe/d in 2011. TOTAL's major assets are the Lacq (100%) and Meillon (100%) gas fields, located in the southwest part of the country.

On the Lacq field, which started production in 1957, a carbon dioxide capture, injection and storage pilot was commissioned in 2010. In connection with this project, a boiler was modified to operate in an oxy-fuel combustion environment and the CO_2

emitted was captured and re-injected in the depleted Rousse field. As part of TOTAL's Sustainable Development policy, this project allowed the Group to assess one of the technological possibilities for reducing CO_2 emissions. Most of the objectives of the experiment having been reached, the injection of CO_2 came to an end in the first quarter of 2013. For additional information, see Chapter 7. As anticipated, TOTAL ended the operations on Lacq in October, 2013.

The sale agreements of Itteville, Vert-le-Grand, Vert-le-Petit and La Croix Blanche assets were signed in 2011, while those of Dommartin Lettrée, Vic-Bilh, Lacq, Lagrave and Pécorade assets were signed in 2012. The approval of the authorities has been obtained for the sale of all of these licenses, with the exception of the Lacq asset, for which approval is expected to be granted in 2014.

The Montélimar exclusive exploration license awarded to TOTAL in 2010 to assess, in particular, the shale gas potential of the area, was revoked by the government in October 2011. This revocation stemmed from the law of July 13, 2011, prohibiting the exploration and extraction of hydrocarbons by drilling followed by hydraulic fracturing. The Group had submitted the required report to the government in which it undertook not to use hydraulic fracturing in light of the current prohibition. An appeal filed in December 2011 with the administrative court requesting that the judge cancel the revocation of the license is still pending.

In **Italy**, TOTAL holds a stake in two exploration licenses and has an interest in the Tempa Rossa field (50%, operator), discovered in 1989 and located on the Gorgoglione concession (Basilicate region). Although preparation work started in 2008, the proceedings initiated by the Prosecutor of the Potenza Court against Total Italia led to a freeze in the preparation work (for additional information on this dispute, see point 4., Chapter 4, Legal and arbitration proceedings). After resuming the preparation work, the final investment decision was made in July 2012 and production start-up is expected for 2016 at a capacity of 55 kboe/d. Following a call for tenders, all the civil engineering and construction contracts were awarded in 2012 and are currently in progress. The Gorgoglione 2 well was tested in 2012 and confirmed the results obtained from the other wells. The drilling of a sidetrack at well TR-2 started in November 2013.

In March 2013, TOTAL finalized an agreement to sell 25% of the stake acquired in Tempa Rossa in 2011. This transfer, which reduced the Group's holding from 75% to 50%, took place in June 2013 following the approval of the Italian authorities.

In **Norway**, where the Group has had operations since the mid-1960s, TOTAL has equity stakes in 104 production licenses on the Norwegian continental shelf, 31 of which it operates. In 2013, the Group's production was 243 kboe/d, with 74 kboe/d from the Greater Ekofisk Area located in the southern sector of the North Sea, 103 kboe/d from the central and northern portions of the North Sea and 66 kboe/d from the Haltenbanken region (in the Norwegian Sea) and the Barents Sea. The Group's production in Norway in 2012 was 275 kboe/d and 287 kboe/d in 2011.
The decrease in production between 2011 and 2013 was mainly due to the decline of mature fields. Production should increase again and reach a level of around 300 kboe/d at the horizon 2017 with the start-up of several new fields, the developments of which have been launched (Martin Linge, Ekofisk South, Eldfisk II).

– In the Norwegian North Sea, the most substantial contribution to the Group's production, which is for the most part non-operated, comes from the Greater Ekofisk Area (*e.g.*, Ekofisk, Eldfisk, Embla).

  • In the southern Norwegian North Sea:
  In the Greater Ekofisk Area, the Group owns a 39.9% stake in the Ekofisk and Eldfisk fields. The Ekofisk South and Eldfisk 2 projects, each with a capacity of 70 kboe/d, were launched in 2011. Production at Ekofisk South started in October 2013, while start-up at Eldfisk 2 is expected in early 2015. The project relating to the construction and installation of the new Ekofisk accommodation and field services center platform has now been completed and the accommodation has been operational as of November 2013.

  • In the central part of the Norwegian North Sea:
  Gas production start-up at the Atla field, located on license PL102C (40%, operator) and Beta West field (10%), a satellite of Sleipner, took place in October 2012 and April 2011, respectively.

  The development of the Gina Krog structure (38%), formerly known as Dagny and located to the north of Sleipner, was approved in 2013. Production start-up is planned for 2017.
  On license PL036D (24.24%), the fast-track development of Vilje South was launched in 2011. Production start-up is expected in the first half of 2014.

  • In the northern part of the Norwegian North Sea:
  The Islay field (100%, operator) was put into production in 2012. This field extends on each side of the Norwegian/Great Britain border and the Group's interest in the Norwegian part is 5.51%.
  The Stjerne field, located on license PL104 (14.7%), and Visund South field, located on license PL120 (7.7%), were put into production in July 2013 and November 2012, respectively.
  On license PL120 (7.7%), the fast-track development of Visund North, which started in late 2011, made it possible to start production on the field in November 2013.
  On the Greater Hild Area (51%, operator), located in the north, the Martin Linge development scheme was approved by the authorities in 2012, with production start-up scheduled end 2016 at an estimated capacity of 80 kboe/d.
  The Oseberg Delta phase 2 project (14.7%), located on production licenses PL104 and PL79, was approved by the authorities in October 2013 and production start-up is planned for 2015.

– In the Norwegian Sea, the Haltenbanken area includes the Tyrihans (23.2%), Linnorm (20%), Mikkel (7.7%) and Kristin (6%) fields as well as the Åsgard field (7.7%) and its satellites Yttergryta (24.5%) and Morvin (6%).
  The Åsgard sub-sea compression project, which will increase hydrocarbon recovery on the Åsgard and Mikkel fields, was approved by the Norwegian authorities in 2012. All the main contracts have been awarded.
  Development of the Linnorm gas field is still under study following the lower than expected results obtained at the Onyx South exploration well, which was drilled in 2013. It was planned to export the gas from Linnorm to the Nyhamna onshore terminal by installing a new pipeline (Polarled project).
  The Polarled project (5.11%) was approved in December 2012. The project consists of the installation of a 481 km long pipeline from the Aasta Hansen field to the Nyhamna terminal and in the expansion of the terminal.

– In the Barents Sea, a project intended to improve the performance of the Snøhvit liquefaction plant (18.4%, capacity of 4.2 Mt/y) was launched in 2012. This plant is supplied with gas from the Snøhvit, Albatross and Askeladd fields.

Several exploration wells were successfully drilled on a number of licenses during the 2011-2013 period and revealed the presence of hydrocarbons at the structures of Smørbukk North (PL479, 7.68%) and Rhea (PL120, 7.68%) in 2013, Garantiana (PL554, 40%, operator) and King Lear (PL146 and 333, 22.2%) in 2012, and Alve North (PL127, 50%, operator) and Norvarg (PL535, 40%, operator) in 2011. The Novarg appraisal well drilled in 2013 confirmed the presence of gas in the structure, but the well results, which are under study as of December 31, 2013, are below expectations.

In addition, the Group is continuing to optimize its asset portfolio in Norway by obtaining new licenses and divesting a number of non-strategic assets.

In the **Netherlands**, TOTAL has had natural gas exploration and production operations since 1964 and currently owns twenty-four offshore production licenses, including twenty that it operates, and two offshore exploration licenses, E17c (16.92%) and K1c (30%). In 2013, the Group's production was 35 kboe/d compared to 33 kboe/d in 2012 and 38 kboe/d in 2011.

– Following the acquisition of additional stakes at the end of 2013, TOTAL now holds 50% stakes in Block K5b and 60% in Blocks K1b/K2a and K2c. TOTAL is the operator of these three blocks.

– A 3D seismic survey of several offshore permits covering an area of 3,500 km^2 was conducted in 2012. The results of this campaign are currently being interpreted.

– The development project K4-Z (50%, operator) started production in August 2013. This development project was launched in 2011 and consists of two sub-sea wells connected to the existing production and transport facilities.

– The L4-D field (55.66%, operator) started production in 2012.

– Production from the K5-CU project (49%, operator) started in early 2011.

In **Poland**, at the beginning of 2012, TOTAL signed an agreement to acquire a 49% stake in the Chelm and Werbkowice exploration concessions in order to assess their shale gas potential. A well was drilled and tested on the Chelm permit in 2011. The results from the well were analyzed in 2012 and 2013. In December 2013, following the departure of the operator, TOTAL increased its stake to 100% and became the operator of this permit. In 2012, the Werbkowice permit was relinquished.

In the **United Kingdom,** where TOTAL has had operations since 1962, the Group's production in 2013 was 105 kboe/d compared to 106 kboe/d in 2012 and 169 kboe/d in 2011. About 90% of production comes from operated fields located in two major zones: the Alwyn zone in the northern North Sea, and the Elgin/Franklin zone in the Central Graben. In 2012, the shutdown of the Elgin, Franklin and West Franklin fields, due to a gas leak from well G4 in Elgin, severely impacted production. Production at these three fields was resumed in March 2013.

– In the Alwyn zone (100%), the start-up of satellite fields or new reservoir compartments made it possible to compensate in part for the natural decline in production potential. Consequently, wells N54 and N53 were put into production in 2012 and 2011, respectively. Well N55, which was drilled in 2012 in the Brent South West panel, is expected to be put into production in the middle of 2014.

  On the Dunbar field (100%), a new drilling campaign (Dunbar phase IV) is due to begin during the second quarter 2014 and is expected to include three work-overs and six new wells.

  The Islay field (100%, operator) was put into production in 2012. This field extends on each side of the Norwegian/Great Britain border and the Group's interest in the UK portion is 94.49%.

  In 2012, TOTAL finalized the divestment of its stake in the Otter field.

– In Central Graben, TOTAL increased its stake in Elgin Franklin Oil & Gas (EFOG), a company through which it holds an interest in the Elgin and Franklin fields (46.2%, operator), from 77.5% to 100% at the end of 2011. Production at the Elgin, Franklin and West Franklin fields was stopped following a gas leak on the Elgin field in March 2012. In May 2012, TOTAL confirmed that the leak from well G4 had been successfully stopped and, at the end of October 2012, well G4 was definitively secured by installing five cement plugs. The enquiry led by TOTAL permitted the clear identification of the causes of the accident and the definition of new criteria for well integrity to allow the resumption of production at Elgin/Franklin in total safety. Production in the Elgin/Franklin area resumed in March 2013 following the approval of the safety case by the UK Health and Safety Executive (HSE). Production has gradually risen to 55 kboe/d (approximately 25 kboe/d on the Group's account), representing 40% of the production potential of these fields. In order to recover the production level expected before the Elgin incident by 2015, a redevelopment project envisaging the drilling of new infill wells on Elgin and Franklin started in July 2013. Drilling work is due to start on Elgin in early 2015.

  In addition, the West Franklin Phase II development project remains ongoing with production start-up scheduled for mid-2014.

– In addition to Alwyn and the Central Graben, a third area, west of Shetland, is undergoing development. This area covers the fields of Laggan and Tormore (80%, operator) and the P967 license (50%, operator), which includes the Tobermory gas discovery. The decision to develop the Laggan and Tormore fields was made in 2010 and production is scheduled to start in 2014 with an expected capacity of 90 kboe/d. The development scheme includes: sub-sea production facilities; off-gas treatment (gas and condensates) at a plant located near the Sullom Voe terminal in the Shetland Islands, 150 km away; and a new gas pipeline connected to the Frigg gas line (FUKA) for the export of gas to the Saint Fergus terminal.

  In early 2011, a gas and condensate discovery was made on the Edradour East license (75%, operator) near Laggan and Tormore. The decision to develop Edradour East using the existing infrastructure was made at the end of 2012. The Edradour development scheme is currently being optimized in order to include other possible fields in the same zone. Next to the Edradour East discovery, a second well (Spinnaker) started in September 2013 and is currently being drilled.

TOTAL also holds a stake in three assets operated by other parties: the Bruce (43.25%), Keith (25%), and Markham (7.35%) fields.

The Group's stakes in other fields operated by third parties (Seymour, Alba, Armada, Maria, Moira, Mungo/Monan and Everest) were sold off in 2012.

Nine new licenses (three in the northern North Sea, three in Central Graben and three in West Shetland) were awarded to TOTAL in 2012 during the twenty-seventh exploration round.

Early 2014, TOTAL acquired a 40% stake in two shale gas exploration licenses (PEDL 139 et 140) located in the Gainsborough Trough basin of the East Midlands, and signed an agreement that permits the Group to acquire a 50% stake in the licence PEDL 209 located in the same area.

2.1.7.7. Middle East

In 2013, TOTAL's production in the Middle East was 536 kboe/d, representing 23% of the Group's production, compared to 493 kboe/d in 2012 and 570 kboe/d in 2011.

In the **United Arab Emirates,** where TOTAL has had operations since 1939, the Group's production in 2013 was 260 kboe/d compared to 246 kboe/d in 2012 and 240 kboe/d in 2011. In 2013, the country maintained a steady rhythm of production which led to an increase in TOTAL's share of production. The increase in production in 2013 was mainly due to higher production by Abu Dhabi Company for Onshore Oil Operations (ADCO).

TOTAL holds a 75% stake (operator) in the Abu Al Bu Khoosh field, a 9.5% stake in ADCO, which operates the five major onshore fields in Abu Dhabi, and a 13.3% stake in Abu Dhabi Marine (ADMA), which operates two offshore fields. TOTAL also has a 15% stake in Abu Dhabi Gas Industries (GASCO), which produces NGL (natural gas liquids) and condensates from the associated gas produced by ADCO as well as from the gas and condensates and associated gases produced by ADMA. TOTAL also has a 5% stake in Abu Dhabi Gas Liquefaction Company (ADGAS), which processes the associated gas produced by ADMA in order to produce LNG, NGL and condensates, and further possesses a 5% holding in National Gas Shipping Company (NGSCO), which owns eight LNG tankers and exports the LNG produced by ADGAS.

The ADCO license expired in January 2014 and the Abu Dhabi authorities have issued a call for tenders for the renewal of the license as of January 1, 2015.

The Group holds a 24.5% stake in Dolphin Energy Ltd. in partnership with Mubadala, a company owned by the government of Abu Dhabi, in order to market gas produced in Qatar primarily to the United Arab Emirates.

The Group also owns 33.33% of Ruwais Fertilizer Industries (FERTIL), which produces urea. The FERTIL 2 project was started in July 2013 and enabled FERTIL to more than double its production capacity to 2 Mt/y.

In **Iraq,** the Group's production was 7 kboe/d in 2013 compared to 6 kboe/d on average for the year 2012. TOTAL holds an 18.75% stake in the consortium that was awarded the development and production contract for the Halfaya field in the Missan province. Production of Phase 1 of the project, which has a capacity of 100 kb/d, started in June 2012. Phase 2, under construction, is expected to increase the production up to 200 kb/d by the end of 2014. The definitive development plan, which is expected to make it possible to achieve a plateau of 535 kb/d, was approved by the authorities in August 2013.

In early 2013, TOTAL acquired an 80% stake and became operator of the Baranan exploration Block (729 km^2, southeast of Soulaymaniyah, in the Kurdistan area). A 2D seismic survey of 213 km was completed in January 2014. The data of this seismic is expected to result in the drilling of a first exploration well at the end of 2014

Since 2012, TOTAL has held a 35% stake in the Safen and Harir exploration Blocks (424 km^2 and 705 km^2, respectively, located to the northeast of Erbil), as well as a 20% stake in the Taza Block (505 km^2, located southwest of Sulaymaniyah). During 2013, four exploration wells were drilled and resulted in two discoveries located in the Taza and Harir Blocks. The drilling of five new wells is planned for 2014 on three of these four blocks. In early 2014, TOTAL increased its stake in the Safen Block to 80% and became the operator.

In **Iran,** the Group has had no production since 2010. For further information on TOTAL and Iran, see Chapter 4 (Risk factors).

In **Oman,** the Group's production in 2013 was 37 kboe/d, stable compared to 2012 and 2011. TOTAL primarily produces oil on Block 6 (4%)(1) as well as on Block 53 (2%)(2), and it also produces LNG through its stake in the Oman LNG (5.54%)/Qalhat LNG (2.04%)(3) liquefaction plant, which has a capacity of 10.5 Mt/y. In December 2013, TOTAL obtained the license for ultra-deep-offshore Block 41.

In **Qatar,** where TOTAL has had operations since 1936, the Group's production in 2013 was 137 kboe/d compared to 139 kboe/d in 2012 and 155 kboe/d in 2011. The Group has equity stakes in the Al Khalij field (40%), the NFB Block (20%) in the North field, the Qatargas 1 liquefaction plant (10%) and train 5 of Qatargas 2 (16.7%).

- In 2012, TOTAL and state-owned Qatar Petroleum signed a new agreement to continue their partnership on the Al Khalij field for an additional 25-year period as of 2014. TOTAL will continue to be the operator (40%) alongside Qatar Petroleum (60%).
- The production contract for the Dolphin gas project, signed in 2001 with Qatar Petroleum, provides for the sale of 2 Bcf/d of gas from the North Field for a 25-year period. The gas is processed in the Dolphin plant in Ras Laffan and exported to the United Arab Emirates through a 360 km gas pipeline.
- The production capacity of train 5 of Qatargas 2 is 8 Mt/y. TOTAL has been a shareholder in this train since 2006. An agreement to share the two liquefaction trains of the Qatargas 2 project (trains 4 and 5) was signed in 2011. The agreement provides for an equal split of the physical production of the two trains as well as of the associated operating costs and capital outlay. In addition, TOTAL offtakes part of the LNG produced in compliance with the contracts signed in 2006, which provide for the purchase of 5.2 Mt/y of LNG from Qatargas 2 by the Group.

The Group became a partner in the offshore BC exploration permit (25%) in 2011. The first exploration well is due to be drilled during the first half of 2014.

(1) TOTAL holds an indirect interest of 4% in Petroleum Development Oman LLC, operator of Block 6, via its 10% interest in Pohol.
(2) TOTAL holds an indirect interest of 2% in Block 53.
(3) TOTAL's indirect stake in Qalhat LNG through its stake in Oman LNG.

In **Syria,** TOTAL has a 100% stake in the Deir Ez Zor permit, which is operated by the joint-venture company DEZPC in which TOTAL and the state-owned company SPC each have a 50% share. TOTAL also holds the Tabiyeh contract, which came into effect in 2009. The Group had no production in the country in 2013 or in 2012 compared to 53 kboe/d in 2011. TOTAL suspended its activities contributing to the production of hydrocarbons in Syria in December 2011, in compliance with the European Union's regulations regarding this country. For additional information, see Chapter 4 (Risk Factors).

In **Yemen,** where TOTAL has had operations since 1987, the Group's production was 95 kboe/d in 2013 compared to 65 Kboe/d in 2012 and 86 kboe/d in 2011.

TOTAL owns a 39.62% stake in the Yemen LNG liquefaction plant (capacity of 6.7 Mt/y), which is located in Balhaf on the country's southern coast. This plant is supplied with the gas produced on Block 18, located near Marib in the center of the country, via a 320 km gas pipeline. The Balhaf plant suffered two rocket attacks in December 2013 and January 2014, but production was not impacted because one of the rockets resulted in slight damage and the other landed in the sea. Security measures have since been adapted due to the evolving risks.

TOTAL also has stakes in two oil basins, as the operator of Block 10 (Masila Basin, East Shabwa license, 28.57%) and as a partner on Block 5 (Marib basin, Jannah license, 15%).

TOTAL owns stakes in five onshore exploration licenses: 40% in Blocks 69 and 71, 50.1% in Block 70 (operator); 36% in Block 72 (operator); and 40% in Block 3 (operator).

2.1.8. Oil and gas acreage

As of December 31, (in thousands of acres at year-end)		2013		2012		2011	
		Undeveloped acreage[a]	Developed acreage	Undeveloped acreage[a]	Developed acreage	Undeveloped acreage[a]	Developed acreage
Europe	Gross	10,804	722	10,015	724	6,478	781
	Net	5,305	163	6,882	176	3,497	185
Africa	Gross	134,157	1,266	135,610	1,256	110,346	1,229
	Net	86,493	341	88,457	337	65,391	333
Americas	Gross	19,790	960	16,604	1,705	15,454	1,028
	Net	9,391	286	6,800	330	5,349	329
Middle East	Gross	33,242	1,482	32,369	1,896	31,671	1,461
	Net	4,534	192	3,082	256	2,707	217
Asia	Gross	55,980	1,064	37,208	955	40,552	930
	Net	29,880	309	18,184	270	19,591	255
Total	**Gross**	**253,973**	**5,494**	**231,806**	**6,536**	**204,501**	**5,429**
	Net[b]	**135,603**	**1,291**	**123,405**	**1,369**	**96,535**	**1,319**

(a) Undeveloped acreage includes leases and concessions.
(b) Net acreage equals the sum of the Group's equity stakes in gross acreage.

2.1.9. Number of productive wells

As of Decembrer 31, (wells at year-end)		2013	
		Gross productive wells	Net productive wells[a]
Europe	Oil	403	106
	Gas	286	87
Africa	Oil	2,269	615
	Gas	156	48
Americas	Oil	868	266
	Gas	3,311	634
Middle East	Oil	6,283	441
	Gas	295	36
Asia	Oil	229	81
	Gas	2,306	741
Total	**Oil**	**10,052**	**1,509**
	Gas	**6,354**	**1,546**

(a) Net well equal the sum of the Group's equity stakes in gross wells.

2.1.10. Number of net productive and dry wells drilled

As of December 31,	2013			2012			2011		
(wells at year-end)	Net productive wells drilled [a] [b]	Net dry wells drilled [a] [c]	Net total wells drilled [a] [c]	Net productive wells drilled [a] [b]	Net dry wells drilled [a] [c]	Net total wells drilled [a] [c]	Net productive wells drilled [a] [b]	Net dry wells drilled [a] [c]	Net total wells drilled [a] [c]
Exploratory									
Europe	1.5	0.2	1.7	0.9	3.3	4.2	1.5	1.7	3.2
Africa	1.5	5.1	6.6	4.9	2.8	7.7	2.9	1.5	4.4
Americas	2.9	1.4	4.3	3.9	0.6	4.5	1.2	1.3	2.5
Middle East	0.6	0.7	1.3	-	-	-	1.2	0.8	2.0
Asia	1.6	4.3	5.9	2.4	1.4	3.8	2.1	3.7	5.8
Total	**8.1**	**11.7**	**19.8**	**12.1**	**8.1**	**20.2**	**8.9**	**9.0**	**17.9**
Development									
Europe	6.9	0.3	7.2	6.0	0.7	6.7	7.5	-	7.5
Africa	19.7	0.4	20.1	22.7	-	22.7	24.7	-	24.7
Americas	98.0	-	98.0	70.6	-	70.6	113.1	-	113.1
Middle East	42.7	0.3	43.0	43.3	-	43.3	32.6	2.6	35.2
Asia	198.0	-	198.0	127.8	-	127.8	118.4	-	118.4
Total	**365.3**	**1.0**	**366.3**	**270.4**	**0.7**	**271.1**	**296.3**	**2.6**	**298.9**
Total	373.4	12.7	386.1	282.5	8.8	291.3	305.2	11.6	316.8

(a) Net wells equal the sum of the Company's fractional interests in gross wells.
(b) Includes certain exploratory wells that were abandoned, but which would have been capable of producing oil in sufficient quantities to justify completion.
(c) For information: service wells and stratigraphic wells drilled within oil sands operations in Canada are not reported in this table (86.2 wells in 2013, 131.7 in 2012 and 82.2 in 2011).

2.1.11. Exploratory and development wells in the process of being drilled (including wells temporarily suspended)

As of Decembrer 31,	2013	
(wells at year-end)	Gross [a]	Net [a] [b]
Exploratory		
Europe	2	1.5
Africa	31	9.8
Americas	15	6.7
Middle East	10	3.6
Asia	15	5.7
Total	**73**	**27.3**
Development		
Europe	35	13.4
Africa	27	7.7
Americas	348	120.7
Middle East	129	15.8
Asia	821	246.1
Total	**1,360**	**403.7**
Total	1,433	431.0

(a) From 2013, includes wells for which surface facilities permitting production have not yet been constructed. Such wells are also reported in the table "Number of net productive and dry wells drilled", above, for the year in which they are drilled.
(b) Net wells equal the sum of the Group's equity stakes in gross wells.

2.1.12. Interests in pipelines

The table below sets forth TOTAL's interests in oil and gas pipelines as of December 31, 2013.

Pipeline(s)	Origin	Destination	% interest	Operator	Liquids	Gas
Europe						
Norway						
Frostpipe (inhibited)	Lille-Frigg, Froy	Oseberg	36.25		x	
Heimdal to Brae Condensate Line	Heimdal	Brae	16.76		x	
Kvitebjorn pipeline	Kvitebjorn	Mongstad	5.00		x	
Norpipe Oil	Ekofisk Treatment center	Teeside (UK)	34.93		x	
Oseberg Transport System	Oseberg, Brage and Veslefrikk	Sture	12.98		x	
Sleipner East Condensate Pipe	Sleipner East	Karsto	10.00		x	
Troll Oil Pipeline I and II	Troll B and C	Vestprosess (Mongstad refinery)	3.71		x	
Vestprosess	Kollsnes (Area E)	Vestprosess (Mongstad refinery)	5.00		x	
Polared	Asta Hansteen/Linnorm	Nyhamna	5.11			x
The Netherlands						
Nogat pipeline	F3-FB	Den Helder	5.00			x
WGT K13-Den Helder	K13A	Den Helder	4.66			x
WGT K13-Extension	Markham	K13 (via K4/K5)	23.00			x
United Kingdom						
Alwyn Liquid Export Line	Alwyn North	Cormorant	100.00	x	x	
Bruce Liquid Export Line	Bruce	Forties (Unity)	43.25		x	
Central Graben Liquid Export Line (LEP)	Elgin-Franklin	ETAP	15.89		x	
Frigg System: UK line	Alwyn North, Bruce and others	St.Fergus (Scotland)	100.00	x		x
Ninian Pipeline System	Ninian	Sullom Voe	16.00		x	
Shearwater Elgin Area Line (SEAL)	Elgin-Franklin, Shearwater	Bacton	25.73			x
SEAL to Interconnector Link (SILK)	Bacton	Interconnector	54.66	x		x
Africa						
Gabon						
Mandji Pipes	Mandji fields	Cap Lopez Terminal	100.00 [(a)]	x	x	
Rabi Pipes	Rabi fields	Cap Lopez Terminal	100.00 [(a)]	x	x	
Americas						
Argentina						
Gas Andes	Neuquén Basin (Argentina)	Santiago (Chile)	56.50	x		x
TGN	Network (Northern Argentina)		15.40			x
TGM	TGN	Uruguyana (Brazil)	32.68			x
Bolivia						
Transierra	Yacuiba (Bolivia)	Rio Grande (Bolivia)	11.00			x
Brazil						
TBG	Bolivia-Brazil border	Porto Alegre via São Paulo	9.67			x
Asia						
Yadana	Yadana (Myanmar)	Ban-I Tong (Thai border)	31.24	x		x
Rest of world						
BTC	Baku (Azerbaijan)	Ceyhan (Turkey, Mediterranean)	5.00		x	
SCP	Baku (Azerbaijan)	Georgia/Turkey Border	10.00			x
Dolphin (International transport and network)	Ras Laffan (Qatar)	U.A.E.	24.50			x

(a) Interest of Total Gabon. The Group has a financial interest of 58.28% in Total Gabon.

2.2. Gas & Power

Gas & Power's primary objective is to contribute to the growth of the Group by ensuring sales outlets for its current and future natural gas reserves and production.

In order to optimize these gas resources, particularly liquefied natural gas (LNG), Gas & Power's activities include the trading and marketing of natural gas, liquefied natural gas, liquefied petroleum gas (LPG) and electricity as well as shipping. Gas & Power also has stakes in infrastructure companies (re-gasification terminals, natural gas transport and storage, power plants) necessary to implement its strategy.

In addtion, Gas & Power manages a coal business line, handling everything from production to marketing.

2.2.1. Liquefied Natural Gas

A pioneer in the LNG industry, TOTAL today is one of the world's leading players (1) in the sector and has sound and diversified positions both in the upstream and downstream portions of the LNG chain. LNG development is key to the Group's strategy, with TOTAL strengthening its positions in most major production zones and markets.

Through its stakes in liquefaction plants (2) located in Qatar, the United Arab Emirates, Oman, Nigeria, Norway, Yemen and Angola and its gas supply agreement with the Bontang LNG plant in Indonesia, TOTAL markets LNG in all worldwide markets. The share of LNG production sold by TOTAL in 2013 reached 12.3 Mt, an increase of over 7% compared to 2012 LNG sales (11.4 Mt). This increase was due in particular to the improved performance of the Yemen LNG plant in 2013. The Group's forthcoming liquefaction projects, in particular in Australia and Russia, are aimed at increasing TOTAL's share of LNG sold over the coming years.

Gas & Power is responsible for LNG operations downstream from liquefaction plants. It is in charge of marketing LNG on behalf of Exploration & Production and developing the Group's LNG downstream portfolio for its trading, marketing and transport operations as well as re-gasification terminals.

2.2.1.1. Long-term Group LNG purchases

TOTAL acquires long-term LNG volumes most frequently from liquefaction plants in which the Group holds a stake. These volumes support expansion of the Group's worldwide LNG portfolio.

In **Nigeria,** as part of the Nigeria LNG project in which the Group has a 15% interest, TOTAL signed an LNG purchase agreement, initially intended for deliveries to the United States and Europe, for 0.23 Mt/y over a 23-year period starting in 2006, to which an additional 0.94 Mt/y was added when the sixth train came on stream in 2007.

TOTAL also holds a 17% stake in the Brass LNG project involving the ongoing study of a gas liquefaction plant with plans to construct two LNG trains, each with a capacity of 5 Mt/y. In 2006, TOTAL signed a preliminary agreement with Brass LNG Ltd setting forth the principal terms of an LNG purchase agreement for approximately one-sixth of the plant's capacity over a 20-year period. This purchase agreement is subject to the final investment decision for the project.

In **Norway,** as part of the Snøhvit project, in which the Group holds an 18.4% stake, TOTAL signed in 2004 a purchase agreement for 0.78 Mt/y of LNG over a 15-year period primarily intended for North America and Europe. LNG deliveries started in 2007.

In **Qatar,** TOTAL signed purchase agreements in 2006 for 5.2 Mt/y of LNG from train 5 (16.7%) of Qatargas 2 over a 25-year period. This LNG is marketed mainly in France, the United Kingdom and North America. LNG deliveries started in 2009.

In **Yemen,** TOTAL signed an agreement with Yemen LNG Ltd (39.62%) in 2005 to purchase 2 Mt/y of LNG over a 20-year period, initially intended for delivery to the United States and Europe. LNG deliveries started in 2009.

Since 2009, part of the volume purchased by the Group pursuant to its long-term contracts related to the LNG projects mentioned above has been diverted to markets in Asia.

The new LNG sources described below are expected to support growth of the Group's LNG portfolio.

In **Australia,** TOTAL increased its stake in the Ichthys LNG project in early 2013 from 24% to 30%. Launched in early 2012, this project calls for the construction of two LNG trains, each with a capacity of 4.2 Mt/y. In addition, TOTAL signed in 2011 an LNG purchase agreement amounting to 0.9 Mt/y over a 15-year period. Deliveries are expected to start in 2017.

In **Russia,** TOTAL owns a 20% stake in Yamal LNG, which is overseeing a project to develop the South Tambey gas and condensates field and build a gas liquefaction plant with three trains supporting an LNG production of 16.5 Mt/y. The final investment decision was made in December 2013. Concurrently, TOTAL signed LNG purchase agreements amounting to 4 Mt/y over a 24-year period.

In the **United States,** TOTAL entered into an agreement in 2012 with the South Korean national natural gas company Kogas for the purchase of 0.7 Mt/y of LNG over a 20-year period from train 3 of the Sabine Pass gas terminal (Louisiana). Deliveries are expected to start in 2017. In parallel to this, TOTAL also entered into an agreement with Sabine Pass Liquefaction LLC for the purchase of 2 Mt/y of LNG over a 20-year period from train 5 of the Sabine Pass terminal. LNG deliveries will begin on the date on which train 5 is commissioned, which is scheduled for 2018. This agreement is conditional on, among other things, export and construction permits being obtained by Sabine Pass Liquefaction LLC (which owns and operates the terminal) for the construction of train 5 and the final investment decision for the project.

(1) Company data, based on upstream and downstream LNG portfolios in 2013.
(2) Exploration & Production is in charge of the Group's natural gas liquefaction and production operations.

2.2.1.2. Long-term Group LNG sales

TOTAL has signed agreements for the sale of LNG from the Group's global LNG portfolio:

In **China,** TOTAL signed an LNG sales agreement with China National Offshore Oil Company (CNOOC). Under this agreement, which became effective in 2010, TOTAL supplies up to 1 Mt/y of LNG to CNOOC over a 15-year period.

In **South Korea,** TOTAL signed an LNG sales agreement in 2011 with Kogas. Under this agreement, TOTAL will deliver up to 2 Mt/y of LNG to Kogas between 2014 and 2031.

2.2.1.3. LNG shipping

With regard to LNG transport operations, TOTAL has been the direct long-term charterer since 2004 of the Arctic Lady, a 145,000 m^3 LNG vessel that ships TOTAL's share of production from the Snøhvit liquefaction plant in Norway. In 2011, TOTAL signed a second long-term contract for the chartering of a 165,000 m^3 LNG vessel, the Meridian Spirit (former Maersk Meridian), in order to strengthen its transport capacities with regard to its lifting commitments in Norway.

The Group is also beginning to develop a fleet. TOTAL signed a long-term charter agreement in April 2013 in this regard with SK Shipping and Marubeni for two 182,000 m^3 vessels. The vessels will serve in fulfilling the purchase agreements of Total Gas & Power, including commitments relating to the Ichthys LNG project in Australia and the Sabine Pass project in the United States. These tankers, scheduled for delivery in 2017, will be among the largest to navigate the Panama Canal following its anticipated enlargement in 2015.

As of December 31, 2013, the Group held a 30% stake in Gaztransport & Technigaz (GTT), which focuses mainly on the design and engineering of membrane cryogenic tanks for LNG tankers. At year-end 2013, out of a worldwide tonnage estimated at 369 LNG vessels(1), 262 active LNG vessels were equipped with membrane tanks built under GTT licenses. TOTAL sold a share of its stake in GTT through the initial public offering (IPO) of GTT's shares on Euronext Paris at the end of February 2014. Excluding the over-allotment option, TOTAL's residual stake in GTT is 11.5%.

2.2.2. Trading

TOTAL continued in 2013 to pursue its strategy of developing operations downstream from natural gas and LNG production. The aim of this strategy is to optimize access for the Group's current and future production to traditional markets (with long-term contracts) and to markets open to international competition (with short-term contracts and spot sales). In the context of deregulated markets, which allow customers to more freely access suppliers, in turn leading to marketing arrangements that are more flexible than traditional long-term contracts, TOTAL is developing trading, marketing and logistics businesses to offer its natural gas and LNG production directly to customers.

In parallel, the Group has operations in electricity trading and LPG as well as coal marketing. Furthermore, TOTAL began to market the petcoke production of the Port Arthur refinery (United States) in 2011.

Gas & Power's trading teams are located in London, Houston, Geneva and Singapore and conduct most of their business through the Group's wholly-owned subsidiaries Total Gas & Power, Total Gas & Power North America and Total Gas & Power Asia.

2.2.2.1. Gas and electricity

TOTAL has gas and electricity trading operations in Europe and North America with a view to selling the Group's production and supplying its gas marketing subsidiaries in addition to supporting other Group activities.

In **Europe,** TOTAL marketed 1,194 Bcf (33.8 Bm^3) of natural gas in 2013, including approximately 13.8% coming from the Group's production, compared to 1,488 Bcf (42.1 Bm^3) in 2012 and 1,500 Bcf (42.5 Bm^3) in 2011. In addition, TOTAL marketed, mainly from external resources, 53.0 TWh of electricity in 2013 compared to 53.3 TWh in 2012 and 24.2 TWh in 2011.

In **North America,** TOTAL marketed from its own production or external resources 938 Bcf (26.6 Bm^3) of natural gas in 2013, compared to 1,256 Bcf (36 Bm^3) in 2012 and 1,694 Bcf (48 Bm^3) in 2011.

2.2.2.2. LNG

TOTAL has LNG trading operations through spot sales and fixed-term contracts as described in section 2.2.1. Since 2009, new purchase agreements from the Qatargas 2 and Yemen LNG projects and new sale agreements in China, India, Japan and South Korea have substantially developed the Group's LNG marketing operations, particularly in Asia's most buoyant markets. This spot and fixed-term LNG portfolio allows TOTAL to supply gas to its main customers worldwide, while retaining a sufficient degree of flexibility to react to market opportunities.

In 2013, TOTAL purchased 89 contractual cargoes from Qatar, Yemen, Nigeria and Norway and 9 spot cargoes from France, Trinidad & Tobago and Nigeria, compared to respectively 87 and 8 in 2012 and 99 and 10 in 2011.

2.2.2.3. LPG

TOTAL traded and sold approximately 5.6 Mt of LPG (butane and propane) worldwide in 2013, compared to 6 Mt in 2012 and 5.7 Mt in 2011. Approximately 23% of these quantities came from fields or refineries operated by the Group. LPG trading involved the use of 11 time-charters, representing 233 voyages in 2013, and approximately 65 spot charters.

2.2.2.4. Coal

TOTAL marketed 8.5 Mt of coal in the international market in 2013 and 2012 compared to 7.5 Mt in 2011. More than 80% of this coal came from South Africa. Approximately 60% of the volume was sold in Asia, where coal is used primarily to generate electricity. The remaining volume was marketed in Europe.

(1) Gaztransport & Technigaz data.

2.2.2.5. Petcoke

TOTAL began to market the petcoke produced by the coker at the Port Arthur refinery in 2011. Approximately 1.2 Mt of petcoke was sold on the international market in 2013, compared to 1.1 Mt in 2012 and 0.6 Mt in 2011, to cement plants and electricity producers mainly in Mexico, Brazil, Turkey, China, Dominican Republic and other Latin American countries.

2.2.3. Marketing

To unlock value from the Group's production, TOTAL is developing gas, electricity and coal marketing operations with end users in the United Kingdom, France, Spain and Germany. At the end of 2012, the Group enlarged its European marketing coverage by creating two marketing affiliates: Total Gas & Power Belgium (formerly known as Total Gas & Power North Europe) in Belgium, and Total Gas & Power Nederland B.V. in the Netherlands. These two subsidiaries started their operations in 2013.

In the **United Kingdom,** TOTAL markets gas and electricity to the industrial and commercial segments through its subsidiary Total Gas & Power Ltd. In 2013, volumes of gas sold amounted to 142 Bcf (4.0 Bm^3), compared to 146 Bcf (4.2 Bm^3) in 2012 and 162 Bcf (4.6 Bm^3) in 2011. Sales of electricity totaled approximately 4.7 TWh in 2013, compared to 3.9 TWh in 2012 and 4.1 TWh in 2011.

In **France,** TOTAL markets natural gas through its subsidiary Total Energie Gaz (TEGAZ), the overall sales of which were 141 Bcf (4.0 Bm^3) in 2013, compared to 176 Bcf (5 Bm^3) in 2012 and 208 Bcf (5.9 Bm^3) in 2011. The Group also markets coal to its French customers through its subsidiary CDF Energie, with sales of approximately 0.81 Mt in 2013, compared to 0.97 Mt in 2012 and 1.2 Mt in 2011.

In **Spain,** TOTAL markets natural gas to the industrial and commercial segments through Cepsa Gas Comercializadora, in which it holds a 35% stake. Volumes of gas sold amounted to 101 Bcf (2.9 Bm^3) in 2013 and 2012 compared to 85 Bcf (2.4 Bm^3) in 2011.

In **Germany,** Total Energie Gas GmbH, marketing subsidiary of TOTAL created in 2010, marketed 76 Bcf (2.2 Bm^3) of gas in 2013 to industrial and commercial customers, compared to 5 Bcf (0.15 Bm^3) in 2012.

The Group also holds stakes in the marketing companies that are associated with the Altamira and Hazira LNG re-gasification terminals located in Mexico and India, respectively.

2.2.4. Gas facilities

TOTAL develops natural gas transport networks, gas storage facilities (both liquid and gaseous) and LNG re-gasification terminals downstream from its natural gas and LNG production.

2.2.4.1. Natural gas transport, natural gas and LPG storage

In **France,** TOTAL, through its 29.5% stake in Géométhane, owns natural gas storage in a salt cavern in Manosque with a capacity of 10.5 Bcf (0.3 Bm^3). A 7 Bcf (0.2 Bm^3) increase in storage capacity is scheduled to be commissioned in 2018.

TOTAL completed in July 2013 the sale of its subsidiary TIGF (Transport Infrastructures Gaz France) to the consortium consisting of Snam, EDF and GIC. TIGF has gas transport activities in southwestern France and operates a transport network of 5,000 km of gas pipeline.

In **South America,** TOTAL owns interests in several natural gas transport companies in Argentina, Chile and Brazil. These assets represent a total integrated network of approximately 9,500 km of pipelines serving the Argentinean, Chilean and Brazilian markets from gas-producing basins in Bolivia and Argentina, where the Group has natural gas reserves. These natural gas transport companies face a difficult operational and financial environment in Argentina stemming from the absence of an increase in transport tariffs and restrictions imposed on gas exports. However, GasAndes, a company in which TOTAL holds a 56.5% stake, successfully negotiated new contracts with all its customers.

In **India,** TOTAL holds a 50% stake in South Asian LPG Limited (SALPG), a company that operates an underground import and storage LPG terminal located on the east coast of the country. This cavern, the first of its kind in India, has a storage capacity of 60 kt. In 2013, inbound vessels transported 940 kt of LPG, compared to 950 kt in 2012 and 850 kt in 2011.

2.2.4.2. LNG re-gasification

TOTAL has entered into agreements to obtain long-term access to LNG re-gasification capacity on the three continents that are the largest consumers of natural gas: North America (United States and Mexico), Europe (France and the United Kingdom), and Asia (India). This diversified presence allows the Group to access new liquefaction projects by becoming a long-term buyer of a portion of the LNG produced at these plants, thereby strengthening its LNG supply portfolio.

In **France,** TOTAL holds a 27.54% stake in the company Fosmax and has, through its subsidiary Total Gas & Power Ltd., a re-gasification capacity of 79 Bcf/y (2.25 Bm^3/y). The terminal received fifty-three vessels in 2013, compared to fifty-six in 2012 and fifty-nine in 2011.

In 2011, TOTAL acquired a 9.99% stake in Dunkerque LNG in order to develop a methane terminal project with a capacity of 459 Bcf/y (13 Bm^3/y). Trade agreements have also been signed that allow TOTAL to reserve up to 2 Bm^3/y of re-gasification capacity over a 20-year period. The project is underway and commissioning of the terminal is scheduled for the end of 2015.

In the **United Kingdom,** through its equity interest in the Qatargas 2 project, TOTAL holds an 8.35% stake in the South Hook LNG re-gasification terminal with a total capacity of 742 Bcf/y (21 Bm^3/y) and an equivalent right of use to the terminal. In 2013, the terminal re-gasified fifty-two cargoes, compared to sixty-eight in 2012 and nearly one hundred in 2011.

In **Mexico,** TOTAL sold in 2011 its entire stake in the Altamira re-gasification terminal, but it retained a 25% reservation of the terminal's capacity (59 Bcf/y or 1.7 Bm^3/y) through its 25% stake in Gas del Litoral.

In the **United States,** TOTAL has reserved a re-gasification capacity of approximately 353 Bcf/y (10 Bm^3/y) at the Sabine Pass terminal (Louisiana) for a 20-year period ending in 2029. In 2012, the Sabine Pass terminal received the authorization to export LNG from four liquefaction trains, which involves converting the re-gasification plants into liquefaction plants. As a result, TOTAL negotiated financial compensation with Cheniere, the terminal's operator, in relation to the commissioning of the successive liquefaction trains.

In **India,** TOTAL holds a 26% stake in the Hazira terminal, where the natural gas re-gasification capacity was increased in 2013 to 244 Bcf/y (6.9 Bm^3/y). The terminal, located on the west coast of India in the Gujarat state, is a merchant terminal with operations that cover both LNG re-gasification and gas marketing.
Due to the Indian market's strong prospects for growth, a potential expansion project is under study to increase the terminal's capacity to 343 Bcf/y (9.7 Bm^3/y) by 2018.

2.2.5. Electricity generation

In a context of increasing global demand for electricity, TOTAL has developed expertise in the power generation sector, especially through cogeneration and combined-cycle power plant projects.

In **Abu Dhabi,** the Taweelah A1 power plant, which is owned by Gulf Total Tractebel Power Cy (20%), combines electricity generation and water desalination. The plant, in operation since 2003, currently has a net power generation capacity of 1,600 MW and a water desalination capacity of 385,000 m^3 per day. The plant's production is sold to Abu Dhabi Water and Electricity Company (ADWEC) as part of a long-term agreement.

In **Nigeria,** TOTAL and its partner, the state-owned Nigerian National Petroleum Corporation (NNPC), own interests in two gas-fired power plant projects that are part of the government's objectives to develop power generation and increase the share of natural gas production for domestic use:

– the Afam VI power plant, part of the Shell Petroleum Development Company (SPDC) joint venture in which TOTAL holds a 10% stake, is a 630 MW combined-cycle power plant that has been in operation since the end of 2010; and

– the potential development of a new 417 MW combined-cycle power plant near the city of Obite (Niger Delta) in connection with the OML 58 gas project (40%, operator).

In **Thailand,** TOTAL owns 28% of Eastern Power and Electric Company Ltd, which operates the combined-cycle gas power plant in Bang Bo that has a capacity of 350 MW and has been in operation since 2003. The plant's production is sold to the Electricity Generating Authority of Thailand under a long-term agreement.

2.2.6. Coal production

For nearly thirty years, TOTAL, through its subsidiary Total Coal South Africa (TCSA), has produced and exported coal from South Africa primarily to Europe and Asia. In 2013, TCSA produced 4.3 Mt of coal.

TCSA owns and operates five mines in South Africa and continues to study other projects aimed at developing its mining resources.

The South African coal produced by TCSA or bought from third-parties' mines is either marketed locally or exported through the port of Richard's Bay, in which TCSA holds a 4.8% interest.

3. Refining & Chemicals segment

The Refining & Chemicals segment constitutes a large industrial group that encompasses refining, petrochemicals, and specialty chemicals operations. This segment created on January 1, 2012 (1), following the reorganization of the Downstream and Chemical segments, also includes Trading & Shipping activities.

Among the world's ten largest integrated producers (2)

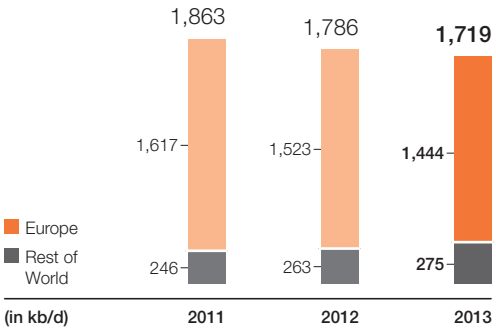
Refining capacity of approximately 2 Mb/d at year-end 2013

One of the leading traders of oil and refined products worldwide

€2 billion invested in 2013

51,406 employees

Refinery throughput



In 2013, refinery throughput decreased by 4% compared to 2012, reflecting essentially a turnaround at the Antwerp refinery, higher maintenance at the Donges refinery, voluntary shutdowns in response to weak refining margins in late 2013, and the closure of the Rome refinery at the end of the third quarter 2012.

Refining & Chemicals segment financial data

(M€)	2013	2012	2011
Non-Group sales	86,204	91,117	77,146
Adjusted operating income (a)	1,329	1,455	609
Adjusted net operating income (a)	1,404	1,376	842
including Specialty Chemicals	*440*	*383*	*424*

(a) Adjusted results are defined as income using replacement cost, adjusted for special items, excluding the impact of changes for fair value from January 1, 2011.

For 2013, the ERMI was 17.9 $/t, a decrease of 50% compared to 2012. Petrochemical margins remained at high levels, particularly in the United States.

For the full-year 2013, adjusted net operating income from the Refining & Chemicals segment was 1,404 M€, compared to 1,376 M€ in 2012 and 842 M€ in 2011. Expressed in dollars, adjusted net operating income was 1.9 B$, an increase of 5% compared to 2012, despite the 50% decrease in refining margins. The increase was due in part to the tangible results realized from the implementation of planned synergies and operational efficiencies and to a more favorable environment for petrochemicals that offset the sharp decline in European refining margins.

In addition, the SATORP integrated refinery in Saudi Arabia has begun to export refined products after the successful start-up of its first units.

The ROACE (3) for the Refining & Chemicals segment was 9% for the full-year 2013, stable compared to the full-year 2012.

(1) As a result of the reorganization, certain information has been restated.
(2) Based on publicly available information, 2012 consolidated sales.
(3) Calculated based on adjusted net operating income and average capital employed, using replacement cost.

3.1. Refining & Chemicals

Refining & Chemicals includes the Group's refining, petrochemicals and specialty chemicals businesses. The petrochemicals business includes base petrochemicals (olefins and aromatics) and polymer derivatives (polyethylene, polypropylene and polystyrene).
The specialty chemicals business includes elastomer processing, adhesives and electroplating chemistry. The volume of its Refining & Chemicals activities places TOTAL among the top ten integrated chemical producers in the world(1).

Against the backdrop of rising worldwide demand for oil and petrochemicals driven by non-OECD countries, the strategy of Refining & Chemicals, in addition to the priority given to safety and environmental protection, involves:

- adapting production capacity to changes in demand in Europe by concentrating investments on integrated platforms;
- consolidating industrial means of production and the search for opportunities for growth in the United States; and
- strengthening TOTAL's positions in Asia and the Middle East, in particular to gain access to advantaged oil and gas resources and to benefit from growth in the markets.

This strategy is underpinned by an effort to differentiate through the technology used and innovation found in its products and processes, and involves pursuing asset portfolio management to focus on core businesses.

Since 2012, Refining & Chemicals has launched a comprehensive program to improve operational efficiency and to generate synergies between its refining and petrochemicals activities. In particular, four industrial priorities were set for the Refining & Chemicals activities: safety, availability of facilities, cost controls and energy efficiency. These action plans, combined with the development projects on its major integrated platforms and the growth of specialty chemicals, should improve the profitability of operations by making the most of Refining & Petrochemicals' assets.

In June 2013, TOTAL completed the divestment of its Fertilizers activity (Base Chemicals) in Europe, mainly through the sale of its shares in GPN S.A. (100%), France's leading producer of nitrogen fertilizers, and in the Belgian company Rosier S.A. (56.86%)(2).

3.1.1. Refining & Petrochemicals

TOTAL's refining capacity was 2,042 kb/d as of December 31, 2013, compared to 2,048 kb/d at year-end 2012 and 2,096 kb/d at year-end 2011. The Group's worldwide refined products sales (including trading operations) in 2013 were 3,418 kb/d, compared to 3,403 kb/d in 2012 and 3,639 kb/d in 2011.

TOTAL has equity stakes in twenty-one refineries (including nine that it operates), located in Europe, the United States, the French West Indies, Africa, the Middle East and China.

Refining & Chemicals sector manages the refining operations located in Europe (excluding the joint venture TotalErg in Italy), the United States, the Middle East and Asia, with a capacity of 1,953 kb/d at year-end 2013 (*i.e.*, 96% of the Group's total capacity(3)).

The petrochemicals businesses are located mainly in Europe, the United States, Qatar, South Korea and Saudi Arabia. Most of these sites are either adjacent or connected by pipelines to Group refineries. As a result, TOTAL's petrochemical operations are integrated within its refining operations.

The year 2013 saw the startup of the first production at the SATORP refinery in Saudi Arabia. Through this project, approved in 2009, the Group holds a stake, alongside Saudi Aramco, in one of the most competitive refining & petrochemicals platforms in the world.

TOTAL also announced in 2013 a major investment program to modernize the platform in Antwerp, Belgium, and a project to adapt the petrochemicals platform in Carling, France, with the goal of restoring competitiveness by 2016.

In 2011, TOTAL closed the sale to IPIC of its 48.83% stake in CEPSA as part of a public takeover bid on the entire share capital of CEPSA. With respect to refining operations, this sale concerned mainly four Spanish refineries (Huelva, Algeciras, Tenerife, Tarragona) and, with respect to petrochemicals operations, aromatics and their derivatives.

3.1.1.1. Europe

TOTAL is the largest refiner in Western Europe(4).

In **Western Europe**, TOTAL's refining capacity was 1,736 kb/d at year-end 2013, compared to 1,742 kb/d at year-end 2012 and 1,787 kb/d at year-end 2011, accounting for 85% of the Group's overall refining capacity. The decrease in 2012 was due primarily to the shutdown of the Rome refinery. The Group operates eight refineries in Western Europe (one in Antwerp, Belgium, five in France in Donges, Feyzin, Gonfreville, Grandpuits and La Mède, one in Immingham in the United Kingdom and one in Leuna, Germany) and owns stakes in the Schwedt refinery in Germany, the Zeeland refinery in the Netherlands and the Trecate refinery in Italy through its interest in TotalErg.

The Group's main petrochemical sites are located in Belgium, in Antwerp (steam crackers, aromatics, polyethylene) and Feluy (polyolefins, polystyrene), and in France, in Carling (steam cracker, aromatics, polyethylene, polystyrene), Feyzin (steam cracker, aromatics), Gonfreville (steam crackers, aromatics, styrene, polyolefins, polystyrene) and Lavéra (steam cracker, aromatics, polypropylene). Europe accounts for 54% of the Group's petrochemicals capacity, *i.e.*, 10,899 kt at year-end 2013 compared to 11,803 kt at year-end 2012 and 11,013 kt at year-end 2011. The decrease in 2013 was due essentially to the closure of one steam cracker in Antwerp. The increase in 2012 was due mainly to the acquisition of 35% of Fina Antwerp Olefins.

- In **France**, the Group owns five refineries and continues to adapt its refining capacities by shifting the production emphasis to diesel and improving operational efficiency against the backdrop of a structural decline in the demand for petroleum products in Europe and an increase in gasoline surpluses.

  The Group has been implementing its industrial plan intended to reconfigure the Gonfreville refinery in Normandy, France, since 2009.

(1) Based on publicly available information, production capacities at year-end 2012.
(2) The divestment did not include TOTAL's interest in Grande Paroisse S.A., through which TOTAL has retained all liabilities related to the former activities of Grande Paroisse, and in particular those related to the AZF site in Toulouse.
(3) Earnings related to the refining assets in Africa, the French West Indies and the TotalErg joint venture are reported in the results of the Marketing & Services segment.
(4) Based on publicly available information, 2012 refining capacities and quantities sold.

The project is intended to upgrade the refinery and shift the production emphasis to diesel. For this purpose, the investments resulted in reducing the annual distillation capacity to 12 Mt from 16 Mt, upsizing the hydrocracker unit for heavy diesel cuts and improving energy efficiency by lowering carbon dioxide emissions. Most of the new configuration was rolled out at the beginning of 2013 after a major complete shutdown of the refinery. The complete project is expected to be finalized by mid-2014 with the startup of a new diesel desulfurization unit.

In parallel, the project to modernize the Normandy platform's petrochemical operations was completed in early 2012. This project improved the energy efficiency of the steam cracker and the high-density polyethylene unit.

In petrochemicals, the Group announced in September 2013 an investment plan for the Carling platform in Lorraine, France, to adapt its capacity and restore its competitiveness. The project provides for the development of new hydrocarbon resin and polymer production activities and the shutdown of the steam cracking activity in the second half of 2015.

– In **Belgium**, the Group announced in May 2013 the launch of a major project to modernize its Antwerp platform. This project consists of two parts:
  - the construction of new conversion units in response to the shift in demand towards lighter oil products with a very low sulfur content; and
  - the construction of a new unit to convert the gases recovered from the refining process into raw materials for petrochemical units.

The modernization plan also provides for the shutdown of two of the site's oldest production units: one steam cracker in 2013, and a polyethylene production line by the end of 2014.

TOTAL built a new unit in Feluy that is starting up in 2014 in order to produce latest-generation expansible polystyrene for the fast-growing insulation market.

Moreover, in 2012, TOTAL acquired 35% of Fina Antwerp Olefins, Europe's second largest base petrochemicals (monomers) production plant (1).

– In the **United Kingdom**, the commissioning in 2011 of the hydrodesulfurization (HDS) unit at the Lindsey refinery allowed the refinery to increase its crude processing flexibility (up to 70% of high-sulfur crudes, compared to 10% previously) and its low-sulfur diesel production.

  In 2013, TOTAL decided to shut down its 70 kt/year polystyrene production site at Stalybridge, while continuing its commercial activity for polymers in the United Kingdom.

– In **Italy**, TotalErg (49%) holds a 24.45% stake in the Trecate refinery. The Rome refinery, which was wholly-owned by TotalErg, was turned into a depot in 2012.

3.1.1.2. North America

The Group's main sites are located in Texas, in Port Arthur (refinery, steam cracker), Bayport (polyethylene) and La Porte (polypropylene), and in Louisiana, in Carville (styrene, polystyrene).

In 2011, TOTAL completed a program to upgrade the Port Arthur refinery that included the construction of a desulfurization unit, a vacuum distillation unit, a deep-conversion unit (or coker) and other associated units. This modernization allows the refinery to process more heavy and high-sulfur crudes and to increase production of lighter products, in particular low-sulfur distillates.

TOTAL and BASF purchased in 2011 Shell's stakes in Sabina, a butane processing plant, which they transferred to BTP (40%), their joint subsidiary that owns the Port Arthur steam cracker. This new structure increases synergies between the refinery and the steam cracker, which are located on the same site in Port Arthur.

Furthermore, as a result of the investment made to adapt its furnaces, the BTP cracker has, since April 2013, been able to produce almost 40% of its ethylene from ethane and 40% from butane and propane, which allows it to benefit from favorable market conditions in the United States. The ongoing construction of a new ethane-burning furnace will increase the steam cracker's production capacity by almost 15% in 2014.

3.1.1.3. Asia and the Middle East

TOTAL is continuing to expand in growth areas and is developing sites in countries with favorable access to raw materials.

In **Saudi Arabia**, the joint venture Saudi Aramco Total Refining and Petrochemical Company (SATORP) was created in 2008 by TOTAL (37.5%) and Saudi Aramco (Saudi Arabian Oil Company, 62.5%) in order to build a 400 kb/d refinery in Jubail. Saudi Aramco plans to retain a 37.5% interest, with the remaining 25% expected to be listed on the Saudi stock exchange. Most of the different units of SATORP were gradually commissioned in 2013 and the commercial exports of petroleum products started in September 2013. All the refining and petrochemicals units should be operational by the end of first quarter 2014. Production is expected to reach full capacity around mid-2014.

The configuration of this refinery is designed for processing heavy crudes produced in Saudi Arabia and selling fuels and other light products that meet strict specifications and that are mainly intended for export. The refinery is also integrated with the petrochemical units: a 700 kt/y paraxylene unit, a 200 kt/y propylene unit, and a 140 kt/y benzene unit.

In **China**, TOTAL holds a 22.4% stake in WEPEC, a company that operates a refinery located in Dalian and that also produces polypropylene.

The Group is also active through its polystyrene plant in Foshan (Guangzhou region), the capacity of which doubled to 200 kt/y at the beginning of 2011. A new polystyrene compounds unit started up on this site in the first quarter of 2013. TOTAL began the construction of a new 200 kt/y polystyrene plant in Ningbo in the Shanghai region, with production scheduled to start up in the second half of 2014.

(1) Based on publicly available information, production capacities at year-end 2012.

In **South Korea**, TOTAL holds a 50% stake in Samsung Total Petrochemicals Co., Ltd., which operates the petrochemical site located in Daesan (condensate splitter, steam cracker, styrene, paraxylene, polyolefins). The joint venture completed in mid-2011 the first debottlenecking phase of the units at the Daesan site in order to bring them to full capacity. This first phase included increasing the capacity of the steam cracker to 1,000 kt/y and the polyolefin units to 1,150 kt/y. A second phase took place in September 2012 and involved increasing the capacity of the paraxylene unit to 700 kt/y.

In addition, to keep up with growth in the Asian markets, two major projects are under construction for planned start-up in 2014: a new 240 kt/y EVA(1) unit and a new aromatic unit with a capacity of 1.5 Mt/y of paraxylene and benzene, the raw material of which will be supplied by a new condensate splitter that will also produce kerosene (1.5 Mt/y) and diesel (1.0 Mt/y). As a result, the site's paraxylene production capacity will be increased to 1.8 Mt/y. Together, these projects are expected to double the production capacity of the site between 2011 and 2015.

In **Qatar**, the Group holds interests(2) in two ethane-based steam crackers (Qapco, RLOC) and four polyethylene lines (Qapco, Qatofin), including the linear low-density polyethylene plant with a capacity of 450 kt/y operated by Qatofin in Messaied and a new 300 kt/y low-density polyethylene line operated by Qapco, which started up in 2012.

TOTAL holds a 10% stake in the Ras Laffan condensate refinery, which has a capacity of 146 kb/d. Plans to double the refinery's capacity were approved in April 2013 and are expected to be completed in 2016. The project also includes the construction of a new diesel hydrogenation unit scheduled to come on-stream in 2014.

3.1.1.4. Crude oil refining capacity

The table below sets forth TOTAL's daily crude oil refining capacity(3):

As of December 31, (kb/d)	2013	2012	2011
Nine refineries operated by Group companies			
Normandy (100%)	247	247	247
Provence (100%)	153	153	153
Donges (100%)	219	219	219
Feyzin (100%)	109	109	109
Grandpuits (100%)	101	101	101
Antwerp (100%)	338	338	338
Leuna (100%)	227	227	227
Lindsey-Immingham (100%)	207	207	207
Port-Arthur (100%)	169	169	169
Subtotal	**1,770**	**1,770**	**1,770**
Other refineries in which the Group has equity stakes(a)	272	278	326
Total	**2,042**	**2,048**	**2,096**

(a) TOTAL's share in the eleven refineries in which TOTAL has equity stakes ranging from 10% to 55% (one in the Netherlands, in Germany, in China, in Qatar, in Italy and in Martinique and five in Africa). Rome refinery shutdown in 2012. The SATORP platform at Jubail in Saudi Arabia (TOTAL, 37.5%), that was in the process of starting up on December 31, 2013, was not taken into account in the above table of capacities. In 2014, once entirely operational, TOTAL's share of capacity in the refinery will be 145 kb/d.

3.1.1.5. Refined products

The table below sets forth by product category TOTAL's net share of refined quantities produced at the Group's refineries(a):

(kb/d)	2013	2012	2011
Gasoline	340	351	350
Aviation fuel(b)	146	153	158
Diesel and heating oils	739	734	804
Heavy fuels	133	160	179
Other products	322	338	335
Total	**1,680**	**1,736**	**1,826**

(a) For refineries not 100% owned by TOTAL, the production shown is TOTAL's equity share of the site's overall production.
(b) Avgas, jet fuel and kerosene.

(1) Ethylene and vinyl acetate copolymers.
(2) TOTAL interests: Qapco (20%); Qatofin (49%); Ras Laffan Olefin Cracker (22.5%).
(3) Capacity data based on refinery process unit stream-day capacities under normal operating conditions, less the impact of shutdown for regular repair and maintenance activities averaged over an extended period of time.

3.1.1.6. Utilization rate

The tables below set forth the utilization rate of the Group's refineries:

On crude and other feedstock[a][b]	2013	2012	2011
France	78%	82%	91%
Rest of Europe[c]	87%	88%	78%
Americas	100%	99%	81%
Asia and Middle East	75%	67%	67%
Africa	78%	75%	80%
Average	**84%**	**86%**	**83%**

(a) Including equity share of refineries in which the Group has a stake.
(b) Crude + crackers' feedstock/distillation capacity at the beginning of the year.
(c) Including CEPSA (for first seven months of 2011) and TotalErg.

On crude[a][b]	2013	2012	2011
Average	80%	82%	78%

(a) Including equity share of refineries in which the Group has a stake.
(b) Crude/distillation capacity at the beginning of the year.

NB: Ras Laffan refinery contribution (Middle East) included in above utilization rates from 2013.

3.1.1.7. Petrochemicals: breakdown of TOTAL's main production capacities

As of December 31,
(in thousands of tons)

	Europe	North America	Asia and Middle East[a]	2013 Worldwide	2012 Worldwide	2011 Worldwide
Olefins[b]	4,939	1,295	1,420	7,654	8,039	7,097
Aromatics[c]	2,893	1,512	1,230	5,635	5,795	5,730
Polyethylene	1,200	445	644	2,289	2,239	2,094
Polypropylene	1,345	1,200	350	2,895	2,875	2,835
Polystyrene	522	700	308	1,530	1,595	1,555
Other[d]	-	-	63	63	358	358
Total	**10,899**	**5,152**	**4,014**	**20,065**	**20,900**	**19,668**

(a) Including interests in Qatar and 50% of Samsung Total Petrochemicals Co., Ltd. capacities. The SATORP platform at Jubail in Saudi Arabia (TOTAL, 37.5%), that was in the process of starting up on December 31, 2013, was not taken into account in the above table of capacities. In 2014, once entirely operational, TOTAL's share of capacity in the plant will be 390 kt (75 kt of olefins and 315 kt of aromatics).
(b) Ethylene, propylene and butadiene.
(c) Including Monomer Styrene.
(d) Mainly Monoethylene Glycol (MEG) and Cyclohexane.

3.1.1.8. Development of new avenues for the production of fuels and polymers

In addition to optimizing existing processes, TOTAL is exploring new ways for valorizing carbon resources, conventional or otherwise (natural gas, coal, biomass, waste). A number of innovative projects are being examined that entail defining access to the resource (nature, location, supply method, transport), the nature of the molecules and target markets (fuels, lubricants, petrochemicals, specialty chemicals), and the most appropriate, efficient and environmentally-friendly conversion processes.

3.1.1.8.1. Natural gas to liquids

TOTAL continues to develop its know-how in the conversion of natural gas to fuel. For large-scale projects (more than 10 kboe/d), TOTAL is consolidating its know-how in the most efficient conversion processes and is contributing to the development of innovative solutions, in particular by developing new Fischer-Tropsch catalysts. TOTAL is also conducting research into small-scale concepts, such as torched gas solutions.

3.1.1.8.2. Coal to polymers

TOTAL has developed know-how in the various processes used to convert coal into higher value products by gasification. These efforts allow a better understanding of the technological issues specific to each process, such as Fischer-Tropsch, methanol, di-methyl ether (DME) and methane, particularly in terms of energy optimization, water consumption and carbon capture.

TOTAL is studying a coal to olefin (CTO) conversion project in partnership with the China Power Investment utility company that would be located in Inner Mongolia (China). This 800 kt/y olefins project would use the innovative Methanol-to-Olefins process (MTO/OCP), which has been successfully tested in 2013 on a demonstration unit at Feluy, Belgium. Following the approval from the Chinese authorities in November 2013, a detailed study has been launched.

In parallel, TOTAL is pursuing a program to develop new carbon capture and storage technologies in order to reduce the environmental footprint of the Group's industrial projects based on fossil energy. In partnership with the IFP Énergies Nouvelles (French Institute for

Oil and Alternative Energies), TOTAL is involved in an R&D program related to chemical looping combustion, an innovative process to burn solid and gas feedstock that includes carbon capture at a very low energy cost. In 2010, this partnership resulted in the construction of a pilot at the Solaize site in France.

3.1.1.8.3. Biomass to polymers

TOTAL is involved in the development of processes dedicated or related to the conversion of biomass to polymers. The main area of focus is the development of a polylactic acid (PLA) production technology through Futerro, a joint venture with Galactic, a lactic acid producer, as well as developing a technology for dehydration of bio-alcohols into olefins (monomers for the manufacture of large conventional polymers), in collaboration with IFPen/Axens.

3.1.1.8.4. Biomass to fuels

TOTAL is a member of the BioTFuel consortium, the objective of which is to develop a chain for converting lignocellulose into fungible, sulfur-free liquid products through gasification and synthesis using the Fischer-Tropsch process. To benefit from economies of scale, it is envisaged to convert lignocellulosic feedstock into a blend with fossil resources. This development involves an initial pilot demonstration phase.

In 2013, the Group incorporated:

- In gasoline, 549 kt of ethanol[(1)] at its European refineries and several oil depots[(2)], compared to 531 kt in 2012 and 494 kt in 2011[(3)] ; and
- In diesel, 1,951 kt of VOME[(4)] at its European refineries and several oil depots[(5)], compared to 1,927 kt in 2012 and 1,859 kt in 2011[(3)].

3.1.2. Specialty Chemicals

The specialty chemicals businesses include elastomer processing (Hutchinson), adhesives (Bostik) and electroplating chemistry (Atotech). They serve the automotive, construction, electronics, aerospace and convenience goods markets, for which marketing, innovation and customer service are key drivers. TOTAL markets specialty products in more than sixty countries and intends to develop by combining organic growth and targeted acquisitions. This development is focused on high-growth markets and the marketing of innovative products with high added value that meet the Group's Sustainable Development approach.

In 2013, consolidated worldwide sales of specialty chemicals activities (excluding Resins) totaled €5.7 billion, stable compared to 2012 and up 7% compared to 2011.

The Cray Valley coating resins and Sartomer photocure resins businesses were divested in 2011. However, the structural and hydrocarbon resins business lines were kept and have been incorporated into the Polymer division.

3.1.3.1. Elastomer processing

Hutchinson manufactures and markets products derived from elastomer processing that are principally intended for the automotive, aerospace and defense industries.

Among the industry's leaders worldwide[(6)], Hutchinson provides its customers with innovative solutions in the areas of fluid transfer, air and fluid seals, anti-vibration, sound and thermal insulation, and transmission and mobility.

Hutchinson has eighty-four production sites worldwide, including fifty-six in Europe, seventeen in North America, six in Asia, four in South America and one in Africa.

Hutchinson's sales in 2013 were €3.28 billion, up 3% compared to 2012. Despite the difficulties experienced by the European automotive sector, sales for the automotive business increased by 5% due to the growth of the Asian and North American markets and increased market share in Europe. On the industrial markets, sales increased by 1%, mainly due to the increased sales on the civil aerospace that offset contraction of the defense markets.

To strengthen its position in the aerospace industry, Hutchinson acquired Kaefer in 2011, a German company specializing in aircraft interior equipment (*e.g.*, insulation, ventilation ducts) and the Canadian company Marquez specializing in air-conditioning circuits at the end of 2012. In the automotive sector, Hutchinson acquired Keum-Ah in 2011, a South Korean company specializing in fluid transfer systems. Hutchinson closed the Oyartzun production plant in Spain at the end of 2012.

In July 2013, Hutchinson divested 30% of its automobile brake hose business in Spain (Palamos) through the creation of a joint venture with Japanese company Nichirin, one of the world leaders in this segment. Elsewhere, in July 2013, Hutchinson acquired Gasket International, a company based in Italy and China, which specializes in the production of sealing parts for valves for the oil and gas industry.

Hutchinson continues to develop in strong growth potential markets and among the most dynamic and strongest customers. Hutchinson continuously strives to innovate, offering its customers high-performance materials and high-value added solutions capable of performing the most demanding functions.

3.1.3.2. Adhesives

Bostik is one of the world leaders in the adhesive sector and has significant positions on the industrial, hygiene and construction markets, complemented by both consumer and professional distribution channels.

Bostik has forty-six production sites worldwide, including eighteen in Europe, nine in North America, eight in Asia, six in Australia-New Zealand, three in South America and two in Africa.

(1) Including ethanol from ETBE (Ethyl-tertio-butyl-ether) and biomethanol from bio-MTBE (Methyl-tertio-butyl-ether), expressed in ethanol equivalent. Reference for bio content of ETBE and bio-MTBE is the RED directive.
(2) PCK and Zeeland Refinery included (TOTAL share).
(3) PCK and Zeeland Refinery included (TOTAL share). TotalErg (100% JV) included.
(4) VOME: Vegetable-Oil-Methyl-Ester. Including HVO (Hydrotreated Vegetable Oil).
(5) Including TotalErg's Rome and Trecate refinery/depots and TotalErg depots in Italy (100% TotalErg). PCK and Zeeland Refinery included (TOTAL share).
(6) Based on publicly available information, 2013 consolidated sales.

Sales were €1.51 billion in 2013, a decrease of 3% compared to 2012.

Bostik continues to strengthen its technological positions in the construction and industrial sectors, pursue its program for differentiation focused mainly on an offering of innovative bonding solutions, continue its expansion in high-growth countries and improve its operational performance.

Consequently, following the start-up of a new production unit in Egypt and the opening of a new technology center for Asia in Shanghai in 2012, Bostik inaugurated in 2013 a new production unit in Changshu, China, which will ultimately become Bostik's largest production plant in the world.

Bostik continued to rationalize its industrial base in 2013 with the shutdown of production in Dublin, Ireland, Barcelona, Spain, Lisbon, Portugal and Zhuhai, China. A workshop was also shut down in Leicester, United Kingdom.

Finally, in 2013, Bostik launched its new visual identity, designed to transform Bostik into a more visible worldwide brand that will gradually replace some forty local brands.

3.1.3.3. Electroplating

Atotech is the leading company in the electroplating sector based on worldwide sales(1). It is active in the markets for electronics (printed circuits, semiconductors) and general surface treatments (automotive, construction, furnishing).

Atotech has seventeen production sites worldwide, including seven in Asia, six in Europe, three in North America and one in South America.

Sales totaled €0.89 billion in 2013, a decrease of 8% compared to 2012, mainly due to the slump in the sales of electroplating equipment and the divestment of a commodities reselling activities (anodes).

In 2013, Atotech successfully continued to pursue its strategy designed to differentiate its products through a comprehensive service provided to its customers in terms of equipment, processes, design and chemical products and through the development of green, innovative technologies to reduce the environmental footprint. This strategy relies on global coverage provided by its technical centers located near customers.

In order to strengthen its position in the electronics market, Atotech started up a new production unit in 2011 aimed at the semiconductors market in Neuruppin (Germany) and acquired adhesive technologies (molecular interfaces) in the nanotechnology sector in the United States. In addition, a new equipment production site is expected to be opened in China in the third quarter of 2014.

Atotech intends to continue to develop in Asia, which already represents approximately 65% of its global sales.

3.2. Trading & Shipping

Trading & Shipping's main focus is serving the Group, and its activities primarily involve:

- selling and marketing the Group's crude oil production;
- providing a supply of crude oil for the Group's refineries;
- importing and exporting the appropriate petroleum and refined products for the Group's refineries to be able to adjust their production to the needs of local markets;
- chartering appropriate ships for these activities; and
- undertaking trading on various derivatives markets.

Trading & Shipping conducts its activities worldwide through various wholly-owned subsidiaries, including TOTSA Total Oil Trading S.A., Atlantic Trading & Marketing Inc., Total Trading Asia Pte, Total Trading and Marketing Canada L.P., Total Trading Atlantique S.A. and Chartering & Shipping Services S.A.

3.2.1. Trading

TOTAL is one of the world's largest traders of crude oil and refined products on the basis of volumes traded. The table below sets forth selected information with respect to Trading's worldwide crude oil sales and supply sources and refined products sales for each of the past three years.

Trading of physical volumes of crude oil and refined products amounted to 4.5 Mb/d in 2013.

(1) Based on publicly available information, 2013 consolidated sales.

Trading's crude oil sales and supply and refined products sales [a]

(kb/d)	2013	2012	2011
Group's worldwide liquids production	**1,167**	**1,220**	**1,226**
Purchased by Trading from Exploration & Production	916	976	960
Purchased by Trading from external suppliers	1,994	1,904	1,833
Total of Trading's supply	**2,910**	**2,880**	**2,793**
Sales by Trading to Refining & Chemicals and Marketing & Services segments	1,556	1,569	1,524
Sales by Trading to external customers	1,354	1,311	1,269
Total of Trading's sales	**2,910**	**2,880**	**2,793**
Total of Trading's refined products sales	**1,628**	**1,608**	**1,632**

(a) Including condensates.

Trading operates extensively on physical and derivatives markets, both organized and over the counter. In connection with its trading activities, TOTAL, like most other oil companies, uses derivative energy instruments (futures, forwards, swaps and options) to adjust its exposure to fluctuations in the price of crude oil and refined products. These transactions are entered into with various counterparties.

For additional information concerning derivatives transactions by Trading & Shipping, see Notes 30 (Financial instruments related to commodity contracts) and 31 (Market risks) to the Consolidated Financial Statements (Chapter 10, point 7).

All of TOTAL's trading activities are subject to strict internal controls and trading limits.

In 2013, the global oil market was balanced and oil prices fell slightly from 2012. Crude oil prices were subject to increased backwardation (1). Crude oil prices in North America benefited from a significant reduction in the price spread between the crude markers WTI (West Texas Intermediate, confined to the central United States and subject to a local production surplus) and Dated Brent (delivered in the North Sea and accessible to the international crude market). Freight rates decreased in 2013 due to an ever-growing availability in charter capacities.

		2013	2012	2011	2013/12	min 2013		max 2013	
Brent ICE - 1st Line [a]	($/b)	108.70	111.68	110.91	-2.7%	97.69	(Apr 17)	118.90	(Feb 8)
Brent ICE - 12th Line [b]	($/b)	103.04	106.66	108.12	-3.4%	95.95	(Apr 17)	110.50	(Feb 13)
Backwardation time structure (1st - 12th)	($/b)	5.67	5.01	2.79	13.1%	11.37	(Sep 3)	1.74	(Apr 17)
WTI NYMEX - 1st Line [a]	($/b)	98.05	94.15	95.11	4.1%	86.68	(Feb 13)	110.53	(May 4)
WTI vs. Brent 1st Line	($/b)	-10.66	-17.53	-15.80	-39.2%	-23.18	(Feb 8)	-0.02	(Jul 19)
Gasoil ICE - 1st Line [a]	($/t)	918.98	953.42	933.30	-3.6%	822.75	(May 1)	1,030.75	(Feb 18)
ICE Gasoil vs ICE Brent	($/b)	14.65	16.30	14.36	-10.1%	9.20	(May 2)	19.62	(Feb 11)

(a) 1st Line: quotation on ICE or NYMEX Futures for first nearby month delivery.
(b) 12th Line: quotation on ICE Futures for twelfth nearby month delivery.

In 2013, Trading's activities were affected by the global economic environment described below. After a slow-down worldwide during the first quarter of 2013, economic growth began a gradual recovery, pulling the Eurozone out of six quarters of recession by the second quarter of 2013. This slight improvement came to a halt in the third quarter under the impact of significant exchange rate fluctuations in emerging markets and the budget debate in the United States.

In this context, growth in the demand for oil nevertheless remained constant (+1.1 Mb/d (2), nearly identical to 2012). Diesel fuel and gasoline led this growth (+0.4 Mb/d each), while demand for fuel oil contracted (-0.2 Mb/d) due to efficiency gains among shipowners and reduced demand from Japanese power generators. The increase in oil demand was focused in Asia and the Middle East (+0.6 Mb/d in total), while demand in Europe decreased (-0.2 Mb/d).

Estimated global oil supplies stagnated in 2013, increasing by only +0.2 Mb/d after jumping +2.7 Mb/d in 2012. Non-OPEC production grew by approximately +1.0 Mb/d, increasing by +1.2 Mb/d in North America (United States and Canada), which offset declining or stagnating output in other countries.

Overall OPEC production decreased by 1.0 Mb/d, with crude oil production decreasing by 1.1 Mb/d. Significant crude oil production capacity was made unavailable (more than 3 Mb/d in the third quarter, compared to approximately 2 Mb/d at the start of 2013), thereby limiting the supply from certain countries due to, among other reasons, sanctions imposed on Iran, conflicts in Libya and acts of sabotage in Nigeria and Iraq. Saudi Arabia increased its production during the course of 2013 to help maintain market equilibrium, which sharply reduced OPEC's excess capacity.

(1) "Backwardation" is a term used to describe an energy market in which the value of the spot, or prompt, price is higher than the value of the forward or futures contracts trading concurrently. The reverse situation is described as "contango".
(2) TOTAL estimates.

The differential between supply and demand narrowed in 2013, dropping from +1.2 Mb/d in 2012 to +0.3 Mb/d due to the increase in demand and flat supply, thereby slowing the anticipated increase in global oil stocks.

Crude oil prices started 2013 on an upward trend, with Dated Brent hitting a high of $119.03/b on February 8. Prices then steadily fell, driven downward by the deteriorating economic environment in Europe and an oversupplied crude market, to reach a low of $96.83/b on April 17. The price of Dated Brent stabilized during the second quarter of 2013 at a level between $100/b and $105/b. Market tensions in the third quarter drove the price of Dated Brent back upward ($117.12/b on September 6), before prices subsequently leveled off below $110/b.

On the futures market, the backwardation of ICE Brent contract prices increased as a result of the same supply tensions that lifted spot (Dated Brent) prices in the first quarter of 2013. This backwardation decreased considerably during the second quarter with the seasonal drop in demand for crude oil, mainly due to planned refinery shutdowns for maintenance. The post-maintenance resumption of refining activity and new supply tensions drove backwardation to a maximum of $11/b toward the end of August before it decreased again late in the year.

The year 2013 was also marked by the narrowing of the crude price spread between WTI and Dated Brent. Extension of the Seaway pipeline from Cushing, Oklahoma, to the Texas coast of the Gulf of Mexico between January and April, along with the commissioning of additional pipelines from the Permian Basin in western Texas to the Gulf of Mexico in the second quarter, helped to restore balance in the central U.S. market. The crude price spread between WTI and Dated Brent consequently fell from around $20/b in January/February 2013 to around $4/b in July/August. This price spread widened once again beginning in the third quarter with the continuing rapid increase in domestic U.S. crude production and only moderate increases in demand.

While global refining capacity grew by approximately +0.9 Mb/d in 2013, crude throughputs increased by only approximately +0.4 Mb/d, held back by weaker refining margins. The weak margins reflect the growing surplus in global refining capacity. Asian refiners dominated the increases in refinery throughputs and capacity (+0.6 Mb/d and +1.0 Mb/d, respectively).

3.2.2. Shipping

The transportation of crude oil and refined products necessary for the activities of the Group is arranged by Shipping. These requirements are fulfilled through balanced use of the spot and time-charter markets. A rigorous safety policy is applied by Shipping mainly through a strict selection of chartered vessels. Like a certain number of other oil companies and shipowners, the Group uses freight rate derivative contracts to adjust its exposure to freight rate fluctuations.

In 2013, Trading & Shipping chartered more than 3,000 voyages to transport approximately 115 Mt of crude oil and refined products. As of December 31, 2013, Trading & Shipping employed a fleet of forty-six vessels, none of which were single-hulled, that were chartered under long-term or medium-term agreements (including seven LPG carriers). The fleet has an average age of approximately five years.

Freight rate averages of three representative routes for crude transportation

		2013	2012	2011	min 2013		max 2013	
VLCC Ras Tanura Chiba-BITR[a]	($/t)	11.83	12.82	11.99	8.95	(Jan 29)	18.99	(Nov 20)
Suezmax Bonny Philadelphia-BITR	($/t)	13.41	14.44	13.86	9.45	(Oct 2)	25.58	(Dec 18)
Aframax Sullom Voe Wilhemshaven-BITR	($/t)	7.02	6.48	6.51	6.04	(Feb 1)	14.16	(Dec 24)

(a) VLCC: Very Large Crude Carrier. BITR: Baltic International Tanker Routes.

The first nine months of 2013 were a difficult period for the oil shipping sector, particularly for larger crude tankers. Conditions were more favorable, meanwhile, for petroleum product carriers. At the same time, marine bunker prices remained high with a knock-on effect on transport costs.

Global demand for the transport of crude oil stabilized in 2013 after posting an increase of more than 5% among larger-sized vessels in 2012. This situation was attributable mainly to a decrease in North American imports due to an increase in local production in that region. This was partially offset by an increase in demand in Asia, particularly in China, which has been diversifying its supply from more distant sources (South America, Western Africa). The increase in tonnage continued to be strong, weakening the balance between supply and demand to historic levels. This led to record lows in VLCC freight rates through the end of the third quarter. The closing months of 2013 saw a reversal in crude oil freight rates, which reached a record annual level due to especially strong ongoing demand for deliveries to Asia from the Atlantic Basin.

The situation in the petroleum product shipping market was better overall than in the crude oil shipping market. Demand for the transport of petroleum products was particularly strong, with arbitrage in favor of longer routes, especially to Asia (notably the flow of naphtha from Europe to Asia on large carriers). Starting in early 2013, freight rates induced ship owners to resume ordering petroleum product tankers (MR and LR2[1]), a sector in which growth had moderated.

(1) MR: Medium Range – 50,000 DWT (deadweight tonnage); LR2: Long Range – 110,000 DWT.

4. Marketing & Services segment

The Marketing & Services segment was created on January 1, 2012, following the reorganization of the Downstream and Chemicals segments, and includes worldwide supply and marketing activities in the oil products field, as well as, since July 1, 2012, the activity of New Energies (1).

Among the largest marketers in Western Europe (2)

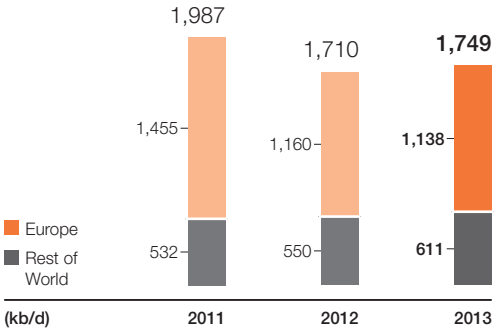
N°1 marketer in Africa (2)

14,820 service stations at year-end 2013 (excluding AS24 service stations)

€1.4 billion invested in 2013

27,878 employees

2013 refined products sales (a)



(a) Excludes trading and refining bulk sales, includes share of CEPSA through July 31, 2011, and of TotalErg.

For 2013, sales volumes increased by 2% compared to the previous year, due to growth in Africa and the Americas, partially offset by a decrease in Europe.

Marketing & Services segment financial data

(M€)	2013	2012	2011
Non-Group sales	83,481	86,614	85,325
Adjusted operating income (a)	1,596	1,355	1,199
Adjusted net operating income (a)	1,151	830	822
Including New Energies	*(2)*	*(169)*	*(197)*

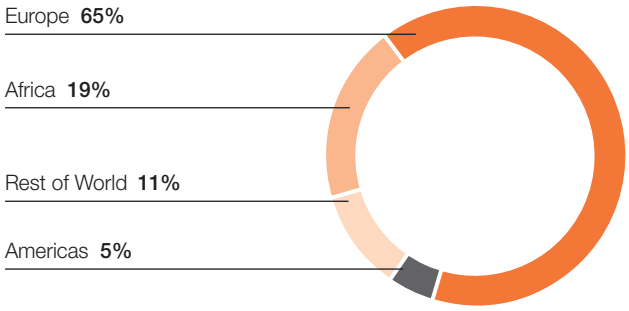
(a) Adjusted results are defined as income using replacement cost, adjusted for special items, excluding the impact of changes for fair value from January 1, 2011.

For 2013, Marketing & Services segment sales were €83.5 billion, a decrease of 4% compared to 2012.

Adjusted net operating income from the Marketing & Services segment in 2013 was €1,151 million compared to €830 million in 2012, an increase of 39% reflecting essentially the improvement in the performance of the New Energies, which had particularly negative results in 2012, as well as the overall improvement made in refined products marketing, particularly in emerging markets.

The ROACE (3) for the Marketing & Services segment was 16% for 2013, compared to 12% for 2012.

2013 refined products sales by geographical area: 1,749 kb/d (a)



(a) Excludes trading and refining bulk sales, includes share of TotalErg.

(1) As a result of the reorganization, certain information has been restated.
(2) Based on publicly available information based on quantities sold.
(3) Calculated based on adjusted net operating income and average capital employed, using replacement cost.

4.1. Marketing & Services

TOTAL is one of the leading marketers in Western Europe(1). It is also the leader(2) in Africa and certain Middle Eastern countries.

TOTAL sells a wide range of products produced from its refineries and other facilities in approximately 150 countries(3). TOTAL is among the key players in the specialty products market, in particular for lubricants, LPG, jet fuel, special fluids, bitumen, heavy fuels and marine fuels.

TOTAL also sells numerous services for consumers and professionals in the mobility, residential and industrial sectors.

As part of its activities, Marketing & Services holds stakes in five refineries in Africa, one in Europe through its share in TotalErg (49%) and one in the Caribbean.

Marketing & Services follows a proactive, primarily organic, development strategy involving the shifting of positions to high-growth areas.

4.1.1. Europe

TOTAL operates a network of more than 8,850 service stations in Europe located throughout France, Belgium, the Netherlands, Luxembourg and Germany as well as Italy through its stake in TotalErg (49%). The Group is a major player in the market for fuel-payment cards, with nearly 3.8 million cards issued in twenty-seven European countries.

In specialty products, the Group benefits from its extensive presence in Europe and relies on numerous industrial facilities to produce lubricants (mainly Rouen in France and Ertvelde in Belgium), special fluids (Oudalle in France), bitumen (Brunsbüttel in Germany) and grease (Baisieux in France).

In **Western Europe**, TOTAL continued to optimize its Marketing business in 2013.

– In **France**, the dense network includes more than 1,600 TOTAL-branded service stations, 600 Total Access stations (service station concept combining low prices and premium TOTAL-branded fuels and services) and 1,550 Elan service stations, which are located mainly in rural areas.

  In addition, TOTAL's GR (fuel and service cards) offering was expanded in 2013, helping to consolidate the Group's leading position in the provision of solutions to road transport professionals.

  TOTAL leads the heating oil market in France(4), with seven local subsidiaries covering the entire country. TOTAL continued its diversification strategy in 2013, with the commercial launch of wood pellets and online sale of fuel through fioulmarket.fr, France's first website for heating oil consumers.

  In petroleum products logistics, Marketing & Services finalized the implementation of a new organization at the end of 2012. As a result of this adaptation, TOTAL now holds stakes in twenty-three depots, of which it operates seven.

– In **Italy**, TotalErg (49%) has a network of more than 3,000 service stations, which makes it the third-largest operator in the country. As part of an asset optimization strategy, TotalErg ceased production at its Rome refinery in late 2012 and subsequently converted that site into a logistics hub for petroleum products storage.

– In the **United Kingdom**, TOTAL retains a market presence through its specialty products activities, particularly lubricants and jet fuel. In 2011, the Group sold its network of service stations and its fuel and heating oil marketing business in the United Kingdom, the Channel Islands and the Isle of Man.

In **Northern**, **Central and Eastern Europe**, TOTAL continued in 2013 to expand its direct presence in these growing markets, in particular for lubricants and bitumen. The Group specifically accelerated growth of its business in specialty products, including bitumen, in Russia and launched a marketing subsidiary in Kazakhstan.

TOTAL also operates a network of 731 AS24-branded service stations dedicated to commercial transporters in twenty-seven European countries. The Group continued developing its business in 2013 in Turkey, where it opened a new subsidiary. The AS24 network is expected to continue to grow, mainly through expansion in the Mediterranean Basin and Russia and through its toll payment card service, which covers more than seventeen countries.

4.1.2. Africa & the Middle East

TOTAL is the leading marketer of petroleum products on the African continent and in certain Middle Eastern countries, with a market share averaging 13%(5) in 2013. The Group operates more than 4,700 service stations in more than forty countries in these high-growth markets, including major networks in South Africa, Turkey, Nigeria, Kenya, Egypt and Morocco.

In **Egypt**, TOTAL signed agreements with Shell (May 2013) and Chevron (August 2013) with a view to developing its network of service stations and wholesale business. After the closing of these transactions, the Group will become the second-largest private operator in Africa's largest market, with a 14% network(6) market share.

As part of the optimization of its portfolio, the Group undertook processes to open up the share capital of selected subsidiaries to local investors to enhance its local presence.

In **Jordan**, TOTAL continued developing its service station network and wholesale business following its acquisition of a distribution license there in 2012.

TOTAL is pursuing its strategy for growth in the specialty products markets. The Group, which relies in particular on the lubricants blending plant in Dubai, started up new plants in Egypt in 2012 and in Saudi Arabia in October 2013.

Moreover, TOTAL has become a leading partner for mining customers by delivering supply chain and management solutions for fuels and lubricants.

(1) Publicly available information, based on quantities sold (2013).
(2) PFC Energy and Company data.
(3) Including via national distributors.
(4) CPDP 2013 and Company data.
(5) Market share in the countries where the Group operates, based on 2013 publicly available information, quantities sold.
(6) PFC Energy.

4.1.3. Asia-Pacific

At year-end 2013, TOTAL was present in more than twenty countries in the Asia-Pacific region, where the Group is strengthening its position in the distribution of fuels and specialty products. In the lubricants sector in particular, TOTAL continues to grow in the region, with a 6.3% increase in lubricant sales in 2013 compared with 2012.

TOTAL operates service stations in China, Pakistan, the Philippines, Cambodia and Indonesia and is a significant player in the Pacific Islands.

In **China**, the Group was operating approximately 200 service stations at year-end 2013 through two joint ventures with Sinochem and a wholly-owned subsidiary. In October 2013, the Group opened its third lubricants blending plant in China. Located in Tianjin, this state-of-the-art plant has a capacity of 200 kt/y.

In **Pakistan**, through its local partner PARCO, TOTAL announced in August 2013 its acquisition of Chevron's distribution network. Pending approval from the relevant authorities, this transaction encompasses the management of more than 500 service stations as well as Chevron's fuel business and storage sites.

In **India**, TOTAL continued to strengthen its positions in the lubricants and LPG sectors with the expansion of its LPG network to thirty-three stations in 2013. In 2012, TOTAL also inaugurated its first lubricants, bitumen, special fluids and additives technical center outside of Europe.

In **Vietnam**, TOTAL continued to strengthen its presence in the specialty products market. The Group became one of the leaders in the Vietnamese LPG market with the acquisition of Vinagas in 2012.

In **Singapore**, TOTAL announced in March 2013 the construction of a lubricants blending plant with a capacity of 310 kt/y to assist in meeting inland and marine lubricants demand in the Asia-Pacific region.

4.1.4. Americas

In **Latin America** and the **Caribbean**, TOTAL is active directly in about twenty countries and indirectly (via distributors) in about ten more countries in the markets of specialty products (lubricants and special fluids) and fuels (service station network, wholesale, aviation). The Group holds a significant position (1) in the Caribbean fuel distribution business.

In the **United States** and **Canada**, TOTAL mainly markets specialty products, particularly lubricants, jet fuels and special fluids. To strengthen its special fluids business, the Group took on a project to build a special fluids production plant near Houston, Texas, which is expected to be operational at the beginning of 2015.

TOTAL operates a significant number of industrial units throughout the Americas (production of lubricants, storage and conditioning of LPG) and owns a 50% stake in SARA (Société anonyme de la raffinerie des Antilles) in Martinique.

4.1.5. Sales of refined products

The table below sets forth TOTAL's sales of refined products by region:

(kb/d)	2013	2012	2011
France	575	566	574
Europe, excluding France [a]	564	594	881
Americas	86	53	56
Africa	326	307	304
Rest of the World	198	190	172
Total excluding Trading and refinery bulk sales	**1,749**	**1,710**	**1,987**
Trading	1,155	1,161	1,215
Refinery bulk sales	514	532	437
Total including Trading and refinery bulk sales	**3,418**	**3,403**	**3,639**

(a) Including the Group's share in CEPSA (up to end of July 2011).

For data on biofuels, refer to Chapter 2, paragraph 3.1.1.8.

4.1.6. Service stations

The table below sets forth the number of service stations of the Group (excluding AS24):

As of December 31,	2013	2012	2011
France [a]	3,813	3,911	4,046
Europe, excluding France	5,062	5,200	5,375
of which TotalErg	3,017	3,161	3,355
Africa	3,726	3,601	3,464
Rest of the World	2,219	2,013	1,934
Total	**14,820**	**14,725**	**14,819**

(a) TOTAL, Total Access, Elf and Elan-branded service stations.

4.1.7. Product and services developments

TOTAL continued in 2013 its technical and R&D partnerships in Formula 1 with Renault Sport F1, in the WRC with Citroën Racing and in endurance racing with Toyota. The purpose of these partnerships is to demonstrate TOTAL's technical excellence in the formulation of fuels and lubricants under extreme conditions and restrictions on fuel consumption. The TOTAL brand was associated with two Formula 1 world titles in 2013.

TOTAL continued its Clean Energy Partnership (CEP) in Germany, which is centered on hydrogen distribution. TOTAL currently has five demonstration stations for hydrogen distribution in Germany. A new hydrogen station is scheduled to open near the new airport in Berlin during the first half of 2014. TOTAL signed an agreement with Daimler in 2013 for the joint development of eight new stations under the CEP. Along with its partners in the "H2 Mobility" initiative, TOTAL also signed a preliminary agreement covering the

(1) Present in multiple Caribbean islands including Puerto Rico, Jamaica, Haiti, Martinique and Guadeloupe.

implementation of an action plan targeting construction of a network of hydrogen stations throughout Germany. It is anticipated that this network will have approximately 400 stations by 2023 (subject to deployment of more than 250,000 fuel-cell electric vehicles).

TOTAL has approximately twenty prototype electric vehicle fueling stations in the Netherlands, Belgium, Germany and France. The demonstration program of the distribution of electricity (fast charge) intended for electric vehicles continued at these stations in 2013.

TOTAL undertook within its European subsidiaries additional studies in 2013 into the potential of LNG as a fuel for heavy duty vehicles. The development of at least two pilot stations is scheduled for 2014.

In response to global market developments and looking ahead to future growth opportunities, TOTAL developed and tested five new energy optimization offerings among consumers and Corporate customers in 2013 based on multi-energy production (fuels, gas, photovoltaic, wood) and energy efficiency services (audit, monitoring, management).

4.2. New Energies

New Energies is developing renewable energies that will, in combination with hydrocarbons, help establish a more diversified energy mix while also generating lower CO_2 emissions. In meeting this objective, TOTAL is focusing on two main development axes: solar energy, which benefits from unlimited energetic resources, particularly in certain geographical zones where the Group has a significant presence, and the transformation of biomass through use of biotechnology, which aims to develop new biosourced product solutions for transport and chemicals. The Group keeps an active watch on other renewable energies not classified as priority areas for development at this time.

4.2.1. Solar energy

TOTAL is developing upstream operations through industrial production and downstream marketing activities in the photovoltaic sector based on crystalline silicon technology. The Group is also pursuing R&D in this field through several industrial and academic partnerships.

The economic context in this sector is currently stabilizing following two years of sharp price decreases that drove many players out of the market. Competitiveness in photovoltaic solar energy has improved and significant technical achievements have supported the emergence for the first time of markets that are profitable without subsidization.

4.2.1.1. SunPower

As of December 31, 2013, TOTAL held a 64.65% stake in SunPower, a U.S. company listed on NASDAQ (NASDAQ: SPWR) and based in San José, California. SunPower is an integrated player that designs, manufactures and supplies the highest-efficiency solar panels in the market. For additional information, see chapter 7, point 2., energy efficiency. SunPower is active throughout the solar chain, from photovoltaic cell production based on crystalline silicon to the design and construction of large turnkey power plants, as well as the commercialization of solar solutions for residential and commercial markets.

Upstream, SunPower manufactures all of its cells in Asia (Philippines, Malaysia) and has a total production capacity of 1,300 MW/y. The company is continuing to adjust its production capacity while maintaining its technological leadership through a significant R&D program. The cells are assembled into modules, or solar panels, in plants located in Asia, the United States, Mexico, Europe and South Africa. A 350 MW expansion in capacity was approved at the end of 2013 for start-up of production in 2015.

Downstream, SunPower markets its panels worldwide for applications ranging from residential roof tiles to large solar power plants.

In the United States, SunPower completed the construction in 2013 of the California Valley Solar Ranch, solar power plant (CVSR, 314 MWp), and started up the plant at the world's largest solar farm, Solar Star (709 MWp), sold to NRG Energy and MidAmerican, respectively, at the time of the investment decision.

TOTAL and SunPower also launched new solar power plant projects in Chile and South Africa in 2013. In Chile, SunPower is both supplying panels for and constructing the Salvador plant (70 MWp) in cooperation with TOTAL. The project, in which TOTAL is a 20% shareholder, is 70% financed by OPIC, the U.S. development finance institution. The electricity produced will be sold on the spot market and used to power the Chilean electricity grid.

In South Africa, subsequent to a tender offer, TOTAL and SunPower were selected by the South African government to build a free-standing 86 MWp solar power plant. TOTAL is a 27% shareholder in the project, while SunPower will supply the solar panels and construct the plant, which will sell the electricity produced under an energy purchase agreement.

In Asia, SunPower was selected in September 2013 to become the main supplier of panels (69 MWp) to the largest solar power plant in Japan, located in the Aomori Prefecture.

4.2.1.2. Other solar assets

The Shams 1 solar power plant (109 MW of parabolic concentrated solar power) in Abu Dhabi was commissioned in September 2013 with production being sold to the Abu Dhabi Water Electricity Company (ADWEC). TOTAL (20%) will take part in its operation for a 25-year period.

TOTAL owns a 50% interest in the French company Sunzil, which markets photovoltaic panels overseas.

Elsewhere, the Group is continuing initiatives to display solar application solutions as part of decentralized rural electrification projects in a number of countries, including in South Africa via Kwazulu Energy Services Company (KES), in which TOTAL holds a 35% stake.

Photovoltech, a Belgian company (50%) specialized in manufacturing multicrystalline photovoltaic cells, was put into liquidation in October 2013 after having ceased operations in late 2012.

4.2.1.3. New solar technologies

In order to strengthen its technological leadership in the crystalline silicon field, and in addition to its cooperation with SunPower in the R&D field, New Energies partners with leading laboratories and research institutes in France and abroad. The aim of these partnerships is to optimize the photovoltaic solar chain (silicon, wafers, cells, modules and systems) by cutting production costs and multiplying its applications, while increasing the efficiency of the components in terms of electric conversion.

In this regard, TOTAL is working with the IMEC (Interuniversity MicroElectronics Center – Belgium) and the *École Polytechnique*'s LPICM (Laboratory of physics of interfaces and thin layers), which specializes in plasma-deposition processes at low temperatures. Further to this partnership, TOTAL and, principally, the CNRS, the *École Polytechnique* and EDF signed in October 2013 a funding agreement with the National Research Agency (ANR) concerning the IPVF (Institut Photovoltaïque d'Île-de-France), which, with its team of nearly 200 researchers, aims to eventually become one of the main centers worldwide conducting research into latest-generation photovoltaic devices.

With respect to electricity storage, TOTAL is continuing its R&D program with renowned institutions such as the Massachusetts Institute of Technology (MIT) in the United States to develop a new battery technology, and is investing in start-ups including Ambri (11%), founded at MIT, as well as Lightsail and Enervault, also based in the United States.

4.2.2. Biotechnologies and the conversion of biomass

TOTAL is exploring a number of opportunities for developing biomass depending on its nature, accessibility and sustainability. The Group's objective is to sell high-performance molecules in targeted markets (fuel, lubricants, special polymers, chemicals, etc.). The focus of New Energies is on the biochemical conversion process for this biomass.

Amyris Inc., a U.S. company listed on NASDAQ (NASDAQ: AMRS), was identified for TOTAL's first significant equity investment in biotechnology. At year-end 2013, TOTAL held 17.9% of the company. A collaboration agreement with Amyris has been signed covering research (including the formation of a shared research team), development, production and marketing activities relating to biosourced molecules. Amyris owns a cutting-edge industrial synthetic biological platform designed to create and optimize micro-organisms that can convert sugars into molecules of interest through fermentation. Amyris also owns a research laboratory and pilot units in California and Brazil. In early 2013, Amyris started up an industrial production site for farnesene, which is used in the production of renewable diesel and kerosene, in Brotas, in the state of São Paulo, Brazil.

At the end of 2013, TOTAL and Amyris created Total Amyris Biosolutions, a 50/50 joint venture that holds the exclusive rights and intellectual property in relation to farnesene.

In addition, the Group continues to develop a global network of R&D partnerships in technology segments that are complementary to Amyris' platform (deconstruction of lignocellulose, synthetic biology, metabolism engineering), including with Joint BioEnergy Institute (JBEI, United States), Novogy (United States), Gevo Inc. (NASDAQ: GEVO, United States), the University of Wageningen (Netherlands) and the Toulouse White Biotechnology consortium (TWB) (France).

The Group is also studying the longer-term potential for developing a cost-effective phototrophic process for producing biomolecules through the bio-engineering of microalgae and associated processes. An exploratory research agreement was signed with the Grenoble CEA (Atomic and Alternative Energies Commission) in late 2013, and two development projects are underway with the AlgaePark consortium in the Netherlands.

4.2.3. Other renewable energies

In the field of wind power, TOTAL owns a 12 MW wind farm in Mardyck (near Dunkirk, France), which was commissioned in 2003.

In marine energy, TOTAL holds a 26.7% share in Scotrenewables Tidal Power, located in the Orkney Islands in Scotland. Tests on a 250 kW prototype have been successfully completed. A 2 MW commercial model is being developed.

5. Investments

5.1. Major investments over the 2011-2013 period (1)

(M€)	2013	2012	2011
Upstream	22,396	19,618	20,662
Refining & Chemicals	2,039	1,944	1,910
Marketing & Services	1,365	1,301	1,834
Corporate	122	80	135
Total	**25,922**	**22,943**	**24,541**

Organic capital expenditure, including net investment in equity affiliates and non-consolidated subsidiaries, amounted to $28.3 billion in 2013 (€21.3 billion (2)), compared with $23.8 billion in 2012 (€18.5 billion). This increase was due to a rise in investments related to a large number of Upstream projects under development.

In 2013, in the Upstream segment, capital expenditure was mainly intended for the development of new hydrocarbon production facilities and exploration operations.Development expenditure was devoted primarily to the following projects: GLNG and Ichthys in Australia, Surmont and Fort Hills in Canada, the Ekofisk and Eldfisk areas in Norway, the Laggan Tormore projects in the United Kingdom, Moho North in Congo, CLOV in Angola, Ofon II and Egina in Nigeria and Yamal in Russia.

In the Refining & Chemicals segment, capital expenditure was devoted to the maintenance of facilities and safety and to projects to increase the production of lighter products, add desulphurization capacities, adapt the refining base to new specifications and improve energy efficiency. 2013 was marked by the announcement of the upgrading project at the Antwerp refinery in Belgium and a project to adapt the petrochemicals platform in Carling, France, and by the start of production at the SATORP refinery in Saudi Arabia.

In the Marketing & Services segment, capital expenditure in 2013 was mainly dedicated to the network, logistics and specialty production and storage facilities.

While continuing to develop its major Exploration & Production projects in 2013, the Group also strengthened its prospects beyond 2017 by acquiring high-potential assets, particularly in Brazil, and by extending its acreage through licenses obtained in promising exploration areas. Thus, acquisitions were $4.5 billion (€3.4 billion), comprised essentially of the acquisition of a stake in the Libra field in Brazil, an additional 6% stake in the Ichthys project in Australia, an additional 1.6% stake in Novatek (3), the carry agreement in the Utica shale gas and condensates field in the United States and the bonus for exploration licenses in South Africa, Mozambique and Brazil.

Total investment (including acquisitions and changes in non-current loans) therefore increased from $27.8 billion (€21.7 billion) in 2012 to $32.8 billion (€24.7 billion) in 2013.

In 2013, asset sales totaled $4.7 billion (€3,6 billion) compared with $5.9 billion (€4,6 billion) in 2012, comprised essentially of the sale of TIGF (4), a 25% stake in the Tempa Rossa field in Italy, the interest in the Voyager upgrader project in Canada, fertilizer operations and all the Exploration & Production assets in Trinidad and Tobago.

Net investments were therefore $25.9 billion (€19.5 billion) in 2013, compared with $21.9 billion (€17.1 billion) in 2012, an increase of 18%. They include $2.2 billion (€1.6 billion) related to the sale of minority equity interests in Total E&P Congo and Block 14 in Angola, which are shown in the financing section of the cash flow statement.

5.2. Major investments anticipated

After reaching a high of $28,3 billion in 2013, the organic investment budget was reduced to $26 billion in 2014, more than 80% of which will be dedicated to Upstream. Investments in the Upstream Segment are expected to amount to $ 22 billion and should be mainly dedicated to major development projects, including GLNG and Ichthys in Australia, Surmont and Fort Hills in Canada, the Ekofisk and Eldfisk areas in Norway, the Laggan Tormore projects in the United Kingdom, Moho North in Congo, CLOV in Angola, Ofon II and Egina in Nigeria and Yamal in Russia. A significant portion of the segment's budget will also be allocated to maintenance and integrity work on assets already in production.

The Refining & Chemicals segment has an over $ 2 billion capital expenditure budget, that is expected to be dedicated to the refining, petrochemicals and specialty chemicals businesses. In particular, 2014 is expected to be marked by the start of upgrade work on the integrated platform in Antwerp, Belgium. A significant portion of the segment's budget will also be allocated to maintenance and safety, which are vital to this type of industrial activity.

The Marketing & Services segment has a nearly $ 2 billion capital expenditure budget that is expected to finance, in particular, the service station network, logistics, specialty production and storage

(1) Including acquisitions. Major acquisitions for fiscal years 2011-2013 are detailed in Note 3 to the Consolidated Financial Statements of this Registration Document.
(2) Based on average exchange rates for 2013 of $1.3281/€.
(3) The Group's interest in Novatek was 16.96% at December 31, 2013.
(4) Major disposals for fiscal years 2011-2013 are detailed in Note 3 to the Consolidated Financial Statements of this Registration Document.

facilities (lubricants, LPG, etc.) and the development of this segment's activities in New Energies. Most of the Marketing & Services budget will be allocated to growth areas (Africa, Middle East, Asia and Latin America).

After 2014, TOTAL expects investments to be in line with more moderate post-2017 growth based on increased production. Moreover, all the Group's segments are making efforts to control their investments and reduce their operating costs while continuing to make safety an absolute priority.

TOTAL self-finances most of its capital expenditure from cash flow from operations (see the consolidated statement of cash flow, Chapter 10, point 5.), which is essentially increased by accessing the bond market on a regular basis, when conditions on the financial markets are favorable (see Note 20 to the Consolidated Financial Statements, Chapter 10, point 7.). However, capital expenditure for joint ventures between TOTAL and external partners are generally funded through project financing.

In addition, the Group has confirmed the target of selling $15 to $20 billion in assets over the 2012-2014 period. With $13 billion in assets already sold (1) at the end of 2013, the proposed sales being negotiated and reviewed should enable TOTAL to reach, and possibly exceed, the target set in 2014.

As part of certain project financing arrangements, TOTAL S.A. has provided guarantees. These guarantees ("Guarantees given on borrowings") as well as other information on off-balance sheet commitments and contractual obligations for the Group appear in Note 23 to the Consolidated Financial Statements (Chapter 10, point 7.). The Group does not currently consider that these guarantees, or any other off-balance sheet arrangements of TOTAL S.A. nor any other members of the Group, currently have or are reasonably likely to have in the future a material effect on the Group's financial situation, revenues or expenses, liquidity, capital expenditure or capital resources.

In November 2012, TOTAL announced the sale of the Group's interest in the offshore OML 138 Block in Nigeria, which includes the Usan. field, and in February 2014 the signing of an agreement to sell its 15% interest in the offshore Block 15/06 in Angola to Sonangol E&P for $750 million. The approval by the authorities has not yet been received for the sale of its interest in OML 138. The closing of the sale of the interest in Block 15/06 is expected during the first half of 2014.

6. Organizational structure

6.1. Position of the Company within the Group

TOTAL S.A. is the Group's parent company. As of December 31, 2013, there were 898 consolidated subsidiaries, of which 809 were fully consolidated and 89 were accounted for under the equity method.

The decision of TOTAL S.A.'s major subsidiaries to declare dividends is made by their relevant Shareholders' Meetings and is subject to the provisions of applicable local laws and regulations. As of December 31, 2013, there is no restriction under such provisions that would materially restrict the distribution to TOTAL S.A. of the dividends declared by those subsidiaries.

As of December 31, 2013, the Group's businesses are organized as indicated on the chart in point 8. of this Chapter. The Group's businesses receive assistance from Corporate divisions (Finance, Legal, Ethics, Insurance, Strategy & Business Intelligence, Human Resources and Communications) that are grouped within the parent company, TOTAL S.A.

6.2. Company subsidiaries

A list of the major subsidiaries directly or indirectly held by the Company is given in Note 35 to the Consolidated Financial Statements (Scope of Consolidation) in Chapter 10, point 7. of this Registration Document.

(1) Including other transactions with minority interests.

7. Property, plant and equipment

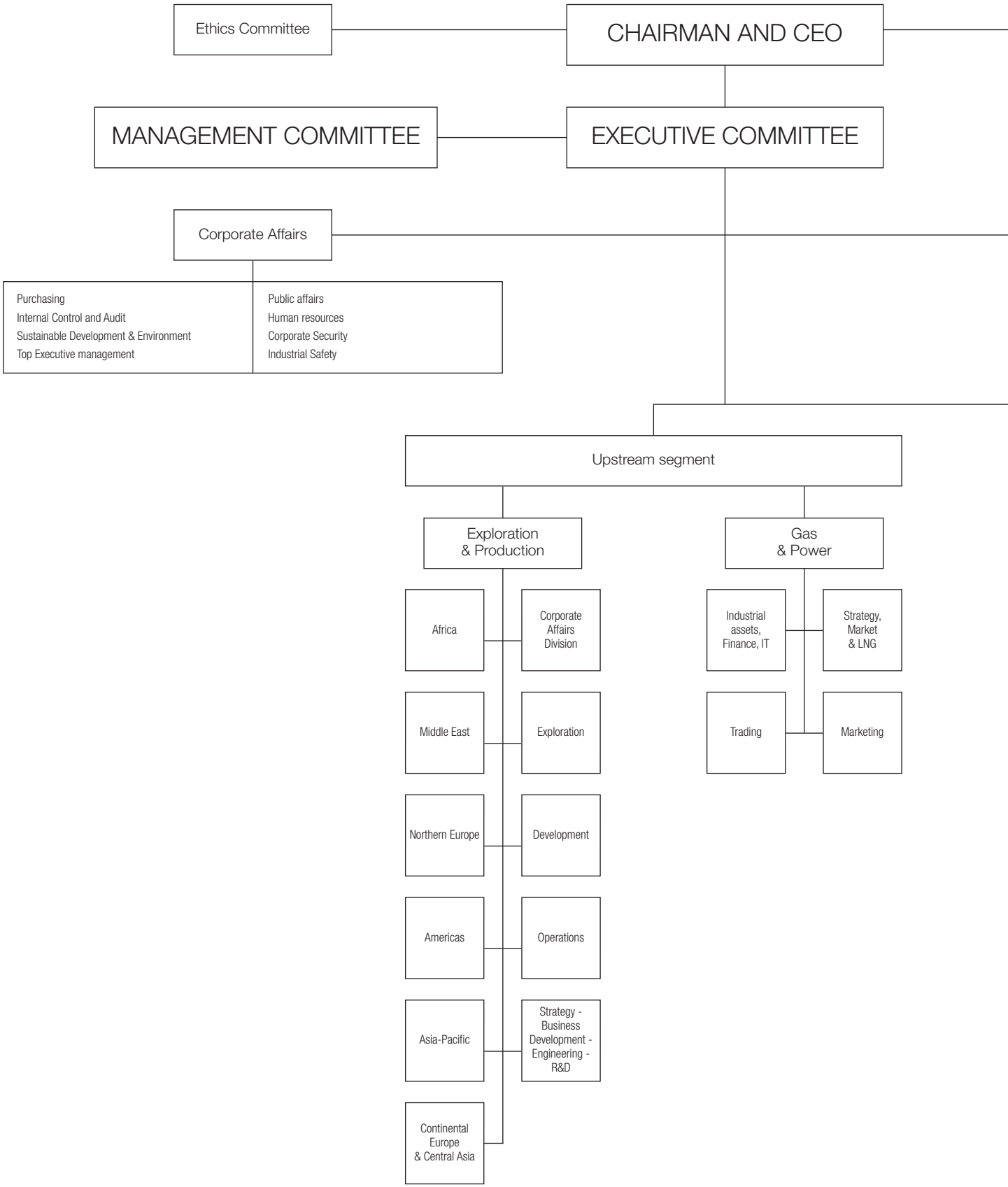
TOTAL has freehold and leasehold interests in over 130 countries throughout the world. Operations in properties, oil and gas fields or any other industrial, commercial or administrative facility, as well as the production capacities and utilization rates of these facilities, are described in this Chapter for each business segment (Upstream, Refining & Chemicals, Marketing & Services).

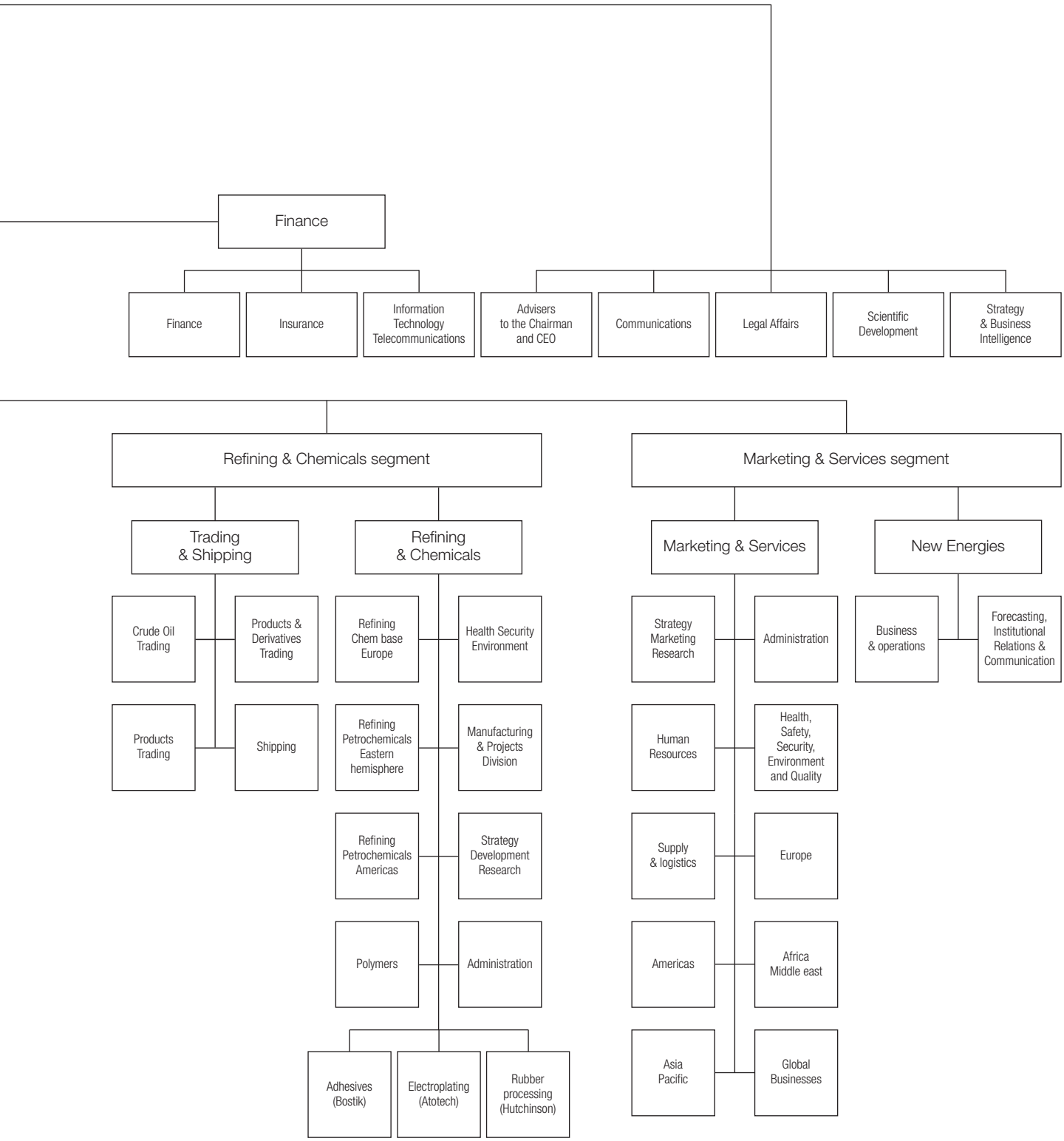
A summary of the Group's property, plant and equipment and their main related expenses (depreciation and impairment) is included in Note 11 to the Consolidated Financial Statements (Chapter 10, point 7.).

Minimum royalties from finance lease agreements regarding properties, service stations, vessels and other equipment are given in Note 22 to the Consolidated Financial Statements (Chapter 10, point 7.).

Information about the Company's environmental policy, in particular that related to the Group's industrial sites or facilities, is presented in Chapter 7 – Social and environmental information of this Registration Document.

8. Organization chart as of December 31, 2013




Finance
Finance
Insurance
Information Technology Telecommunications
Advisers to the Chairman and CEO
Communications
Legal Affairs
Scientific Development
Strategy & Business Intelligence
Refining & Chemicals segment
Marketing & Services segment
Trading & Shipping
Refining & Chemicals
Marketing & Services
New Energies
Crude Oil Trading
Products & Derivatives Trading
Products Trading
Shipping
Refining Chem base Europe
Health Security Environment
Refining Petrochemicals Eastern hemisphere
Manufacturing & Projects Division
Refining Petrochemicals Americas
Strategy Development Research
Polymers
Administration
Adhesives (Bostik)
Electroplating (Atotech)
Rubber processing (Hutchinson)
Strategy Marketing Research
Administration
Human Resources
Health, Safety, Security, Environment and Quality
Supply & logistics
Europe
Americas
Africa Middle east
Asia Pacific
Global Businesses
Business & operations
Forecasting, Institutional Relations & Communication

Management Report

The items of the Management report including points 1. to 4. were approved by the Board of Directors on February 11, 2014 and have not been updated with subsequent events.

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1. Summary of results and financial position

1.1. Overview of the 2013 fiscal year for TOTAL

The year 2013 was marked by the end of the recession in the euro zone in the second quarter and the stability of emerging countries. This improvement was mitigated in the third quarter by the impacts of significant exchange rate fluctuations in emerging markets and the budget debate in the United States.

In this context, global oil demand rose sharply by +1.1 Mb/d[(1)], compared to +0.8 Mb/d in 2012, driven by demand in Asia and the Middle East. Global oil supplies were up moderately in 2013 by +0.4 Mb/d after an increase of +2.3 Mb/d in 2012. Market supplies remained adequate mainly due to the increase in non-conventional oil production in North America, whereas the persistence of geopolitical factors, particularly in Libya, Nigeria and Iraq, put a strain on OPEC production. The oil market environment in 2013 therefore remained relatively stable with a Brent price of $108.7/b compared to $111.7/b in 2012.

Gas spot prices remained stable in Asia in 2013, sustained by demand, and averaged $16/Mbtu. In Europe, gas spot prices increased by more than 20% from $9/Mbtu in 2012 to $11/Mbtu in 2013. Similarly, after a sharp drop due to the abundant supply of natural gas following the development of shale gas, gas spot prices in the United States rose by more than 30% in 2013, averaging $4/Mbtu compared to $3/Mbtu in 2012.

In the downstream, 2013 saw a sharp decline in European refining margins, which was partly offset by a more favorable petrochemicals environment. Given the effect of over-capacities, the continued high Brent price and sluggish demand, the European Refining Margin Indicator ("ERMI")[(2)] was $17.9/t in 2013, compared to $36.0/t in 2012. For their part, petrochemical margins in Europe and the United States increased during the year by approximately 25% on average as a result of lower raw material prices (naphtha in Europe and Asia, ethane and LPG in the United States).

In this environment, TOTAL's adjusted net income amounted to €10.7 billion, slightly down from 2012. This result essentially reflects the decrease in net income of the Upstream segment, which was partly offset by the increase in net income of Marketing & Services.

The Upstream segment's adjusted[(3)] net operating income reached €9.4 billion in 2013, a 16% decrease from the previous year, impacted by a less favorable production mix, an increase in technical costs, especially exploration expenses, and an increase in the effective tax rate. In 2013, the Refining & Chemicals segment benefited from the concrete effects of the synergy and operational efficiency plans and a more favorable petrochemicals environment. This helped offset the sharp decline in refining margins in Europe and allowed adjusted net operating income to remain stable compared with 2012. Finally, the Marketing & Services segment recorded a 39% increase in adjusted net operating income compared with 2012, thanks in particular to improved performance in New Energies, which posted significant losses in 2012, and overall growth in marketing of petroleum products, driven mainly by emerging markets.

Acquisitions were €3.4 billion in 2013, comprised essentially of the acquisition of a 20% stake in the Libra field in Brazil, an additional 6% stake in the Ichthys project in Australia, an additional 1.6% stake in Novatek[(4)], the carry agreement in the Utica shale gas and condensates field in the United States and the bonus for exploration licenses in South Africa, Mozambique and Brazil. Asset sales totaled €3.6 billion, comprised essentially of the sale of TIGF, a 25% stake in the Tempa Rossa field in Italy, the 49% interest in the Voyager upgrader project in Canada, fertilizer operations and all the Exploration & Production assets in Trinidad and Tobago. Thus, of the $15 to 20 billion in sales targeted for the 2012-2014 period, the Group had already sold $13 billion[(5)] in assets at the end of 2013[(6)].

As announced, the intensive investment phase aimed at transforming the Group's production profile by 2017 reached a peak of $28 billion (€21.3 billion) in 2013. TOTAL financed its investments and dividends while maintaining a sound balance sheet and ended 2013 with a ratio of net debt to equity of 23%. On the strength of this financial soundness and in keeping with its competitive shareholder return policy, the Board of Directors decided to propose at the May 16, 2014 Shareholders' Meeting a dividend of €2.38/share for 2013, which represents a 3.4% increase for the remaining dividend.

In terms of operations, the Group's production was impacted by safety issues in Libya and Nigeria, the effects of which were partly offset by the improved situation in Yemen and by the restart of Elgin-Franklin in the North Sea and OML 58 in Nigeria.

With responsibility and transparency, TOTAL reasserts the utmost priority it gives to the safety of operations and its commitment to environmental protection. Thus, the Group further improved its safety performance, with a 14% drop in TRIR[(7)] compared with 2012. For all of its projects conducted in a large number of countries, the Group also places emphasis on Corporate Social Responsibility (CSR) challenges and the development of local economies.

In the Upstream segment, 2013 saw the launch of major projects in Congo, Nigeria, Canada and Russia and the acquisition of interests in high-potential assets, particularly in Brazil with the acquisition of a 20% stake in the Libra field. TOTAL has therefore confirmed its production growth targets and strengthened its prospects beyond 2017. The Group also pursued its ambitious exploration program and made large discoveries in Iraq and Argentina. In 2013, the Group continued to extend its oil and gas acreage by obtaining licenses in promising exploration areas, particularly in Iraq, Brazil, Bolivia and South Africa.

In the Refining & Chemicals segment, the synergy and operational efficiency plans yielded concrete results that, together with a more favorable petrochemicals environment, enabled this segment to record stable income despite an extremely weak refining environment in

(1) IEA data, excluding biofuels and refining gains.
(2) TOTAL's margin indicator.
(3) Adjusted results are defined as income using replacement cost, adjusted for special items, excluding the impact of changes for fair value from January 1, 2011.
(4) The Group's interest in Novatek was 16.96% at December 31, 2013.
(5) Dollar amounts represent euro amounts converted at the average exchange rate of 1.3281 $/€ for the full year 2013.
(6) Including other transactions with minority interests.
(7) Total Recordable Injury Rate.

Europe. The year 2013 was also marked by the start of production at the SATORP refinery in Saudi Arabia and by the announcement of the launch of a major investment program to upgrade the Antwerp platform in Belgium and a project to adapt the petrochemicals platform in Carling, France, in order to restore its competitiveness.

In the Marketing & Services segment, the Group's strategy is to optimize its operations in Europe, strengthen its leading positions on the African continent and in the Middle East and expand its presence in the global lubricants market, while at the same time maintaining a profitability target of over 17%. Thus, in 2013, the Group strengthened its leadership in Europe by increasing its network market share with 600 Total Access service stations now deployed in France. TOTAL also continued its expansion in high-growth markets and developed its positions in Egypt and Pakistan. In 2013, the photovoltaic solar energy sector stabilized after two years of sharp price decreases. Against this backdrop, New Energies improved its competitiveness and TOTAL and SunPower (64.65%) announced a number of successful initiatives, including the start-up of the California Valley Solar Ranch solar power plant and the launch of new solar power plant projects in Chile and South Africa.

The process initiated in 2004 to increase R&D budgets continued with expenditures of €949 million in 2013, up nearly 20% compared to 2012, with the aim, in particular, of the continued improvement of the Group's technological expertise in the development of oil and gas resources and the development of solar, biomass, carbon capture and storage technologies in order to contribute to changes in the global energy mix.

1.2. 2013 Group results (1)

(M€)	2013	2012	2011
Sales	189,542	200,061	184,693
Adjusted operating income from business segments (a)	20,779	24,866	24,456
Adjusted net operating income from business segments (a)	11,925	13,351	12,295
Net income (Group share)	8,440	10,609	12,309
Adjusted net income (Group share) (a)	10,745	12,276	11,457
Fully-diluted weighted-average shares (millions)	2,272	2,267	2,257
Adjusted fully-diluted earnings per share (euros) (a) (b)	4.73	5.42	5.08
Dividend per share (euros) (c)	2.38	2.34	2.28
Net-debt-to-equity ratio (as of December 31)	23%	22%	23%
Return on Average Capital Employed (ROACE) (d)	13%	16%	16%
Return on Equity (ROE)	15%	18%	19%
Cash flow from operations	21,473	22,462	19,536
Investments (e)	25,922	22,943	24,541
Divestments	4,814	5,871	8,578

(a) Adjusted results are defined as income using replacement cost, adjusted for special items, excluding the impact of changes for fair value from January 1, 2011.
(b) Based on fully-diluted weighted-average number of common shares outstanding during the period.
(c) Dividend 2013 is subject to the approval by the Shareholder's Meeting on May 16, 2014.
(d) Based on adjusted net operating income and average capital employed at replacement cost.
(e) Including acquisitions.

Market environment	2013	2012	2011
Exchange rate €-$	1.33	1.28	1.39
Brent ($/b)	108.7	111.7	111.3
European Refinery Margin Indicator (ERMI) (a) ($/t)	17.9	36.0	17.4

(a) ERMI is an indicator intended to represent the margin after variable costs for a hypothetical complex refinery located around Rotterdam in Northern Europe. The indicator margin may not be representative of the actual margins achieved by TOTAL in any period because of TOTAL's particular refinery configurations, product mix effects or other specific operating conditions.

Adjustments to operating income

(M€)	2013	2012	2011
Special items affecting operating income	(1,237)	(2,342)	(873)
Restructuring charges	(284)	(2)	-
Impairments	(792)	(1,474)	(781)
Other	(161)	(866)	(92)
Effect of changes in fair value	(56)	(9)	45
Pre-tax inventory effect: FIFO vs. replacement cost (a)	(802)	(234)	1,215
Total adjustments affecting operating income	**(2,095)**	**(2,585)**	**387**

(a) See Note 1N to the Consolidated Financial Statements.

(1) Following the application of revised accounting standard IAS 19 effective January 1, 2013, the information for 2012 and 2011 has been restated; however, the impact on such restated results is not significant (see Note 1 of the notes to the Consolidated Financial Statements).

Adjustments to net income (Group share)

(M€)	2013	2012	2011
Special items affecting net income (Group share)	(1,712)	(1,503)	(14)
Gain (loss) on asset sales	(72)	581	1,538
Restructuring charges	(428)	(77)	(122)
Impairments	(586)	(1,112)	(1,014)
Other	(626)	(895)	(416)
Effect of changes in fair value	(44)	(7)	32
After-tax inventory effect: FIFO vs. replacement cost [a]	(549)	(157)	834
Total adjustments affecting net income	**(2,305)**	**(1,667)**	**852**

(a) See Note 1N to the Consolidated Financial Statements.

1.2.1. Sales

Consolidated sales were €189,542 million ($251,731 million), a decrease of 5% compared to 2012 (€200,061 million).

1.2.2. Operating income from business segments

On average, the upstream environment remained stable compared to the previous year with a Brent price of $108.7/b compared to $111.7/b in 2012, and an average realized gas price for the Group's consolidated subsidiaries that increased by 6% to $7.12/Mbtu from $6.74/Mbtu in 2012. In the downstream, the ERMI (European refining margin indicator) decreased sharply to $17.9/t on average compared to $36.0/t in 2012.

The euro-dollar exchange rate averaged 1.33 $/€ compared to 1.28 $/€ in 2012.

In this context, the adjusted operating income from the business segments was €20,779 million, a decrease of 16% compared to 2012 [1]. Expressed in dollars [2], adjusted operating income from the business segments was $27.6 billion, a decrease of 14% compared to 2012, due to a lower contribution from the Upstream segment, which was partially offset by a higher contribution from Marketing & Services.

The effective tax rate [3] for the business segments was 55.5% in 2013 compared to 55.3% in 2012.

Adjusted net operating income from the business segments was €11,925 million compared to €13,351 million in 2012, a decrease of 11%. Expressed in dollars, adjusted net operating income from the business segments decreased by 8%.

1.2.3. Net income (Group share)

Adjusted net income decreased by 12% to €10,745 million in 2013 from €12,276 million in 2012. Expressed in dollars, adjusted net income was $14.3 billion, a decrease of 10% compared to 2012.

Adjusted net income excludes the after-tax inventory effect, special items and the effect of changes in fair value:

- The after-tax inventory effect had a negative impact on net income of €549 million in 2013 and a negative impact of €157 million in 2012.
- Changes in fair value had a negative impact on net income of €44 million in 2013 and a negative impact of €7 million in 2012.
- Special items had a negative impact on net income of €1,712 million in 2013, comprised mainly of the loss on the sale of the Voyageur upgrader project in Canada, the impairment of Upstream assets in the Barnett field in the United States and in Syria, charges and write-offs related to the restructuring of Downstream activities in France, partially offset by the gain on the sales of TIGF and Upstream assets in Italy. Special items had a negative impact on net income of €1,503 million in 2012.

The effective tax rate for the Group was 56.8% in 2013 compared to 56.5% in 2012.

On December 31, 2013, there were 2,276 million fully-diluted shares compared to 2,270 million on December 31, 2012.

In 2013, adjusted fully-diluted earnings per share, based on 2,272 million fully-diluted weighted-average shares, was €4.73 compared to €5.42 in 2012, a decrease of 13%.

Expressed in dollars, adjusted fully-diluted earnings per share was $6.28 compared to $6.96 in 2012, a decrease of 10%.

1.2.4. Investments – divestments

Investments, excluding acquisitions and including changes in non-current loans, were €21.3 billion ($28.3 billion) in 2013 compared to €18.5 billion ($23.8 billion) in 2012, an increase reflecting the investments for the large number of Upstream projects under development.

Acquisitions were €3.4 billion ($4.5 billion) in 2013, comprised essentially of the acquisition of an interest in the Libra field in Brazil, an additional 6% stake in the Ichthys project in Australia, an additional 1.6% stake in Novatek [4], the carry on the Utica gas and condensate field in the United States, and the bonuses for exploration permits in South Africa, Mozambique and Brazil.

Asset sales in 2013 were €3.6 billion ($4.7 billion), comprised essentially of the sale of TIGF, a 25% interest in the Tempa Rossa field in Italy, the interest in the Voyageur upgrader project in Canada, some fertilizer activities, and Exploration & Production assets in Trinidad & Tobago. Net investments were €19.5 billion ($25.9 billion) in 2013, an increase of 14% compared to €17.1 billion ($21.9 billion) in 2012. Included in 2013 is €1.6 billion ($2.2 billion) related to the sale of minority equity interests in Total E&P Congo and

(1) Special items affecting operating income from the business segments had a negative impact of €1,237 million in 2013 and a negative impact of €2,342 million in 2012.
(2) Dollar amounts represent euro amounts converted at the average €-$ exchange rate for the period: 1.3281 $/€ for the full year 2013; 1.2848 $/€ for the full year 2012 and 1.3920 $/€ for the full year 2011.
(3) Defined as: (tax on adjusted net operating income)/(adjusted net operating income – income from equity affiliates – dividends received from investments + tax on adjusted net operating income).
(4) The Group's share in Novatek was 16.96% at December 31, 2013.

Block 14 in Angola, which are shown in the financing section of the cash flow statement.

Expressed in dollars, net investments in 2013 increased by 18%, mainly due to an increase in organic investments in the Upstream segment.

1.2.5. Profitability

The ROACE for the Group for 2013 was 13%, compared to 16% in 2012. Return on Equity for 2013 was 15%, compared to 18% in 2012.

1.3. Upstream results

Environment - liquids and gas price realizations[a]	2013	2012	2011
Brent ($/b)	108.7	111.7	111.3
Average liquids price ($/b)	103.3	107.7	105.0
Average gas price ($/Mbtu)	7.12	6.74	6.53
Average hydrocarbon price ($/boe)	74.8	77.3	74.9

(a) Consolidated subsidiaries, excluding fixed margins. Effective first quarter 2012, included over/under-lifting valued at market prices.

In 2013, TOTAL benefited from relatively stable Upstream environment compared to 2012. The Group's average realized liquids price and the average realized gas prices for the Group's consolidated subsidiaries have respectively decreased by 4% and increased by 6% in 2013 compared to 2012.

Hydrocarbon production	2013	2012	2011
Liquids (kb/d)	1,167	1,220	1,226
Gas (Mcf/d)	6,184	5,880	6,098
Combined production (kboe/d)	2,299	2,300	2,346

In 2013, hydrocarbon production was 2,299 kboe/d, stable compared to 2012, essentially as a result of:

- +2.5% for start-ups and growth from new projects,
- -1% for normal decline, partially offset by lower maintenance, the restart of production from Elgin/Franklin in the UK North Sea and OML 58 in Nigeria,
- -0.5% for portfolio changes, including mainly the sale of interests in Nigeria, the UK, Colombia, and Trinidad & Tobago, net of higher production corresponding to the increased stake in Novatek, and
- -1% for security issues in Nigeria and Libya, partially offset by improved security conditions in Yemen.

Reserves At December 31,	2013	2012	2011
Liquids (Mb)	5,413	5,686	5,784
Gas (Bcf)	33,026	30,877	30,717
Hydrocarbon reserves (Mboe)	11,526	11,368	11,423

Proved reserves based on SEC rules (based on Brent at 108.02 $/b) were 11,526 Mboe at December 31, 2013. Based on the 2013 average rate of production, the reserve life is more than thirteen years.

The 2013 proved reserve replacement rate(1), based on SEC rules, was 119%.

The 2013 organic proved reserve replacement rate(2) was 109%.

At year-end 2013,TOTAL had a solid and diversified portfolio of proved and probable reserves(3) representing more than twenty years of reserve life based on the 2013 average production rate, and resources(4) representing about fifty years of production.

Effective July 1, 2012, the Upstream segment no longer includes the activities of New Energies, which are now reported with Marketing & Services. As a result, certain information has been restated according to the new organization.

Results (M€)	2013	2012	2011
Adjusted operating income[a]	17,854	22,056	22,648
Adjusted net operating income[a]	9,370	11,145	10,631
Cash flow from operations	16,457	18,950	17,044
Adjusted cash flow from operations	16,575	18,306	17,661
Investments	22,396	19,618	20,662
Divestments	4,353	2,798	2,591
Return on Average Capital Employed	14%	18%	21%

(a) Following the application of revised accounting standard IAS 19 effective January 1, 2013, the information for 2012 and 2011 has been restated; however, the impact on such restated results is not significant (see note 1 of the notes to the Consolidated Financial Statements).

(1) Change in reserves excluding production (revisions + discoveries, extensions + acquisitions – divestments)/production for the period.
(2) The reserve replacement rate in a constant oil price environment of 111.13 $/b (reference price in 2012), excluding acquisitions and divestments.
(3) Limited to proved and probable reserves covered by Exploration & Production contracts on fields that have been drilled and for which technical studies have demonstrated economic development in a 100 $/b Brent environment, including projects developed by mining.
(4) Proved and probable reserves plus contingent resources (potential average recoverable reserves from known accumulations – Society of Petroleum Engineers – 03/07).

Adjusted net operating income from the Upstream segment in 2013 was €9,370 million compared to €11,145 million in 2012, a decrease of 16%. Expressed in dollars, adjusted net operating income from the Upstream segment was $12.4 billion, a decrease of 13%, mainly due to a less favorable production mix, higher technical costs, particularly for exploration, and a higher tax rate for the Upstream segment.

The effective tax rate for the Upstream segment was 60.1% in 2013 compared to 58.4% in 2012.

Technical costs for consolidated subsidiaries, in accordance with ASC 932[1], were 26.1 $/boe in 2013 compared to 22.8 $/boe in 2012, notably due to increased depreciation of tangible assets relating to major project start-ups as well as increased exploration expenses.

The Return on Average Capital Employed (ROACE[2]) for the Upstream segment was 14% for the full-year 2013 compared to 18% for the full-year 2012.

1.4. Refining & Chemicals results

Operational data[a]	2013	2012	2011
Total refinery throughput (kb/d)[a]	1,719	1,786	1,863

(a) Includes share of CEPSA, through July 31, 2011, and of TotalErg. Results for refineries in South Africa, French Antilles and Italy are reported in the Marketing & Services segment.

For the full-year 2013, refinery throughput decreased by 4% compared to the previous year, reflecting essentially a turnaround at the Antwerp refinery, higher maintenance at the Donges refinery, voluntary shutdowns in response to weak refining margins in late 2013, and the closure of the Rome refinery at the end of the third quarter 2012.

Results (M€)	2013	2012	2011
Adjusted operating income[a]	1,329	1,455	609
Adjusted net operating income[a]	1,404	1,376	842
Including Specialty Chemicals[a]	*440*	*383*	*424*
Cash flow from operations	3,211	2,127	2,146
Adjusted cash flow from operations	2,239	2,170	1,318
Investments	2,039	1,944	1,910
Divestments	275	304	2,509
Return on Average Capital Employed	9%	9%	5%

(a) Following the application of revised accounting standard IAS 19 effective January 1, 2013, the information for 2012 and 2011 has been restated; however, the impact on such restated results is not significant (see Note 1 of the notes to the Consolidated Financial Statements).

In 2013, the ERMI was on average 17.9 $/t, a decrease of 50% compared to 2012. Petrochemical margins remained at high levels, particularly in the United States.

For the full-year 2013, adjusted net operating income from the Refining & Chemicals segment was €1,404 million, an increase of 2% compared to the €1,376 million in 2012. Expressed in dollars, adjusted net operating income was $1.9 billion, an increase of 5% compared to 2012, despite the 50% decrease in refining margins. The increase was due in part to the tangible results realized from the implementation of planned synergies and operational efficiencies and to a more favorable environment for petrochemicals that offset the sharp decline in European refining margins.

In addition, the SATORP integrated refinery in Saudi Arabia has begun to export refined products after the successful start-up of its first units.

The ROACE[2] for the Refining & Chemicals segment was 9% for the full-year 2013, stable compared to the full-year 2012.

(1) FASB Accounting Standards Codification Topic 932, Extractive industries – Oil and Gas.
(2) Calculated based on adjusted net operating income and average capital employed, using replacement cost.

1.5. Marketing & Services results

Operational data [a]	2013	2012	2011
Refined products sales (kb/d)	1,749	1,710	1,987

(a) Excludes trading and bulk sales, included sales of CEPSA through July 31, 2011 and of TotalErg.

Overall for the full-year 2013, sales volumes increased by 2% compared to the previous year, due to growth in Africa and the Americas, partially offset by a decrease in Europe.

Effective July 1, 2012, Marketing & Services now includes the activities of New Energies. As a result, certain information has been restated according to the new organization.

Results (M€)	2013	2012	2011
Sales	83,481	86,614	85,325
Adjusted operating income [a]	1,596	1,355	1,199
Adjusted net operating income [a]	1,151	830	822
Including New Energies [a]	*(2)*	*(169)*	*(197)*
Cash flow from operations	1,926	1,132	541
Adjusted cash flow from operations	1,853	1,192	1,103
Investments	1,365	1,301	1,834
Divestments	141	152	1,955
Return on Average Capital Employed	16%	12%	13%

(a) Following the application of revised accounting standard IAS 19 effective January 1, 2013, the information for 2012 and 2011 has been restated; however, the impact on such restated results is not significant (see Note 1 of the notes to the Consolidated Financial Statements).

For the full-year 2013, Marketing & Services sales were €83.5 billion, a decrease of 4% compared to 2012.

Adjusted net operating income from the Marketing & Services segment in 2013 was €1,151 million compared to €830 million in 2012, an increase of 39% reflecting essentially the improvement in the performance of the New Energies, which had particularly negative results in 2012, as well as the overall improvement made in refined products marketing, particularly in emerging markets.

The ROACE [1] for the Marketing & Services segment was 16% for the full-year 2013 compared to 12% for the full-year 2012.

1.6. TOTAL S.A. results in 2013

Net income from Statutory Financial Statements of TOTAL S.A., the parent company, was €6,031 million in 2013, compared to €6,520 million in 2012.

1.7. Proposed dividend

After closing the 2013 accounts, the Board of Directors decided to propose at the May 16, 2014, Annual Shareholders Meeting a €2.38/share dividend for 2013, which represents a 3.4% increase for the remaining dividend [2]. Taking into account the interim dividends for the first three quarters of 2013 approved by the Board of Directors, the remaining 2013 dividend would increase to €0.61/share and be paid on June 5, 2014.

Total's dividend pay-out ratio, based on the adjusted net income for 2013, would be 50%.

(1) Calculated based on adjusted net operating income and average capital employed, using replacement cost.
(2) The ex-dividend date for the remainder of the 2013 dividend would be June 2, 2014 and the payment date June 5, 2014.

2. Liquidity and capital resources

2.1. Long-term and short-term capital

Long-term capital
As of December 31,

(M€)	2013	2012	2011
Shareholders' equity [a]	73,548 [a]	71,166	67,042
Non-current financial debt	25,069	22,274	22,557
Hedging instruments of non-current financial debt	(1,028)	(1,626)	(1,976)
Total net non-current capital	**97,589**	**91,814**	**87,623**

(a) Based on a 2013 dividend of €2.38 per share.

Short-term capital
As of December 31,

(M€)	2013	2012	2011
Current borrowings	8,116	11,016	9,675
Net current financial assets	(260)	(1,386)	(533)
Net current financial debt	**7,856**	**9,630**	**9,142**
Cash and cash equivalents	(14,647)	(15,469)	(14,025)

2.2. Cash flow

(M€)	2013	2012	2011
Cash flow from operating activities	21,473	22,462	19,536
Investments	(25,922)	(22,943)	(24,541)
Total divestments	4,814	5,871	8,578
Other transactions with minority interests	1,621	1	(573)
Net cash flow [1]	**1,986**	**5,390**	**3,000**
Dividends paid	(5,485)	(5,288)	(5,312)
Purchase of treasury shares	(179)	(68)	-
Net-debt-to-equity ratio at December 31	23%	22%	23%

Cash flow from operations was €21,473 million ($28.5 billion) a decrease of 4% compared to 2012, reflecting the decrease in net income, partially offset by the change in working capital between the two periods.

Adjusted cash flow from operations [2] was €20,345 million in 2013, a decrease of 6%. Expressed in dollars, adjusted cash flow from operations was $27.0 billion, a decrease of 3% compared to 2012.

The Group's net cash flow [1] was €1,986 million ($2.6 billion) in 2013 compared to €5,391 million ($6.9 billion) in 2012.

The net-debt-to-equity ratio was 23.3% on December 31, 2013 compared to 21.9% on December 31, 2012.

(1) Net cash flow = cash flow from operations – net investments (including other transactions with minority interests).
(2) Cash flow from operations at replacement cost before changes in working capital.

2.3. Borrowing requirements and funding structure

The Group's policy consists of incurring non-current debt primarily at a floating rate or, if the opportunity arises at the time of an issuance, at a fixed rate. Debt is incurred in dollars or euros according to general Corporate needs. Long-term interest rate and currency swaps may be used to hedge bonds at their issuance in order to create a variable or fixed rate synthetic debt. In order to partially modify the interest rate structure of the long-term debt, TOTAL may also enter into long-term interest rate swaps.

The non-current debt is generally raised by the Corporate treasury entities either directly in dollars or euros or in other currencies which are then exchanged for dollars or euros through swap issues to appropriately match general Corporate needs.

The Group has established standards for market transactions under which bank counterparties must be approved in advance, based on an assessment of the counterparty's financial soundness (multi-criteria analysis including a review of the market capitalization and of the Credit Default Swap (CDS), its ratings with Standard & Poor's and Moody's, which must be of high quality, and its overall financial condition).

An overall authorized credit limit is set for each bank and is allotted among the subsidiaries and the Group's central treasury entities according to their needs.

To reduce the market values risk on its commitments, in particular for swaps set as part of bonds issuance, the Group also developed a system of margin call that is implemented with significant counterparties.

2.4. External financing available

As of December 31, 2013, the aggregate amount of the major confirmed credit facilities granted by international banks to the Group's companies (including TOTAL S.A.) was $11,581 million (compared with $11,328 million on December 31, 2012), of which $11,421 million were unused ($10,921 million unused as of December 31, 2012).

TOTAL S.A. has confirmed lines of credit granted by international banks, which are calculated to allow it to manage its short-term liquidity needs as required. As of December 31, 2013, these credit facilities amounted to $11,031 million (compared with $10,519 million on December 31, 2012), of which $11,031 million were unused ($10,463 million unused as of December 31, 2012).

The agreements for the lines of credit granted to TOTAL S.A. do not contain conditions related to the Company's financial ratios, to its financial ratings from specialized agencies, or to the occurrence of events that could have a material adverse effect on its financial position.

Credit facilities granted to Group companies other than TOTAL S.A. are not intended to finance the Group's general needs; they are intended to finance either the general needs of the borrowing subsidiary or a specific project.

As of December 31, 2013, no restrictions applied to the use of the Group companies' capital (including TOTAL S.A.) that could significantly impact the Group's activities, directly or indirectly.

2.5. Anticipated sources of financing

Investments, working capital and dividend payments are financed essentially by the cash flow generated from operating activities, asset disposals and, if necessary, by net borrowings.

For the coming years and based on the current financing conditions, the Company intends to maintain this method of financing the Group's investments and activities.

3. Research & Development

In 2013, Research & Development (R&D) expenses amounted to €949 million, compared with €805 million in 2012 and €776 million in 2011. The process initiated in 2004 to increase R&D budgets continued in 2013.

In 2013, 4,684 people were dedicated to R&D activities, compared with 4,110 in 2012 and 3,946 in 2011. This is mainly due to changes in the scope of the Group's activities.

There are six major R&D focuses at TOTAL:

- developing knowledge, tools and technological mastery to discover and profitably operate complex oil and gas resources to help meet the global demand for energy;
- developing and industrializing solar, biomass and carbon capture and storage technologies to help prepare for future energy needs;
- developing practical, innovative and competitive materials and products that meet customers' specific needs, contribute to the emergence of new features and systems, enable current materials to be replaced by materials showing higher performance for users, and address the challenges of improved energy efficiency, lower environmental impact and toxicity, better management of their life cycle and waste recovery;
- developing, industrializing and improving first-level competitive processes for the conversion of oil, coal and biomass resources to adapt to changes in resources and markets, improve reliability and safety, achieve better energy efficiency, reduce the environmental footprint and maintain the Group's economic margins in the long term;
- understanding and measuring the impacts of the Group's operations and products on ecosystems (water, soil, air, biodiversity) and recovering waste to improve environmental safety, as part of the regulation in place, and reduce their environmental footprint to achieve sustainability in the Group's operations; and
- mastering and using innovative technologies such as biotechnologies, materials sciences, nanotechnologies, high-performance computing, information and communications technologies and new analytic techniques.

These issues are addressed synergistically within a portfolio of projects. Different aspects may be looked at independently by different divisions.

The portfolio managed by the entity tasked with developing SMEs specialized in innovative energy technologies and cleantechs has grown regularly since 2009.

3.1. Upstream segment

3.1.1. Exploration & Production

In addition to continuously optimizing the development of deep-offshore projects and gas resources, TOTAL continues to improve its computing, exploration, seismic acquisition and processing tools over the long term as well as those for the initial appraisal of hydrocarbon reservoirs and simulation of field evolution during operations, especially for tight, very deep or carbonated reservoirs.

R&D activity has been intensified in the field of unconventional resources, with a strong focus on water management throughout the production cycle and the search for alternatives to hydraulic fracking.

A new direction is being taken to carry out deep offshore operations in even deeper waters, on the one hand, and at greater distances for multiphase production transport, on the other hand, which is fully in line with the ambitious goals of Exploration & Production and supports major technology-intensive assets such as Libra in Brazil (see point 2.1.7.3. of Chapter 2).

Enhancing oil recovery from mature reservoirs and recovery of heavy oil and bitumen with lesser environmental impacts are also subjects involving very active research. In particular, new technologies for the exploitation of oil shales by pyrolysis are being developed, both *in situ* and *ex situ*.

The oxycombustion CO_2 capture and storage project in the depleted Rousse reservoir in Lacq (France) is now in the monitoring phase following the injection phase, which ended in April 2013. The Group now has a strong command of the methods used to characterize reservoirs for this type of injection. New projects will look into new and more economical capturing solutions.

Finally, water management and the production of hydrocarbons are still the subject of increased R&D activities. This subject is now part of a larger program dedicated to acceptability.

3.1.2. Gas & Power

The program to develop new LNG solutions is continuing.

3.2. Refining & Chemicals segment

3.2.1. Refining & Chemicals

The aim of R&D is to support the medium and long-term development of Refining & Chemicals. In doing so, it contributes to the technological differentiation of this business through the development, implementation and promotion of effective R&D programs that pave the way for the industrialization of knowledge, processes and technologies.

In line with the Refining & Chemicals strategy, R&D places special emphasis on the following four major challenges: take advantage of different types of feedstock, optimize the value of assets, continue to develop innovative products, and develop bio-sourced products. The medium-term strategy of the project portfolio and its deployment plan will facilitate Refining & Chemicals' technological differentiation.

To take advantage of different types of feedstock, R&D activities related to the processing of more diversified crudes have increased significantly through a better understanding of the effect that feedstocks have on equipment and processes at the molecular level. R&D is launching ambitious new programs to develop various technologies for producing liquid fuels, monomers and intermediates from gas.

R&D is developing know-how and technologies with a view to optimizing the value of assets. Its efforts mainly involve programs focusing on the flexibility and availability of facilities. Advanced modeling of feedstocks and processes helps the units overcome their processing-related constraints and operate in real time with these constraints in mind. Research conducted on catalysts is helping to increase their resistance to poisons, improve catalytic stability and extend cycle time at a lower cost. Programs are being set up to maximize the value of heavy residues.

In response to concerns related to social and environmental acceptability, R&D focuses its efforts on reducing emissions, with the aim of ensuring that the facilities' environmental impact is limited. In anticipation of problems that arise over the long term and the value of CO_2, R&D is developing technologies to significantly reduce greenhouse gas emissions through the use of carbon capture and conversion.

Product innovation is a key aspect of research on polymers. R&D draws on its knowledge of metallocenes and bimodality to develop different types of mass consumption polymers which have exceptional properties that allow them to replace heavier materials and compete with technical polymers. Value-added niche polymers are also being developed, whether in the form of blends, compounds or composites. Efforts to diversify into "green" products are focused mainly on bioproducts endorsed by the market: biomonomers, biointermediates and biopolymers. R&D is banking on polylactic acid for the market launch of new polymers that boast improved properties. In addition, the development of blends, compounds and composites broadens the scope of application of polylactic acid-based polymers.

With regard to biofuels, R&D has focused its efforts on gasification and coprocessing to produce liquid fuels from biomass. R&D is also particularly mindful of issues related to blends and product quality raised by the use of biomolecules.

The efficient use of resources and the management of plastics at the end of their useful life are topics of growing interest. R&D is therefore developing technologies that enable plastics to be used more efficiently as feedstock.

3.2.2. Specialty Chemicals

R&D has strategic importance for the Specialty Chemicals. It is closely linked to the needs of subsidiaries and industrial customers.

Hutchinson's R&D is built around two key areas:

- materials, with the development of next-generation thermoplastic alloys and high-performance rubber formulas, as efforts to protect the environment create new opportunities; and
- a shift from products to systems, based on advanced functions such as thermal and acoustic management.

Bostik is focusing its research activities on three technology platforms: hot-melt adhesives, reactive elastomers and hydraulic polymer-binder systems. Based on these technologies, R&D is developing practical, sustainable assembly solutions that meet the needs of markets in terms of energy efficiency (construction, transport), material efficiency (health, industry) and environmental impacts throughout their life cycle.

Atotech is one of the world leaders for integrated production systems (chemicals, equipment, know-how and service) for industrial surface finishing and the manufacturing of integrated circuits. Given the environmental challenges related to electroplating, nearly half of Atotech's R&D projects are intended to develop cleaner technologies and create conditions for the Sustainable Development of these industries.

3.3. Marketing & Services segment

3.3.1. Marketing & Services

In 2013, in response to the roadmap and the new scope of Marketing & Services, R&D reorganized its business areas. In anticipation of changes in technologies, the main lines of research involve the design of new higher-quality, high-performance products to support the international development of the businesses: fuel economy (fuels, lubricants, additives), energy efficiency (bitumen), anticipation of regulatory changes (marine lubricants) and blending of bio-sourced molecules (aviation fuels and special fluids).

The development of the future range of Excellium fuels, which focus mainly on fuel economy and "engine" cleanliness, has made it possible to validate and integrate new molecules (friction modifier/anti-lacquering) as well as a new detergent technology developed in-house.

The Fuel Eco lubricant range was expanded with many new products added to comply with the specifications of manufacturers targeted by the Total Lubrifiants business line. New marine lubricants for two-stroke engines are being developed to anticipate changes in fuel (very low sulfur rate in coastal areas) and emissions requirements.

To meet energy efficiency requirements by reducing application temperatures, a new bitumen has been developed and released on the European market. The formulation of a sulfur-free specialty bitumen, aimed at reducing users' exposure to H2S, is continuing.

New formulations of broader spectrum cold flow properties additives that include an exclusive booster for distillates have been developed and are being sold. The multi-partner CAER (alternative aviation fuels) project certified by the Directorate General for Aviation has been launched. The aim of this project is to understand the behavior of new components, from Upstream logistics to Downstream turbojet operation.

The conditions related to the hydroprocessing of local feedstocks were determined based on future special fluids production units and the initial tests on renewable feedstock pilot programs.

Finally, researchers have also demonstrated their know-how and expertise in the competitive arena by developing brand new products (fuels and lubricants for racing teams that were again world champions in 2013), products and technologies that are later adapted to consumer products.

3.3.2. New Energies

R&D efforts in New Energies cover both the production processes of SunPower cells, which aim to speed up the reduction of production costs, and the future generations of photovoltaic cells, as part of several partnerships with recognized academic research institutes and start-ups. In particular, TOTAL is a partner in the important institutional project, IPVF, launched by the Université Paris-Saclay.

Energy production from biomass is the other major R&D challenge in the development of New Energies. Through its own biotechnology research team, the Group is taking part in a program to develop several production processes using biomass, and in biotechnological projects to transform the biomass into advanced biofuels or molecules that can be used in chemical applications. The Group's main partnership is with Amyris, in which the Group holds a stake.

3.4. Environment

Environmental issues are important throughout the Group and are taken into account in all R&D projects. R&D's effort is to ensure optimum management of environmental risk, particularly as regards:

- water management, notably by reducing the use of water from natural continental environments and by lowering emissions in compliance with local, national and international regulations;
- reduction of greenhouse gas emissions by improving energy efficiency and the monitoring of carbon capture and storage and the potential effects of CO_2 on the natural environment;
- detection and reduction of emissions into the air and simulation of their dissemination;
- prevention of soil contamination and regulatory compliance with regard to historical aspects and the rehabilitation of sites;
- changes in the Group's different products and management of their life cycle, in particular in compliance with the REACH Directive.

For more information, refer to Chapter 7.

3.5. R&D organization

The Group intends to increase R&D in all of its sectors through cross-functional themes and technologies. Attention is paid to synergies of R&D efforts between business units.

The Group has twenty-one R&D sites worldwide and has developed approximately 600 partnerships with other industrial groups and academic or highly specialized research institutes. TOTAL also has a permanently renewed network of scientific advisors worldwide that monitor and advise on matters of interest to the Group's R&D activities. Long-term partnerships with universities and academic laboratories, deemed strategic in Europe, the United States, Japan and China, as well as innovative small businesses are part of the Group's approach.

Each segment is developing an active intellectual property activity, aimed at protecting its innovations, allowing its activity to develop without constraints as well as facilitating its partnerships. In 2013, more than 250 new patent applications were issued by the Group.

4. Trends and outlook

4.1. Outlook

After reaching a peak of $28 billion in 2013, the organic investment budget was reduced to $26 billion in 2014, more than 80% of which will be dedicated to Upstream. Moreover, all the Group's segments are making efforts to control their investments and reduce their operating costs while continuing to make safety an absolute priority.

Of the $15 to 20 billion in sales targeted for the 2012-2014 period, the Group had already sold $13 billion(1) in assets at the end of 2013. The proposed sales being negotiated and reviewed should enable TOTAL to reach, and possibly exceed, the announced target.

In the Upstream segment, TOTAL confirmed its production growth targets of 2.6 Mboe/d by 2015 and the potential for 3 Mboe/d by 2017. Nearly all the projects needed to achieve these targets are now either in production or in the development phase. In 2014, after the expiration of the ADCO license, production will benefit from a ramp-up of recently started projects and from the start-up of TOTAL-operated projects like CLOV in Angola, Laggan-Tormore in the UK and Ofon Phase 2 in Nigeria.

TOTAL is pursuing its ambitious exploration program with a stable budget of $2.8 billion. This program includes, in particular, high-potential drilling in Brazil, the Kwanza Basin in Angola, Ivory Coast and South Africa.

In the Refining & Chemicals segment, the productivity gains and synergies resulting from the ongoing restructuring should continue in 2014 and contribute, in a constant environment, to the improvement in the segment's profitability. Also in 2014, the start-up of the last units of the SATORP refinery in Jubail, Saudi Arabia will make this new integrated platform fully operational.

The Marketing & Services segment will develop its positions in the most high-growth markets and continue to optimize its positions in Europe. New Energies, at breakeven in 2013, should continue to benefit from ongoing efforts at SunPower focusing on productivity, development and innovation.

Since the start of the year 2014, the environment has remained favorable in the upstream, while refining margins have continued to deteriorate significantly in Europe.

The Group confirms its commitment in favor of a competitive policy for returns to shareholders, in keeping with its objective of sustainable growth.

4.2. Risks and uncertainties

Due to the nature of its business, the Group's activities remain subject to the usual market risks (sensitivity to the environmental parameters of the oil and financial markets), industrial and environmental risks related to its operations, and to political or geopolitical risks stemming from the global presence of most of its activities.

Risks relative to cash management operations and to interest rate and foreign exchange financial instruments are managed according to rules set by the Group's General Management, which provide for regular pooling of available cash balances, open positions and management of the financial instruments by the Group's General Management.

Detailed information is given in the Risk Factors section (Chapter 4) of this Registration Document. For more information, also refer to the Chairman's report in point 1.10. of Chapter 5.

4.3. Sensitivity of the 2014 results to market environment (a)

Market environment parameters	Scenario	Change	Estimated impact on adjusted operating income	Estimated impact on adjusted net operating income
Dollar	$1.30/€	+$0.1 per €	-1.65 B€	-0.95 B€
Brent	$100/b	+$1/b	+0.30 B$	+0.15 B$
European refining margins (ERMI)	$30/t	+$1/t	0.08 B$	0.05 B$

(a) Sensitivities revised once per year upon publication of the previous year's fourth quarter results. Indicated sensitivities are approximate and based upon TOTAL's current view of its 2014 portfolio. Results may differ significantly from the estimates implied by the application of these sensitivities. The impact of the €-$ sensitivity on adjusted operating income and adjusted net operating income attributable to the Upstream segment is approximately 80% and 70% respectively. The remaining impact of the sensitivity is essentially in the Refining & Chemicals segment.

(1) Including other transactions with minority interests (sale of minority equity interests in Total E&P Congo and Block 14 in Angola).

5. Significant changes

On February 4, 2014, TOTAL signed an agreement to sell its 15% interest in the offshore Block 15/06 in Angola to Sonangol E&P. The amount of the transaction was $750 million and is subject to approval by the authorities.

The accounting effects of this sale, which occurred after the close of the Consolidated Financial Statements for the year ended December 31, 2013 by TOTAL's Board of Directors, will be reflected in TOTAL S.A.'s intermediate Consolidated Financial Statements for the first quarter of 2014.

This information supplements the information provided in Chapter 2 concerning the Group's activities in Angola (point 2.1.7.1.) and in paragraph E) of Note 4 to the Consolidated Financial Statements for the 2013 fiscal year (Chapter 10, point 7.).

Except for the events mentioned above in the Management Report of the Board of Directors (Chapter 3), in the Business overview (Chapter 2), or in the description of litigations (Chapter 4, point 4.) no significant changes in the Group's financial or commercial position have occurred since December 31, 2013, the end of the last fiscal year for which audited financial statements have been published by the Company.

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1. Financial risks

Financial risks are detailed in Note 31 to the Consolidated Financial Statements (point 7., Chapter 10).

1.1. Sensitivity to market environment

The financial performance of TOTAL is sensitive to a number of factors, the most significant being crude oil and natural gas prices, refining margins and exchange rates, in particular that of the dollar versus the euro.

Generally, a rise in the price of crude oil has a positive effect on earnings as a result of an increase in revenues from oil and gas production. Conversely, a decline in crude oil prices reduces revenues. For the year 2014, according to the scenarios retained, the Group estimates that an increase or decrease of $1.00 per barrel in the price of Brent crude would respectively increase or decrease the annual adjusted net operating income by approximately €0.12 billion ($0.15 billion[1]). The impact of changes in crude oil prices on downstream operations depends upon the speed at which the prices of finished products adjust to reflect these changes. The Group estimates that an increase or decrease in European refining margins (ERMI) of $1.00 per ton would increase or decrease the annual adjusted net operating income by approximately €0.04 billion ($0.05 billion[1]).

All of the Group's activities are, to various degrees, sensitive to fluctuations in the dollar/euro exchange rate. The Group estimates that a strengthening or weakening of the dollar against the euro by $0.10 per euro would respectively improve or reduce the annual adjusted net operating income, expressed in euro, by approximately €0.95 billion.

The Group's results, particularly in the Chemicals activity, also depend on the overall economic environment.

Summary of sensitivities 2013[a]	Scenario retained	Change	Estimated impact on adjusted operating income	Estimated impact on adjusted net operating income
€-$	1.30 $/€	+ $0.10 per €	-1.65 B€	-0.95 B€
Brent	100 $/b	+1 $/b	+0.23 B€/0.30 B$	+0.12 B€/0.15 B$
European refining margins (ERMI)	30 $/t	+1 $/t	+0.06 B€/0.08 B$	+0.04 B€/0.05 B$

(a) Sensitivities revised once per year upon publication of the previous year's fourth quarter results. The impact of the €-$ sensitivity on adjusted operating income and adjusted net operating income attributable to the Upstream segment are approximately 80% and 70% respectively. The remaining impact of the sensitivity is essentially on the Refining & Chemicals segment. Indicated sensitivities are estimates based upon assumptions of the Group's portfolio in 2014. Results may differ significantly from the estimates implied by the application of these sensitivities.

1.2. Oil and gas market related risks

Due to the nature of its business, the Group has significant oil and gas trading activities as part of its day-to-day operations in order to optimize revenues from its oil and gas production and to obtain favorable pricing to supply its refineries.

In its international oil trading business, the Group follows a policy of not selling its future production. However, in connection with this trading business, the Group, like most other oil companies, uses energy derivative instruments to adjust its exposure to price fluctuations of crude oil, refined products, natural gas, power and coal. The Group also uses freight rate derivative contracts in its shipping business to adjust its exposure to freight-rate fluctuations. To hedge against this risk, the Group uses various instruments such as futures, forwards, swaps and options on organized markets or over-the-counter markets. The list of the different derivatives held by the Group in these markets is detailed in Note 30 to the Consolidated Financial Statements.

The Trading & Shipping division measures its market risk exposure, *i.e.,* potential loss in fair values, on its crude oil, refined products and freight rates trading activities using a value-at-risk technique. This technique is based on an historical model and makes an assessment of the market risk arising from possible future changes in market values over a 24-hour period. The calculation of the range of potential changes in fair values takes into account a snapshot of the end-of-day exposures and the set of historical price movements for the last 400 business days for all instruments and maturities in the global trading activities. Options are systematically re-evaluated using appropriate models.

The potential movement in fair values corresponds to a 97.5% value-at-risk type confidence level. This means that the Group's portfolio result is likely to exceed the value-at-risk loss measure once over 40 business days if the portfolio exposures were left unchanged.

(1) Calculated with a base case exchange rate of $1.30 per €1.00.

Trading & Shipping: value-at-risk with a 97.5% probability

As of December 31, (M€)	High	Low	Average	Year end
2013	9.9	3.5	6.2	7.1
2012	13.0	3.8	7.4	5.5
2011	10.6	3.7	6.1	6.3

As part of its gas, power and coal trading activity, the Group also uses derivative instruments such as futures, forwards, swaps and options in both organized and over-the-counter markets. In general, the transactions are settled at maturity date through physical delivery. The Gas & Power division measures its market risk exposure, *i.e.,* potential loss in fair values, on its trading business using a value-at-risk technique. This technique is based on an historical model and makes an assessment of the market risk arising from possible future changes in market values over a one-day period. The calculation of the range of potential changes in fair values takes into account a snapshot of the end-of-day exposures and the set of historical price movements for the past two years for all instruments and maturities in the global trading business.

Gas & Power trading: value-at-risk with a 97.5% probability

As of December 31, (M€)	High	Low	Average	Year end
2013	9.0	2.0	4.0	5.0
2012	20.9	2.6	7.4	2.8
2011	21.0	12.7	16.0	17.6

The Group has implemented strict policies and procedures to manage and monitor these market risks. These are based on the separation of control and front-office functions and on an integrated information system that enables real-time monitoring of trading activities.

Limits on trading positions are approved by the Group's Executive Committee and are monitored daily. To increase flexibility and encourage liquidity, hedging operations are performed with numerous independent operators, including other oil companies, major energy producers or consumers and financial institutions. The Group has established counterparty limits and monitors outstanding amounts with each counterparty on an ongoing basis.

1.3. Financial markets related risks

As part of its financing and cash management activities, the Group uses derivative instruments to manage its exposure to changes in interest rates and foreign exchange rates. These instruments are mainly interest rate and currency swaps. The Group may also occasionally use futures contracts and options. These operations and their accounting treatment are detailed in Notes 1 paragraph M, 20, 28 and 29 to the Consolidated Financial Statements.

Risks relative to cash management operations and to interest rate and foreign exchange financial instruments are managed according to rules set by the Group's senior management, which provide for regular pooling of available cash balances, open positions and management of the financial instruments by the Treasury Department. Excess cash of the Group is deposited mainly in government institutions, deposit banks, or major companies through deposits, reverse repurchase agreements and purchase of commercial paper. Liquidity positions and the management of financial instruments are centralized by the Treasury Department, where they are managed by a team specialized in foreign exchange and interest rate market transactions.

The Cash Monitoring-Management Unit within the Treasury Department monitors limits and positions per bank on a daily basis and results of the Front Office. This unit also prepares marked-to-market valuations of used financial instruments and, when necessary, performs sensitivity analysis.

1.4. Counterparty risk

The Group has established standards for market transactions under which bank counterparties must be approved in advance, based on an assessment of the counterparty's financial soundness (multi-criteria analysis including a review of market prices and of the Credit Default Swap (CDS), its ratings with Standard & Poor's and Moody's, which must be of high quality, and its overall financial condition).

An overall authorized credit limit is set for each bank and is allotted among the subsidiaries and the Group's central treasury entities according to their needs.

To reduce the market values risk on its commitments, in particular for swaps set as part of bonds issuance, the Treasury Department also developed a system of margin call that is gradually implemented with significant counterparties.

1.5. Currency exposure

The Group seeks to minimize the currency exposure of each entity to its functional currency (primarily the euro, the dollar, the pound sterling and the Norwegian krone).

For currency exposure generated by commercial activity, the hedging of revenues and costs in foreign currencies is typically performed using currency operations on the spot market and, in some cases, on the forward market. The Group rarely hedges future cash flows, although it may use options to do so.

With respect to currency exposure linked to non-current assets booked in a currency other than the euro, the Group has a policy of reducing the related currency exposure by financing these assets in the same currency.

Net short-term currency exposure is periodically monitored against limits set by the Group's senior management.

The non-current debt described in Note 20 to the Consolidated Financial Statements is generally raised by the Corporate treasury entities either directly in dollars or in euros, or in other currencies which are then exchanged for dollars or euros through swaps issues to appropriately match general Corporate needs. The proceeds from these debt issuances are loaned to affiliates whose accounts are kept in dollars or in euros. Thus, the net sensitivity of these positions to currency exposure is not significant.

The Group's short-term currency swaps, the notional value of which appears in Note 29 to the Consolidated Financial Statements, are used to attempt to optimize the centralized cash management of the Group. Thus, the sensitivity to currency fluctuations which may be induced is likewise considered negligible.

1.6. Short-term interest rate exposure and cash

Cash balances, which are primarily composed of euros and dollars, are managed according to the guidelines established by the Group's senior management (maintain an adequate level of liquidity, optimize revenue from investments considering existing interest rate yield curves, and minimize the cost of borrowing) over a less than twelve-month horizon and on the basis of a daily interest rate benchmark, primarily through short-term interest rate swaps and short-term currency swaps, without modifying currency exposure.

1.7. Interest rate risk on non-current debt

The Group's policy consists of incurring non-current debt primarily at a floating rate, or, if the opportunity arises at the time of an issuance, at a fixed rate. Debt is incurred in dollars or in euros according to general Corporate needs. Long-term interest rate and currency swaps may be used to hedge bonds at their issuance in order to create a variable or fixed rate synthetic debt. In order to partially modify the interest rate structure of the long-term debt, TOTAL may also enter into long-term interest rate swaps.

1.8. Sensitivity analysis on interest rate and foreign exchange risk

The tables below present the potential impact of an increase or decrease of 10 basis points on the interest rate yield curves for each of the currencies on the fair value of the current financial instruments as of December 31, 2013, 2012, and 2011.

Assets/(Liabilities) (M€)	Carrying amount	Estimated fair value	Change in fair value due to a change in interest rate by: +10 basis points	Change in fair value due to a change in interest rate by: -10 basis points
As of December 31, 2013				
Bonds (non-current portion, before swaps)	(24,028)	(24,629)	39	(39)
Swaps hedging fixed-rates bonds (liabilities)	*(236)*	*(236)*	-	-
Swaps hedging fixed-rates bonds (assets)	*1,028*	*1,028*	-	-
Total swaps hedging fixed-rates bonds (assets and liabilities)	792	792	(28)	27
Current portion of non-current debt after swap (excluding capital lease obligations)	3,784	3,784	4	(4)
Other interest rates swaps	(1)	(1)	(1)	1
Currency swaps and forward exchange contracts	13	13	-	-
As of December 31, 2012				
Bonds (non-current portion, before swaps)	(21,346)	(21,545)	97	(97)
Swaps hedging fixed-rates bonds (liabilities)	*(11)*	*(11)*	-	-
Swaps hedging fixed-rates bonds (assets)	*1,626*	*1,626*	-	-
Total swaps hedging fixed-rates bonds (assets and liabilities)	1,615	1,615	(58)	58
Current portion of non-current debt after swap (excluding capital lease obligations)	4,251	4,251	4	(4)
Other interest rates swaps	-	-	2	(2)
Currency swaps and forward exchange contracts	(50)	(50)	-	-
As of December 31, 2011				
Bonds (non-current portion, before swaps)	(21,402)	(22,092)	83	(83)
Swaps hedging fixed-rates bonds (liabilities)	*(146)*	*(146)*	-	-
Swaps hedging fixed-rates bonds (assets)	*1,976*	*1,976*	-	-
Total swaps hedging fixed-rates bonds (assets and liabilities)	1,830	1,830	(49)	49
Current portion of non-current debt after swap (excluding capital lease obligations)	3,488	3,488	3	(3)
Other interest rates swaps	(1)	(1)	3	(3)
Currency swaps and forward exchange contracts	47	47	-	-

The impact of changes in interest rates on the cost of net debt before tax is as follows:

For the year ended December 31, (M€)	2013	2012	2011
Cost of net debt	(606)	(571)	(440)
Interest rate translation of:			
+10 basis points	(11)	(11)	(10)
-10 basis points	11	11	10
+100 basis points	(113)	(106)	(103)
-100 basis points	113	106	103

As a result of the policy for the management of currency exposure previously described, the Group's sensitivity to currency exposure is primarily influenced by the net equity of the subsidiaries whose functional currency is the dollar and, to a lesser extent, the pound sterling and the Norwegian krone.

This sensitivity is reflected in the historical evolution of the currency translation adjustment recorded in the statement of changes in shareholders' equity which, in the course of the last three fiscal years, is essentially related to the fluctuation of dollar and pound sterling and is set forth in the table below:

	Euro/Dollar exchange rates	Euro/Pound sterling exchange rates
As of December 31, 2013	**1.38**	**0.83**
As of December 31, 2012	1.32	0.82
As of December 31, 2011	1.29	0.84

As of December 31, 2013 (M€)	Total	Euro	Dollar	Pound sterling	Other currencies and equity affiliates
Shareholders' equity at historical exchange rate	77,014	46,984	23,599	4,289	2,142
Currency translation adjustment before net investment hedge	(4,385)	-	(2,524)	(931)	(930)
Net investment hedge - open instruments	-	-	-	-	-
Shareholders' equity at exchange rate as of December 31, 2013	72,629	46,984	21,075	3,358	1,212

As of December 31, 2012 (M€)	Total	Euro	Dollar	Pound sterling	Other currencies and equity affiliates
Shareholders' equity at historical exchange rate	72,689	44,968	22,253	4,268	1,200
Currency translation adjustment before net investment hedge	(1,504)	-	(782)	(837)	115
Net investment hedge - open instruments	-	-	-	-	-
Shareholders' equity at exchange rate as of December 31, 2012	71,185	44,968	21,471	3,431	1,315

As of December 31, 2011 (M€)	Total	Euro	Dollar	Pound sterling	Other currencies and equity affiliates
Shareholders' equity at historical exchange rate	67,949	40,763	21,554	4,464	1,168
Currency translation adjustment before net investment hedge	(978)	-	120	(931)	(167)
Net investment hedge - open instruments	(26)	-	(25)	(1)	-
Shareholders' equity at exchange rate as of December 31, 2011	66,945	40,763	21,649	3,532	1,001

As a result of this policy, the impact of currency exchange rate fluctuations on consolidated income, as illustrated in Note 7 to the Consolidated Financial Statements, has not been significant over the last three years despite the considerable fluctuation of the dollar (a gain of €6 million in 2013, a gain of €26 million in 2012 and a gain of €118 million in 2011).

1.9. Stock market risk

The Group holds interests in a number of publicly-traded companies (see Notes 12 and 13 to the Consolidated Financial Statements). The market value of these holdings fluctuates due to various factors, including stock market trends, valuations of the sectors in which the companies operate, and the economic and financial condition of each individual company.

1.10. Liquidity risk

TOTAL S.A. has confirmed lines of credit granted by international banks, which are calculated to allow it to manage its short-term liquidity needs as required.

As of December 31, 2013, these lines of credit amounted to $11,031 million, of which $11,031 million was unused. The agreements for the lines of credit granted to TOTAL S.A. do not contain conditions related to the Company's financial ratios, to its financial ratings from specialized agencies, or to the occurrence of events that could have a material adverse effect on its financial position. As of December 31, 2013, the aggregate amount of the principal confirmed lines of credit granted by international banks to Group companies, including TOTAL S.A., was $11,581 million, of which $11,421 million was unused. The lines of credit granted to Group companies other than TOTAL S.A. are not intended to finance the Group's general needs; they are intended to finance either the general needs of the borrowing subsidiary or a specific project.

The following tables show the maturity of the financial assets and liabilities of the Group as of December 31, 2013, 2012 and 2011 (see Note 20 to the Consolidated Financial Statements).

As of December 31, 2013 (M€) Assets/(Liabilities)	Less than one year	1-2 years	2-3 years	3-4 years	4-5 years	More than 5 years	Total
Non-current financial debt (notional value excluding interests)	-	(3,370)	(3,284)	(3,015)	(3,162)	(11,210)	(24,041)
Current borrowings	(8,116)	-	-	-	-	-	(8,116)
Other current financial liabilities	(276)	-	-	-	-	-	(276)
Current financial assets	536	-	-	-	-	-	536
Assets and liabilities available for sale or exchange	130	-	-	-	-	-	130
Cash and cash equivalents	14,647	-	-	-	-	-	14,647
Net amount before financial expense	**6,921**	**(3,370)**	**(3,284)**	**(3,015)**	**(3,162)**	**(11,210)**	**(17,120)**
Financial expense on non-current financial debt	(729)	(661)	(554)	(508)	(447)	(1,294)	(4,193)
Interest differential on swaps	350	284	100	(24)	(80)	(515)	115
Net amount	**6,542**	**(3,747)**	**(3,738)**	**(3,547)**	**(3,689)**	**(13,019)**	**(21,198)**

As of December 31, 2012 (M€) Assets/(Liabilities)	Less than one year	1-2 years	2-3 years	3-4 years	4-5 years	More than 5 years	Total
Non-current financial debt (notional value excluding interests)	-	(3,832)	(3,465)	(2,125)	(3,126)	(8,100)	(20,648)
Current borrowings	(11,016)	-	-	-	-	-	(11,016)
Other current financial liabilities	(176)	-	-	-	-	-	(176)
Current financial assets	1,562	-	-	-	-	-	1,562
Assets and liabilities available for sale or exchange	(756)	-	-	-	-	-	(756)
Cash and cash equivalents	15,469	-	-	-	-	-	15,469
Net amount before financial expense	**5,083**	**(3,832)**	**(3,465)**	**(2,125)**	**(3,126)**	**(8,100)**	**(15,565)**
Financial expense on non-current financial debt	(746)	(625)	(519)	(405)	(352)	(1,078)	(3,725)
Interest differential on swaps	371	335	225	106	62	(37)	1,062
Net amount	**4,708**	**(4,122)**	**(3,760)**	**(2,424)**	**(3,416)**	**(9,215)**	**(18,228)**

As of December 31, 2011 (M€) Assets/(Liabilities)	Less than one year	1-2 years	2-3 years	3-4 years	4-5 years	More than 5 years	Total
Non-current financial debt (notional value excluding interests)	-	(4,492)	(3,630)	(3,614)	(1,519)	(7,326)	(20,581)
Current borrowings	(9,675)	-	-	-	-	-	(9,675)
Other current financial liabilities	(167)	-	-	-	-	-	(167)
Current financial assets	700	-	-	-	-	-	700
Cash and cash equivalents	14,025	-	-	-	-	-	14,025
Net amount before financial expense	**4,883**	**(4,492)**	**(3,630)**	**(3,614)**	**(1,519)**	**(7,326)**	**(15,698)**
Financial expense on non-current financial debt	(785)	(691)	(521)	(417)	(302)	(1,075)	(3,791)
Interest differential on swaps	320	331	221	120	55	44	1,091
Net amount	**4,418**	**(4,852)**	**(3,930)**	**(3,911)**	**(1,766)**	**(8,357)**	**(18,398)**

In addition, the Group guarantees bank debt and finance lease agreements of certain non-consolidated companies and equity affiliates. A payment would be triggered by failure of the guaranteed party to fulfill its obligation covered by the guarantee, and no assets are held as collateral for these guarantees. Maturity dates and amounts are set forth in Note 23 to the Consolidated Financial Statements ("Guarantees given against borrowings").

The Group also guarantees the current liabilities of certain non-consolidated companies. Performance under these guarantees would be triggered by a financial default of these entities. Maturity dates and amounts are set forth in Note 23 to the Consolidated Financial Statements ("Guarantees of current liabilities").

The following table sets forth financial assets and liabilities related to operating activities as of December 31, 2013, 2012 and 2011 (see Note 28 to the Consolidated Financial Statements).

As of December 31
(M€)

Assets/(Liabilities)	2013	2012	2011
Accounts payable	(21,958)	(21,648)	(22,086)
Other operating liabilities	(5,941)	(5,904)	(5,441)
including financial instruments related to commodity contracts	*(615)*	*(456)*	*(548)*
Accounts receivable, net	16,984	19,206	20,049
Other operating receivables	7,191	6,158	7,467
including financial instruments related to commodity contracts	*927*	*681*	*1,017*
Total	**(3,724)**	**(2,188)**	**(11)**

These financial assets and liabilities mainly have a maturity date below one year.

1.11. Credit risk

Credit risk is defined as the risk of the counterparty to a contract failing to perform or pay the amounts due.

The Group is exposed to credit risks in its operating and financing activities. The Group's maximum exposure to credit risk is partially related to financial assets recorded on its balance sheet, including energy derivative instruments that have a positive market value.

The following table presents the Group's maximum credit risk exposure:

As of December 31
(M€)

Assets/(Liabilities)	2013	2012	2011
Loans to equity affiliates *(Note 12)*	2,577	2,360	2,246
Loans and advances *(Note 14)*	2,592	2,207	2,055
Hedging instruments of non-current financial debt *(Note 20)*	1,028	1,626	1,976
Accounts receivable *(Note 16)*	16,984	19,206	20,049
Other operating receivables *(Note 16)*	7,191	6,158	7,467
Current financial assets *(Note 20)*	536	1,562	700
Cash and cash equivalents *(Note 27)*	14,647	15,469	14,025
Total	**45,555**	**48,588**	**48,518**

The valuation allowance on loans and advances and on accounts receivable and other operating receivables is detailed respectively in Notes 14 and 16 to the Consolidated Financial Statements.

As part of its credit risk management related to operating and financing activities, the Group has developed margin call contracts with certain counterparties. As of December 31, 2013, the net amount received as part of these margin calls was €801 million (against €1,635 million as of December 31, 2012 and €1,682 million as of December 31, 2011).

Credit risk is managed by the Group's business segments as follows:

Upstream Segment

- **Exploration & Production**

  Risks arising under contracts with government authorities or other oil companies or under long-term supply contracts necessary for the development of projects are evaluated during the project approval process. The long-term aspect of these contracts and the high-quality of the other parties lead to a low level of credit risk.

  Risks related to commercial operations, other than those described above (which are, in practice, directly monitored by subsidiaries), are subject to procedures for establishing and reviewing credit.

Customer receivables are subject to provisions on a case-by-case basis, based on prior history and management's assessment of the facts and circumstances.

- **Gas & Power**

Gas & Power deals with counterparties in the energy, industrial and financial sectors throughout the world. Financial institutions providing credit risk coverage are highly rated international bank and insurance groups.

Potential counterparties are subject to credit assessment and approval before concluding transactions and are thereafter subject to regular review, including re-appraisal and approval of the limits previously granted.

The creditworthiness of counterparties is assessed based on an analysis of quantitative and qualitative data regarding financial standing and business risks, together with the review of any relevant third party and market information, such as data published by rating agencies. On this basis, credit limits are defined for each potential counterparty and, where appropriate, transactions are subject to specific authorizations.

Credit exposure, which is essentially an economic exposure or an expected future physical exposure, is permanently monitored and subject to sensitivity measures.

Credit risk is mitigated by the systematic use of industry standard contractual frameworks that permit netting, enable requiring added security in case of adverse change in the counterparty risk, and allow for termination of the contract upon occurrence of certain events of default.

Refining & Chemicals Segment

- **Refining & Chemicals**

Credit risk is primarily related to commercial receivables. Internal procedures of Refining & Chemicals include rules for the management of credit describing the fundamentals of internal control in this domain. Each division implements procedures for managing and provisioning credit risk that differ based on the size of the subsidiary and the market in which it operates. The principal elements of these procedures are:

- implementation of credit limits with different authorization procedures for possible credit overruns;
- use of insurance policies or specific guarantees (letters of credit);
- regular monitoring and assessment of overdue accounts (aging balance), including collection procedures; and
- provisioning of bad debts on a customer-by-customer basis, according to payment delays and local payment practices (provisions may also be calculated based on statistics).

Counterparties are subject to credit assessment and approval prior to any transaction being concluded. Regular reviews are made for all active counterparties including a re-appraisal and renewing of the granted credit limits. The limits of the counterparties are assessed based on quantitative and qualitative data regarding financial standing, together with the review of any relevant third party and market information, such as that provided by rating agencies and insurance companies.

- **Trading & Shipping**

Trading & Shipping deals with commercial counterparties and financial institutions located throughout the world. Counterparties to physical and derivative transactions are primarily entities involved in the oil and gas industry or in the Trading of energy commodities, or financial institutions. Credit risk coverage is concluded with financial institutions, international banks and insurance groups selected in accordance with strict criteria.

The Trading & Shipping division has a strict policy of internal delegation of authority governing establishment of country and counterparty credit limits and approval of specific transactions. Credit exposures contracted under these limits and approvals are monitored on a daily basis.

Potential counterparties are subject to credit assessment and approval prior to any transaction being concluded and all active counterparties are subject to regular reviews, including re-appraisal and approval of granted limits. The creditworthiness of counterparties is assessed based on an analysis of quantitative and qualitative data regarding financial standing and business risks, together with the review of any relevant third party and market information, such as ratings published by Standard & Poor's, Moody's Investors Service and other agencies.

Contractual arrangements are structured so as to maximize the risk mitigation benefits of netting between transactions wherever possible and additional protective terms providing for the provision of security in the event of financial deterioration and the termination of transactions on the occurrence of defined default events are used to the greatest permitted extent.

Credit risks in excess of approved levels are secured by means of letters of credit and other guarantees, cash deposits and insurance arrangements. In respect of derivative transactions, risks are secured by margin call contracts wherever possible.

Marketing & Services segment

Internal procedures for the Marketing & Services division include rules on credit risk that describe the basis of internal control in this domain, including the separation of authority between commercial and financial operations. Credit policies are defined at the local level, complemented by the implementation of procedures to monitor customer risk (credit Committees at the subsidiary level, the creation of credit limits for Corporate customers, portfolio guarantees, etc.).

Each entity also implements monitoring of its outstanding receivables. Risks related to credit may be mitigated or limited by subscription of credit insurance and/or requiring security or guarantees.

Bad debts are provisioned on a case-by-case basis at a rate determined by management based on an assessment of the risk of credit loss.

2. Industrial and environmental risks

2.1. Types of risks

TOTAL is exposed to risks related to the safety and security of its operations.

TOTAL engages in a broad scope of activities, which include, in particular, drilling, oil and gas production, processing, transportation, refining and petrochemical activities, storage and distribution of petroleum products, specialty chemicals and solar energy. These activities involve a wide range of operational risks, such as explosions, fires, accidents, equipment failures, leakage of toxic products, emissions or discharges into the air, water or soil, and related environmental and health risks. In the transportation area, the type of risk depends not only on the hazardous nature of the products transported, but also on the transportation methods used (mainly maritime, river-maritime, rail, road and pipelines), the volumes involved and the sensitivity of the regions through which the transport passes (quality of infrastructure, population density, environmental considerations). Most of the Group's activities will also eventually require environmental site remediation, closure and decommissioning after production is discontinued.

The following table shows a correlation between TOTAL's operations and the most significant industrial and environmental risks:

Activity/Risk	Fire, explosion	Leakage of toxic products	Accidental pollution	Pollution of soil and subsoil [(a)]	Emissions into the air, water and soil	Consumer health and safety
Drilling	x	x	x	x	x	-
Hydrocarbon production	x	x	x	x	x	-
On-site processing of hydrocarbons	x	x	x	x	x	-
Transport of petroleum products and chemicals	x	x	x	x	x	-
Refining, petrochemicals	x	x	x	x	x	x
Storage of petroleum products	x	x	x	x	x	-
Distribution of petroleum products	x	-	x	x	x	x
Specialty chemicals	x	x	x	x	x	x
Solar energy	x	x	x	x	x	-

(a) Pollution of soil and subsoil resulting from a long period of operations carried out at the site (*i.e.*, environmental liabilities).

The industrial events that could have the most significant impact are primarily:

- a major industrial accident (fire, explosion, leakage of highly toxic products); and
- large-scale accidental pollution or pollution at a particularly sensitive site.

Each of the described risks corresponds to events that could potentially harm human health, cause death, damage property, disrupt business activities or cause environmental damage. The Group's employees, contractors, residents living near the facilities or customers can suffer injuries. Property damage can involve the facilities of the Group as well as the property of third parties. The seriousness of the consequences of these events varies according to the vulnerability of the people, ecosystems and business activities impacted, on the one hand, and the number of people in the impact area and the location of the ecosystems and business activities in relation to TOTAL's facilities or to the trajectory of the products after the event, on the other hand.

Acts of terrorism against the Group's plants and sites, pipelines, transportation and computer systems could also severely disrupt business and operations and could cause harm to people, the environment and property.

Like most industrial groups, TOTAL is impacted by reports of occupational illnesses, particularly those caused by past exposure of the Group's employees to asbestos. Asbestos exposure has been subject to close monitoring at all of the Group's business segments. As of December 31, 2013, the Group estimates that the ultimate cost of all pending or future asbestos-related claims is not likely to have a material impact on the Group's financial position.

Certain segments or activities face specific additional risks.

TOTAL's Upstream segment activities face, notably, risks related to the physical characteristics of oil or gas fields. These risks include eruptions of oil or gas, discovery of hydrocarbon pockets with abnormal pressure, crumbling of well openings, leaks that can harm the environment and explosions or fires. These events, which may cause injury, death or environmental damage, can also damage or destroy oil or gas wells as well as equipment and other property, lead to a disruption of the Group's operations or reduce its production. In addition, since exploration and production activities may take place on sites that are ecologically sensitive (for example, in tropical forests or in a marine environment), each site requires a risk-based approach to avoid or minimize the impact on human health, flora and fauna, the ecosystem and biodiversity. In certain situations where the operator is not a Group entity, the Group may have reduced influence and control over third parties, which may limit its ability to manage and control these risks.

The activities of the Refining & Chemicals and Marketing & Services business segments also entail additional health, safety and environmental risks related to the overall life cycle of the products manufactured, as well as the raw materials used in the manufacturing process, such as catalysts, additives and monomers. These risks can arise from the intrinsic characteristics of the products involved (flammability, toxicity or long-term environmental impacts such as greenhouse gas emissions), their use (including by customers), emissions and discharges resulting from their

manufacturing process (such as greenhouse gas emissions), and from material and waste disposal (recycling, regeneration or other process, or waste elimination).

Contracts signed by the Group's entities may provide for indemnification obligations either by TOTAL in favor of the contractor or third parties or by the contractor or third parties in favor of TOTAL if, for example, an event occurs leading to death, personal injury or property or environmental damage.

With respect to joint ventures in which an entity of the Group has an interest and the assets of which are operated by such Group entity under an operating agreement between the joint venture and such entity, contractual terms generally provide that the operator assumes full liability for damages caused by its gross negligence or willful misconduct.

With respect to joint ventures in which an entity of the Group has an interest but the assets of which are operated by a third party, contractual terms generally provide that the operator assumes full liability for damages caused by its gross negligence or willful misconduct.

In the absence of the operator's gross negligence or willful misconduct, other liabilities are generally borne by the joint venture and the cost thereof is assumed by the partners of the joint venture in proportion to their respective ownership interests.

With respect to third-party providers of goods and services, the amount and nature of the liability assumed by the third party depends on the context and may be limited by contract. With respect to their customers, the Group's entities ensure that their products meet applicable specifications and abide by all applicable consumer protection laws. Failure to do so could lead to personal injury, environmental harm and loss of customers, which could negatively impact the Group's results of operations, financial position and reputation.

Crisis management systems are necessary to respond effectively to emergencies, avoid potential disruptions in TOTAL's business and operations and minimize impacts on third parties and the environment.

TOTAL has crisis management plans in place to deal with emergencies. However, these plans cannot exclude the risk that the Group's business and operations may be severely disrupted in a crisis situation or ensure the absence of impacts on third parties or the environment. TOTAL also has implemented business continuity plans in order to continue or resume operations following a shutdown or incident. An inability to restore or replace critical capacity in a timely manner could prolong the impact of any disruption and could have a material adverse effect on the Group's business and operations. For more information on the Group's crisis management systems, see point 2.2.3 below.

TOTAL is subject to stringent environmental, health and safety laws in numerous countries and may incur material costs to comply with these laws and regulations.

TOTAL's workforce and the public are exposed to risks inherent to the Group's operations that potentially could lead to loss of life, injuries, property damage or environmental damage and could result in regulatory action and legal liability against the entities of the Group and its officers as well as damage to the Group's reputation.

TOTAL incurs, and will continue to incur, substantial expenditures to comply with increasingly complex laws and regulations aimed at protecting worker health and safety and natural habitats.

These expenditures include:

- costs incurred to prevent, control, eliminate or reduce certain types of air and water emissions, including those costs incurred in connection with measures taken to address climate change;
- remedial measures related to environmental contamination or accidents at various sites, including those owned by third parties;
- indemnification of individuals or entities claiming damages caused by accidents or by the Group's activities;
- increased production costs and costs related to changes in product specifications; and
- costs related to the decommissioning of drilling platforms and other facilities.

Such expenditures incurred could have a material effect on the results of operations of the Group and its financial position, if the Group's reserves prove inadequate.

Furthermore, in countries where the Group operates or plans to operate, the introduction of new laws and regulations, stricter enforcement or news interpretations of existing laws and regulations or the imposition of tougher license requirements may also cause the Group's entities to incur higher costs resulting from actions taken to comply with such laws and regulations, including:

- modifying operations;
- installing pollution control equipment;
- implementing additional safety measures; and
- performing site clean-ups.

As a further result of, notably, the introduction of any new laws and regulations, the Group could also be compelled to curtail, modify or cease certain operations or implement temporary shutdowns of facilities, which could diminish the Group's productivity and have a material adverse impact on its results of operations.

All TOTAL entities monitor legal and regulatory developments in order to remain in compliance with local and international rules and standards for the assessment and management of industrial and environmental risks. With regard to the permanent shutdown of an activity, the Group's environmental contingencies and asset retirement obligations are addressed in the "Asset retirement obligation" and "Provisions for environmental contingencies" sections of the Group's Consolidated Balance Sheet (see Note 19 to the Consolidated Financial Statements, Chapter 10, point 7.). Future expenditures related to asset retirement obligations are accounted for in accordance with the accounting principles described in Note 1Q to the Consolidated Financial Statements (Chapter 10, point 7.).

Laws and regulations related to climate change and its physical effects may adversely affect the Group's business.

Growing public concern in a number of countries over greenhouse gas emissions and climate change, as well as a multiplication of stricter regulations in this area, could adversely affect the Group's businesses and product sales, increase its operating costs and reduce its profitability.

The regulations concerning the market for CO_2 emission allowances in Europe, EU-ETS (European Union Emissions Trading System), entered a third phase on January 1, 2013. This phase marks the end of the overall free allocation of emission allowances: certain emissions, such as those related to electricity production,

no longer benefit from free allowances, while for others, free allowances have been significantly reduced. Free allocations are now established based on the emission level of the top-performing plants within the same sector ("top 10 benchmark") and lower-performing plants must purchase, at market price, the necessary allowances to cover their emissions over and above these free allocations. Moreover, the Group's plants will need to indirectly bear the cost of allowances for all electricity consumed (including electricity generated internally at its own facilities).

Given these new rules and the European Commission's decision to apply a "cross-sectoral correction factor" (CSCF) that reduces the total amount of free allocations for all sectors combined by an average of 11.6% over phase 3 (2013-2020), the Group estimates that approximately 30% of its emissions subject to the EU-ETS will not be covered by free allowances during the 2013-2020 period. The Group is exploring possible avenues of appeal against the method of calculating this correction factor.

The financial risk related to the foreseeable purchase of these allowances on the market should remain low for the Group if prices for emission allowances remain close to their current level (€5/t CO_2). If significant changes are made to the regulation during phase 3, such as the authorization given to the European Commission to intervene at its own discretion in the allowance auction calendar (backloading), prices for CO_2 allowances could increase substantially, which could have a significant adverse impact on the results of the Group's refining operations. Finally, the revision in 2014 of the list of sectors exposed to carbon leakage represents another regulatory uncertainty that, if it were to affect the refining sector in Europe, could also have a significant adverse impact on the results of the Group's refining operations.

In addition, more of TOTAL's future production could come from unconventional sources in order to help meet the world's growing demand for energy. Since energy intensity of oil and gas production from unconventional sources can be higher than that of production from conventional sources, the CO_2 emissions produced by the Group's activities may increase. Therefore, TOTAL may need to incur additional costs related to certain projects.

Finally, TOTAL's businesses operate in varied locales where the potential physical impacts of climate change, including changes in weather patterns, are highly uncertain and may adversely impact the results of the Group's operations.

2.2. Management and monitoring of industrial and environmental risks

2.2.1. TOTAL's policies regarding health, safety and the environment

TOTAL has developed a "Health Safety Environment Quality Charter" (see Chapter 7, point 2.) that sets out the basic principles applicable within the Group regarding the protection of people, property and the environment. This charter is rolled out at several levels within the Group by means of its management systems.

Along these lines, TOTAL has developed efficient organizations as well as safety, environmental and quality management systems, which it makes every effort to have certified or assessed (*e.g.*, standards such as the International Safety Rating System, ISO 14001 and ISO 9001).

In most countries, TOTAL's operations are subject to laws and regulations concerning environmental protection, health and safety, to which TOTAL ensures compliance. The main laws and regulations include:

1) In Europe: IPPC and large combustion plants directives (recast by the IED directive), SEVESO directive, pressure equipment directive, water framework directive, waste directive, ETS directive (CO_2 allowances), Fuel Directive, REACH (Registration, Evaluation, Authorization and Restriction of Chemicals) and CLP (Classification, Labelling and Packaging) regulations.

2) In France: regulations on natural and technological risks.

3) In the United States: OSHA/PSM (Occupational Safety and Health Administration/Process safety management of highly hazardous materials), Clean Air Act, Clean Water Act and the Comprehensive Environmental Response, Compensation, and Liablity Act (also known as CERCLA or Superfund).

2.2.2. Assessment

As part of its policy, TOTAL assesses risks and impacts in the areas of safety (particularly process safety), the environment and the protection of workers and local residents:

- prior to approving new projects, investments, acquisitions and disposals;
- periodically during operations (safety studies, environmental impact studies, health impact studies and Technological Risk Prevention Plan – PPRT in France);
- prior to releasing new substances on the market (toxicological and ecotoxicological studies and life cycle analyses); and
- based on the regulatory requirements of the countries where these activities are carried out and generally accepted professional practices.

In countries where prior administrative authorization and supervision is required, projects are not undertaken without the authorization of the relevant authorities based on the studies provided to the authorities.

In particular, TOTAL has developed a common methodology for analyzing technological risks that is being gradually applied to all activities carried out by the companies of the Group (see Chapter 7, point 2.2.3.).

2.2.3. Management

TOTAL develops risk management measures based on risk and impact assessments. These measures involve facility and structure design, the reinforcement of safety devices and remedies of environmental degradations.

In addition to developing organizations and management systems as described above, TOTAL strives to minimize industrial and environmental risks inherent in its operations by conducting thorough inspections and audits, training personnel and raising awareness among all those involved.

In addition, performance indicators (particularly in the areas of HSE) and risk monitoring have been put in place, objectives have been set and action plans have been implemented to achieve these objectives.

Although the emphasis is on preventing risks, TOTAL takes regular steps to prepare for crisis management based on the risk scenarios identified.

In particular, TOTAL has developed emergency plans and procedures to respond to an oil spill or leak. These plans and procedures are specific to each TOTAL affiliate and adapted to its organization, activities and environment and are consistent with the Group's plan. They are reviewed regularly and tested through exercises (see Chapter 7, point 2.).

At the Group level, TOTAL has set up the PARAPOL (Plan to Mobilize Resources Against Pollution) alert scheme to facilitate crisis management and provide assistance without geographical restriction by mobilizing both internal and external resources in the event of pollution of marine, coastal or inland waters. The PARAPOL procedure is made available to subsidiaries of the Group and its main goal is to facilitate access to internal experts and physical response resources.

Furthermore, the Company and its subsidiaries are currently members of certain oil spill cooperatives that are able to provide expertise, resources and equipment in all geographic areas where the Group has operations, including, in particular, Oil Spill Response Limited and CEDRE (Center for Documentation, Research and Experimentation on Accidental Water Pollution).

Following the blow-out on the Macondo well in the Gulf of Mexico in 2010 (in which the Group was not involved), TOTAL created three task forces in order to analyze risks and issue recommendations.

In Exploration & Production, Task Force 1 reviewed the safety aspects of deep offshore drilling operations (well architecture, design of blow-out preventers, training of personnel based on lessons learned from serious accidents that have occurred recently in the industry). Its efforts have led to the implementation of even more stringent controls and audits on drilling operations.

Task Force 2, in coordination with the Global Industry Response Group (GIRG) created by the OGP (International Association of Oil and Gas Producers), is developing deep offshore oil capture systems and planning related containment operations in case of a pollution event in deep waters. Several of these systems were positioned in various parts of the world in 2013 and one of them was tested by TOTAL in November 2013 during a large-scale exercise in Angola.

Task Force 3 addressed plans to fight accidental spills in order to strengthen the Group's ability to respond to major accidental pollution, such as a blow-out or a total loss of containment from an FPSO (Floating Production, Storage and Offloading facility). This initiative has led, in particular, to a sharp increase in the volume of dispersants available within the Group.

The task forces finalized most of their work in 2012 and the Group has continued deploying solutions to minimize such risks. Detailed information on TOTAL's initiatives in the fields of safety and protection of the environment is provided in Chapter 7.

The Group believes that it is impossible to guarantee that the contingencies or liabilities related to the above mentioned concerns will not have a material impact on its business, assets and liabilities, consolidated financial situation, cash flow or income in the future.

To manage the operational risks to which the Group is exposed, TOTAL maintains worldwide third-party liability insurance coverage for all its subsidiaries. TOTAL also maintains insurance to protect against the risk of damage to Group property and/or business interruption at its main refining and petrochemical sites. TOTAL's insurance and risk management policies are described in point 5. of this Chapter ("Insurance and risk management").

3. Other risks

3.1. Economic environment

The operating results and future rate of growth of the Group are exposed to the effects of changing commodity prices.

Prices for oil and natural gas historically have fluctuated widely due to many factors over which TOTAL has no control. These factors include:

- global and regional supply and demand;
- global and regional economic and political developments in resource-producing regions, particularly in the Middle East, Africa and South America;
- the ability of the Organization of Petroleum Exporting Countries (OPEC) and other producing nations to influence global production levels and prices;
- prices of unconventional energies as well as evolving approaches for developing oil sands, which may affect the Group's realized prices, notably under its long-term gas sales contracts and asset valuations, notably in North America;
- cost and availability of new technology;
- governmental regulations and actions;
- global economic and financial market conditions;
- war or other conflicts;
- changes in demographics, including population growth rates and consumer preferences; and
- adverse weather conditions (such as hurricanes) that can disrupt supplies or interrupt operations of the Group's facilities.

Substantial or extended declines in oil and natural gas prices would adversely affect TOTAL's results of operations by reducing its profits. Sensitivity to market environment are described above and discussed in greater detail in point 1.1. of this Chapter 4.

In addition to the adverse effect on revenues, margins and profitability from any fall in oil and natural gas prices, a prolonged period of low prices or other indicators could lead to a review of the Group's properties and oil and natural gas reserves. Such review would reflect the Company's view based on estimates, assumptions and judgments and could result in a reduction in the Group's reported reserves and/or a charge for impairment that could have a significant effect on the Group's results in the period in which it occurs. Lower oil and natural gas prices over prolonged periods may also reduce the economic viability of projects planned or in development, negatively impact the asset sale program of the Group and reduce liquidity, thereby decreasing the Group's ability to finance capital expenditures and/or causing it to cancel or postpone investment projects. If TOTAL is unable to follow through with investment projects, the Group's opportunities for future revenue and profitability growth would be reduced, which could materially impact the Group's financial condition.

However, in a high oil and gas price environment, the Group can experience significant increases in cost and fiscal take, and, under some production-sharing contracts, the Group's entitlement to reserves could be reduced. Higher prices can also reduce demand for the Group's products.

The Group's earnings from its Refining & Chemicals and Marketing & Services segments are primarily dependent upon the supply and demand for refined products and the associated margins on refined product sales, with the impact of changes in oil and gas prices on earnings on these segments being dependent upon the speed at which the prices of refined products adjust to reflect movements in oil and gas prices.

3.2. Risks related to oil and gas exploration and production

The Group's long-term profitability depends on cost effective discovery, acquisition and development of new reserves; if the Group is unsuccessful, its results of operations and financial condition would be materially and adversely affected.

A significant portion of the Group's revenues and the majority of its operating income are derived from the sale of oil and gas that the Group extracts from underground reserves developed as part of its Upstream business. The development of oil and gas fields, the construction of facilities and the drilling of production or injection wells is capital intensive, requires advanced technology and moreover, due to constantly changing market conditions and difficult environmental challenges, cost projections are uncertain. In order for this Upstream business to continue to be profitable, the Group needs to replace its reserves with new proved reserves. Furthermore, the Group needs to accomplish such replacement in a manner that allows subsequent production to be economically viable. However, TOTAL's ability to discover or acquire and develop new reserves successfully is uncertain and can be negatively affected by a number of factors, including:

- the geological nature of oil and gas fields, notably unexpected drilling conditions including pressure or irregularities in geological formations;
- the risk of dry holes or failure to find expected commercial quantities of hydrocarbons;
- equipment failures, fires, blow-outs or accidents;
- the Group's inability to develop or deploy new technologies that permit access to previously inaccessible fields;
- the Group's inability to anticipate market changes in a timely manner;
- adverse weather conditions;
- compliance with both anticipated and unanticipated governmental requirements, including U.S. and EU regulations that may give a competitive advantage to companies not subject to such regulations;
- shortages or delays in the availability or delivery of appropriate equipment;
- industrial action;
- competition from publicly held and state-run oil and gas companies for the acquisition and development of assets and licenses, as well as from other major international oil companies (refer to point 3.10. "Risks related to Competition");
- increased taxes and royalties, including retroactive claims; and
- problems with legal title.

Any of these factors could lead to cost overruns and impair the Group's ability to make discoveries and acquisitions or complete a development project, or to make production economical. It is impossible to guarantee that new reserves of oil and gas will be discovered in sufficient quantities to replace the Group's reserves currently being developed, produced and marketed. Furthermore, some of these factors may also affect the Group's projects and facilities further down the oil and gas chain. If TOTAL fails to develop new reserves cost-effectively on an ongoing basis, the Group's results of operations, including profits, and the Group's financial condition, would be materially and adversely affected.

The Group's oil and gas reserves data are only estimates, and subsequent downward adjustments are possible. If actual production from such reserves is lower than current estimates indicate, the Group's results of operations and financial condition would be negatively impacted.

The proved reserves figures of the Group are estimates reflecting applicable reporting regulations. Proved reserves are those reserves which, by analysis of geosciences and engineering data, can be estimated with reasonable certainty to be economically producible – from a given date forward, from known reservoirs and under existing economic conditions, operating methods and government regulations – prior to the time at which contracts providing the right to operate expire, unless evidence indicates that renewal is reasonably certain, regardless of whether deterministic or probabilistic methods are used for the estimation. Reserves are estimated by teams of qualified, experienced and trained geoscientists, petroleum engineers and project engineers, who rigorously review and analyze in detail all available geosciences and engineering data (*e.g.*, seismic, electrical logs, cores, fluids, pressures, flow rates, facilities parameters). This process involves making subjective judgments, including with respect to the estimate of hydrocarbons initially in place, initial production rates and recovery efficiency, based on available geological, technical and economic data. Consequently, estimates of reserves are not exact measurements and are subject to revision.

In addition, they may be negatively impacted by a variety of factors that are beyond the Group's control and that could cause such estimates to be adjusted downward in the future, or cause the Group's actual production to be lower than its currently reported proved reserves indicate. The main such factors include:

- a decline in the price of oil or gas, making reserves no longer economically viable to exploit and therefore not classifiable as proved;
- an increase in the price of oil or gas, which may reduce the reserves to which the Group are entitled under production sharing and risked service contracts and other contractual terms;
- changes in tax rules and other government regulations that make reserves no longer economically viable to exploit; and
- the actual production performance of the Group's reservoirs.

The Group's reserves estimates may therefore require substantial downward revisions to the extent its subjective judgments prove not to have been conservative enough based on the available geosciences and engineering data, or the Group's assumptions regarding factors or variables that are beyond its control prove to be incorrect over time. Any downward adjustment would indicate lower future production amounts, which could adversely affect the Group's results of operations, including profits as well as its financial condition.

3.3. Major projects and production growth

The Group's production growth depends on the delivery of its major development projects.

The Group's targeted production growth relies heavily on the successful execution of its major development projects, which are complex and capital-intensive. These major projects are subject to a number of challenges, including:

- negotiations with partners, governments, suppliers, customers and others;
- cost overruns and delays related to the availability of skilled labor or delays in manufacturing and delivery of critical equipment, or shortages in the availability of such equipment;
- unforeseen technical difficulties that could delay project startup or cause unscheduled project downtime;
- the actual performance of the reservoir and natural field decline; and
- timely issuance or renewal of permits and licenses by government agencies.

Poor delivery of any major project that underpins production or production growth could adversely affect the Group's financial performance. In addition, many of TOTAL's projects under developments are larger and more complex than past major projects, which increases the potential execution risk.

3.4. Equity affiliates

Many of the Group's projects are conducted by equity affiliates. This may reduce the degree of control, as well as the ability of the Group to identify and manage risks.

A significant and growing number of the Group's projects are conducted by equity affiliates. In cases where a company in which the Group holds an interest is not the operator, it may have limited influence over, and control of, the behavior, performance and costs of the partnership, its ability to manage risks may be limited and it may, nevertheless, be pursued by regulators or claimants in the event of an incident. Additionally, the partners of the Group may not be able to meet their financial or other obligations to the projects, which may threaten the viability of a given project, and they may not have the financial capacity to fully indemnify the Group in the event of an incident.

3.5. Risks related to economic or political factors

TOTAL has significant production and reserves located in politically, economically and socially unstable areas, where the likelihood of material disruption of the Group's operations is relatively high.

A significant portion of TOTAL's oil and gas production and reserves is located in countries outside of the Organisation for Economic Co-operation and Development (OECD). In recent years, a number of these countries have experienced varying degrees of one or more of the following: economic instability, political volatility, civil war, violent conflict, social unrest and actions of terrorist groups. Any of these conditions alone or in combination could disrupt the Group's operations in any of these regions, causing substantial declines in production. In addition, uncertainties surrounding enforcement of contractual rights in these regions may adversely impact the Group's results. In Africa, which represented 29% of the Group's 2013 combined liquids and gas production, certain of the countries in which the Group has production have recently suffered from some of these conditions, including Nigeria, which has been the main contributing country to the Group's production of hydrocarbons since 2012, and Libya. The Middle East, which represented 23% of the Group's 2013 combined liquids and gas production, has recently suffered increased political volatility in connection with violent conflict and social unrest, including Syria, where European Union (EU) and U.S. economic sanctions have prohibited TOTAL from producing oil and gas since 2011, and Yemen. In South America, which represented 7% of the Group's 2013 combined liquids and gas production, certain of the countries in which TOTAL has production have recently suffered from some of the above-mentioned conditions, including Argentina and Venezuela. Furthermore, in addition to current production, TOTAL is also exploring for and developing new reserves in other regions of the

world that are historically characterized by political, social and economic instability, such as the Caspian Sea region where TOTAL has large projects currently underway. The occurrence and magnitude of incidents related to economic, social and political instability are unpredictable. It is possible that they could have a material adverse impact on the Group's production and operations in the future and/or cause certain investors to reduce their holdings of TOTAL's securities.

TOTAL, like other major international energy companies, has a geographically diverse portfolio of reserves and operational sites, which allows it to conduct its business and financial affairs so as to reduce its exposure to political and economic risks. However, there can be no assurance that such events will not have a material adverse impact on the Group.

The Group's operations throughout emerging countries are subject to intervention by the governments of these countries, which could have an adverse effect on its results of operations.

TOTAL has significant exploration and production activities, and in some cases refining, marketing or chemicals operations, in developing countries whose governmental and regulatory framework is subject to unexpected change and where the enforcement of contractual rights is uncertain. In addition, the Group's exploration and production activity in such countries is often done in conjunction with state-owned entities, for example as part of a joint venture, where the state has a significant degree of control. In recent years, in various regions globally, TOTAL has seen governments and state-owned enterprises imposing more stringent conditions on companies pursuing exploration and production activities in their respective countries, increasing the costs and uncertainties of the Group's business operations, which is a trend TOTAL expects to continue.

Potential increasing intervention by governments in such countries can take a wide variety of forms, including:

- the award or denial of exploration and production interests;
- the imposition of specific drilling obligations;
- price and/or production quota controls and export limits;
- nationalization or expropriation of assets;
- unilateral cancellation or modification of license or contract rights;
- increases in taxes and royalties, including retroactive claims;
- the renegotiation of contracts;
- payment delays; and
- currency exchange restrictions or currency devaluation.

Imposition of any of these factors by a host government in a developing country where TOTAL has substantial operations, including exploration, could cause the Group to incur material costs or cause the Group's production or value of the Group's assets to decrease, potentially having a material adverse effect on its results of operations, including profits.

For example, the Nigerian government has been contemplating new legislation to govern the petroleum industry which, if passed into law, could have an impact on the existing and future activities of the Group in that country through increased taxes and/or costs of operation and could adversely affect financial returns from projects in that country.

3.6. Ethical misconduct and non compliance risks

Ethical misconduct or breaches of applicable laws by the Group's employees could expose TOTAL to criminal and civil penalties and be damaging to TOTAL's reputation and shareholder value.

The Code of Conduct of the Group, which applies to all of its employees, defines the Group's commitment to integrity, compliance with all applicable legal requirements, high ethical standards and the behaviors and actions the Group expects of the businesses and people of the Group wherever it operates. Ethical misconduct or non-compliance with applicable laws and regulations, including non-compliance with anti-bribery and anticorruption laws, by TOTAL, its partners, agents or others that act on the Group's behalf, could expose TOTAL and its employees to criminal and civil penalties and could be damaging to TOTAL's reputation and shareholder value. In addition, ethical misconduct or non-compliance with applicable law may lead the competent authorities to impose other measures, such as the appointment of an independent monitor in charge of reviewing the Group's compliance and internal control procedures and, if need be, recommending improvements of such procedures. Regarding this point, refer to point 4. in Chapter 4 Legal and arbitration proceedings – Iran for an overview of the settlements between TOTAL, the SEC and the Department of Justice (DoJ) providing for the appointment of an independent monitor, who was appointed in late 2013.

The Group has been deploying ethics and compliance programs since 2009, as a priority of the General Management. Refer to point 1.10.1. in Chapter 5 of this Registration Document for more details.

3.7. Legal aspects of the Group's activities

3.7.1. Legal aspects of the Upstream segment's activities

TOTAL's Upstream segment conducts activities in various countries which are therefore subject to a broad range of regulations. These cover virtually all aspects of exploration and production operations, including leasehold rights, production rates, royalties, environmental protection, exports, taxes and foreign exchange rates. The terms of the concessions, licenses, permits and contracts governing the Group's ownership of oil and gas interests vary from country to country. These concessions, licenses, permits and contracts are generally granted by or entered into with a government entity or a state-owned company and are sometimes entered into with private owners. These arrangements usually take the form of concessions or production sharing contracts.

In the framework of oil concession agreements, the oil company owns the assets and the facilities and is entitled to the entire production.

In exchange, the operating risks, costs and investments are the oil company's responsibility and it agrees to remit to the relevant State, usually the owner of the subsoil resources, a production-based royalty, income tax, and possibly other taxes that may apply under local tax legislation.

The production sharing contract (PSC) involves a more complex legal framework than the concession agreement: it defines the terms and conditions of production sharing and sets the rules governing the cooperation between the Company or consortium in possession of the license and the host State, which is generally represented by a state-owned company. The latter can thus be involved in operating decisions, cost accounting and production allocation.

The consortium agrees to undertake and finance all exploration, development and production activities at its own risk. In exchange, it is entitled to a portion of the production, known as "cost oil", the sale of which should cover all of these expenses (investments and operating costs). The balance of production, known as "profit oil", is then shared in varying proportions, between the Company or consortium, on the one hand, and with the State or the state-owned company, on the other hand.

In some instances, concession agreements and PSCs coexist, sometimes in the same country. Even though there are other contractual models, TOTAL's license portfolio is comprised mainly of concession agreements.

In every country, the authorities of the host State, often assisted by international accounting firms, perform joint venture and PSC cost audits and ensure the observance of contractual obligations.

In some countries, TOTAL has also signed contracts called "risked service contracts", which are similar to production sharing contracts. However, the profit oil is replaced by risked monetary remuneration, agreed by contract, which depends notably on the field performance. For example, the remuneration under the Halfaya Iraqi contract is based on an amount calculated per barrel produced.

Oil and gas exploration and production activities are subject to authorization granted by public authorities (licenses), which are granted for specific and limited periods of time and include an obligation to return a large portion, or the entire portion in case of failure, of the area covered by the license at the end of the exploration period.

TOTAL pays taxes on income generated from its oil and gas production and sales activities under its concessions, production sharing contracts and risked service contracts, as provided for by local regulations. In addition, depending on the country, TOTAL's production and sales activities may be subject to a number of other taxes, fees and withholdings, including special petroleum taxes and fees. The taxes imposed on oil and gas production and sales activities may be substantially higher than those imposed on other industrial or commercial businesses.

The legal framework of TOTAL's exploration and production activities, established through concessions, licenses, permits and contracts granted by or entered into with a government entity, a state-owned company or, sometimes, private owners, is subject to certain risks that, in certain cases, can reduce or challenge the protections offered by this legal framework.

3.7.2. Legal aspects of the Group's other activities

The activities of the Group's Refining & Chemicals and Marketing & Services are also subject to a wide range of regulations.

In European countries and in the United States, sites and products are subject to environmental (water, air, soil, noise, protection of biodiversity, waste management, impact studies, etc.), health (on-the-job safety, chemical product risks) and safety (safety of personnel and residents, major risk facilities) regulations. Product quality and consumer protection are also subject to regulations. Within the European Union, EU regulations must be transposed into Member States' national laws or directly enforced. In such Member States, EU legislation and regulations may be in addition to national and local government regulations. In addition, in all Member States of the European Union, industrial facilities operate pursuant to licenses issued by competent local authorities that are based on national laws and EU regulations. It is the same in the United States, where federal rules are in addition to those of the various states.

In other countries where the Group operates, legislation is often inspired by EU and U.S. regulations. These countries may more fully develop certain aspects of regulation in particular fields, for example those relating to protecting water, nature and health.

Irrespective of the particular country in which the Group operates, TOTAL has developed standards based on best practices existing in countries with strong regulations and progressively upgrades policies with respect to these standards.

In addition, depending on the country where the Group operates, its other activities are subject to specific sector requirements that impose constraints with respect to, for example, strategic oil reserves holding requirements or and shipping capacities owned or in chartered.

3.7.3. Competition law

Competition laws apply to the Group's companies in the vast majority of countries in which it does business. Violations of competition laws carry fines and expose the Group and its employees to criminal sanctions and civil suits. Furthermore, it is now common for persons or corporations allegedly injured by violations of competition laws to sue for damages.

Some of the Group's business segments have already been implementing competition law conformity plans for a long time. In 2012, a Group policy for compliance with competition law and prevention of violations in this area (refer to Chapter 5, point 1.10.1 for more details) was adopted. Its deployment is based on a dedicated organization, the involvement of hierarchies and staff, and a warning process.

3.8. Critical IT system services and information security

Disruption of the Group's critical IT services or breaches of information security could adversely affect its operations.

The businesses of the Group depend heavily on the reliability and security of its information technology ("IT") systems. If the integrity of the IT systems were compromised due to, for example, technical failure or cyber attack, the business operations and assets of the Group could sustain serious damage, material intellectual property could be divulged and, in some cases, personal injury, environmental harm and regulatory violations could occur, potentially having a material adverse effect on the Group's results of operations, including profits.

The Information Technology Department has developed and distributed governance and security rules that describe the recommended infrastructure, organization and procedures to maintain information systems that are appropriate to the organization's needs and to limit information security risks. These rules are implemented across TOTAL under the responsibility of the various business segments.

3.9. Countries targeted by economic sanctions

TOTAL has activities in certain countries that are targeted by economic sanctions under relevant U.S. and EU laws, and if the Group's activities are not conducted in accordance with the relevant conditions, TOTAL could be sanctioned or otherwise penalized.

The United States has adopted various laws and regulations designed to restrict trade with Cuba, Iran, Sudan and Syria, and the U.S. Department of State has identified these countries as state sponsors of terrorism. The European Union ("EU") has similar restrictions with respect to Iran and Syria. A violation of these laws or regulations could result in criminal and material financial penalties, including being prohibited from transacting in U.S. dollars. The Group currently has limited marketing and trading activities in Cuba and a limited presence in Iran and Syria (for more information, see point 3.9.2. below). Since the independence of the Republic of South Sudan on July 9, 2011, TOTAL is no longer present in Sudan.

3.9.1. U.S. and European restrictions

With respect to Iran, the United States has adopted a number of measures since 1996 that provide for the possible imposition of sanctions against non-U.S. companies engaged in certain activities in and with Iran, including in Iran's energy sector. The United States first adopted legislation in 1996 authorizing sanctions against non-U.S. companies doing business in Iran and Libya (the Iran and Libya Sanctions Act, referred to as "ILSA"). In 2006, ILSA was amended to concern only business in Iran (then renamed the Iran Sanctions Act, referred to as "ISA"). Pursuant to ISA, which as described below has since been amended and expanded, the President of the United States is authorized to initiate an investigation into the activities of non-U.S. companies in Iran's energy sector and to consider the possible imposition of sanctions against persons found, amongst other activities, to have knowingly made investments of $20 million or more in any 12-month period in the petroleum sector in Iran. In May 1998, the U.S. government waived the application of ISA sanctions for TOTAL's investment in the South Pars gas field. This waiver, which has not been modified since it was granted, does not address any of TOTAL's other activities in Iran. In each of the years between the passage of ILSA and 2007, TOTAL made investments in Iran in excess of $20 million (excluding the investments made as part of the development of South Pars). These investments will not be subject to investigation by the U.S. authorities due to the application of the Special Rule granted on September 30, 2010, as further described below. Since 2008, TOTAL's position has consisted essentially in being reimbursed for its past investments as part of buyback contracts signed between 1995 and 1999 with respect to permits on which the Group is no longer the operator. Since 2011, TOTAL has had no production in Iran.

ISA was amended in July 2010 by the Comprehensive Iran Sanctions, Accountability and Divestment Act of 2010 ("CISADA"), which expanded both the list of activities with Iran that could lead to sanctions and the list of sanctions available. In particular, CISADA authorized sanctions for knowingly providing refined petroleum products above certain monetary thresholds to Iran and for providing goods, services, technology, information or support that could directly and significantly either facilitate Iran's domestic production of refined petroleum products or contribute to Iran's ability to import refined petroleum products. TOTAL had already discontinued potentially sanctionable sales of refined petroleum products to Iran prior to CISADA's enactment. On September 30, 2010, the U.S. State Department announced that the U.S. government, pursuant to the "Special Rule" provision of ISA added by CISADA that allows it to avoid making a determination of sanctionability under ISA with respect to any party that provides certain assurances, would not make such a determination with respect to TOTAL. The U.S. State Department further indicated at that time that, as long as TOTAL acts in accordance with its commitments, TOTAL will not be regarded as a company of concern for its past Iran-related activities.

Since the applicability of the "Special Rule" to TOTAL was announced by the U.S. State Department, the United States has imposed a number of additional measures targeting activities in Iran. On November 21, 2011, President Obama issued Executive Order 13590, which authorized sanctions for knowingly, on or after November 21, 2011, selling, leasing, or providing to Iran goods, services, technology or support above certain monetary thresholds that could directly and significantly contribute to the maintenance or expansion of Iran's ability to develop petroleum resources located in Iran, or domestic production of petrochemical products. TOTAL does not conduct activities in Iran that it believes would be sanctionable under Executive Order 13590. In any event, there is no provision in Executive Order 13590 that modifies the aforementioned "Special Rule", and the U.S. State Department issued guidance that completion of existing contracts is not sanctionable under Executive Order 13590.

On July 30, 2012, President Obama issued Executive Order 13622, which authorized sanctions for, amongst other activities, (i) knowingly, on or after July 30, 2012, engaging in a significant transaction for

the purchase or acquisition of petroleum, petroleum products or petrochemical products from Iran, or (ii) materially assisting, sponsoring or providing financial, material, or technological support for, or goods or services in support of, the National Iranian Oil Company, the Naftiran Intertrade Company ("NICO"), or the Central Bank of Iran. There is no provision in Executive Order 13622 that modifies the aforementioned "Special Rule". In addition, Executive Order 13622 contains an exception for the Shah Deniz gas field pipeline project, in which TOTAL (10%) and NICO (10%) participate, to supply natural gas from the Shah Deniz gas field in Azerbaijan to Europe and Turkey. This Executive Order was amended and expanded by Executive Order 13645 (discussed in further detail below), in order to capture as potentially sanctionable conduct a wider range of petroleum-related activities. TOTAL does not conduct activities that it believes would be sanctionable under Executive Order 13622 as amended by Executive Order 13645.

On August 10, 2012, President Obama signed into law the Iran Threat Reduction and Syria Human Rights Act of 2012 ("ITRA"), which, amongst other things, amended ISA and CISADA. ITRA, like CISADA before it, expanded both the list of activities with Iran that could lead to sanctions and the list of sanctions available. Amongst other things, ITRA authorized sanctions for (i) the provision to Iran of goods, services, technology, information or support above a certain market value that could directly and significantly facilitate the maintenance or expansion of Iran's domestic production of refined petroleum products, including any direct and significant assistance with the construction, modernization, or repair of petroleum refineries or infrastructure directly associated with petroleum refineries, (ii) participation in a joint venture established on or after January 1, 2002 with respect to the development of petroleum resources outside of Iran where either the Government of Iran is a substantial partner or investor or where the joint venture could enhance Iran's ability to develop petroleum resources in Iran, and (iii) owning, operating, controlling or insuring a vessel used to transport crude oil from Iran to another country. ITRA also contains an exception for the Shah Deniz gas field project. TOTAL does not conduct activities that it believes would be sanctionable under ITRA.

ITRA also added Section 13(r) to the Securities Exchange Act of 1934, as amended ("Exchange Act"), which requires TOTAL to disclose whether it or any of its affiliates has engaged during the calendar year in certain Iran-related activities, including those targeted under ISA, without regard to whether such activities are sanctionable under ISA, and any transaction or dealing with the Government of Iran that is not conducted pursuant to a specific authorization of the U.S. government (see point 3.9.2., below). For any annual report that contains responsive Section 13(r) disclosure, an "Iran Notice" is separately filed with the United States Securities and Exchange Commission ("SEC"). The SEC must notify the President and U.S. Congress, and the President must initiate an investigation and make a sanctions determination within 180 days after initiating the investigation. TOTAL believes that its Iran-related activities required to be disclosed by Section 13(r) are not sanctionable, and TOTAL has not been informed that it is at risk of possible imposition of sanctions for activities previously disclosed.

The United States has adopted other sanctions measures, including the National Defense Authorization Act of Fiscal Year 2012 ("NDAA 2012"),which authorizes the imposition of sanctions on foreign financial institutions engaged in certain transactions, the Iran Freedom and Counter-Proliferation Act of 2012 ("IFCA"), which, amongst other things, authorizes the imposition of sanctions on entities that knowingly provided goods or services to the energy, shipbuilding, and shipping sectors, or to port operations, of Iran, and Executive Order 13645, which, in addition to amending Executive Order 13622 as discussed above, implements certain provisions of IFCA and authorizes additional sanctions against, amongst other things, foreign financial institutions that engage in certain transactions, potentially including those for the sale, supply, or transfer to or from Iran of natural gas, and for the purchase of petroleum or petroleum products from Iran. TOTAL does not conduct activities that it believes would be sanctionable under IFCA, NDAA 2012 or Executive Order 13645.

Also with regard to Iran, France and the EU have adopted measures, based on United Nations Security Council resolutions, which restrict the movement of certain individuals and goods to or from Iran as well as certain financial transactions with Iran, in each case when such individuals, goods or transactions are related to nuclear proliferation and weapons activities or likely to contribute to their development. In July and October 2010, the EU adopted new restrictive measures regarding Iran. Among other things, the supply of key equipment and technology in the following sectors of the oil and gas industry in Iran are prohibited: refining, Liquefied Natural Gas, exploration and production. The prohibition extends to technical assistance, training and financial assistance in connection with such items. Extension of loans or credit to, acquisition of shares in, entry into joint ventures with or other participation in enterprises in Iran (or Iranian-owned enterprises outside of Iran) engaged in any of the targeted sectors also is prohibited. Moreover, with respect to restrictions on transfers of funds and on financial services, any transfer of at least €40,000 or equivalent to or from an Iranian individual or entity shall require a prior authorization of the competent authorities of the EU Member States. TOTAL conducts its activities in compliance with these EU measures.

On January 23, 2012, the Council of the EU prohibited the purchase, import and transport of Iranian oil and petroleum and petrochemical products by European persons and by entities constituted under the laws of an EU Member State. Prior to that date, TOTAL had ceased these now-prohibited activities.

With respect to Syria, the EU adopted measures in May 2011 with criminal and financial penalties that prohibit the supply of certain equipment to Syria, as well as certain financial and asset transactions with respect to a list of named individuals and entities. These measures apply to European persons and to entities constituted under the laws of an EU Member State. In September 2011, the EU adopted further measures, including, notably, a prohibition on the purchase, import or transportation from Syria of crude oil and petroleum products. Since early September 2011, the Group ceased to purchase hydrocarbons from Syria. On December 1, 2011, the EU extended sanctions against, among others, three state-owned Syrian oil firms, including General Petroleum Corporation, TOTAL's co-contracting partner in the production sharing agreement signed in 1988 (Deir Es Zor licence) and the Tabiyeh contract. The United States also has various measures regarding Syria. Since early December 2011, the Group has ceased its activities that contribute to oil and gas production in Syria.

In addition, the U.S. Treasury Department's Office of Foreign Assets Control (referred to as "OFAC") administers and enforces economic sanctions programs, some of which are based on the United Nations Security Council resolutions referred to above, against targeted foreign countries, territories, entities and individuals (including those engaged in activities related to terrorism or the proliferation of weapons of mass destruction and other threats to the national security, foreign policy or economy of the United States). The activities that are restricted depend on the sanctions program and targeted country or parties, and civil and/or criminal penalties, imposed on a per transaction basis, can be substantial. These OFAC sanctions

generally apply to U.S. persons and activities taking place in the United States or that are otherwise subject to U.S. jurisdiction. Sanctions administered by OFAC target, among others, Cuba, Iran, Sudan and Syria. TOTAL does not believe that these sanctions are applicable to any of its activities in the OFAC-targeted countries.

Moreover, many U.S. states have adopted legislation requiring state pension funds to divest themselves of securities in any company with active business operations in Iran, and state contracts not to be awarded to such companies. State insurance regulators have adopted similar initiatives relating to investments by insurance companies in companies doing business with the Iranian oil and gas, nuclear and defense sectors. If TOTAL's presence in Iran were determined to fall within the prohibited scope of these laws, and TOTAL were not to qualify for any available exemptions, certain U.S. institutions holding interests in TOTAL may be required to sell their interests. If significant, sales of securities resulting from such laws and/or regulatory initiatives could have an adverse effect on the prices of TOTAL's securities.

TOTAL continues to closely monitor legislative and other developments in France, the EU and the United States, including the Joint Plan of Action recently announced among Iran and the P5+1 countries (China, France, Russia, the United Kingdom and the United States of America, as well as Germany) regarding limits on Iran's nuclear activities and the suspension of certain United States and European Union sanctions regarding Iran, in order to determine whether its limited activities or presence in sanctioned or potentially sanctioned jurisdictions could subject TOTAL to the application of sanctions.

TOTAL is also closely monitoring developments of the situation in Crimea and any related regulations and/or economic sanctions that could be adopted by the authorities.

TOTAL cannot assure that current or future regulations or developments will not have a negative impact on its business or reputation.

3.9.2. Cuba, Iran and Syria

Provided in this section is certain information relating to TOTAL's activities in Cuba and its presence in Iran and Syria. For more information on U.S. and EU restrictions relevant to TOTAL in these jurisdictions, see point 3.9.1. above.

Cuba

In 2013, Marketing & Services had limited marketing activities for the sale of specialty products to non-state entities in Cuba and paid taxes of approximately €425,000 on such activities. Hutchinson, a Refining & Chemicals affiliate, had limited sales in Cuba of transmission belts for agricultural machinery via a government-controlled intermediary that received a commission of approximately €77,000. In addition, Trading & Shipping purchased hydrocarbons pursuant to spot contracts from a state-controlled entity for approximately €101 million and sold energy options to this state-controlled entity for approximately €4 million.

Iran

Section 13(r) of the Securities Exchange Act of 1934, as amended, requires the Company to disclose whether it or any of its affiliates engaged during the 2013 calendar year in certain Iran-related activities. While TOTAL has not engaged in any activity that would be required to be disclosed pursuant to subparagraphs (a), (b), (c), (d) (i) or (d) (ii) of Section 13(r) (1), affiliates of the Company may be deemed to have engaged in certain transactions or dealings with the government of Iran that would require disclosure pursuant to Section 13(r) (1) (d) (iii), as discussed below.

The Group has no exploration and production activities in Iran and maintains a local office in Iran solely for non-operational functions. Some payments are yet to be reimbursed to the Group with respect to past expenditures and remuneration under buyback contracts entered into between 1997 and 1999 with the National Iranian Oil Company ("NIOC") for the development of the South Pars 2&3 and Dorood fields. With respect to these contracts, development operations have been completed and the Group is no longer involved in the operation of these fields. In 2013, Total E&P Iran (100%), Elf Petroleum Iran (99.8%), Total Sirri (100%) and Total South Pars (99.8%) collectively made payments of less than €0.5 million to (i) the Iranian administration for taxes and social security contributions concerning the personnel of the aforementioned local office and residual buyback contract-related obligations, and (ii) Iranian public entities for payments with respect to the maintenance of the aforementioned local office (*e.g.*, utilities, telecommunications). TOTAL expects similar payments to be made in 2014, and it did not recognize any revenues or profits from the aforementioned in 2013.

In 2013, as part of its ongoing global strategy for the protection of its intellectual property, TOTAL paid taxes of approximately €1,500 to the Iranian national intellectual property office with respect to patents filed in Iran prior to 2013. The Group anticipates paying similar taxes in the future.

Total E&P UK Limited ("TEP UK"), a wholly-owned affiliate of TOTAL, had limited contacts in 2013 with the Iranian Oil Company UK Ltd ("IOC"), a subsidiary of NIOC. These contacts related to agreements governing certain transportation, processing and operation services formerly provided to a joint venture at the Rhum field in the UK, co-owned by BP (50%, operator) and IOC (50%), by a joint venture at the Bruce field between BP (37%, operator), TEP UK (43.25%), BHP Billiton Petroleum Great Britain Ltd (16%) and Marubeni Oil & Gas (North Sea) Limited (3.75%) and by TEP UK's Frigg UK Association pipeline (100%). To TOTAL's knowledge, no services have been provided under the aforementioned agreements since November 2010, when the Rhum field stopped production following the adoption of EU sanctions, other than critical safety-related services (*i.e.*, monitoring and marine inspection of the Rhum facilities), which are permitted by EU sanctions regulations. These agreements led to the signature in 2005 of an agreement by TEP UK and Naftiran Intertrade Co. ("NICO") (IOC's parent company and a subsidiary of NIOC) for the purchase by TEP UK of Rhum field natural gas liquids from NICO. This agreement was terminated by TEP UK with effect from December 2013 and, prior to that, there had been no purchases under this agreement since November 2010. TEP UK's contacts with IOC and NICO in 2013 in regard to the aforementioned agreements were limited to exchanging letters and notifications regarding contract administration and declarations of force majeure. TOTAL did not recognize any revenues or profits from the aforementioned in 2013. Furthermore, on October 22, 2013, the UK government notified IOC of its decision to apply a temporary management scheme to IOC's interest in the Rhum field within the meaning of UK Regulations 3 and 5 of the Hydrocarbons (Temporary Management Scheme) Regulations 2013 (the "Hydrocarbons Regulations"). On December 6, 2013, the UK government further authorized TEP UK, among others, under Article 43a of EU Regulation 267/2012, as amended by 1263/2012 and under Regulation 9 of the Hydrocarbons Regulations, to carry out activities in relation to the operation and production of the Rhum field. As a result, TEP UK does not anticipate having any contacts with IOC in 2014. In addition, on September 4, 2013, the U.S. Treasury Department issued a license to BP authorizing BP and certain others to engage in various activities relating to the operation and production of the Rhum field. The Rhum field remains shut down, but it is anticipated that production could restart at some point in 2014.

The Group does not purchase Iranian hydrocarbons or own or operate any refineries or chemicals plants in Iran.

Until December 2012, at which time it sold its entire interest, the Group held a 50% interest in the company Beh Total (now named Beh Tam) along with Behran Oil (50%), a company controlled by entities with ties to the government of Iran. As part of the sale of the Group's interest in Beh Tam, TOTAL S.A. agreed to license the trademark "Total" to Beh Tam for an initial 3-year period for the sale by Beh Tam of lubricants to domestic consumers in Iran. Total E&P Iran ("TEPI"), a wholly-owned affiliate of TOTAL S.A., expects to receive, on behalf of TOTAL S.A., annual royalty payments in Rials from Beh Tam during the period 2014-2016 for such license. Each payment will be based on Beh Tam's sales of lubricants during the previous calendar year. Representatives of the Group and Beh Tam met twice in 2013 to discuss the local lubricants market and further discussions are expected to take place in the future. TEPI received payments in 2013 from Beh Tam in Rials of approximately €2.6 million that corresponded to an outstanding 2011 Beh Total dividend payment and the settling of debts related to the Group's prior ownership. Similar payments, in addition to the royalty payments described above, are expected to be received from Beh Tam in 2014.

Total Marketing Middle East FZE ("TMME"), a wholly-owned affiliate of the Group, which had stopped sales of lubricants to Beh Total at the end of 2012, decided in 2013 to resume such sales to Beh Tam in Iran. The sale in 2013 of approximately 188 t of lubricants generated gross revenue of approximately €1.0 million and a net profit of approximately €0.2 million. TMME expects to continue such activity in 2014.

Total Oil Turkiye A.S. ("TOT A.S."), a company wholly owned by the Group and three Group employees, sold in 2013 approximately 81 t of additives to a private held Turkish company not affiliated with the Group, which subsequently sold such additives to Beh Tam for the manufacture of lubricants. This activity generated for TOT A.S. gross revenue of approximately €296,000 and a net profit of approximately €54,000. TOT A.S. does not expect to continue this activity in 2014.

Total Ethiopia Ltd ("TEL"), an Ethiopian company held 99.99% by the Group and the rest by three Group Employees, paid approximately €63,000 in 2013 to Merific Iran Gas Co, an Ethiopian company majority-owned by entities affiliated with the government of Iran, pursuant to a contract for the transport and storage of LPG in Ethiopia purchased by TEL from international markets. TEL expects to stop pursuing this activity in 2014.

Total Belgium NV ("Total Belgium"), a company held 99.99% by the Group and the rest by an individual, provided in early 2013 fuel payment cards to Iranian diplomatic missions in Belgium for use in the Group's service stations. In 2013, these activities generated gross revenue of approximately €27,500 and net income of approximately €550. The Company terminated this contractual agreement in 2013. In addition, Total Belgium supplied approximately 11,000 liters of heating fuel (gasoil) to the Iranian Embassy in Brussels. In 2013, this activity generated gross revenue of approximately €9,500 and net income of approximately €1,500. Such supply arrangements ceased in December 2013 and there are no plans to resume such supply.

Total Deutschland GmbH ("Total Deutschland"), a German company wholly-owned by the Group, provided in 2013 fuel payment cards to Iranian diplomatic missions in Germany for use in the Group's service stations. In 2013, these activities generated gross revenue of approximately €4,400 and a net profit of approximately €50. Total Deutschland is in the process of terminating these arrangements.

In addition, the Group holds a 50% interest in, but does not operate, Samsung Total Petrochemicals Co. Ltd ("STC"), a South Korean incorporated joint venture with Samsung General Chemicals Co., Ltd. (50%). In reliance on the exemption provided in Section 1245 (d) (4) (d) of the National Defense Authorization Act (NDAA) announced on December 7, 2012, STC purchased approximately 150,000 t of condensates in early 2013 directly or indirectly from companies affiliated with the Iranian government for approximately €94 million. As such condensates are used by STC as inputs for its manufacturing processes, it is not possible to estimate the revenues from sales or net income attributable to such purchases. STC stopped such purchases in March 2013.

Syria

Since early December 2011, TOTAL has ceased its activities that contribute to oil and gas production in Syria and maintains a local office solely for non-operational functions. In 2013, TOTAL made payments of approximately €0.5 million to Syrian government agencies in the form of taxes and contributions for services rendered by the Syrian public sector in relation to the maintenance of the aforementioned office and its personnel.

3.10. Risks related to competition

TOTAL's competitors are comprised of national oil companies and international oil companies. The evolutions of the energy sector have opened the door to new competitors, increased market price volatility and called the viability of long-term contracts into question.

TOTAL is subject to competition from other oil companies in the acquisition of assets and licenses for the exploration and production of oil and natural gas as well as for the sale of manufactured products based on crude and refined oil. In the gas sector, major producers are becoming interested in the downstream value chain and are competing directly with established distribution companies, including those that belong to the Group. Increased competitive pressure could have a significant negative effect on the sales prices, margins and market shares of the Group's companies.

The pursuit of unconventional gas development, particularly in the United States, has contributed to falling market prices and a marked difference between spot and long-term contract prices. The competitiveness of long-term contracts indexed to oil prices could be affected if this discrepancy persists and if it should prove difficult to invoke price revision clauses.

The major international oil companies in competition with TOTAL are ExxonMobil, Royal Dutch Shell, Chevron and BP. As of December 31, 2013, TOTAL ranked fifth among these companies in terms of market capitalization[1].

(1) Source: Reuters.

4. Legal and arbitration proceedings

There are no governmental, legal or arbitration proceedings, including any proceeding that the Company is aware of, threatened with or even pending (including the main legal proceedings described hereafter) that could have, or could have had during the last twelve months, a material impact on the Group's financial situation or profitability.

The main legal proceedings in which the Group's companies are involved are described below.

4.1. Antitrust investigations

The principal antitrust proceedings in which the Group's companies are involved are described below.

4.1.1. Refining & Chemicals segment

As part of the spin-off of Arkema[1] in 2006, TOTAL S.A. and certain other Group companies granted to Arkema for a period of ten years a guarantee for potential monetary consequences related to antitrust proceedings arising from events prior to the spin-off. As of December 31, 2013, all public and civil proceedings covered by the guarantee were definitively resolved in Europe and in the United States. Despite the fact that Arkema has implemented since 2001 compliance procedures that are designed to prevent its employees from violating antitrust provisions, it is not possible to exclude the possibility that the relevant authorities could commence additional proceedings involving Arkema regarding events prior to the spin-off.

4.1.2. Marketing & Services segment

- The administrative procedure opened by the European Commission against TOTAL Nederland N.V and TOTAL S.A., as parent company, in relation to practices regarding a product line of the Marketing & Services segment, resulted in a condemnation in 2006 that became definitive in 2012. The resulting fine (€20.25 million) and interest thereon were paid during the first quarter of 2013.
- Following the appeal lodged by the Group's companies against the European Commission's 2008 decision fining Total Marketing Services an amount of €128.2 million, in relation to practices regarding a product line of the Marketing & Services segment, which the Company had already paid, and concerning which TOTAL S.A. was declared jointly liable as the parent company, the relevant European court decided during the third quarter of 2013 to reduce the fine imposed on Total Marketing Services to €125.5 million without modifying the liability of TOTAL S.A. as parent company. Appeals have been lodged against this judgment.
- In the United Kingdom, a settlement took place in the third quarter of 2013 putting an end to the civil proceeding initiated against TOTAL S.A., Total Marketing Services and other companies, by third parties alleging damages in connection with practices already sanctioned by the European Commission. A similar civil proceeding is pending in the Netherlands. At this stage, the plaintiffs have not communicated the amount of their claim.
- Finally, in Italy, in 2013, a civil proceeding was initiated against TOTAL S.A. and its subsidiary Total Aviazione Italia Srl before the competent Italian civil court. The plaintiff claims against TOTAL S.A., its subsidiary and other third parties, damages that it estimates to be nearly €908 million. This procedure follows practices that had been sanctioned by the Italian competition authority in 2006. The existence and the assessment of the alleged damages in this procedure involving multiple defendants are strongly contested.

Whatever the evolution of the proceedings described above, the Group believes that their outcome should not have a material adverse effect on the Group's financial situation or consolidated results.

4.2. Grande Paroisse

An explosion occurred at the Grande Paroisse industrial site in the city of Toulouse in France on September 21, 2001. Grande Paroisse, a former subsidiary of Atofina which became a subsidiary of Elf Aquitaine Fertilisants on December 31, 2004, as part of the reorganization of the Chemicals segment, was principally engaged in the production and sale of agricultural fertilizers. The explosion, which involved a stockpile of ammonium nitrate pellets, destroyed a portion of the site and caused the death of thirty-one people, including twenty-one workers at the site, and injured many others. The explosion also caused significant damage to certain property in part of the city of Toulouse.

This plant has been closed and individual assistance packages have been provided for employees. The site has been rehabilitated.

On December 14, 2006, Grande Paroisse signed, under the supervision of the city of Toulouse, a deed whereby it donated the former site of the AZF plant to the greater agglomeration of Toulouse (CAGT) and the *Caisse des dépôts et consignations* and its subsidiary ICADE. Under this deed, TOTAL S.A. guaranteed the site remediation obligations of Grande Paroisse and granted a €10 million endowment to the InNaBioSanté research foundation as part of the setting up of a cancer research center at the site by the city of Toulouse.

After having articulated several hypotheses, the Court-appointed experts did not maintain in their final report filed on May 11, 2006, that the accident was caused by pouring a large quantity of a chlorine compound over ammonium nitrate. Instead, the experts

(1) Arkema is used in this section to designate those companies of the Arkema group whose ultimate parent company is Arkema S.A. Arkema became an independent company after being spun-off from TOTAL S.A. in May 2006.

have retained a scenario where a container of chlorine compound sweepings was poured between a layer of wet ammonium nitrate covering the floor and a quantity of dry agricultural nitrate at a location not far from the principal storage site. This is claimed to have caused an explosion which then spread into the main storage site. Grande Paroisse was investigated based on this new hypothesis in 2006; Grande Paroisse is contesting this explanation, which it believes to be based on elements that are not factually accurate.

On July 9, 2007, the investigating magistrate brought charges against Grande Paroisse and the former Plant Manager before the Toulouse Criminal Court. In late 2008, TOTAL S.A. and Mr. Thierry Desmarest, Chairman and CEO at the time of the event, were summoned to appear in Court pursuant to a request by a victims association.

On November 19, 2009, the Toulouse Criminal Court acquitted both the former Plant Manager, and Grande Paroisse due to the lack of reliable evidence for the explosion. The Court also ruled that the summonses against TOTAL S.A. and Mr. Thierry Desmarest were inadmissible.

Due to the presumption of civil liability that applied to Grande Paroisse, the Court declared Grande Paroisse civilly liable for the damages caused by the explosion to the victims in its capacity as custodian and operator of the plant.

The Prosecutor's office, together with certain third parties, appealed the Toulouse Criminal Court verdict. In order to preserve its rights, Grande Paroisse lodged a cross-appeal with respect to civil charges.

By its decision of September 24, 2012, the Court of Appeal of Toulouse (*Cour d'appel de Toulouse*) upheld the lower court verdict pursuant to which the summonses against TOTAL S.A. and Mr. Thierry Desmarest were determined to be inadmissible. This element of the decision has been appealed by certain third parties before the French Supreme Court (*Cour de cassation*).

The Court of Appeal considered, however, that the explosion was the result of the chemical accident described by the court-appointed experts. Accordingly, it convicted the former Plant Manager and Grande Paroisse. This element of the decision has been appealed by the former Plant Manager and Grande Paroisse before the French Supreme Court (*Cour de cassation*), which has the effect of suspending their criminal sentences.

A compensation mechanism for victims was set up immediately following the explosion. €2.3 billion was paid for the compensation of claims and related expenses amounts. A €12.7 million reserve remains booked in the Group's Consolidated Financial Statements as of December 31, 2013.

4.3. Blue Rapid and the Russian Olympic Committee – Russian regions and Interneft

Blue Rapid, a Panamanian company, and the Russian Olympic Committee filed a claim for damages with the Paris Commercial Court against Elf Aquitaine, alleging a so-called non-completion by a former subsidiary of Elf Aquitaine of a contract related to an exploration and production project in Russia negotiated in the early 1990s. Elf Aquitaine believed this claim to be unfounded and opposed it. On January 12, 2009, the Commercial Court of Paris rejected Blue Rapid's claim against Elf Aquitaine and found that the Russian Olympic Committee did not have standing in the matter. Blue Rapid and the Russian Olympic Committee appealed this decision. On June 30, 2011, the Court of Appeal of Paris dismissed as inadmissible the claim of Blue Rapid and the Russian Olympic Committee against Elf Aquitaine, notably on the grounds of the contract having lapsed. Blue Rapid and the Russian Olympic Committee appealed this decision to the French Supreme Court.

In connection with the same facts, and fifteen years after the termination of the exploration and production contract, a Russian company, which was held not to be the contracting party to the contract, and two regions of the Russian Federation that were not even parties to the contract, launched an arbitration procedure against the aforementioned former subsidiary of Elf Aquitaine that was liquidated in 2005, claiming alleged damages of U.S.$22.4 billion. For the same reasons as those successfully adjudicated by Elf Aquitaine against Blue Rapid and the Russian Olympic Committee, the Group considers this claim to be unfounded as a matter of law and fact. The Group has lodged a criminal complaint to denounce the fraudulent claim of which the Group believes it is a victim, and has taken and reserved its rights to take other actions and measures to defend its interests.

4.4. Iran

In 2003, the United States Securities and Exchange Commission (SEC) followed by the Department of Justice (DoJ) issued a formal order directing an investigation in connection with the pursuit of business in Iran by certain oil companies including, among others, TOTAL. The inquiry concerned an agreement concluded by the Company with consultants concerning gas fields in Iran and aimed at verifying whether certain payments made under this agreement would have benefited Iranian officials in violation of the Foreign Corrupt Practices Act (FCPA) and the Company's accounting obligations.

In late May 2013, and after several years of discussions, TOTAL reached settlements with the U.S. authorities (a Deferred Prosecution Agreement with the DoJ and a Cease and Desist Order with the SEC). These settlements, which put an end to these investigations, were concluded without admission of guilt and in exchange for TOTAL respecting a number of obligations, including the payment of a fine ($245.2 million) and civil compensation ($153 million) that occurred during the second quarter of 2013. The reserve of $398.2 million that was booked in the financial statements as of June 30, 2012, has been fully released. By virtue of these settlements, TOTAL also accepted to appoint a French independent compliance monitor to review the Group's compliance program and to recommend possible improvements.

With respect to the same facts, TOTAL and its Chairman and Chief Executive Officer, who was President of the Middle East at the time

of the facts, were placed under formal investigation in France following a judicial inquiry initiated in 2006. In late May 2013, the Prosecutor's office recommended that the case be sent to trial. The investigating magistrate has not yet issued his decision.

At this point, the Company considers that the resolution of these cases is not expected to have a significant impact on the Group's financial situation or consequences for its future planned operations.

4.5. Libya

In June 2011, the United States Securities and Exchange Commission (SEC) issued to certain oil companies – including, among others, TOTAL – a formal request for information related to their operations in Libya. In April 2013, the SEC notified TOTAL of the closure of the investigation while stating that it does not intend to take further action as far as TOTAL is concerned.

4.6. Oil-for-Food Program

Several countries have launched investigations concerning possible violations related to the United Nations (UN) Oil-for-Food Program in Iraq.

Pursuant to a French criminal investigation, certain current or former Group Employees were placed under formal criminal investigation for possible charges as accessories to the misappropriation of Corporate assets and as accessories to the corruption of foreign public agents. The Chairman and Chief Executive Officer of the Company, formerly President of the Group's Exploration & Production division, was also placed under formal investigation in October 2006. In 2007, the criminal investigation was closed and the case was transferred to the Prosecutor's office. In 2009, the Prosecutor's office recommended to the investigating magistrate that the case against the Group's current and former employees and TOTAL's Chairman and Chief Executive Officer not be pursued.

In early 2010, despite the recommendation of the Prosecutor's office, a new investigating magistrate, having taken over the case, decided to indict TOTAL S.A. on bribery charges as well as complicity and influence peddling. The indictment was brought eight years after the beginning of the investigation without any new evidence being introduced.

In October 2010, the Prosecutor's office recommended to the investigating magistrate that the case against TOTAL S.A., the Group's former employees and TOTAL's Chairman and Chief Executive Officer not be pursued. However, by ordinance notified in early August 2011, the investigating magistrate on the matter decided to send the case to trial. On July 8, 2013, TOTAL S.A., the Group's former employees and TOTAL's Chairman and Chief Executive Officer were cleared of all charges by the Criminal Court, which found that none of the offenses for which they had been prosecuted were established. On July 18, 2013, the Prosecutor's office appealed the parts of the Criminal Court's decision acquitting TOTAL S.A. and certain of the Group's former employees. TOTAL's Chairman and Chief Executive Officer's acquittal issued on July 8, 2013 is irrevocable since the Prosecutor's office did not appeal this part of the Criminal Court's decision.

4.7. Italy

As part of an investigation led by the Prosecutor of the Republic of the Potenza Court, Total Italia and certain Group Employees were the subject of an investigation related to certain calls for tenders that Total Italia made for the preparation and development of an oil field. On February 16, 2009, as a preliminary measure before the proceedings went before the Court, the preliminary investigation judge of Potenza served notice to Total Italia of a decision that would have suspended the concession for this field for one year. Total Italia appealed the decision by the preliminary investigation judge before the Court of Appeal of Potenza. In a decision dated April 8, 2009, the Court reversed the suspension of the concession and appointed for one year, *i.e.,* until February 16, 2010, a judicial administrator to supervise the operations related to the development of the concession, allowing the Tempa Rossa project to continue.

The criminal investigation was closed in the first half of 2010.

In May 2012, the Judge of the preliminary hearing decided to dismiss the charges against some of the Group's employees and to refer the case for trial on a reduced number of charges. The trial started on September 26, 2012.

4.8. Rivunion

On July 9, 2012, the Swiss Tribunal Fédéral (Switzerland's Supreme Court) rendered a decision against Rivunion, a wholly-owned subsidiary of Elf Aquitaine, confirming a tax reassessment in the amount of CHF 171 million (excluding interest for late payment). According to the Tribunal, Rivunion was held liable as tax collector of withholding taxes owed by the beneficiaries of taxable services. Rivunion, in liquidation since March 13, 2002 and unable to recover the amounts corresponding to the withholding taxes in order to meet its fiscal obligations, has been subject to insolvency proceedings since November 1, 2012. On August 29, 2013, the Swiss federal tax administration lodged a claim as part of the insolvency proceedings of Rivunion, for an amount of CHF 284 million, including CHF 171 million of principal as well as interest for late payment.

4.9. Total Gabon

On February 14, 2014, Total Gabon received a tax re-assessment notice from the *Ministère de l'Économie et de la Prospective* of the Gabonese Republic accompanied by a partial tax collection notice, following the tax audit of Total Gabon in relation to the years 2008 to 2010. The amount referred to in the above tax re-assessment notice is 805 million US dollars.

The partial tax collection procedure was suspended on March 5, 2014.

Total Gabon disputes the grounds for the re-assessment and the associated amounts. Total Gabon intends to take all actions necessary to assert its rights and protect its interests.

4.10 Kashagan

In Kazakhstan, the Atyrau Region Environmental Department ("ARED") launched against the consortium developing the Kashagan field, in which TOTAL holds an interest of 16.81%, a procedure alleging non-compliance with environmental legislation related to gas emissions (flaring). ARED issued a claim on March 7, 2014, for an amount of approximately US dollars 737 million (KZT 134 billion), of which TOTAL's share would be approximately US dollars 124 million (KZT 22.5 billion). The Kashagan project's consortium disputes these allegations.

5. Insurance and risk management

5.1. Organization

TOTAL has its own reinsurance company, Omnium Reinsurance Company (ORC).ORC is integrated within the Group's insurance management and is used as a centralized global operations tool for covering the Group companies' insurable risks. It allows the Group's worldwide insurance program to be implemented in compliance with the specific requirements of local regulations applicable in the countries where the Group operates.

Some countries may require the purchase of insurance from a local insurance company. If the local insurer accepts to cover the subsidiary of the Group in compliance with its worldwide insurance program, ORC negotiates a retrocession of the covered risks from the local insurer. As a result, ORC enters into reinsurance contracts with the subsidiaries' local insurance companies, which transfer most of the risk to ORC.

At the same time, ORC negotiates a reinsurance program at the Group level with oil industry mutual insurance companies and commercial reinsurance markets. ORC allows the Group to better manage price variations in the insurance market by taking on a greater or lesser amount of risk corresponding to the price trends in the insurance market.

In 2013, the net amount of risk retained by ORC after reinsurance was a maximum of $54 million per onshore third-party liability insurance claim, $87 million per offshore third-party liability insurance claim and $75 million per property damage and/or business interruption insurance claim. Accordingly, in the event of any loss giving rise to an aggregate insurance claim, the effect on ORC would be limited to its maximum retention of $162 million per occurrence.

5.2. Risk and insurance management policy

In this context, the Group risk and insurance management policy is to work with the relevant internal department of each subsidiary to:

- define scenarios of major disaster risks (estimated maximum loss);
- assess the potential financial impact on the Group should a catastrophic event occur;
- help to implement measures to limit the probability that a catastrophic event occurs and the financial consequences if such event should occur; and
- manage the level of risk from such events to be either covered internally by the Group or transferred to the insurance market.

5.3. Insurance policy

The Group has worldwide property insurance and third-party liability coverage for all its subsidiaries. These programs are contracted with first-class insurers (or reinsurers and oil and gas industry mutual insurance companies through ORC).

The amounts insured depend on the financial risks defined in the disaster scenarios and the coverage terms offered by the market (available capacities and price conditions).

More specifically for:

– Third-party liability insurance: since the maximum financial risk cannot be evaluated by a systematic approach, the amounts insured are based on market conditions and oil and gas industry practice. In 2013, the Group's third-party liability insurance for any liability (including potential accidental environmental liabilities) was capped at $850 million (onshore) and $750 million (offshore).

– Property damage and business interruption: the amounts insured vary by sector and by site and are based on the estimated cost of and scenarios of reconstruction under maximum loss scenarios and on insurance market conditions. The Group subscribed for business interruption coverage in 2013 for its main refining and petrochemical sites.

For example, for the Group's highest risks (North Sea platforms and main refineries and petrochemical plants), in 2013 the insurance limit for the Group share of the installations was approximately $1.7 billion for the Refining & Chemicals segment and approximately $1.6 billion for the Upstream segment.

Deductibles for property damage and third-party liability fluctuate between €0.1 and €10 million depending on the level of risk and liability, and are borne by the relevant subsidiaries. For business interruption, coverage is triggered sixty days after the occurrence giving rise to the interruption. In addition, the main refineries and petrochemical plants bear a combined retention for property damage and business interruption of $50 million per insurance claim.

Other insurance contracts are bought by the Group in addition to property damage and third-party liability coverage, mainly for car fleets, credit insurance and employee benefits. These risks are mostly underwritten by outside insurance companies.

The above-described policy is given as an example of a situation as of a given date and cannot be considered as representative of future conditions. The Group's insurance policy may be changed at any time depending on the market conditions, specific circumstances and on the General Management's assessment of the risks incurred and the adequacy of their coverage.

TOTAL believes that its insurance coverage is in line with industry practice and sufficient to cover normal risks in its operations. However, the Group is not insured against all potential risks. In the event of a major environmental disaster, for example, TOTAL's liability may exceed the maximum coverage provided by its third-party liability insurance. The loss TOTAL could suffer in the event of such disaster would depend on all the facts and circumstances of the event and would be subject to a whole range of uncertainties, including legal uncertainty as to the scope of liability for consequential damages, which may include economic damage not directly connected to the disaster. The Group cannot guarantee that it will not suffer any uninsured loss and there can be no guarantee, particularly in the case of a major environmental disaster or industrial accident, that such loss would not have a material adverse effect on the Group.

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1. Report of the Chairman of the Board of Directors (Article L. 225-37 of the French Commercial Code)

Pursuant to Article L. 225-37 of the French Commercial Code, the following report presents information for the year 2013 related to the composition of the Board of Directors, the application of the men/women balanced representation principle to the Board of Directors, the preparation and organization of the work of the Board of Directors, internal control and risk management procedures implemented by the Company, any limits set by the Board of Directors concerning the powers of the Chief Executive Officer, as well as information related to corporate governance. This report also sets forth the provisions of the bylaws concerning participation in Shareholders' Meetings and presents the principles and rules applied to determine the compensation and other benefits granted to the executive and non-executive directors (*mandataires sociaux*). It also includes the publication of information required by Article L. 225-100-3 of the French Commercial Code.

This report was prepared based on input from several of the Company's functional divisions, including in particular the Legal, Finance and Group Internal Control and Audit Departments.

This report was approved by the Board of Directors at its meeting on February 11, 2014, after the Board's committees reviewed the sections relevant to their respective duties.

1.1. Composition of the Board of Directors

Directors are appointed by the shareholders for a 3-year term (Article 11 of the Company's bylaws).

In case of the resignation or death of a director between two Shareholders' Meetings, the Board may temporarily appoint a replacement director. This appointment must be ratified by the next Shareholders' Meeting. The terms of office of the members of the Board are staggered to more evenly space the renewal of appointments and to ensure the continuity of the work of the Board of Directors and its Committees.

The Board of Directors appoints the Chairman of the Board from among its members. The Board of Directors also appoints the Chief Executive Officer, who may or may not be a member of the Board.

1.1.1. Composition of the Board of Directors as of December 31, 2013

As of December 31, 2013, the Board of Directors had fifteen members, including one director appointed by the shareholders to represent employee shareholders. Twelve of the members of the Board were independent (see point 1.8. below).

The following individuals were members of the Board of Directors of TOTAL S.A. (information as of December 31, 2013 (1)):

Christophe de Margerie

Born on August 6, 1951 (French).

Mr. de Margerie joined the Group after graduating from the École Supérieure de Commerce in Paris in 1974. He served in several positions in the Group's Finance Department and Exploration & Production division. In 1995, he was appointed President of Total Middle East. In May 1999, he joined the Executive Committee as President of the Exploration & Production division. He then became Senior Executive Vice President of Exploration & Production of the new TotalFinaElf group in 2000. In January 2002, he became President of the Exploration & Production division of TOTAL. He was appointed a member of the Board of Directors by the Shareholders' Meeting held on May 12, 2006 and became Chief Executive Officer of TOTAL on February 14, 2007. On May 21, 2010, he was named Chairman and Chief Executive Officer of TOTAL. Mr. de Margerie is also a Director of the Institut du monde arabe.

Director of TOTAL S.A. since 2006. Last renewal: May 11, 2012 until 2015.

Chairman of the Strategic Committee.

Holds 121,556 TOTAL shares and 65,242 shares of the "TOTAL ACTIONNARIAT FRANCE" collective investment fund.

Current directorships

- Chairman and Chief Executive Officer of TOTAL S.A.* since May 21, 2010 (Chief Executive Officer since February 14, 2007)
- Director of Shtokman Development AG (Switzerland)
- Director of BNP Paribas* since May 15, 2013
- Manager of CDM Patrimonial SARL

Directorships that expired in the previous five years

- Member of the Supervisory Board of Vivendi* until April 30, 2013
- Chairman and Chief Executive Officer of Elf Aquitaine until June 21, 2010
- Chairman of Total E&P Indonésie until December 20, 2013

Thierry Desmarest

Born on December 18, 1945 (French).

A graduate of the École Polytechnique and an Engineer of the French Corps des Mines, Mr. Desmarest served as Director of Mines and Geology in New Caledonia, then as technical advisor at the Offices of the Minister of Industry and the Minister of Economy. He joined TOTAL in 1981, where he held various management positions, then served as President of Exploration & Production until 1995. He served as Chairman and Chief Executive Officer of TOTAL from May 1995 until February 2007, and then as Chairman of the

(1) Including information pursuant to paragraph 4 of Article L. 225-102-1 of the French Commercial Code or under item 14.1 of Annex I of EC Regulation No. 809/2004 of April 29, 2004.
* Company names marked with an asterisk are publicly-listed companies. Underlined companies are companies that do not belong to the group in which the director has his or her main duties.

Board of TOTAL until May 21, 2010. He was appointed Honorary Chairman and remains a director of TOTAL and Chairman of the TOTAL Foundation.

Director of TOTAL S.A. since 1995. Last renewal: May 17, 2013 until 2016.

Chairman of the Governance & Ethics Committee, member of the Compensation Committee and the Strategic Committee.

Holds 186,576 shares.

Current directorships

- Director of TOTAL S.A.*
- Director of Sanofi* (1)
- Director of L'Air Liquide*
- Director of Renault S.A.*
- Director of Renault S.A.S.
- Director of Bombardier Inc.* (Canada)

Directorships that expired in the previous five years

- Chairman of the Board of Directors of TOTAL S.A.* until May 21, 2010
- Member of the Supervisory Board of Areva* until March 4, 2010

The Honorary Chairman performs representation missions of the Group at a high level in accordance with the decision of the Board of Directors on May 21, 2010.

Patrick Artus

Born on October 14, 1951 (French).

Independent director.

A graduate of the École Polytechnique, the École Nationale de la Statistique et de l'Administration Économique (ENSAE) and the Institut d'études politiques de Paris, Mr. Artus began his career at the INSEE (French National Institute for Statistics and Economic Studies) where his work included economic forecasting and modeling. He then worked at the Economics Department of the OECD (1980), later becoming the Head of Research at the ENSAE from 1982 to 1985. He was scientific adviser at the research department of the Banque de France, before joining the Natixis Group as the head of the research department, and has been a member of its Executive Committee since May 2013. He is an associate professor at the University of Paris I, Sorbonne. He is also a member of the council of economic advisors to the French Prime Minister and of the Cercle des Économistes.

Director of TOTAL S.A. since 2009. Last renewal: May 11, 2012 until 2015.

Member of the Compensation Committee and the Governance & Ethics Committee.

Holds 1,000 shares.

Current directorships

- Director of TOTAL S.A.*
- Director of IPSOS*

Directorships that expired in the previous five years

None.

Patricia Barbizet

Born on April 17, 1955 (French).

Independent director.

A graduate of the École Supérieure de Commerce of Paris in 1976, Ms. Barbizet started her career in the Renault Group as the Treasurer of Renault Véhicules Industriels and then Chief Financial Officer of Renault Crédit International. She joined the Pinault group in 1989 as the Chief Financial Officer. In 1992, she became Chief Executive Officer of Artémis, then in 2004 Chief Executive Officer of Financière Pinault. She was the President of the Supervisory Board of the Pinault Printemps Redoute group until May 2005 and became Vice-President of the Board of Directors of PPR (now Kering) in May 2005. Patricia Barbizet is also a member of the Board of Directors of TOTAL and Peugeot S.A.

Director of TOTAL S.A. since 2008. Last renewal: May 13, 2011 until 2014.

Chairperson of the Audit Committee and member of the Strategic Committee.

Holds 1,000 shares.

Current directorships

- Director of TOTAL S.A.*
- Director of Peugeot S.A.* since April 24, 2013
- Director and Vice Chairman of the Board of Directors of Kering S.A.*
- Director and Chief Executive Officer of Artémis (S.A.)
- Chief Executive Officer (non-Director) of Financière Pinault (S.C.A.)
- Member of the Supervisory Board of Financière Pinault (S.C.A.)
- Director of Groupe Fnac * (S.A.) since April 17, 2013
- Director of Société Nouvelle du Théâtre Marigny (S.A)
- Permanent representative of Artémis, member of the Board of Directors of Agefi (S.A.)
- Permanent representative of Artémis, member of the Board of Directors of Sebdo le Point (S.A.)
- Member of the Management Board of Société Civile du Vignoble de Château Latour (société civile)
- Member of the Supervisory Board of Yves Saint Laurent (S.A.S.)
- *Administratore Delagato & administratore* of Palazzo Grazzi (Italy)
- Chairman of the Board of Directors & Board member of Christie's International Plc (England)
- Non-Executive Director of Kering Holland, formerly Gucci (Netherlands), since April 9, 2013

Directorships that expired in the previous five years

- Director of Air France-KLM* until December 31, 2013
- Director of Fonds Stratégique d'Investissement (S.A.) until July 12, 2013
- Director of Bouygues* until April 25, 2013
- Director of TF1* (S.A.) until April 18, 2013
- Board member of Gucci until April 9, 2013
- Non-Executive Director of Tawa Plc* until June 2012
- Deputy Chief Executive Officer of Société Nouvelle du Théâtre Marigny until January 2012
- Director of Fnac until May 2011

(1) Non-consolidated company which was removed from the scope of consolidation on July 1, 2010.
* Company names marked with an asterisk are publicly-listed companies. Underlined companies are companies that do not belong to the group in which the director has his or her main duties.

Gunnar Brock

Born on April 12, 1950 (Swedish).

Independent director.

A graduate of the Stockholm School of Economics with an MBA in Economics and Business Administration, Mr. Brock held various international positions at Tetra Pak. He served as Chief Executive Officer of Alfa Laval from 1992 to 1994 and as Chief Executive Officer of Tetra Pak from 1994 to 2000. After serving as Chief Executive Officer of Thule International, he was appointed Chief Executive Officer of Atlas Copco AB from 2002 to 2009. He is currently Chairman of the Board of Stora Enso Oy. Mr. Brock is also a member of the Royal Swedish Academy of Engineering Sciences and of the Board of Directors of the Stockholm School of Economics.

Director of TOTAL S.A. since 2010. Last renewal: May 17, 2013 until 2016.

Member of the Compensation Committee, the Governance & Ethics Committee and the Strategic Committee.

Holds 1,000 shares.

Current directorships

- Director of TOTAL S.A.*
- Chairman of the Board of Stora Enso Oy*
- Member of the Board of Investor AB*
- Member of the Board of Syngenta AG*
- Chairman of the Board of Mölnlycke Health Care Group
- Chairman of the Board of Rolling Optics
- Member of the Board of Stena AB

Directorships that expired in the previous five years

- Member of the Supervisory Board of Spencer Stuart Scandinavia until 2011
- Chief Executive Officer of Atlas Copco until 2009

Marie-Christine Coisne-Roquette

Born on November 4, 1956 (French).

Independent director.

A graduate of the University of Paris X Nanterre (law and English) and holder of a Specialized Law Certificate from the New York Bar Association, Ms. Coisne-Roquette worked as an attorney until 1988, when she joined the family-owned Sonepar group. From 1988 to 1998, while also serving as Chief Executive Officer of the family-owned Colam Entreprendre holding company, she held several consecutive directorships at Sonepar S.A., where she was appointed Chairman of the Board in 1998. She was Chairman and Chief Executive Officer of Sonepar from 2002 to 2012, and has been Chairman of the Board of Directors since January 1, 2013. A member of the Executive Board of MEDEF from 2000 to 2013, where she chaired that organization's Tax Commission from 2005 to 2013, Ms. Coisne-Roquette is a member of the Economic, Social and Environmental Council. She is also a director of the Association nationale des sociétés par actions (ANSA).

Director of TOTAL S.A. since May 13, 2011 and until 2014.

Member of the Audit Committee.

Holds 1,260 shares.

Current directorships

- Director of TOTAL S.A.*
- Chairperson of the Board of Directors of Sonepar S.A.
- Chairperson and Chief Executive Officer of Colam Entreprendre
- Permanent representative of Colam Entreprendre, member of the Board of Directors at Cabus & Raulot (S.A.S)
- Permanent representative of Colam Entreprendre, co-manager of Sonedis (société civile)
- Permanent representative of Colam Entreprendre, Director of Sovemarco Europe (S.A.)
- Permanent representative of Sonepar, Director of Sonepar France
- Co-manager of Développement Mobilier & Industriel (D.M.I.) (société civile)
- Manager of Ker Coro (société civile immobilière)

Directorship that expired in the previous five years

- Director of Hagemeyer Canada, Inc. until 2013
- President of the Supervisory Board of OTRA N.V. until 2013
- Director of Sonepar Canada, Inc. until 2013
- President of the Supervisory Board of Sonepar Deutschland GmbH until 2013
- Director of Sonepar Iberica until 2013
- Director of Sonepar Italia Holding until 2013
- Director of Sonepar Mexico until 2013
- Member of the Supervisory Board of Sonepar Nederland B.V. until 2013
- Director of Sonepar USA Holdings, Inc. until 2013
- Director of Feljas and Masson SAS until 2013
- Chief Executive Officer of Sonepar S.A. until 2012
- Permanent representative of Sonepar S.A., co-manager of Sonedis (société civile) until 2012
- Permanent representative of Sonepar, President of Sonepar International (S.A.S) until 2012
- Chairperson of the Board of Directors of Sonepar Mexico until 2012
- Director of Encon Safety Products, Inc. until 2010
- Director of Hagemeyer North America, Inc. until 2010
- Director of Hagemeyer PPS Ltd until 2010
- Chairperson of the Board of Directors of Sonepar Mexico until 2010
- Director of Vallen Corporation until 2010
- Permanent representative of Sonepar, Director of A.E.D. until 2010
- Permanent representative of Sonepar, Director of C.S.O. until 2010
- Permanent representative of Sonepar, Director of Collin Sigmadis until 2010
- Permanent representative of Sonepar, Director of G.M.T. until 2010
- Permanent representative of Sonepar, Director of S.N.E. until 2010
- Permanent representative of Sonepar, Director of S.S.E. until 2010
- Permanent representative of Sonepar, Director of Teissier until 2010
- Chairperson of the Board of Directors of Sonepar Canada, Inc. until 2009
- Chairperson of the Board of Directors of Sonepar France until 2009
- Chairperson of the Board of Directors and acting Managing Director of Sonepar Iberica until 2009
- Chairperson of the Board of Directors of Sonepar Italia Holding until 2009
- Chairperson of the Board of Directors of Sonepar Nordic A/S until 2009
- Chairperson of the Supervisory Board of Sonepar Nederland B.V. until 2009
- Chairperson of the Board of Directors and CEO of Sonepar USA Holdings, Inc. until 2009
- Permanent representative of Sonepar, General Partner of Sonepar Belgium until 2009

* Company names marked with an asterisk are publicly-listed companies. Underlined companies are companies that do not belong to the group in which the director has his or her main duties.

Bertrand Collomb

Born on August 14, 1942 (French).

Independent director.

A graduate of the École Polytechnique and a member of France's engineering Corps des Mines, Mr. Collomb held a number of positions within the Ministry of Industry and other cabinet positions from 1966 to 1975. He joined the Lafarge group in 1975, where he served in various management positions. He served as Chairman and Chief Executive Officer of Lafarge from 1989 to 2003, then as Chairman of the Lafarge Board of Directors from 2003 to 2007, and has been the Honorary Chairman since 2007. He is also Chairman of the Institut des Hautes Études pour la Science et la Technologie (IHEST).

Director of TOTAL S.A. since 2000. Last renewal: May 11, 2012 until 2015.

Member of the Governance & Ethics Committee.

Holds 4,932 shares.

Current directorships

- Director of TOTAL S.A.*
- Director of DuPont* (United States of America)
- Director of Atco* (Canada)

Directorships that expired in the previous five years

- Director of Lafarge* until 2012
- Chairman of the Institut Français des Relations Internationales (IFRI) until 2011

Paul Desmarais, jr

Born on July 3, 1954 (Canadian).

Independent director.

A graduate of McGill University in Montreal and of the Institut européen d'administration des affaires (INSEAD) in Fontainebleau, Mr. Desmarais was elected Vice Chairman (1984) and then Chairman of the Board (1990) of Corporation Financière Power, a company he helped found. Since 1996, he has served as Chairman of the Board and Co-Chief Executive Officer of Power Corporation of Canada.

Director of TOTAL S.A. since 2002. Last renewal: May 13, 2011 until 2014.

Holds 2,000 ADRs (corresponding to 2,000 shares).

Current directorships

- Director of TOTAL S.A.*
- Chairman of the Board – Co-Chief Executive Officer of Power Corporation of Canada*
- Co-Chairman of the Board of Corporation Financière Power* (Canada)
- Vice Chairman and Acting Managing Director of Pargesa Holding SA* (Switzerland)
- Director and member of the Executive Committee of La Great-West, compagnie d'assurance-vie (Canada)
- Director and member of the Executive Committee of Great-West Life & Annuity Insurance Company (United States of America)
- Director and member of the Executive Committee of Great-West Lifeco Inc.* (Canada)
- Director of Great-West Financial (Canada) Inc. (Canada)
- Vice Chairman, Director and member of the Permanent Committee of Groupe Bruxelles Lambert SA* (Belgium)
- Director and member of the Executive Committee of Groupe Investors Inc. (Canada)
- Director and member of the Executive Committee of Groupe d'assurance London Inc. (Canada)
- Director and member of the Executive Committee of London Life, compagnie d'assurance-vie (Canada)
- Director and member of the Executive Committee of Mackenzie Inc.
- Director and Deputy Chairman of the Board of La Presse, ltée (Canada)
- Director and Deputy Chairman of Gesca ltée (Canada)
- Director of Lafarge* (S.A.) (France)
- Director and member of the Executive Committee of Compagnie d'Assurance du Canada sur la Vie (Canada)
- Director and member of the Executive Committee of the Corporation Financière Canada-Vie (Canada)
- Director and member of the Executive Committee of IGM Inc.* (Canada)
- Director and Chairman of the Board of 171263 Canada Inc. (Canada)
- Director of 152245 Canada Inc. (Canada)
- Director of GWL&A Financial Inc. (United States of America)
- Director of Great-West Financial (Nova Scotia) Co. (Canada)
- Director of Great-West Life & Annuity Insurance Company of New York (United States of America)
- Director of Power Communications Inc. (Canada)
- Director and Vice Chairman of the Board of Power Corporation International (Canada)
- Director and member of the Executive Committee of Putnam Investments LLC (United States of America)
- Member of the Supervisory Board of Power Financial Europe B.V. (Netherlands)
- Director of Canada Life Capital Corporation Inc. (Canada)
- Director and member of the Executive Committee of The Canada Life Insurance Company of Canada (Canada)
- Director and Deputy Chairman of the Board of Groupe de Communications Square Victoria Inc. (Canada)
- Member of the Supervisory Board of Parjointco N.V. (Netherlands)
- Director of SGS SA* (Switzerland)

Directorships that expired in the previous five years

- Director of GDF Suez* (France) until 2013
- Director and member of the Executive Committee of Crown Life Insurance Company (Canada) until 2012
- Assistant Chairman of the Board of 3819787 Canada Inc. (Canada) until 2010
- Director of Canada Life Insurance Company of America (United States of America) until 2009

Anne-Marie Idrac

Born on July 27, 1951 (French).

Independent director.

A graduate of the Institut d'Etudes Politiques de Paris and formerly a student at the École Nationale d'Administration (ENA – 1974), Ms. Idrac began her career holding various positions as a senior civil servant at the Ministry of Infrastructure (Ministère de l'Équipement) in the fields of environment, housing, urban planning and transportation. She served as Executive Director of the public development authority

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of Cergy-Pontoise from 1990 to 1993 and Director of land transport from 1993 to 1995. Ms. Idrac was State Secretary for Transport from May 1995 to June 1997, elected member of Parliament for Yvelines from 1997 to 2002, regional councilor for Ile-de-France from 1998 to 2002, and State Secretary for Foreign Trade from March 2008 to November 2010. She also served as Chairperson and Chief Executive Officer of RATP from 2002 to 2006 and then as Chairperson of SNCF from 2006 to 2008.

Director of TOTAL S.A. since May 11, 2012 and until 2015.

Holds 1,195 shares.

Current directorships

- Director of TOTAL S.A.*
- Director of Bouygues*
- Director of Saint Gobain*
- Member of the Supervisory Board of Vallourec*
- Director of Mediobanca S.p.A.* (Italy)

Directorships that expired in the previous five years

None.

Charles Keller

Born on November 15, 1980 (French).

Director representing employee shareholders.

A graduate of the École Polytechnique and the École des Hautes Etudes Commerciales (HEC), Charles Keller joined the Group in 2005 at the refinery in Normandy as a performance auditor. In 2008, he was named Project Manager at the Grandpuits refinery to improve the site's energy efficiency and oversee its reliability plan. In 2010, he joined Exploration & Production and Yemen LNG as a *reliability engineer* and then became head of the Production Support department in charge of optimizing the plant. Charles Keller has been an elected member, representing holders of fund units, of the Supervisory Board of the "TOTAL ACTIONNARIAT FRANCE" collective investment fund since November 2012. He is also an elected member of the Supervisory Board of the "TOTAL DIVERSIFIÉ A DOMINANTE ACTIONS", "TOTAL ACTIONS EUROPÉENNES" and "TOTAL EPARGNE SOLIDAIRE" collective investment funds.

Director of TOTAL S.A. since May 17, 2013 and until 2016.

Holds 430 TOTAL shares and 54 shares of the "TOTAL ACTIONNARIAT FRANCE" collective investment fund.

Current directorships

Director of TOTAL S.A.* representing employee shareholders.

Directorships that expired in the previous five years

None.

Barbara Kux

Born on February 26, 1954 (Swiss).

Independent director.

Holder of an MBA (with honors) from INSEAD in Fontainebleau, Ms. Kux joined McKinsey & Company in 1984 as a Management Consultant, where she was responsible for strategic assignments for international groups. After serving as manager for development of emerging markets at ABB and then at Nestlé between 1989 and 1999, she was appointed Executive Director of Ford in Europe from 1999 to 2003. In 2003, Ms. Kux became a member of the Management Committee of the Philips group and, starting in 2005, was in charge of sustainable development. From 2008 to 2013, she was a member of the Management Board of Siemens AG. She has been responsible for sustainable development at the Group and in charge of the Group's supply chain. Since 2013, she has been a member of the Supervisory Board of Henkel and a member of the Board of Directors of Firmenich S.A.

Director of TOTAL S.A. since May 13, 2011 and until 2014.

Member of the Strategic Committee.

Holds 1,000 shares.

Current directorships

- Director of TOTAL S.A.*
- Member of the Supervisory Board of Henkel* since 2013
- Member of the Board of Directors of Firmenich S.A. since 2013
- Director of Umicore* as of January 1, 2014

Directorships that expired in the previous five years

- Member of the Management Board of Siemens AG* until 2013
- Member of the Board of Directors of INSEAD until 2011
- Member of the Board of Directors of ZF Friedrichshafen AG until 2011
- Member of the Board of Directors of Firmenich S.A. until 2010

Gérard Lamarche

Born on July 15, 1961 (Belgian).

Independent director.

Mr. Lamarche graduated in economic science from Louvain-la-Neuve University and the INSEAD business school (Advanced Management Program for Suez Group Executives). He also followed the Global Leadership Series course of training at the Wharton International Forum in 1998-99. He started his career in 1983 at Deloitte Haskins & Sells in Belgium, before becoming a consultant in mergers and acquisitions in Holland in 1987. In 1988, Mr. Lamarche joined Société Générale de Belgique as an investment manager and management controller between 1989 and 1991, then as a consultant in strategic operations from 1992 to 1995. He joined Compagnie Financière de Suez as a project manager for the Chairman and Secretary of the Executive Committee (1995-1997), before taking part in the merger between Compagnie de Suez and Lyonnaise des Eaux, which became Suez Lyonnaise des Eaux (1997), and then being appointed as the acting Managing Director in charge of Planning, Management Control and Accounts. In 2000, Mr. Lamarche pursued his career in industry by joining NALCO (the American subsidiary of the Suez group and the world leader in the treatment of industrial water) as the Director and Chief Executive Officer. In March 2004, he was appointed Chief Financial Officer of the Suez group. In April 2011, Mr. Lamarche became a director on the Board of Directors of Groupe Bruxelles Lambert (GBL). He has been the acting Managing Director since January 2012. Mr. Lamarche is currently a director of Lafarge, Legrand, TOTAL S.A. and SGS SA. He is also a non-voting member (censeur) on the Board of Directors of GDF Suez.

Director of TOTAL S.A. since 2012. Last renewal: May 17, 2013 until 2016.

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* Company names marked with an asterisk are publicly-listed companies. Underlined companies are companies that do not belong to the group in which the director has his or her main duties.

Member of the Audit Committee and the Strategic Committee.

Holds 2,775 shares.

Current directorships

- Acting Managing Director and Director of Groupe Bruxelles Lambert*
- Director of TOTAL S.A.*
- Director and Chairman of the Audit Committee of Legrand*
- Director of Lafarge*
- Director of SGS SA* (Switzerland)
- Non-voting member (censeur) of GDF Suez*

Directorships that expired in the previous five years

- Director of Electrabel until 2011
- Director of Suez Environnement Company until 2011
- Director of International Power Plc until 2011
- Director of Europalia International until 2011
- Director of GDF Suez Belgium until 2011
- Director of Agua de Barcelona until 2011
- Director of GDF Suez E.S. until 2011
- Director of Suez Tractebel until 2011
- Director of Fortis Banque until 2010
- Director of Leo Holding Company until 2009
- Director of Suez Environnement North America until 2009

Anne Lauvergeon

Born on August 2, 1959 (French).

Independent director.

Chief Mining Engineer and a graduate of the École Normale Supérieure with a doctorate in physical sciences, Ms. Lauvergeon held various positions in industry before becoming Deputy Chief of Staff in the Office of the President of the Republic in 1990. She joined Lazard Frères et Cie as Managing Partner in 1995. From 1997 to 1999, she was Executive Vice President and member of the Executive Committee of Alcatel, in charge of industrial partnerships and international affairs. Ms. Lauvergeon served as Chairperson of the Management Board of Areva from July 2001 to June 2011 and as Chairperson and Chief Executive Officer of Areva NC (formerly Cogema) from June 1999 to June 2011. She has been Chairperson and Chief Executive Officer of ALP S.A. since 2011.

Director of TOTAL S.A. since 2000. Last renewal: May 11, 2012 until 2015.

Member of the Strategic Committee.

Holds 2,000 shares.

Current directorships

- Chairperson and Chief Executive Officer of ALP S.A.
- Director of TOTAL S.A.*
- Director of Vodafone Group Plc*
- Director of Airbus Group NV* (formerly EADS)
- Director of American Express*
- Chairperson of the Supervisory Board of Libération

Directorships that expired in the previous five years

- Director of GDF Suez* until April 23, 2012
- Chairperson of the Management Board of Areva* until June 30, 2011
- Chairperson and Chief Executive Officer of Areva NC until June 30, 2011
- Vice Chairperson and Member of the Supervisory Board of Safran* until 2009

Claude Mandil

Born on January 9, 1942 (French).

Independent director.

A graduate of the École Polytechnique and a General Engineer from France's engineering school Corps des Mines, Mr. Mandil served as a Mining Engineer in the Lorraine and Bretagne regions. He then served as Project Manager at the Délégation de l'Aménagement du Territoire et de l'Action Régionale (City and Department planning – DATAR) and as Interdepartmental Head of Industry and Research and regional delegate of the Agence nationale de valorisation de la recherche (State technology transfer agency – ANVAR). From 1981 to 1982, he served as technical advisor on the staff of the Prime Minister, in charge of the industry, energy and research sectors. He was appointed Chief Executive Officer, then Chairman and Chief Executive Officer of the Institut de Développement Industriel (Industry Development Institute – IDI) until 1988. He was Chief Executive Officer of the Bureau de Recherches Géologiques et Minières (BRGM) from 1988 to 1990. From 1990 to 1998, Mr. Mandil served as Chief Executive Officer for Energy and Commodities at the French Industry Ministry and became France's first representative to the Management Board of the International Energy Agency (IEA). He served as Chairman of the IEA from 1997 to 1998. In 1998, he was appointed Deputy Chief Executive Officer of Gaz de France and, in April 2000, Chairman of the Institut Français du Pétrole (French Institute for Oil). From 2003 to 2007, he was the Executive Director of the IEA. Mr. Mandil is also director of the Institut Veolia Environnement and of Schlumberger SBC Energy Institute.

Director of TOTAL S.A. since 2008. Last renewal: May 13, 2011 until 2014.

Member of the Strategic Committee, the Compensation Committee and the Governance & Ethics Committee.

Holds 1,000 shares.

Current directorships

- Director of TOTAL S.A.*

Directorships that expired in the previous five years

None.

Michel Pébereau

Born on January 23, 1942 (French).

Independent director.

Honorary Inspector General of Finance, Mr. Pébereau held various positions in the Ministry of Economy and Finance, before serving, from 1982 to 1993, as Chief Executive Officer and then as Chairman and Chief Executive Officer of Crédit Commercial de France

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(CCF).He was Chairman and Chief Executive Officer of BNP then BNP Paribas from 1993 to 2003, Chairman of the Board of Directors from 2003 to 2011, and is currently Honorary Chairman of BNP Paribas and Chairman of the BNP Paribas foundation. He is also a member of the Académie des Sciences Morales et Politiques, member of the Policy Board of the Institut de l'Entreprise, Honorary Chairman of the Supervisory Board of the Institut Aspen and Director of the ARC foundation.

Director of TOTAL S.A. since 2000. Last renewal: May 11, 2012 until 2015.

Chairman of the Compensation Committee.

Holds 2,356 shares.

Current directorships

- Director of TOTAL S.A.*
- Director of BNP Paribas*
- Director of Airbus Group NV* (formerly EADS)
- Director of Pargesa Holding S.A.* (Switzerland)
- Director of BNP Paribas SA (Switzerland)
- Member of the Supervisory Board of Banque Marocaine pour le Commerce et l'Industrie*
- Non-voting member (censeur) of Galeries Lafayette

Directorships that expired in the previous five years

- Director of AXA* until 2013
- Director of Compagnie de Saint-Gobain* until 2013
- Chairman of the Board of Directors of BNP Paribas until December 2011
- Director of Lafarge* until May 2011

1.1.2. Expired directorship of TOTAL S.A. in 2013

Claude Clément

Born on November 17, 1956 (French).

Mr. Clément joined the Group in February 1977 and started his career at Compagnie Française de Raffinage, which offered him professional training. He held various positions at the Refining Manufacturing Department in French and African refineries (Gabon, Cameroon).

While in office, Mr. Clément was Manager of the Refining Manufacturing Methods at the Refining Manufacturing Division. He was an elected member of the Supervisory Board of the "TOTAL ACTIONS EUROPÉENNES", "TOTAL DIVERSIFIÉ À DOMINANTE ACTIONS" and "TOTAL ÉPARGNE SOLIDAIRE" collective investment funds from 2010, and an elected member of the Supervisory Board of the "TOTAL DIVERSIFIÉ À DOMINANTE OBLIGATIONS", "TOTAL MONÉTAIRE" and "TOTAL OBLIGATIONS" collective investment funds.

Director of TOTAL S.A. representing employee shareholders from May 21, 2010 to May 17, 2013.

Directorship that expired in the previous five years

- Director of TOTAL S.A.* representing employee shareholders until May 17, 2013
- Elected member of the Supervisory Board of the "TOTAL ACTIONNARIAT FRANCE" collective investment fund until 2012
- President of the Supervisory Board of the "TOTAL ACTIONS EUROPÉENNES" collective investment fund until 2011.

1.1.3. Summary of changes in the composition of the Board of Directors (information as of February 11, 2014)

Changes in the composition of the Board of Directors in 2013

At the Shareholders' Meeting held on May 17, 2013, the directorships of Messrs. Desmarest, Brock and Lamarche were renewed for a 3-year term expiring at the end of the Shareholders' Meeting held in 2016 to approve the 2015 financial statements. Mr. Keller was appointed director representing employee shareholders, also for a 3-year term, replacing Mr. Clément whose term was due to expire.

As of February 11, 2014, the Board of Directors had fifteen members, including one director appointed by the shareholders to represent employee shareholders. Twelve of the Board members, which represents 85% (1) of the directors, are independent (see point 1.8. below). The number of independent members of the Board of Directors is therefore higher than the number recommended by the AFEP-MEDEF Corporate Governance Code, to which the Company refers and which specifies that at least one half of the members of the Board at widely held companies with no controlling shareholders must be independent.

The profiles, qualifications and expertise of the Directors are provided in the biographies that appear in points 1.1.1. to 1.1.2. above.

(1) Not including the director representing employee shareholders, according to the recommendations made in the AFEP-MEDEF Code.
* Company names marked with an asterisk are publicly-listed companies. Underlined companies are companies that do not belong to the group in which the director has his or her main duties.

Directors	Independence	Participation in Board Committees[a]
Christophe de Margerie Chairman and Chief Executive Officer		Chairman of the Strategic Committee
Thierry Desmarest Honorary Chairman		Chairman of the Governance & Ethics Committee Member of the Compensation Committee Member of the Strategic Committee
Patrick Artus	Independent director	Member of the Governance & Ethics Committee Member of the Compensation Committee
Patricia Barbizet	Independent director	Chairperson of the Audit Committee Member of the Strategic Committee
Gunnar Brock	Independent director	Member of the Governance and Ethics Committee Member of the Compensation Committee Member of the Strategic Committee
Marie-Christine Coisne-Roquette	Independent director	Member of the Audit Committee
Bertrand Collomb	Independent director	Member of the Governance & Ethics Committee
Paul Desmarais, jr	Independent director	
Anne-Marie Idrac	Independent director	
Charles Keller	Director representing employee shareholders	
Barbara Kux	Independent director	Member of the Strategic Committee
Gérard Lamarche	Independent director	Member of the Audit Committee Member of the Strategic Committee
Anne Lauvergeon	Independent director	Member of the Strategic Committee
Claude Mandil	Independent director	Member of the Governance & Ethics Committee Member of the Compensation Committee Member of the Strategic Committee
Michel Pébereau	Independent director	Chairman of the Compensation Committee

(a) For more details on the composition of the Board Committees, refer to point 1.5. below.

Board of Directors diversity policy

The Board of Directors places a great deal of importance on its composition and that of its Committees. In particular, it relies on the work of the Governance & Ethics Committee, which reviews annually and proposes, as circumstances may require, desirable changes in the composition of the Board of Directors and Committees based on the Group's strategy.

The Governance & Ethics Committee conducts its work within the context of a formal procedure so as to ensure the complementarity of the Directors' competencies and the diversity of their profiles, maintain a rate of independence for the Board as a whole that is relevant to the Company's governance structure and the structure of its shareholder base, strive for a balanced representation of men and women on the Board, and promote an appropriate representation of directors of different nationalities.

As part of an effort that began several years ago, the composition of the Board of Directors has changed significantly since 2010 to achieve a more balanced representation of men and women and an openness to more international profiles.

As of February 11, 2014, the Board of Directors had four members of foreign nationality (27% of the directors) and five women (one-third of the directors, *i.e.*, a higher proportion of women than recommended in the AFEP-MEDEF Code).

According to the recommendations introduced in April 2010 in the AFEP-MEDEF Code regarding balanced representation of men and women on boards, the proportion of women on boards of directors was supposed to be at least 20% within three years of the 2010 Shareholders' Meeting and should be at least 40% within six years of that same Shareholders' Meeting. These requirements were also stipulated in the French law of January 27, 2011 regarding balanced representation of men and women on Boards of Directors and Supervisory Boards and equal opportunity. Pursuant to this law, the 20% target must be reached by the end of the 2014 Shareholders' Meeting and the 40% target must be reached by the end of the 2017 Shareholders' Meeting.

The Board of Directors will continue its reflections on diversifying its composition in the years to come, with the aim of having women represent more than 40% of the members of the Board of Directors as set out in the law and in the AFEP-MEDEF Code and maintaining an international representation.

Renewals of directorships proposed at the 2014 Shareholders' Meeting

At its meeting held on February 11, 2014, the Board of Directors decided to propose at the May 16, 2014 Shareholders' Meeting the renewal of the directorships of Mmes. Barbizet, Coisne-Roquette and Kux and Mr. Desmarais, jr for a 3-year term that will expire at the end of the Shareholders' Meeting held to approve the financial statements for the 2016 financial year.

If the proposed resolutions are approved, the Board of Directors would have fourteen members at the end of the May 16, 2014 Shareholders' Meeting (compared with fifteen previously), as Mr. Mandil has not requested the renewal of his directorship, which is due to expire.

1.2. Other information

At its meeting on September 15, 2009, the Board of Directors appointed Mr. Charles Paris de Bollardière Secretary of the Board.

Representatives of the Worker's Council: pursuant to Article L. 2323-62 of the French Labor Code, members of the Worker's Council attend, with consultative rights, all meetings of the Board. In compliance with the second paragraph of such article, since July 7, 2010 four members of the Worker's Council attend Board meetings as of February 11, 2014.

1.3. Corporate Governance Code

For several years, TOTAL has been actively examining corporate governance matters. At its meeting on November 4, 2008, the Board of Directors confirmed its decision to refer to the Corporate Governance Code for Listed Companies published by the principal French business confederations, the Association Française des Entreprises Privées (AFEP) and the Mouvement des Entreprises de France (MEDEF) ("AFEP-MEDEF Code") for corporate governance matters.

The AFEP-MEDEF Code is available on the MEDEF website (medef.com/medef-corporate/publications).

The AFEP-MEDEF Code was revised in June 2013 to introduce new changes regarding, in particular, a consultation procedure in which shareholders can express an opinion on the individual compensation of the executive directors (*dirigeants mandataires sociaux*) (say on pay), as well as the establishment of a High Committee for corporate governance, an independent structure in charge of monitoring implementation of the Code.

Pursuant to Article L. 225-37 of the French Commercial Code, the following table sets forth the recommendations made in the AFEP-MEDEF Code that the Company has not followed and the reasons for such decision.

Recommendations not followed	Explanation – Practice followed by TOTAL
Director independence criteria (paragraph 9 of the Code) Criteria to be examined for a director to be considered as independent: – Has not been a director of the Company for more than twelve years.	In assessing the independence of four directors, the Board has disregarded the criterion of a maximum term of office of twelve years. The Board was of the opinion that this criterion had no relevance given, on the one hand, the specific characteristics of the oil and gas sector, which relies on long-term investment cycles on one hand, and, on the other hand, the objectivity that these four directors have demonstrated in the Board's activity on the other hand. In addition, it deemed that the experience acquired on the Board by these four directors strengthened their freedom of speech and their independence of judgment and, therefore, benefited the Group. The Board also noted that the criterion related to the length of term of office was not one of the independence criteria required by the New York Stock Exchange (NYSE). See point 1.8. below.
The Board of Directors' assessment (paragraph 10.4 of the Code) – It is recommended that non-executive directors meet periodically without the participation of the executive or "in house" directors. The rules of procedure of the Board of Directors should provide for one meeting of this kind per year, during which the performance of the Chairman, the Chief Executive Officer and the Deputy Chief Executive Officer(s) would be evaluated, and which would be an opportunity to reflect periodically on the future of the Company's management.	Although the rules of procedure of the Board of Directors do not expressly provide that one meeting of the non-executive directors be held per year without the participation of the executive or "in house" directors, the Board of Directors' practice constitutes a mechanism which has the same effect as the recommendation made in the AFEP-MEDEF Code. At its meeting held each year in February, the Board of Directors indeed evaluates the performances of the Chairman and Chief Executive Officer and, where applicable, reflects on the future of the Company's management. When these particular matters are reviewed, the Chairman and Chief Executive Officer, as well as the members of the Executive Committee present at the meeting (that are not executive and non-executive directors), leave the Board meeting. The Honorary Chairman then serves as Chairman of the Board with regard to these matters.

Recommendations not followed	Explanation – Practice followed by TOTAL
Grant of performance shares (paragraph 23.2.4 of the Code) – In accordance with terms determined by the Board and announced upon the award, the performance shares awarded to executive directors are conditional upon the acquisition of a defined quantity of shares once the awarded shares are available.	Given the share holding requirements that the Board of Directors impose on the executive directors whereby such directors must hold a number of shares of the Company equivalent in value to two years of the fixed portion of their annual compensation, and given the number of TOTAL shares and shares of the "Total Actionnariat France" collective investment fund (invested exclusively in TOTAL shares) effectively held by the Chairman and Chief Executive Officer (1), the Board of Directors, upon the Compensation Committee's proposal, deemed that it was not necessary, at the time of grant, to make the performance shares awarded to the Chairman and Chief Executive Officer subject to the purchase of a quantity of shares at the time of availability of the performance shares. The share holding requirements to which the Chairman and Chief Executive Officer is subject constitute a mechanism that has the same effect as the recommendation made in the AFEP-MEDEF Code.
Additional pension schemes (paragraph 23.2.6 of the Code) – Supplementary pension schemes with defined benefits must be subject to the condition that the beneficiary must be a director or employee of the Company when claiming his or her pension rights pursuant to the applicable rules.	It appeared justified not to deprive the concerned beneficiaries of the benefit of the pension commitments made by the Company in special cases of the disability or departure of a beneficiary over 55 years of age at the initiative of the Group.

1.4. Rules of procedure of the Board of Directors

At its meeting on February 13, 2007, the Board of Directors adopted rules of procedure to replace the Directors' Charter.

The Board's rules of procedure specify the obligations of each director and set forth the mission and working procedures of the Board of Directors. They also define the respective responsibilities and authority of the Chairman and the Chief Executive Officer.

They are reviewed on a regular basis to match the changes in rules and practices related to governance.

The unabridged version of these rules of procedure is available herein in its latest version dated October 30, 2012.

The rules of procedure are also available on the Company's website.

The Board of Directors of TOTAL S.A. (2) approved the rules of procedure.

1. MISSION OF THE BOARD OF DIRECTORS

The mission of the Board of Directors is to determine the strategic direction of the Company and supervise the implementation of this vision. With the exception of the powers and authority expressly reserved for shareholders and within the limits of the Company's legal purpose, the Board may address any issue related to the operation of the Company and take any decision concerning the matters falling within its purview. Within this framework, the Board's duties and responsibilities include, but are not limited to, the following:

– appointing the executive directors (3) and supervising the handling of their responsibilities;
– defining the Company's strategic orientation and, more generally, that of the Group;
– approving investments or divestments under study by the Group that concern amounts greater than 3% of shareholders' equity;
– reviewing information on significant events related to the Company's affairs, in particular for investments or divestments that are greater than 1% of shareholders' equity;

(1) As of December 31, 2013, Mr. de Margerie held 121,556 shares of TOTAL, including 16,000 performance shares that had been definitively granted to him on September 15, 2013 within the scope of the performance share plan dated September 14, 2011, as well as 65,242 shares of the "Total Actionnariat France" collective investment fund.
(2) TOTAL S.A. is referred to in the rules of procedure as the "Company" and collectively with all its direct and indirect subsidiaries as the "Group".
(3) "Executive directors" means the Chairman and Chief Executive Officer if the Chairman of the Board of Directors is the Chief Executive Officer of the Company, and otherwise the Chairman of the Board of Directors and the Chief Executive Officer, as well as, where applicable, any Deputy Chief Executive Officer, based on the organization adopted by the Board of Directors.

– conducting audits and investigations as it may deem appropriate. The Board, with the assistance of the Audit Committee where appropriate, ensures that:
  - the proper definition of authority within the Company and the proper exercise of duties and responsibilities by the bodies of the Company are in place;
  - no individual is authorized to contract on behalf of the Company or to commit to pay, or to make payments, on behalf of the Company, without proper supervision and control;
  - the internal control function operates properly and that the statutory auditors are able to conduct their audits under appropriate circumstances;
  - the committees it has created duly perform their responsibilities;
– monitoring the quality of the information provided to the shareholders and the financial markets through the financial statements that it approves and the annual reports, or when major transactions are conducted;
– convening and setting the agenda for Shareholders' Meetings or meetings of bond holders;
– preparing, for each year, a list of the directors it deems to be independent under generally recognized corporate governance criteria.

2. OBLIGATIONS OF THE DIRECTORS OF TOTAL S.A.

Before accepting a directorship, every candidate receives a copy of TOTAL S.A.'s bylaws and these rules of procedure. He ensures that he has broad knowledge of the general and particular commitments related to his duty, especially the laws and regulations governing directorships in French limited liability companies (société anonyme) whose shares are listed in one or several regulated markets.

Accepting a directorship involves upholding the Directors' ethical rules as described in the Code of Corporate Governance to which the Company refers. It also involves upholding the rules of procedure and the Group's values as described in its Code of Conduct.

When directors participate in and vote at Board meetings, they are required to represent the interest of the shareholders and the Company as a whole.

2.1. INDEPENDENCE OF JUDGMENT

Directors undertake, under any circumstance, to maintain the independence of their analysis, judgment, decision-making and actions as well as not to be unduly influenced, directly or indirectly, by other directors, particular groups of shareholders, creditors, suppliers and, more generally, any third party.

2.2. PARTICIPATION IN THE BOARD'S WORK

Directors undertake to devote the amount of time required to consider the information they are given and otherwise prepare for meetings of the Board and of the committees on which they sit. Directors may request any additional information that they feel is necessary or useful from the executive directors. Directors, if they consider it necessary, may request training on the Company's specificities, businesses and activities, and any other training that is of use in the exercise of their duties as Directors.

Directors attend all Board meetings and all committees or Shareholders' Meetings, unless they have previously contacted the Chairman of the Board to inform him of scheduling conflicts.

Files reviewed at each meeting of the Board as well as the information collected before or during the meetings are confidential. Directors cannot use them for or share them with a third party whatever the reason. Directors take any necessary measures to keep them confidential. Confidentiality and privacy are lifted when such information is made publicly available by the Company.

The Chairman of the Board makes sure that the Company provides the directors with the relevant information, including criticisms, in particular financial statement reports and press releases, and the main press articles about the Company.

2.3. DUTY OF LOYALTY

Directors cannot take advantage of their office or duties to ensure, for themselves or a third party, any monetary or non-monetary benefit.

They notify the Board of Directors of any potential conflicts of interest with the Company or any other company of the Group. They refrain from participating in the vote relating to the corresponding resolution or even to the debate preceding the vote.

Directors must inform the Board of Directors of their entering into a transaction that involves directly the Company or any other company of the Group before such transaction is closed.

Directors cannot take any responsibility in a personal capacity in companies or businesses that are competing with the Company or any other company of the Group without previously informing the Board.

Directors are committed not to seek or accept directly or indirectly from the Company or any other company of the Group benefits that may be considered as compromising their independence.

2.4. DUTY OF EXPRESSION

Directors are committed to clearly expressing their opposition if they deem that a decision made by the Board of Directors is contrary to the Company's corporate interest and should strive to convince the Board of the relevancy of their position.

2.5. TRANSACTIONS IN THE COMPANY'S SECURITIES AND STOCK EXCHANGE RULES

While in office, directors are required to hold the minimum number of registered shares of the Company as set by the bylaws.

In general, directors must act with the highest degree of prudence and vigilance when completing any personal transaction involving the financial instruments of the Company, its subsidiaries and affiliates which are listed or issue listed financial instruments.

To this purpose, directors act in compliance with the following procedures:

1. Any shares and ADRs of TOTAL S.A. and its publicly-traded subsidiaries are to be held in registered form, either with the Company or its agent, or administered registered shares with a French broker (or U.S. broker for ADRs) whose contact details are communicated to the Board's Secretary by the director.
2. Directors refrain from directly or indirectly completing (or recommending the completion of) any transaction involving the financial instruments (shares, ADRs or any other financial instruments related to such financial instruments) of the Company, its publicly-traded subsidiaries or affiliates or listed financial instruments for which the director has inside information.
   Inside information is specific information which has not yet been made public and which directly or indirectly concerns one or more issuers of financial instruments or one or more financial instruments and which, if it were made public, could have a significant impact on the price of the financial instruments concerned or on the price of financial instruments related to them.
3. Any transaction on the Company's financial instruments (share, ADR or related financial instruments) is strictly prohibited on the day when the Company discloses its periodic earnings (quarterly, interim and annual) as well as the thirty calendar days preceding such date.
4. Moreover, directors comply, where applicable, with the provisions of Article L. 225-197-1 of the French Commercial Code, which stipulates that free shares may not be sold:
   – during the ten trading days preceding and the three trading days following the date on which the Consolidated Financial Statements or, failing that, the annual financial statements, are made public;
   – during the period between the date on which the Company's corporate bodies have knowledge of information which, if it were made public, could have a significant impact on the price of the shares of the Company, and ten trading days following the date on which such information is made public.
5. Directors are prohibited from carrying out any transaction on financial instruments related to the Company's share (Paris option market (MONEP), warrants, exchangeable bonds, etc.) and from buying on margin or short selling such financial instruments.
6. Directors are also prohibited from hedging the shares of the Company and any financial instruments related to them, and in particular:
   – all shares of the Company which they hold, and, where applicable,
   – Company share subscription or purchase options,
   – rights to the shares of the Company which may be awarded free of charge,
   – shares of the Company from the exercise of options or granted free of charge.
7. Directors make all necessary arrangements to declare to the French Financial Markets Authority (Autorité des marchés financiers) and inform the Board's secretary, under the form and timeframe provided for by applicable laws, of any transaction on the Company's securities entered into by himself or any other individual with whom he is closely related.

3. WORKINGS OF THE BOARD OF DIRECTORS

The Board of Directors meets at least four times a year and as often as circumstances may require.

Before each meeting of the Board, the agenda is sent out to directors and, whenever possible, it is sent together with the documents that are necessary to consider.

Directors can delegate their authority to another director at the meetings of the Board, within the limit of one delegation per director per meeting. Each director may represent only one of his/her colleagues during the same Board meeting.

Whenever authorized by the law, those directors attending the meeting of the Board via video conference (in compliance with the technical requirements set by applicable regulations) are considered present for the calculation of the quorum and majority.

The Board allocates directors' fees to, and may allocate additional directors' fees to, directors who participate on specialized committees within the total amount established by the Shareholders' Meeting. The executive directors are not awarded directors' fees for their work on the Board and Committees.

The Board of Directors, based on the recommendation of its Chairman, appoints a Secretary. Every member of the Board of Directors can refer to the Secretary and benefit from his assistance. The Secretary is responsible for the working procedures of the Board of Directors. The Board shall review such procedures periodically.

The Board conducts, at regular intervals not to exceed three years, an assessment of its practices. Such assessment is carried out possibly under the supervision of an independent director with the contribution of an outside counsel. In addition, the Board of Directors conducts an annual discussion of its methods.

4. RESPONSIBILITY AND AUTHORITY OF THE CHAIRMAN

The Chairman represents the Board, and, except under exceptional circumstances, is the sole member authorized to act and speak on behalf of the Board.

He is responsible for organizing and presiding over the Board's activities and monitors corporate bodies to ensure that they are functioning effectively and respecting corporate governance principles. He coordinates the activity of the Board and its committees. He sets the agenda for the meeting by including the issues proposed by the Chief Executive Officer.

He ensures that directors have in due course clear and appropriate information that is necessary to carry out their duties.

He is responsible, with the Group's general management, for maintaining relations between the Board and the Company's shareholders. He monitors the quality of the information disclosed by the Company.

In close cooperation with the Group's general management, he may represent the Group in high-level discussions with government authorities and the Group's important partners, on both a national and international level.

He is regularly informed by the Chief Executive Officer of events and situations that are important for the Group relating to the strategy, organization, monthly financial reporting, major investment and divestment projects and major financial operations. He may request that the Chief Executive Officer or other Company officers, provided the Chief Executive Officer is informed, provide any useful information for the Board or its committees to carry out their duties.

He may meet with the statutory auditors in order to prepare the work of the Board of Directors and the Audit Committee.

He presents every year in a report to the Shareholders' Meeting on the conditions surrounding the preparation and organization of the Board's work, the potential limits set by the Board of Directors concerning the powers of the Chief Executive Officer, and the internal control procedures implemented by the Company. For this purpose, he receives from the Chief Executive Officer the relevant information.

5. AUTHORITY OF THE CHIEF EXECUTIVE OFFICER

The Chief Executive Officer is responsible for the general management of the Company. He chairs the Group's Executive Committee and Management Committee. Subject to the Company's corporate governance rules and in particular the rules of procedure of the Board of Directors, he has the full extent of authority to act on behalf of the Company in all instances, with the exception of actions that are, by law, reserved to the Board of Directors or to Shareholders' meetings.

The Chief Executive Officer is responsible for periodic reporting of the Group's results and outlook to shareholders and the financial community.

At each meeting of the Board, the Chief Executive Officer reports the highlights of the Group's activity.

6. COMMITTEES OF THE BOARD OF DIRECTORS

The Board of Directors decided the creation of:

- an Audit Committee,
- a Nominating & Governance Committee,
- a Compensation Committee, and
- a Strategic Committee.

The missions and composition of these committees are defined in their relevant rules of procedure approved by the Board of Directors.

The Committees carry out their duty for and report to the Board of Directors.

Each committee reports on its activities to the Board of Directors.

1.5. Committees of the Board of Directors

The unabridged version of the rules of procedure of the Committees of the Board of Directors is available herein, followed by the composition of each Committee.

1.5.1. Audit Committee

The unabridged version of the rules of procedure of the Audit Committee, as approved by the Board of Directors on February 12, 2013, is available herein.

Rules of procedure (unabridged version)

The Board of Directors of TOTAL S.A. (hereafter referred to as the "Company" and, collectively with all its direct and indirect subsidiaries, as the "Group") has approved the following rules of procedure of the Company's Audit Committee (hereafter, the "Committee").

The members of the Committee are directors of the Company and therefore uphold the rules of procedure of the Board of Directors of TOTAL S.A.

I. DUTIES

To allow the Board of Directors of TOTAL S.A. to ensure that internal control is effective and that published information available to shareholders and financial markets is reliable, the duties of the Committee include:

- recommending the appointment of statutory auditors and their compensation, ensuring their independence and monitoring their work;
- establishing the rules for the use of statutory auditors for non-audit services and verifying their implementation;
- supervising the audit by the statutory auditors of the Company's statutory financial statements and Consolidated Financial Statements;
- examining the assumptions used to prepare the financial statements, assessing the validity of the methods used to handle significant transactions and examining the Company's statutory financial statements and consolidated annual, semi-annual, and quarterly financial statements prior to their examination by the Board of Directors, after regularly monitoring the financial situation, cash position and commitments included in the annual financial statements of the Company;
- supervising the implementation of internal control and risk management procedures and their effective application, with the assistance of the internal audit department;
- supervising procedures for preparing financial information;
- monitoring the implementation and activities of the disclosure committee, including reviewing the conclusions of this committee;
- reviewing the annual work program of internal and external auditors;
- receiving information periodically on completed audits and examining annual internal audit reports and other reports (statutory auditors, annual report, etc.);
- reviewing the choice of appropriate accounting principles and methods used to prepare the Company's consolidated and statutory financial statements and ensuring the continuity of the methods;
- reviewing the Group's policy for the use of derivative instruments;
- reviewing, if requested by the Board of Directors, major transactions contemplated by the Group;
- reviewing significant litigation annually;
- implementing and monitoring compliance with the financial code of ethics;
- proposing to the Board of Directors, for implementation, a procedure for complaints or concerns of employees, shareholders and others, related to accounting, internal accounting controls or auditing matters, and monitoring the implementation of this procedure;
- where applicable, reviewing significant transactions of the Group during which a conflict of interest may have occurred; and
- reviewing the procedure for booking the Group's proved reserves.

II. COMPOSITION

The Committee is made up of at least three directors designated by the Board of Directors. Members must be independent directors.

In selecting the members of the Committee, the Board of Directors pays particular attention to their independence and their financial and accounting qualifications.

The Board of Directors appoints one of the members of the Committee to serve as the "financial expert" on the Committee.

Members of the Committee may not be executive directors of the Company or one of its subsidiaries, nor own more than 10% of the Company's shares, whether directly or indirectly, individually or acting together with another party.

Members of the Committee may not receive from the Company and its subsidiaries, either directly or indirectly, any compensation other than: (i) directors' fees paid for their services as directors or as members of the committee, or, if applicable, as members of another committee of the Company's Board; and (ii) compensation and pension benefits related to prior employment by the Company, or another Group company, which are not dependent upon future work or activities.

The term of office of the members of the Committee coincides with the term of their appointment as director. The term of office as a member of the Committee may be renewed at the same time as the appointment as director.

However, the Board of Directors can change the composition of the Committee at any time.

III. ORGANIZATION OF ACTIVITIES

The Committee appoints its own Chairman. The Chairman appoints the Committee secretary, who may be the Chief Financial Officer of the Company.

The Committee deliberates when at least one-half of its members are present. A member of the Committee cannot be represented.

The Committee meets at least seven times a year: each quarter to review the statutory financial statements of TOTAL S.A., the annual and quarterly Consolidated Financial Statements, and at least three other times a year to review matters not directly related to the review of the quarterly financial statements.

The Committee may also meet at the request of its Chairman, at least one half of its members, the Chairman and Chief Executive Officer, and, if the functions of Chairman of the Board of Directors and Chief Executive Officer are separate, the Chairman of the Board of Directors or the Chief Executive Officer.

The Committee Chairman prepares the schedule of its meetings.

At each committee meeting where the quarterly financial statements are reviewed, the Group's Chief Financial Officer presents the consolidated and statutory financial statements of TOTAL S.A. as well as the Group's financial position and, in particular, its liquidity, cash flow and debt situation. A memo describing the Company's risk exposure and off-balance sheet commitments is communicated to the Audit Committee. This review of the financial statements includes a presentation by the statutory auditors underscoring the key points observed during their work.

As part of monitoring the efficiency of the internal control and risk management systems, the Committee is informed of the work program of the Group Internal Control and Audit Department and its organization, on which it may issue an opinion. The Committee also receives a summary of the internal audit reports, which is presented at each committee meeting where the quarterly financial statements are reviewed. The risk management processes implemented within the Group and updates to them are presented regularly to the Audit Committee.

The Committee may meet with the Chairman and Chief Executive Officer and, if the functions of Chairman of the Board of Directors and Chief Executive Officer are separate, the Chairman of the Board of Directors, the Chief Executive Officer and, if applicable, any Deputy Chief Executive Officer of the Company, and perform inspections and consult with managers of operating or non-operating departments, as may be useful in performing its duties. The Chairman of the committee gives prior notice of such meeting to the Chairman and Chief Executive Officer and, if the functions of Chairman of the Board of Directors and Chief Executive Officer are separate, both the Chairman of the Board of Directors and the Chief Executive Officer. In particular, the Committee is authorized to consult with those involved in preparing or auditing the financial statements (Chief Financial Officer and principal Finance Department managers, Audit Department, Legal Department) by asking the Company's Chief Financial Officer to call them to a meeting.

The Committee consults with the statutory auditors and, at least once a year, without any Company representative being present. If it is informed of a substantial irregularity, it recommends that the Board of Directors take all appropriate action.

If it deems it necessary to accomplish its duties, the Committee may request from the Board of Directors the resources to engage external consultants.

The proposals made by the Committee to the Board of Directors are adopted by a majority of the members present at the Committee meeting. The Chairman of the Committee casts the deciding vote if an even number of members is present at the meeting.

The Committee can adopt proposals intended for the Board of Directors without meeting if all the members of the Committee so agree and sign each proposal.

A written summary of Committee meetings is drawn up.

IV. REPORT

The Committee submits written reports to the Board of Directors regarding its work.

It periodically evaluates its performance based on these rules of procedure and, if applicable, offers suggestions for improving its performance.

Members of the Audit Committee in 2013

The Committee is made up of three members.
The Committee's members are Ms. Barbizet, Ms. Coisne-Roquette and Mr. Lamarche.
All of the members of the Committee are independent directors (see point 1.8. below) and have recognized experience in the financial and accounting fields, as illustrated in their summary professional background (see point 1.1. above).
The Committee is chaired by Ms. Barbizet.
At its meeting on July 28, 2011, the Board of Directors decided to appoint Ms. Barbizet to serve as the Audit Committee financial expert based on a recommendation by the Audit Committee.
A summary of the Committee's activities in 2013 is provided in point 1.6.1. below.

1.5.2. Compensation Committee

The unabridged version of the rules of procedure of the Compensation Committee, as approved by the Board of Directors on February 9, 2012, is available herein.

Rules of procedure (unabridged version)

The Board of Directors of TOTAL S.A. (hereafter referred to as the "Company" and, collectively with all its direct and indirect subsidiaries, as the "Group") has approved the following rules of procedure of the Company's Compensation Committee (hereafter, the "Committee").

The members of the Committee are directors of the Company and therefore uphold the rules of procedure of the Board of Directors of TOTAL S.A.

The Committee is focused on:

- examining the executive compensation policies implemented by the Group and the compensation of members of the Executive Committee;
- evaluating the performance and recommending the compensation of each executive director; and
- preparing reports which the Company must present in these areas.

I. DUTIES

The Committee's duties include:

1. examining the main objectives proposed by the Company's general management regarding compensation of the Group's executive officers, including stock option and restricted share grant plans and equity-based plans, and advising on this subject;
2. presenting recommendations and proposals to the Board of Directors concerning:
   - compensation, pension and life insurance plans, in-kind benefits and other compensation (including severance benefits) for the executive directors of the Company; in particular, the Committee proposes compensation structures that take into account the Company's strategy, objectives and earnings and market practices;
   - stock option and restricted share grants, particularly grants of restricted shares to the executive directors;
3. examining the compensation of the members of the Executive Committee, including stock option and restricted share grant plans and equity-based plans, pension and insurance plans and in-kind benefits;
4. preparing and presenting reports in accordance with these rules of procedure;
5. examining, for the parts within its remit, reports to be sent by the Board of Directors or its Chairman to the shareholders;
6. preparing recommendations requested at any time by the Chairman of the Board of Directors or the general management of the Company regarding compensation.

II. COMPOSITION

The Committee is made up of at least three directors designated by the Board of Directors. A majority of the members must be independent directors.

Members of the Compensation Committee may not receive from the Company and its subsidiaries, either directly or indirectly, any compensation other than: (i) directors' fees paid for their services as directors or as members of the committee, or, if applicable, as members of another committee of the Company's Board; (ii) compensation and pension benefits related to prior employment by the Company, or another Group company, which are not dependent upon future work or activities.

The term of office of the members of the Committee coincides with the term of their appointment as director. The term of office as a member of the Committee may be renewed at the same time as the appointment as director.

However, the Board of Directors can change the composition of the Committee at any time.

III. ORGANIZATION OF ACTIVITIES

The Committee appoints its Chairman and its secretary. The secretary is a Company senior executive.

The Committee deliberates when at least one-half of its members are present. A member of the Committee cannot be represented.

The Committee meets at least twice a year. It meets on an as-needed basis through notice by its Chairman or by one-half of its members.

The Committee invites the Chairman of the Board or the Chief Executive Officer of the Company, as applicable, to present recommendations. Neither the Chairman nor the Chief Executive Officer may be present during the Committee's deliberations regarding his own situation. If the Chairman of the Board is not the Chief Executive Officer of the Company, the Chief Executive Officer may not be present during the Committee's deliberations regarding the situation of the Chairman of the Board.

While maintaining the appropriate level of confidentiality for its discussions, the Committee may request from the Chief Executive Officer to be assisted by any senior executive of the Company whose skills and qualifications could facilitate the handling of an agenda item.

If it deems it necessary to accomplish its duties, the Committee may request from the Board of Directors the resources to engage external consultants.

The proposals made by the Committee to the Board of Directors are adopted by a majority of the members present at the Committee meeting. The Chairman of the Committee casts the deciding vote if an even number of Committee members is present at the meeting.

The Committee can adopt proposals intended for the Board of Directors without meeting if all the members of the Committee so agree and sign each proposal.

A written summary of Committee meetings is drawn up.

IV. REPORT

The Committee reports on its activities to the Board of Directors.

At the request of the Chairman of the Board, the Committee examines all draft reports of the Company regarding compensation of the executive officers or any other issues relevant to its area of expertise.

Members of the Compensation Committee in 2013

The Compensation Committee is made up of five members.
The Committee's members are Messrs. Artus, Brock, Desmarest, Mandil and Pébereau. The Committee is chaired by Mr. Pébereau.
80% of the Committee members are independent directors, given that the Board of Directors considers Messrs. Artus, Brock, Mandil and Pébereau to be independent (see point 1.8. below).
A summary of the Committee's activities in 2013 is provided in point 1.6.2. below.

1.5.3. The Governance & Ethics Committee

The unabridged version of the rules of procedure of the Governance & Ethics Committee (formerly Nominating & Governance Committee), as approved by the Board of Directors on March 27, 2013, is available herein.

Rules of procedure (unabridged version)

The Board of Directors of TOTAL S.A. (hereafter referred to as the "Company" and, collectively with all its direct and indirect subsidiaries, as the "Group") has approved the following rules of procedure of the Company's Governance & Ethics Committee (hereafter, the "Committee").

The members of the Committee are directors of the Company and therefore uphold the rules of procedure of the Board of Directors of TOTAL S.A.

The Committee is focused on:

- recommending to the Board of Directors the persons that are qualified to be appointed as directors, so as to guarantee the scope of coverage of the Directors' competencies and the diversity of their profiles;
- recommending to the Board of Directors the persons that are qualified to be appointed as executive directors;
- preparing the Company's corporate governance rules and supervising their implementation; and
- ensuring compliance with ethics rules and examining any questions related to ethics and situations of conflicting interests.

I. DUTIES

The Committee's duties include:

1. presenting recommendations to the Board for its membership and the membership of its committees, and the qualification in terms of independence of each candidate for Directors' positions on the Board of Directors;
2. proposing annually to the Board of Directors the list of directors who may be considered as "independent directors";
3. examining, for the parts within its remit, reports to be sent by the Board of Directors or its Chairman to the shareholders;
4. assisting the Board of Directors in the selection and evaluation of the executive directors and examining the preparation of their possible successors, including cases of unforeseeable absence;
5. recommending to the Board of Directors the persons that are qualified to be appointed as directors;
6. recommending to the Board of Directors the persons that are qualified to be appointed as members of a Committee of the Board of Directors;
7. proposing methods for the Board of Directors to evaluate its performance, and in particular preparing means of regular self-assessment of the workings of the Board of Directors, and the possible assessment thereof by an external consultant;
8. proposing to the Board of Directors the terms and conditions for allocating directors' fees and the conditions under which expenses incurred by the directors are reimbursed;
9. developing and recommending to the Board of Directors the corporate governance principles applicable to the Company;
10. preparing recommendations requested at any time by the Board of Directors or the general management of the Company regarding appointments or governance;
11. examining the conformity of the Company's governance practices with the recommendations of the Code of Corporate Governance adopted by the Company; and

12. supervising and monitoring implementation of the Company's ethics and compliance program and, in this respect, ensuring that the necessary procedures for updating the Group's Code of Conduct are put in place and that this code is disseminated and applied;
13. examining any questions related to ethics and situations of conflicting interests;
14. examining changes in the duties of the Board of Directors.

II. COMPOSITION

The Committee is made up of at least three directors designated by the Board of Directors. At least one half of the members must be independent directors.

Members of the Governance & Ethics Committee, other than the Company's executive directors, may not receive from the Company and its subsidiaries any compensation other than: (i) directors' fees paid for their services as directors or as members of the committee, or, if applicable, as members of another committee of the Company's Board; (ii) compensation and pension benefits related to prior employment by the Company, or another Group company, which are not dependent upon future work or activities.

The term of office of the members of the Committee coincides with the term of their appointment as director. The term of office as a member of the Committee may be renewed at the same time as the appointment as director.

However, the Board of Directors can change the composition of the Committee at any time.

III. ORGANIZATION OF ACTIVITIES

The Committee appoints its Chairman and its secretary. The secretary is a Company senior executive.

The Committee deliberates when at least one-half of its members are present. A member of the Committee cannot be represented.

The Committee meets at least twice a year. It meets on an as-needed basis through notice by its Chairman or by one-half of its members.

The Committee invites the Chairman of the Board or the Chief Executive Officer of the Company, as applicable, to present recommendations. The executive directors, whether they are members of the Committee or invited to its meetings, may not be present at deliberations concerning their own situation.

While maintaining the appropriate level of confidentiality for its discussions, the Committee may request from the Chief Executive Officer to be assisted by any senior executive of the Company whose skills and qualifications could facilitate the handling of an agenda item.

The Chairman of the Group Ethics Committee, who reports to the Chief Executive Officer, may appear before the Governance & Ethics Committee at any time. He reports to this Committee each year on his activities and on the results of the ethics program implemented by the Company.

If it deems it necessary to accomplish its duties, the Committee may request from the Board of Directors the resources to engage external consultants.

The proposals made by the Committee to the Board of Directors are adopted by a majority of the members present at the Committee meeting. The Chairman of the Committee casts the deciding vote if an even number of Committee members is present at the meeting.

The Committee can make proposals to the Board of Directors without meeting if all the members of the Committee so agree and sign each proposal.

A written summary of Committee meetings is drawn up.

IV. REPORT

The Committee reports on its activities to the Board of Directors.

Members of the Governance & Ethics Committee in 2013

The Governance & Ethics Committee has five members.
The Committee's members are Messrs. Artus, Brock, Collomb, Desmarest and Mandil. The Committee is chaired by Mr. Desmarest.
80% of the Committee members are independent directors, given that the Board of Directors considers Messrs. Artus, Brock, Collomb and Mandil to be independent (see point 1.8. below).
A summary of the Committee's activities in 2013 is provided in point 1.6.3. below.

1.5.4. Strategic Committee

The unabridged version of the rules of procedure of the Strategic Committee, as approved by the Board of Directors on April 25, 2013, is available herein.

Rules of procedure (unabridged version)

The members of the Committee are directors of the Company and therefore uphold the rules of procedure of the Board of Directors of TOTAL S.A.

I. DUTIES

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

– examining the overall strategy of the Group proposed by the Company's general management;
– examining operations that are of particular strategic importance; and
– reviewing competition and the resulting medium and long-term outlook for the Group.

II. COMPOSITION

The Committee is made up of at least five directors designated by the Board of Directors.

Members of the Committee may not receive from the Company and its subsidiaries, either directly or indirectly, any compensation other than: (i) directors' fees paid for their services as directors or as members of the committee, or, if applicable, as members of another committee of the Company's Board; (ii) compensation and pension benefits related to prior employment by the Company, or another Group company, which are not dependent upon future work or activities.

The term of office of the members of the Committee coincides with the term of their appointment as director. The term of office as a member of the Committee may be renewed at the same time as the appointment as director.

However, the Board of Directors can change the composition of the Committee at any time.

III. ORGANIZATION OF ACTIVITIES

The Chairman of the Board of Directors of the Company chairs the Committee. The Chairman appoints the Committee secretary, who may be the Secretary of the Board of Directors.

The Committee deliberates when at least one-half of its members are present. A member of the Committee cannot be represented.

The Committee meets at least once a year and at the request of its Chairman, at least one-half of its members, or the Chief Executive Officer of the Company. The Committee Chairman prepares the schedule of its meetings.

The Chairman of the Committee may invite other directors to participate in the Committee meetings based on the meeting agenda.

The Committee may meet with the Chief Executive Officer, and, if applicable, any Deputy Chief Executive Officer of the Company and consult with managers of operating or non-operating departments, as may be useful in performing its duties. The Chairman of the Committee, if he is not the Chief Executive Officer of the Company, gives prior notice of such meeting to the Chief Executive Officer. In particular, the Committee is authorized to consult with the Vice President Strategy & Business Intelligence of the Company or the person delegated by the latter, by asking the Company's Chief Executive Officer to call them to a meeting.

If it deems it necessary to accomplish its duties, the Committee may request from the Board of Directors the resources to engage external consultants.

A written summary of Committee meetings is drawn up.

IV. REPORT

The Committee submits written reports to the Board of Directors regarding its work.

It periodically evaluates its performance based on these rules of procedure and, if applicable, offers suggestions for improving its performance.

Members of the Strategic Committee in 2013

The Strategic Committee is made up of eight members.
The Committee's members are Mmes. Barbizet, Kux and Lauvergeon and Messrs. Margerie, Brock, Desmarest, Lamarche and Mandil.
Mr. de Margerie chairs the Committee.
Three-fourths of the Committee members are independent directors, given that the Board of Directors considers Mmes. Barbizet, Kux and Lauvergeon and Messrs. Brock, Lamarche and Mandil to be independent (see point 1.8. below).
A summary of the Committee's activities in 2013 is provided in point 1.6.4. below.

1.6. Activity of the Board of Directors and its Committees in 2013

Directors are generally given written notice during the week prior to Board meetings. Whenever possible, documents to be considered for decisions to be made at Board meetings are sent with the notice of meetings. The minutes of the previous meeting are expressly approved at each Board meeting.

The Board of Directors held nine meetings in 2013. The attendance rate for all the directors was 88.4%.

The Audit Committee held seven meetings. The attendance rate for its members was 95.3%.

The Compensation Committee held two meetings, with 100% attendance.

The Governance & Ethics Committee held three meetings, with 93.3% attendance.

The Strategic Committee held three meetings, with 91.6% attendance.

A table summarizing individual attendance at the Board of Directors and Committee meetings is provided below.

Directors' attendance at Board and Committees Meetings in 2013

Directors	Board of Directors		Audit Committee		Compensation Committee		Governance & Ethics Committee		Strategic Committee	
	Attendance rate	Number of meetings	Attendance rate	Number of meetings	Attendance rate	Number of meetings	Attendance rate	Number of meetings	Attendance rate	Number of meetings
Christophe de Margerie	100%	9/9	-	-	-	-	-	-	100%	3/3
Thierry Desmarest	100%	9/9	-	-	100%	2/2	100%	3/3	66.6%	2/3
Patrick Artus	77.7%	7/9	-	-	100%	2/2	100%	3/3	66.6%	2/3 (c)
Patricia Barbizet	100%	9/9	100%	7/7	-	-	-	-	100%	3/3
Gunnar Brock	88.9%	8/9	-	-	100%	2/2	66.6%	2/3	100%	3/3
Claude Clément (a)	80%	4/5	-	-	-	-	-	-	50%	1/2 (c)
Marie-Christine Coisne-Roquette	100%	9/9	100%	7/7	-	-	-	-	100%	3/3 (c)
Bertrand Collomb	66.6%	6/9	-	-	-	-	100%	3/3	66.6%	2/3 (c)
Paul Desmarais, jr	55.5%	5/9	-	-	-	-	-	-	-	-
Anne-Marie Idrac	100%	9/9	-	-	-	-	-	-	100%	3/3 (c)
Charles Keller (b)	100%	4/4	-	-	-	-	-	-	100%	1/1 (c)
Barbara Kux	88.9%	8/9	-	-	-	-	-	-	66.6%	2/3
Gérard Lamarche	88.9%	8/9	85.7%	6/7	-	-	-	-	100%	3/3
Anne Lauvergeon	77.7%	7/9	-	-	-	-	-	-	100%	3/3
Claude Mandil	100%	9/9	-	-	100%	2/2	100%	3/3	100%	3/3
Michel Pébereau	88.9%	8/9	-	-	100%	2/2	-	-	100%	3/3 (c)
Attendance rate	**88.4%**		**95.3%**		**100%**		**93.3%**		**91.6%**	

(a) Director until May 17, 2013.
(b) Director since May 17, 2013.
(c) Voluntary participation (Director not a member of the Strategic Committee).

Board of Directors' meetings in 2013

The meetings included, but were not limited to, a review of the following subjects:

January 16

- 2013 Budget;
- presentation by the Director of Scientific Research of the Group's R&D activities (expenditures incurred, employees, organization, issues and strategic directions according to the business segments, environmental challenges);
- summary of the January 16 Strategic Committee meeting; and
- approval of the proposed investment in the Moho North project, a field located offshore of the Republic of Congo, in order to continue to develop the resources discovered there, with a presentation that included environmental information (in particular, no flaring of gas under normal conditions and reinjection of production water);
- information on other ongoing projects: development plan for the Dagny offshore oil and gas field in the Norwegian North Sea, and reservation of oil and gas transport capacity in the Transmountain pipeline in Canada in connection with the expansion of the existing pipeline between Edmonton (Alberta) and Vancouver (west coast of Canada).

February 12

- 2012 accounts (Consolidated Financial Statements, parent company accounts) after the Audit Committee's report and work performed by the statutory auditors;
- main financial communications, including industrial safety and social aspects;
- debate on the Board of Directors' practices following the formal evaluation carried out with the help of an external consultant who conducted interviews with each Director based on a detailed questionnaire;
- amendment of the rules of procedure of the Audit Committee in order to more precisely formalize the missions and practices of the Committee;
- assessment of the directors' independence and report on the absence of conflicts of interest;

– proposal to renew directorships;
– opinions on the candidates for the position of Director representing employee shareholders whose election will be submitted to the Shareholders' Meeting;
– review of the amount of directors' fees allocated to directors and Committee members and proposed increase in the annual maximum amount (decision to be submitted to the Shareholders' Meeting);
– compensation of the Chairman and Chief Executive Officer (without the Chairman and Chief Executive Officer being present);
– review of the possibility of granting the Company's performance shares and stock options and amendment to the stock options and performance shares grant policy;
– Shareholders' Meeting notice and approval of the documents related to this meeting; and
– information on the terms and conditions of sale of Transport et Infrastructures Gaz France (TIGF), a gas transport and storage affiliate in southwestern France.

March 27

– presentation to the Board of the work of the Audit Committee at its meeting on March 25, 2013;
– amendment of the rules of procedure of the Nominating & Governance Committee, which is now named the Governance and Ethics Committee;
– preparation of the Shareholders' Meeting: review of various chapters of the Registration Document forming the Management Report within the meaning of the French Commercial Code (particularly, risk factors, compensation, legal and arbitration proceedings, corporate, environmental and social information); review of requests made by the central works council to include draft resolutions on the Shareholders' Meeting agenda;
– information on the proposed sale of TOTAL's stake in the Voyager project (*upgrader* in the Fort McMurray region of Canada);
– Group financial policy (debt-to-equity ratio, long-term debt rating, liquidity, debt policy, financial requirements);
– establishment of the schedule related to the payment of interim dividends and the balance of the dividend for 2014; and
– information on the launch of the capital increase reserved for employees approved by the Board of Directors on September 18, 2012 with delegation to the Chairman and Chief Executive Officer of the power to set the opening date, the subscription period and the subscription price of the shares to be issued.

April 25

– summary of the April 25 Strategic Committee meeting and proposed amendment to the rules of procedure of the Strategic Committee;
– results for the first quarter 2013 after the Audit Committee's report and work performed by the statutory auditors;
– payment of an interim dividend; and
– information on the capital increase reserved for employees carried out from March 15 to 21, 2013.

May 17 – pre-shareholders' meeting

– review of the draft responses to the written questions submitted by shareholders.

July 8

– information concerning pending legal proceedings and the settlements signed with the US authorities (DoJ and SEC) following the investigation conducted by these authorities concerning the pursuit of business in Iran, on the one hand, and the decision handed down by the Paris Criminal Court on July 8, 2013 in the "Oil-for-Food" affair in Iraq, on the other.

July 25

– strategic perspectives of the Refining & Chemicals segment including safety aspects and prevention of major environmental risks;
– results for the second quarter 2013 and the first half of 2013 after the Audit Committee's report and work performed by the statutory auditors;
– payment of an interim dividend;
– presentation of the Company's equal opportunity and salary equality policy and comparative status of overall employment and training conditions for women and men in the Company;
– grant of performance shares (without the Chairman and Chief Executive Officer present during the related discussion); and
– information on ongoing investment projects: revision of the Surmont 2 (Alberta, Canada) development plan; reservation of capacity in the Energy East pipeline project in Canada in order to have additional capacities for evacuation of future production of Canadian bitumen and export to the Gulf of Mexico; proposed investment in the Antwerp platform (Belgium) to adapt the production unit to the markets and to improve its environmental performance.

September 19 – meeting held in Pau

– governance: review of the rules of confidentiality applicable to the work of the Board of Directors;
– financial communication at mid-2013: presentation of the outlook and objectives for the coming years and of the Group's social and environmental strategy;
– strategic perspectives of the Upstream segment (Exploration & Production) with a presentation of safety indicators and environmental objectives; and
– information on the acquisition by QPI (Qatar) of a minority stake in Total E&P Congo, in the form of a subscription to this subsidiary's capital increase.

October 30

– summary of the September 19 Strategic Committee meeting;
– strategic perspectives of Marketing & Services, including the operational safety and technological risk aspects, and strategic perspectives of New Energies, particularly solar and biotechnology;
– Group 5-year plan: outlook of the Group and business segments and financial summary of the long-term plan;
– results for the third quarter 2013 after the Audit Committee's report and work performed by the Statutory Auditors;
– payment of an interim dividend;
– summary of the October 29 Governance & Ethics Committee meeting;
– agreement in principle on changing the currency in which the Group's Consolidated Financial Statements are presented from the euro to the US Dollar;
– approval in preparation for the final investment decision regarding the Yamal LNG project (Eastern Siberia north of the polar circle) and approval of the development of the Fort Hills project (production of oil sands located in the Athabasca Region of Alberta, Canada) and of the related evacuation logistics (dedicated pipeline). Review of the environmental impact of these projects; and
– information on obtaining the Libra license in Brazil following a call for tenders by the Brazilian authorities, description of the work programs, governance rules to be considered, the contractual and fiscal framework and the associated risks.
– information on the call for tenders launched by the Abu Dhabi

state-owned company for the renewal of an ADCO concession granted in 1939 to a consortium that included TOTAL, detailed information about the proposed tax regime and the Group's interest in remaining in this concession.

1.6.1. Audit Committee activity

In 2013, the members of the Audit Committee reviewed the following matters:

February 8

- review of the accounts for the fourth quarter of 2012, the Group's consolidated results and the statutory accounts of parent company TOTAL S.A. for 2012. Presentation by the statutory auditors of a summary of their work performed in accordance with French and American professional audit standards, in particular on the Group's positions in terms of valuing assets and assessing country risk and handling risk and legal proceedings in the financial statements and notes;
- review of the Group's financial position;
- presentation of the preparation process and key validation stages of the Management Report forming Chapter 3 of the Registration Document;
- presentation of the 2012 highlights, the conclusions of the audits conducted in 2012 and the objectives of the audit plan proposed for 2013. Comments on the results of the assessment of internal control on financial reporting conducted for fiscal year 2012 as part of the implementation of the Sarbanes-Oxley Act, along with a summary of the statutory auditors' assessments of internal control related to financial reporting as part of the SOX 404 process;
- review of the draft of the Chairman's report on internal control and risk management procedures;
- adoption of the proposed amendments to the rules of procedure of the Audit Committee following requests made by the AMF; and
- review of a director's specific request to use the services of an audit firm, other than the statutory auditors, on a personal basis.

March 25

- presentation of certain parts of the Registration Document: risk factors and legal proceedings;
- review of the hydrocarbon reserves evaluation process at year-end 2012; and
- presentation of the Group's insurance policy: coverage for 2013 against property damage, business interruption and civil liability. Update on the main pending claims.

April 23

- review of the consolidated and statutory financial statements of TOTAL S.A. for the first quarter of 2013, with a presentation by the statutory auditors of a summary of their limited review;
- presentation of the Group's financial position at the end of the quarter; and
- update on the internal audits conducted in the first quarter of 2013.

June 12

- presentation of the topics covered by the Group Risk Committee in 2012: risks related to information management; risks related to "emerging" partners; risks of industrial accidents and pollution; mapping of legal risks. At the beginning of 2013, the topics discussed included risks of non-acceptability and risks related to reorganizations of industrial sites in Europe.
- presentation of the risk of non-acceptability of the Group's activities by stakeholders and of the action plans implemented within the Group;
- presentation of the updated mapping of Exploration-Production risks: range of key risks and actions taken for better assessment and greater control; and
- review of the consolidation department's functions in terms of accounting standards and its organization within the Group; presentation of recent changes to the IFRS and the main proposed changes in standards in progress.

July 23

- review of the Consolidated Financial Statements for the second quarter and first half of 2013 and of the statutory financial statements of TOTAL S.A. Presentation by the statutory auditors of a summary of their limited review;
- presentation of the Group's financial position at the end of the quarter; and
- update on the internal audits conducted in the second quarter of 2013.

October 9

- review of the risk mapping process resumed and consolidated at the time of the creation of the Refining & Chemicals segment;
- review of significant litigation and status update on the main pending proceedings involving the Group;
- statutory auditors' analysis of the challenges facing the Group related to the 2013 economic environment and specific important points noted with respect to their 2013 audit plan;
- review of the rules for pre-approval of audit and non-audit services and approval, without changes to the policy implemented;
- update on the statutory auditors' fees; and
- the members of the Committee then met with the statutory auditors without management being present.

October 28

- review of the consolidated and statutory financial statements of TOTAL S.A. for the third quarter and first nine months of 2013. Presentation by the statutory auditors of a summary of their limited review;
- presentation of the Group's financial position at the end of the quarter;
- update on the internal audits conducted in the third quarter of 2013;
- the Committee was informed that the relevant employees acted in compliance with the provisions of the Financial Code of Ethics;
- update on the changes to the internal control framework adopted by the Group (COSO) with the publication of a new framework (COSO 2013), which is fully applicable at year-end 2014. Presentation of the roadmap for adapting the Group's system accordingly;
- presentation of the operation of the SunPower Audit Committee in accordance with NASDAQ and Sarbanes-Oxley rules;

– update on compliance: organization and progress made in implementing the program. Presentation of specific important points;
– presentation of the proposal to publish the Consolidated Financial Statements in USD as of January 1, 2014; and
– review of the limit on the statutory auditors' non-audit services for 2014.

At each meeting related to the quarterly financial statements, the Committee reviewed the Group's financial position in terms of liquidity, cash flow and debt, as well as its significant risks and off-balance sheet commitments. The Audit Committee was periodically informed of the risk management processes implemented within the Group and the work carried out by the Internal Audit Department which was presented at each committee meeting where the quarterly financial statements were reviewed.

The Audit Committee reviewed the accounts within the time limits required by the AFEP-MEDEF Code, namely two days prior to their review by the Board of Directors.

The statutory auditors attended all Audit Committee meetings held in 2013.

The Chief Financial Officer, the Vice President Accounting, the Vice President Internal Control and Audit and the Treasurer attended all the Audit Committee meetings.

The Chairman of the Committee reported to the Board of Directors on the Committee's activities.

1.6.2. Compensation Committee activity

February 11

– review of the proposed amendments to the performance shares and stock options grant policy and approval of the proposed text to be included in the 2012 Registration Document;
– proposed compensation for the Chairman and Chief Executive Officer (variable portion for his duties in 2012) and proposed changes in the criteria used to determine his personal contribution to the variable portion for 2013. Review of AMF recommendation No. 2012-02;
– review of compliance with the restrictions on share transfers by the Chairman and Chief Executive Officer;
– information regarding the compensation policy for the members of the Executive Committee;
– for the parts within its remit, provision of the information and reports that must be sent to shareholders by the Board of Directors or its Chairman.

July 24

– proposals regarding the 2013 performance shares grant plan: number of recipients, length of the vesting (raised from two to three years) and holding period, performance conditions for final grant. Proposals regarding the grant of performance shares to the Chairman and Chief Executive Officer.

1.6.3. Governance & Ethics Committee activity

February 11

– results of the formal self-assessment of the Board's work conducted by an external firm in the form of interviews with each Director based on a questionnaire provided to the Board in advance. The Committee expressed its support for the suggested improvements, which mainly entail increasing the number of Strategic Committee meetings and holding a Board meeting at an industrial site;
– proposed amendment of the rules of procedure of the Audit Committee in order to better formalize this Committee's practices and missions;
– proposals to the Board of Directors regarding the assessment of the independence of the directors based on the independence criteria specified in the AFEP-MEDEF Code and after reviewing the level of activity between certain directors and the Group's suppliers;
– information regarding the absence of potential conflicts of interest between the Company and the private interests of its directors;
– proposals to the Board of Directors regarding the list of directors to be recommended for appointment by the 2013 Shareholders' Meeting;
– in accordance with the provisions of the bylaws, review of the candidacies of employees who will be proposed as representatives of employee shareholders at the Shareholders' Meeting and opinions on these candidacies;
– review of the terms and conditions for allocating directors' fees to directors and Committees' members. The Committee decided to propose that the amount of the limit allocated by the 2007 Shareholders' Meeting be raised from €1.1 million to €1.4 million due to the increase in the number of Board and Committee meetings; and
– review, for the parts within its remit, of the reports that must be sent to shareholders by the Board of Directors or its Chairman.

July 24

– presentation by the Chairman of the Ethics Committee of a review of the ethics program for 2012 (information campaigns, changes in the matters and cases reviewed, ethical assessments conducted at the Group's entities, actions related to human rights) and presentation of the priorities for 2013;
– information about the agreements signed with the US authorities (DoJ and SEC) as part of an investigation regarding the pursuit of business in Iran;
– discussion about changes in the composition of the Board to be anticipated for 2014 following the enactment of the Law 2013-504 of June 14, 2013 on employment stability, which establishes the presence of employee directors on Boards of Directors, and study of a scheme to limit the total number of directors as suggested during the last assessment of the Board's practices;
– information about possible changes to the composition of the Executive Committee;
– update on the Company's positioning with respect to the new provisions of the AFEP-MEDEF Code.

October 29

– continuation of the study on the size of the Board of Directors and proposal to move towards a smaller Board that could include twelve directors (excluding a director representing employee shareholders and employee director);
– proposed amendment to the Company's bylaws to be submitted to the Board of Directors regarding the addition of provisions related to the appointment of employee directors and adaptation of the provisions related to age limits for the Chairman of the Board of Directors and the Chief Executive Officer; and
– information on the appointment of the new President of Exploration & Production as of January 1, 2014.

1.6.4. Strategic Committee activity

January 16

– presentation by the Vice President, Strategy & Business Intelligence of the strategies of leading national and international oil companies in the fields of exploration/production, refining/chemicals and marketing/services.

April 25

– presentation by the Vice President, Strategy and Business Intelligence of the Group's vision regarding the energy mix in 2035 and review of scenarios concerning the place of coal, oil, gas and renewable energies (wind power, biomass, solar).

September 19

– continuation of the discussion on energy transition, with presentations by the Vice President, Sustainable Development and Environment and the Scientific Director regarding, in particular, the constraints related to CO_2 emissions.

1.7. Board of Directors practices

1.7.1. Management form

On May 21, 2010, the Board of Directors decided to reunify the positions of Chairman and Chief Executive Officer and appoint the Chief Executive Officer as Chairman of the Board. This decision was made further to the work done by the Governance & Ethics Committee (then the Nominating & Governance Committee) and in the best interests of the Company, taking into account the advantage of the unified management and the majority of independent directors appointed at the Committees, which ensures balanced authority.

The Board of Directors deemed that the unified management form was the most appropriate to the Group's organization, modus operandi and business, and the specificities of the oil and gas sector. It respects the respective prerogatives of the various Company corporate bodies (Shareholders' Meeting, Board of Directors, general management).

It was confirmed during the Board of Directors' meeting held on May 11, 2012, at which Mr. Christophe de Margerie was reappointed as Chairman and Chief Executive Officer.

Moreover, the Company bylaws and the respective rules of procedure of the Board of Directors and its Committees provide the guarantees required to implement best governance practices within a unified management framework. In particular, the bylaws allow the Board to nominate one or two Vice-Chairmen. They also state that the Board of Directors can be summoned by any means, even verbally, or at short notice in the event of an emergency, by the Chairman, a Vice-Chairman, or one-third of the members, at any time and whenever the Company's interest so requires. The rules of procedure of the Board of Directors also state that each director is required to inform the Board of Directors of any conflicts of interest, actual or potential, with the Company or with any other company in the Group, and to abstain from voting on the resolution in question, and even to refrain from taking part in the debate preceding the vote.

In addition, the current composition of the Board of Directors and its Committees ensures a balance of power within the Company's bodies given the high proportion of independent directors serving on the Board and Committees (see point 1.8. below), the full involvement of the directors in the activity of the Board and its Committees (see point 1.6. above), and the diversity of their profiles, skills and expertise (see point 1.1. above).

1.7.2. Performance and evaluation

At its meeting on February 12, 2013, the Board of Directors discussed its practices on the basis of a formal evaluation organized by an external consultant. This evaluation was carried out in the form of interviews conducted by the external consultant with each Director based on a detailed questionnaire.

The evaluation showed that the Directors were satisfied with the workings of the Board of Directors and its Committees and that the Directors noted an improvement. Suggestions for progress were made in the conclusions of the report. At the recommendation of the Governance & Ethics Committee (then Nominating & Governance Committee), the Board of Directors approved the proposed guidelines, which mainly entail increasing the number of Strategic Committee meetings and holding a Board meeting at an industrial site.

At its meeting on February 11, 2014, the Board of Directors discussed its practices on the basis of a formal evaluation carried out by means of a detailed questionnaire to which all the Directors responded. The responses given by the Directors were then presented to the Governance & Ethics Committee for review and summarized. This summary was then discussed by the Board of Directors. This process made it possible to confirm each director's good contribution to the work of the Board and its Committees.

The formal evaluation showed a generally positive opinion of the practices of the Board of Directors and the Committees, which highlighted that the improvements requested by the directors in 2013 had been generally made. To continue the improvement of its functioning, the Board took into account the main suggestions made by the Directors in the 2014 self-assesment, which mainly concerned a review at the outset of the meeting of the major points (*e.g.,* financial statements, large-scale investments and divestments projects) and a presentation of new topics at the meetings of the Strategic Committee (*e.g.,* monitoring of significant development projects, analysis of major risks that may affect the strategy of the Group).

1.8. Director independence

At its meeting on February 11, 2014, the Board of Directors, on the recommendation of the Governance & Ethics Committee, reviewed the independence of the Company's directors as of December 31, 2013. At the Committee's suggestion, the Board considered that, pursuant to the AFEP-MEDEF Code, a director is independent when "he or she has no relationship of any kind with the Company, its Group or its Management, that may compromise the exercise of his or her freedom of judgment".

For each director, this assessment relies on the independence criteria set forth in the AFEP-MEDEF Code, revised in June 2013, as outlined below:

- not be an employee or executive director of the Company, or an employee or director of its parent company or of a company consolidated by its parent company, and not having been in such a position for the previous five years;
- not be an executive director of a company in which the Company holds, directly or indirectly, a directorship or in which an employee designated as such or an executive director of the Company (currently in office or having held such office for less than five years) is a director;
- not to be a material customer, supplier, investment banker or commercial banker of the Company or Group, and for which the Company or the Group represents a material part of their business (the assessment of the materiality or non-materiality of the relationship must be discussed by the Board and the criteria on which this assessment was based must be explained in the Registration Document);
- not to be related by close family ties to a corporate executive director;
- not to have been a statutory auditor of the Company within the previous five years;
- not to have been a director of the Company for more than twelve years (upon expiry of the term of office during which the 12-year limit was reached).

The AFEP-MEDEF Code expressly stipulates that the Board can decide that the implementation of certain defined criteria is not relevant or induces an interpretation that is particular to the Company.

At its meeting on February 11, 2014, pursuant to the report of the Governance & Ethics Committee, the Board of Directors observed that Mr. Desmarest, Chairman of the Board of Directors until May 21, 2010, had been an executive director within the meaning of the Code within the five previous years.

With regard to the criterion applicable to twelve years of service, the Board, at its meeting on February 11, 2014, pursuant to the report of the Governance & Ethics Committee, observed that four directors had exceeded twelve years of service on December 31, 2013: Ms. Lauvergeon and Messrs. Collomb, Desmarest and Pébereau. It also observed that Mr. Desmarais, jr's years of service as director will reach twelve prior to the date of the May 16, 2014 Shareholders' Meeting.

In assessing the independence of these directors, the Board disregarded this criterion applicable to twelve years of service based on the opinion that it had no relevance given, on the one hand, the specific characteristics of the oil and gas sector which relies on long-term investment cycles, and, on the other hand, the objectivity that these directors have demonstrated in the Board's activity. In addition, it deemed that the experience acquired on the Board by these directors strengthened their freedom of speech and their independence of judgment and, therefore, benefited the Group. The Board also noted that the criterion related to the length of term of office was not one of the independence criteria required by the New York Stock Exchange (NYSE).

Accordingly, the Board held that Mr. Collomb, Mr. Desmarais, jr, Ms. Lauvergeon and Mr. Pébereau could be deemed as being independent.

Concerning "material" relationships, as a customer, supplier, investment banker or finance banker, between a director and the Company, the Board deemed that the level of activity between Group companies and a bank at which Mr. Pébereau is a former corporate executive director, which is less than 0.1% of its net banking income [(1)] and less than 5% of the Group's overall assets, represents neither a material portion of the overall activity of such bank nor a material portion of the Group's external financing. The Board concluded that Mr. Pébereau could be deemed as being independent.

Likewise, the Board of Directors also deemed that the level of activity between Group companies and one of its suppliers, Vallourec, of which Ms. Idrac is a member of the Supervisory Board, which is less than 3.3% of Vallourec's turnover [(2)] and less than 0.5% of the Group's purchasing in 2013, represents neither a material portion of the supplier's overall activity nor a material portion of the Group's purchasing. The Board concluded that Ms. Idrac could be deemed as being independent.

Furthermore, the Board deemed that the level of activity between Group companies and Stena AB of which Mr. Brock is a director, was nil in 2013. The Board concluded that Mr. Brock could be deemed as being independent.

Mmes. Barbizet, Coisne-Roquette, Idrac, Kux and Lauvergeon, and Messrs. Artus, Brock, Collomb, Desmarais, Lamarche, Mandil and Pébereau were deemed to be independent directors.

85% [(3)] of the directors were independent on December 31, 2013.

(1) 2013 net banking income estimated based on BNP Paribas as of September 30, 2013.
(2) Based on the 2012 consolidated turnover published by Vallourec.
(3) Not including the director representing employee shareholders, according to the recommendations made in the AFEP-MEDEF Code.

1.9. Additional information on the members of the Board of Directors

1.9.1. Absence of conflicts of interest

The Board also noted the absence of potential conflicts between the Directors' duties in the best interests of the Company and the private interests of its directors. To the Company's knowledge, the members of the Board of TOTAL S.A. are not related by close family ties, there are no arrangements or agreements with clients or suppliers that facilitated their appointment, and there is no service agreement binding a director of TOTAL S.A. to one of its subsidiaries and providing for special benefits upon termination of such agreement.

1.9.2. Absence of a conviction

The current members of the Board of Directors of the Company have informed the Company that they have not been convicted, have not been associated with a bankruptcy, receivership or liquidation, and have not been incriminated or publicly sanctioned or disqualified, as stipulated in item 14.1 of Annex I of EC Regulation 809/2004 of April 29, 2004.

1.10. Internal control and risk management

General Management constantly strives to maintain an efficient internal control system, based on clear organizational principles, an effective system to identify and manage risks and suitable governance instances and control activities. The internal control framework adopted by the Group is that of the *Committee of Sponsoring Organizations of the Treadway Commission* (COSO, 1992). In this framework, internal control is a process intended to provide reasonable assurance that the following will be achieved: effective and efficient execution of operations, accurate reporting of financial and accounting information, compliance with applicable laws and regulations, and protection of assets. As for any system of internal control, there can be no guarantee that all risks are completely managed or eliminated. The COSO framework, the application of which relates to compliance with the Sarbanes-Oxley Act (SOA 404), is considered equivalent to the reference framework of the French Financial Markets Authority (Autorité des marchés financiers or AMF).

Moreover, the Group is exploring ways in which to adapt its internal control system to the 2013 COSO framework, which will replace the 1992 COSO framework as of December 15, 2014.

In terms of risk management, the Group draws on the principal international (COSO and ISO 31000: 2009) and French standards (reference framework of the French Financial Markets Authority).

The Group's internal control and risk management system is organized around three operational levels: Group, business segments and entities. Each level is directly involved in and responsible for designing and implementing internal control, in line with the degree of centralization targeted by General Management.

At each of the three levels, specific internal control procedures cover organization, delegations of authority and employee education and training that conform to the Group's overall framework. The Group has implemented a shared database of its key documents (REFLEX), which contains the various standards (charters, policies, directives and rules), as well as a set of guides and manuals. A set of governance principles have been designed in addition to REFLEX standards describing, in particular, ways to ensure their adoption by the business segments. The Group is also in the process of formalizing an internal control manual, containing a risk analysis and a library of standard associated controls for each of the main cross-functional processes. The business segments will aim to adapt this manual to their own area in accordance with the principle of subsidiarity applicable within the Group.

The Group is structured around three business segments (Upstream, Refining & Chemicals, Marketing & Services) to which the Group's business units report. The business segment managers are responsible, within their area of responsibility, for ensuring that operations are carried out in accordance with the strategic objectives defined by the Board of Directors and General Management.

The functional divisions of the Holding company help General Management define and oversee the norms and standards and monitor activities. They also lend their expertise to the operational divisions.

The functional divisions include, in particular, the Finance Department (to which the Group Risk Management and Insurance Department and the Group Information Technology and Telecommunications Department report), the Legal Department and Corporate Affairs (to which the following Departments report: Corporate Internal Control and Audit, Sustainable Development and Environment, Human Resources, Security, Industrial Safety).

In line with previous action taken in the area of internal control and risk management, General Management formalized in 2012 a Risk Management, Internal Control and Audit charter, which forms the common framework within which the Group manages its activities.

The Group's internal control system covers the processes of the fully consolidated subsidiaries. The study regarding the implementation of a more structured internal control system at the equity affiliates continued in 2013. The implementation of an internal control system adapted to the equity affiliates is expected to begin in 2014 at the most significant entities.

Under these internal control principles, which are part of the corporate governance organization, the Audit Committee is responsible for monitoring the efficiency of internal control and risk management procedures, assisted by the Group Internal Control and Audit Department and the internal control teams from the business segments. These rules are designed to allow the Board of Directors to ensure that internal control is effective and that published information available to shareholders and financial markets is reliable.

The Group's internal control and risk management system is based on the five factors below, which are derived from the COSO framework.

1.10.1. Control environment

The control environment is based on the Group's core values that are deeply rooted in its culture, including the integrity, ethical conduct and professional competence of its employees.

The Group's values and business principles are set out in the Code of Conduct and the Ethics Charter, circulated to employees and available on the Group's Internet site, and in the Financial Code of Ethics which, referring to the Group's Code of Conduct, sets forth specific rules for its Chairman, Chief Executive Officer, Chief Financial Officer, Chief Accounting Officer and the financial and accounting managers of its principal activities.

These values and principles are also cascaded in codes, procedures and guidelines governing the significant processes of the business segments or the Group. These codes explain the Group's values and describe its business and behavior principles with regard to employees, shareholders, customers, suppliers and competitors. They also set out the rules of individual behavior applicable to all employees and expected in host countries.

More specifically, the Group has been deploying ethics and compliance programs since 2009, as a priority defined by General Management.

This is why, at the end of 2009, the Executive Committee formally approved a compliance policy and program designed to prevent corruption.

At that time, the Group reaffirmed the zero tolerance principle as it relates to corruption and, since 2011, has defined and published a series of internal standards. These specific standards, which take into account relevant applicable laws, cover various areas where particular risks of exposure to corruption may exist (*e.g.,* business partnerships, representatives, procurement and sales, gifts, etc.) and are based on a due diligence process for detecting and addressing them at an early stage.

To support the launch of this program:

– an e-learning module has been designed in twelve languages. As of the end of December 2013, more than 45,000 employees had followed this module;

– over 350 Compliance Officers have been appointed and trained at the business segments, subsidiaries and entities. Their role is to ensure that the program is implemented at the local level.

The Group has also issued guidelines in order to consolidate its policies designed to prevent and respond to instances of fraud of any type. These guidelines supplement and clarify the rules of ethical behavior applicable to all the Group's employees.

In the same way as efforts to prevent corruption are organized, a network of Fraud Risk Coordinators has been set up to implement this program.

A Group policy aimed at ensuring compliance with competition law and preventing violations in this area was also adopted as a follow-up to the various measures previously implemented by the business segments. Its deployment is based, in particular, on the involvement of hierarchies and staff, training courses that include an e-learning module and an organization responsible for implementing the program.

The Group's Ethics Department implements a policy to prevent insider trading on the financial markets which is based, in particular, on the Group's internal ethical rules. These rules are updated on a regular basis and widely distributed to employees who are permanently or occasionally in possession of insider knowledge about the Group. These ethical rules require, in particular, that permanent insiders refrain from carrying out any transactions, including hedging transactions, in TOTAL shares or ADRs and in shares in collective investment plans (FCPE) invested primarily in TOTAL shares (as well as derivatives related to such shares) on the day on which the Company discloses its periodic earnings (quarterly, interim and annual) and during the thirty calendar days preceding such date.

The Group's senior management receives regular training on the content and the importance of the rules of behavior set out in the Code of Conduct.

In this regard, in order to prevent conflicts of interest and at the initiative of the Ethics Department, each of the Group's executive officers completes an annual declaration regarding any conflicts of interest to which he or she may be subject. By completing this declaration, each executive officer also agrees to report to the Ethics Committee or to his or her supervisor any conflict of interest that he or she has had or of which he or she is aware in performing his or her duties.

Each year, the entities' general managers and financial managers provide internal written representations to the Chief Executive Officer and the Chief Financial Officer that they have complied with internal control procedures and that the financial reporting under their responsibility is reliable.

Since 2002, over 100 ethical assessments of the Group's entities have been conducted by GoodCorporation, an organization specializing in ethical assessments of companies. This process is based on a questionnaire consisting of 87 indicators derived from the Group's Code of Conduct. GoodCorporation uses this questionnaire to assess on site the systems implemented by the relevant Group companies (covering various ethics-related issues such as human rights, respect for individuals, integrity, etc.) and conducts interviews, on condition of anonymity, of employees, suppliers, customers, industrial partners, representatives of local authorities and other stakeholders to gather their opinions as to how well these systems function. Following these assessments, GoodCorporation drafts a report for the management of the relevant Group company. An action plan is then defined by the subsidiary and its implementation is monitored. These ethical assessments are a means of continuously improving the Group's policies and procedures by, among other things, identifying best practices.

Finally, under the settlements reached in 2013 between TOTAL, the SEC and the U.S. Department of Justice (DoJ) (see chapter 4, point 4), an independent monitor was appointed to conduct a three-year review of the anti-corruption compliance and related internal control procedures implemented by the Group and to recommend improvements, when necessary. The monitor's mission started on December 2, 2013. The resources needed to complete his mission under the best conditions are being made available.

1.10.2. Risk identification, assessment and management

The Executive Committee is responsible for analyzing the internal and external risks that could impact TOTAL's performance, with the assistance of the Group Risk Committee and the internal control and internal audit functions.

Set up in April 2011, the Group Risk Committee (GRC) organizes and oversees the global risk management system.

The GRC reports to the Executive Committee and is made up of managers from the central functional divisions and the senior vice president corporate affairs or chief financial officers of the business segments. It meets at least six times a year. Its two main functions are to identify risks that could prevent the Group from achieving its objectives and to ensure the existence and effectiveness of risk management systems adapted to the Group's needs.

The GRC relies on the work done by the business segments and the functional divisions, which draw up their risk maps and regularly report to the Audit Committee on their state of progress.

The entities are responsible for implementing a risk management policy best suited to their specific activities. However, today the handling of certain inter-departmental risks is more closely coordinated by the respective functional divisions.

The principal risks monitored at Group level are: sensitivity to the oil market environment (oil prices and refining, marketing and petrochemical margins); exposure to oil and gas trading risks; financial markets risks (foreign exchange risk, particularly related to the US Dollar, and interest rates); political and legal risks related to the operating and contractual environment of the Exploration & Production activities; and industrial and environmental risks related to the sectors in which the Group is active.

With regard to risks connected to the trading of oil and gas and related financial instruments, the departments concerned, whose activity is governed by limits set by the Executive Committee, measure their positions and exposure daily and analyze their market risk, in particular using value-at-risk assessment methods.

With regard to counterparty risks, credit limits and risk analysis processes are set and updated regularly, for each activity.

The broad range of activities and countries in which the Group operates requires local analysis, by business segment, of the related legal, contractual and political risks. Compliance programs with regard to competition and bribery law matters are implemented by the Group to ensure compliance with applicable legislation.

Operating entities are responsible for assessing their industrial and environmental risks and for implementing the regulatory requirements of the countries where they operate, as well as any relevant guidelines and recommendations defined at the Group or business segment level. They are also responsible for actively monitoring changes in legislation in order to comply with local and international standards concerning industrial and environmental risk assessment and management. Risk assessments lead to the establishment of management measures to prevent and reduce environmental impact, minimize the risks of accidents and contain their consequences.

The Group also has a crisis management process which relies on a permanent on-call system, regular exercises conducted at the industrial sites of the fully consolidated subsidiaries, a benchmark of the best practices of international companies, training courses in crisis management and communication, as well as procedures, emergency booklets and tools that can be used in the event of a crisis.

The organization set up in the event of a crisis is deployed at two levels:

– at the local level (country, site or entities), a crisis unit is responsible for ensuring operational management and implementing the emergency plans; and

– at the head office level, a crisis unit made up of a multi-disciplinary team is tasked with assessing the situation and overseeing crisis management. This central unit provides the necessary expertise and mobilizes additional resources to assist the local crisis unit, when necessary.

These two units coordinate their actions closely.

This process was fully implemented in the spring of 2012 following the accidents in the North Sea (Elgin platform) and in Nigeria (Ibewa).

The "Risk Factors" section of this Registration Document (Chapter 4) contains a formal and extensive description of the principal risks faced by the Group and how the Group manages these risks and secures appropriate insurance coverage.

1.10.3. Control activities

Control activities and financial reporting systems are designed to take into account the specific nature of these risks and the degree to which operational control is delegated to the business segments and entities.

General Management exercises operational control over TOTAL's activities through the Executive Committee's approval of investments and commitments for projects, based on defined thresholds. These projects are subject to prior vetting by the Risk Committee (CORISK), whose assessments are transmitted to the Executive Committee. As part of this review, the CORISK verifies the analysis of the various project-related risks.

Control activities are primarily based on a strategic plan that is reviewed annually, an annual budget, monthly management financial reports with detailed analysis of differences between actual and budgeted expenditures, and a reconciliation between quarterly published Consolidated Financial Statements and reporting. These processes are supervised by the Accounting and Budget/Financial Control Departments, which are part of the Finance Department, and are performed in compliance with financial reporting standards, consistent and compliant with the accounting standards used for the published financial statements. Financial indicators and the accounting methods used allow appropriate assessment of risks and return on average capital employed (ROACE).

Moreover, the Group's Accounting Department draws up a quarterly report of consolidated off-balance sheet commitments as part of the closure of the Consolidated Financial Statements. The financial reporting manual contains a procedure to identify and escalate off-balance sheet commitments.

The Group's Accounting Department centralizes the interpretation of accounting standards applicable to the Group's Consolidated Financial Statements and distributes these standards through formal procedures and a financial reporting manual. It monitors the effective implementation of standards across TOTAL through periodic, formal communication with functional managers in the business segments. The Department also periodically reports any exceptions to the Chief Financial Officer.

The Treasury Department monitors and manages risks related to cash management activities and interest rate-related and foreign exchange-related financial instruments in accordance with strict rules defined by General Management. Cash and cash equivalents, financial positions and financial instruments are centralized by the Treasury Department.

Oil and gas reserves are reviewed by a committee of experts (the Reserves Committee), approved by the Exploration & Production division's senior management and then confirmed by the Group's General Management.

The Disclosure Committee, whose members are the managers

of the main corporate departments, establishes and maintains procedures designed to ensure the quality and accuracy of external communications intended for financial markets.

At the business segments and entity levels, control activities are organized around the principal operational processes: exploration and reserves, purchasing, capital expenditures, production, sales, oil, gas and petroleum product trading, inventories, human resources, financing and cash management, as well as the account closure process including in particular control of amortization, depreciation, provisions and identification of off-balance sheet commitments.

The Group has implemented a range of procedures and programs that help to prevent, detect and limit different types of fraud. This effort is supported by the business principles and rules of individual behavior described in the Code of Conduct and in the codes, charters and other standards issued at the Group business segment level. The Group has also issued "Guidelines" for handling incidents of fraud which have been widely distributed to employees. These guidelines create a whistleblowing system which employees can use to report circumstances that might amount to fraud. In addition, a specific process is in place for reporting irregularities related to accounting, internal control and auditing matters. This warning process, implemented at the request of the Audit Committee, is monitored by this committee and may be used by shareholders, employees and third parties.

The Company also has a Financial Code of Ethics which the Audit Committee ensures is implemented and observed. This Code makes reference to the Group's Code of Conduct and sets forth specific rules for its Chairman, Chief Executive Officer, Chief Financial Officer, Chief Accounting Officer and the financial and accounting managers of its principal activities. In 2012, this Code was updated to reflect the new organization of the Group's activities. The changes were approved by the Audit Committee at its meeting held on October 26, 2012.

The Information Technology and Telecommunications Department has developed and distributed governance and security rules that describe the recommended infrastructure, organization and procedures to maintain information systems that are appropriate to the organization's needs and to limit information security risks. These rules are implemented across the Group under the responsibility of the various business segments.

Control activities to prevent industrial and environmental risks are implemented in the business units. External certification or third-party audits are conducted for some of the management systems related to this type of risk. More detailed information on the Group's safety and environmental initiatives is provided in the Group's CSR (Corporate Social Responsibility) report.

1.10.4. Information and communication

Internal control procedures are defined at each of the three operational levels: general rules at the corporate level; sector-specific procedures at the business line level; and others at the entity level. These procedures are circulated in memoranda and are also available on the intranet sites of the Group and the business segments whenever they are common.

The principal procedures regarding financial controls established at the corporate level cover acquisitions and disposals, capital expenditure, financing and cash management, budget control and financial reporting. Disclosure controls and procedures are in place. At the operating levels, they mainly consist of procedures, guidelines and recommendations covering safety and security (both industrial and information technology), health, the environment and sustainable development.

The procedures for the business segments primarily concern financial control specific to each business. At the entity level, the principles of the Group's overall framework are implemented through specific procedures tailored to the size and environment of operations.

1.10.5. Monitoring

Together, the Holding company, the business segments and the entities are responsible for monitoring internal control in their respective operations.

Internal Control and Group Audit are the two components of the Internal Control and Group Audit Department, which reports to the Executive Committee through the Chief Administrative Officer.

The Group Internal Control Department is tasked with managing the Group's internal control, and in particular:

- organizing and maintaining the global internal control system, ensuring that it is distributed and adopted throughout the Group and that it is continuously improved;
- making sure that the Group complies with regulations applying to the internal control of financial information, and in particular the Sarbanes-Oxley Act and the law on Financial Security; and
- coordinating the Group-wide risk management measures, and, in particular, contributing to all the integrity policy initiatives.

The central Group Audit function is mainly responsible for auditing the internal control system. An audit work schedule is set annually. The audit reports are periodically summarized and presented to the Audit Committee and, thereby, to the Board of Directors.

In 2013, the Group Internal Control and Audit Department's 80 auditors conducted more than 170 audits. The Vice President of Group Internal Control and Audit attended all Audit Committee meetings and reported quarterly on Group Audit activity and annually on the conclusions of Internal Control activity.

The Group's General Management is responsible for implementing and assessing internal control over financial reporting. In this context, TOTAL evaluated awareness and implementation of its internal control system, based on the COSO framework, in its main entities.

With the assistance of its main entities and the Group Internal Control and Audit Department, the Group also examined and assessed the design and effectiveness of the key operational, information systems and financial controls related to internal control over financial reporting in financial year 2013 pursuant to section 404 of the Sarbanes-Oxley Act. The system used is based on the following categorization:

- significant entities assess their key operational controls based on their significant processes and respond to a Group questionnaire for assessing the internal control system; and
- other less significant entities respond only to the Group questionnaire for assessing the internal control system.

These two categories of entities account for approximately 80% of the financial items in the Group's financial statements. The system covers all processes that directly or indirectly contribute to the reliability of financial reporting.

Based on these internal reviews, General Management has reasonable assurance of the effectiveness of the Group's internal control.

If points of progress are identified by these internal audits and operational checks, then corrective action plans are drawn up and closely monitored by the operatives and the Group Internal Control and Audit Department.

The statutory auditors perform those internal control audits that they deem necessary as part of their mission to certify the financial statements and present their observations to the Audit Committee.

For 2013, the statutory auditors reviewed the implementation of the Group's internal control framework and the design and effectiveness of key internal controls at its main entities concerning financial reporting. Based on the work performed, the statutory auditors declared that they had no comments on the information and conclusions related to this subject presented in this report.

1.11. Particular conditions regarding participation in Shareholders' Meetings

Shareholders' Meetings are convened and deliberate under the conditions provided by law. However, pursuant to Article 18 of the Company's bylaws, double voting rights are granted to all the shares held in the name of the same shareholder for at least two years. This same article also provides that no shareholder may cast a vote at a Shareholders' Meeting, either by himself or through an agent, representing more than 10% of the total voting rights attached to the Company's shares. This limit applies to the aggregated amount of voting rights held directly, indirectly or through voting proxies. However, in the case of double voting rights, this limit may be extended to 20%.

For more detailed information on these conditions, see Chapter 9, point 2.6. of this Registration Document.

1.12. Information mentioned in Article L. 225-100-3 of the French Commercial Code

In accordance with Article L. 225-100-3 of the French Commercial Code, information relating to factors likely to have an impact in the event of a public offering is provided below.

- **Structure of the share capital and direct or indirect interests which the Company is aware of pursuant to Articles L. 233-7 and L. 233-12 of the French Commercial Code**

The structure of the Company's share capital and the interests that the Company is aware of pursuant to Articles L. 233-7 and L. 233-12 of the French Commercial Code are presented in Chapter 8, point 4.

- **Restrictions on the exercise of voting rights and transfers of shares provided in the bylaws – Clauses of the agreements of which the Company has been informed in accordance with Article L. 233-11 of the French Commercial Code**

The provisions of the bylaws relating to shareholders' voting rights are mentioned in point 1.11. above and in Chapter 9. The Company has not been informed of any clauses as specified in paragraph 2° of Article L. 225-100-3 of the French Commercial Code.

- **Holders of securities conferring special control rights**

Article 18 of the bylaws stipulates that double voting rights are granted to all the shares held in the name of the same shareholder for at least two years. Subject to this condition, there are no securities conferring special control rights as specified in paragraph 4° of Article L. 225-100-3 of the French Commercial Code.

- **Control mechanisms specified in an employee shareholding system**

The rules relating to the exercise of voting rights within the Company collective investment funds are presented in point 5.1.6. of this Chapter 5.

- **Agreements between shareholders which the Company is aware of and which could result in restrictions on the transfer of shares and exercise of voting rights**

The Company is not aware of any agreements between shareholders as specified in paragraph 6° of Article L. 225-100-3 of the French Commercial Code which could result in restrictions on the transfer of shares and exercise of the voting rights of the Company.

- **Rules applicable to the appointment and replacement of members of the Company's Board of Directors and amendment of the bylaws**

No provision of the bylaws or an agreement made between the Company and a third party contains a specific provision relating to the appointment and/or replacement of the Company's directors which is likely to have an impact in the event of a public offering.

- **Powers of the Board of Directors in the event of a public offering**

No delegation of authority or authorization granted by the Shareholders' Meeting which is currently in effect gives specific powers to the Board of Directors over the Company's shares during a public offering.

- **Agreements made by the Company which are amended or terminated in the event of a change in control of the Company – Agreements providing for benefits for the members of the Board of Directors or employees if they resign or are dismissed without due reason or cause or if their employment ends as a result of a public offering**

Although a number of agreements made by the Company contain a change in control clause, the Company believes that there are no agreements as specified in paragraph 9 or 10 of Article L. 225-100-3 of the French Commercial Code.

1.13. Principles and rules applied to determine the compensation and other benefits of the executive directors

The principles and rules applied to determine the compensation and other benefits received by the executive directors, which were approved by the Board of Directors on February 9, 2012, are reproduced below.

Based on a proposal by the Compensation Committee, the Board adopted the following principles for determining the compensation and other benefits of the executive directors:

– Compensation and benefits for the executive directors are set by the Board of Directors after considering proposals from the Compensation Committee. Such compensation must be reasonable and fair, in a context that values both teamwork and motivation within the Company.

  Compensation for the executive directors is related to market practice, work performed, results obtained and responsibilities held.

– Compensation for the executive directors includes both a fixed portion and a variable portion. The fixed portion is reviewed at least every two years.

– The amount of variable compensation is reviewed each year and may not exceed a stated percentage of fixed compensation. Variable compensation is determined based on pre-defined quantitative and qualitative criteria that are periodically reviewed by the Board of Directors. Quantitative criteria are limited in number, objective, measurable and adapted to the Group's strategy.

  Variable compensation is designed to reward short-term performance and progress towards medium-term objectives. The compensation is determined in line with the annual assessment of the performance of the executive directors and the Company's medium-term strategy.

  The Board of Directors keeps track of the fixed and variable portions of the compensation of the executive directors over several years and in light of the Company's performance.

– The Group does not have a specific pension plan for the executive directors. They are eligible for retirement benefits and pensions schemes available to certain employee categories in the Group under conditions determined by the Board.

– Stock options and performance shares are designed to align the long-term interests of the executive directors with those of the shareholders.

  The allocation of options and performance shares to the executive directors is examined in light of all the forms of compensation of each person.

  The exercise price for stock options awarded is not discounted compared with the market price, at the time of the grant, for the underlying share.

  Stock options and performance shares are awarded at regular intervals to prevent any opportunistic behavior.

  The exercise of options and the definitive allocation of performance shares to which the executive directors are entitled are subject to performance criteria that must be met over several years.

  The Board puts in place restrictions on the transfer of a portion of shares held upon the exercise of options and the definitive allocation of performance shares, applicable to the executive directors until the end of their term of office.

  The executive directors may not be granted stock options or performance shares when they leave office.

– After three years in office, the executive directors are required to hold at least the number of Company shares set by the Board.

– The components of the compensation of the executive directors are made public after the Board of Directors' meeting at which they are approved.

Christophe de Margerie
Chairman of the Board and Chief Executive Officer

2. Statutory auditor's report (Article L. 225-235 of the French Commercial Code)

This is a free translation into English of a report issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction and construed in accordance with French law and the relevant professional auditing standards applicable in France.

Year ended December 31, 2013

Statutory Auditors' report, prepared in accordance with Article L.225-235 of the French Commercial Law (*Code de commerce*), on the report prepared by the Chairman of the Board of Directors of the Company TOTAL S.A.

To the Shareholders,

In our capacity as Statutory Auditors of TOTAL S.A., and in accordance with Article L.225-235 of the French Commercial Law (*Code de commerce*), we hereby report on the report prepared by the Chairman of your company in accordance with Article L.225-37 of the French Commercial Law (*Code de Commerce*) for the year ended December 31, 2013.

It is the Chairman's responsibility to prepare, and submit to the Board of Directors for approval, a report on the internal control and risk management procedures implemented by the Company and containing the other disclosures required by Article L.225-37 of the French Commercial Law (*Code de Commerce*) relating especially to Corporate Governance.

It is our responsibility to:

– report to you on the information contained in the Chairman's report in respect of the internal control and risk management procedures relating to the preparation and processing of the accounting and financial information, and

– attest that this report contains the other disclosures required by Article L.225-37 of the French Commercial Law (*Code de commerce*), being specified that we are not responsible for verifying the fairness of these other disclosures.

We conducted our work in accordance with professional standards applicable in France.

Information on the internal control and risk management procedures relating to the preparation and processing of accounting and financial information

These standards require that we perform the necessary procedures to assess the fairness of the information provided in the Chairman's report in respect of the internal control and risk management procedures relating to the preparation and processing of the accounting and financial information. These procedures consisted mainly in:

– obtaining an understanding of the internal control and risk management procedures relating to the preparation and processing of the accounting and financial information on which the information presented in the Chairman's report is based and of the existing documentation;

– obtaining an understanding of the work involved in the preparation of this information and of the existing documentation;

– obtaining an understanding of the evaluation process in place and assessing the quality and appropriateness of its documentation with respect to the information on the evaluation of internal control and risk management procedures;

– determining if any significant weaknesses in the internal control procedures relating to the preparation and processing of the accounting and financial information that we would have noted in the course of our engagement are properly disclosed in the Chairman's report.

On the basis of our work, we have nothing to report on the information in respect of the Company's internal control and risk management procedures relating to the preparation and processing of accounting and financial information contained in the report prepared by the Chairman of the Board in accordance with Article L.225-37 of the French Commercial Law (*Code de Commerce*).

Other information

We hereby attest that the Chairman's report includes the other disclosures required by Article L.225-37 of the French Commercial Law (*Code de commerce*).

Paris-La Défense, March 6, 2014

The statutory auditors

French original signed by

KPMG Audit
A division of KPMG S.A.
Jay Nirsimloo

ERNST & YOUNG Audit
Pascal Macioce
Laurent Vitse

3. General Management

3.1. Management Form

On the proposal of the Governance & Ethics Committee, the Board of Directors decided, at its meeting of May 11, 2012, to maintain the management form formally adopted at the Board meeting of May 21, 2010, namely the unification of the functions of Chairman of the Board of Directors and Chief Executive Officer, and to confirm Mr. Christophe de Margerie in his function as Chairman and Chief Executive Officer for a period equal to that of his term of office as director, which will expire at the end of the Shareholders' Meeting called to approve the accounts for the financial year ending December 31, 2014.

As a result, Mr. de Margerie has served as Chairman and Chief Executive Officer of TOTAL S.A. since May 21, 2010.

The Board of Directors deemed that the unified management form was the most appropriate to the Group's business and to the specificities of the oil and gas sectors. This decision took into account the advantage of unified management and the composition of the Board Committees which include a large proportion of independent directors, thereby ensuring balanced authority (for further information regarding the reasons for selecting the unified management form, see point 1.7.1. of this Chapter 5).

The management form selected will remain in effect until a decision to the contrary is made by the Board of Directors.

3.2. The Executive Committee

The Executive Committee, under the responsibility of the Chairman and Chief Executive Officer, is the decision-making body of the Group.

It implements the strategy formulated by the Board of Directors and authorizes related investments, subject to the approval of the Board of Directors for investments exceeding 3% of the Group's equity or notification of the Board for investments exceeding 1% of equity.

In 2013, the Executive Committee met at least twice a month, except in August when it met only once.

As of December 31, 2013, the members of TOTAL's Executive Committee were as follows:

- Christophe de Margerie, Chairman of the Executive Committee, Chairman and Chief Executive Officer;
- Philippe Boisseau, President of Marketing & Services and New Energies;
- Yves-Louis Darricarrère, President of Upstream (Exploration & Production division and Gas & Power);
- Jean-Jacques Guilbaud, Chief Administrative Officer;
- Patrick de La Chevardière, Chief Financial Officer; and
- Patrick Pouyanné, President of Refining & Chemicals.

3.3. The Management Committee

The Management Committee facilitates coordination among the different entities of the Group and monitors the operating results of the operational divisions and the activity reports of the functional divisions.

In addition to the members of the Executive Committee, the following twenty-three individuals from various operating divisions and non-operating departments served as members of the Management Committee as of December 31, 2013:

Corporate
Peter Herbel, Jean-Marc Jaubert, Helle Kristoffersen, Manoelle Lepoutre, Jean-François Minster, Jacques-Emmanuel Saulnier, Jérôme Schmitt, François Viaud.

Upstream
Marc Blaizot, Arnaud Breuillac, Olivier Cleret de Langavant, Isabelle Gaildraud, Michel Hourcard, Jacques Marraud des Grottes, Philippe Sauquet.

Refining & Chemicals
Pierre Barbé, Bertrand Deroubaix, Jacques Maigné, Jean-Jacques Mosconi, Bernard Pinatel, Bernadette Spinoy.

Marketing & Services
Benoît Luc, Momar Nguer.

4. Statutory auditors

4.1. Statutory auditors

ERNST & YOUNG Audit

1/2, place des Saisons, 92400 Courbevoie-Paris-La Défense, Cedex 1
Appointed: May 14, 2004
Appointment renewed on May 21, 2010, for an additional 6-fiscal year term
P. Macioce, L. Vitse

KPMG Audit

A division of KPMG S.A.
1, cours Valmy, 92923 Paris-La Défense
Appointed: 13 May 1998
Appointment renewed on May 21, 2010, for an additional 6-fiscal year term
J. Nirsimloo

4.2. Alternate auditors

Cabinet Auditex

1/2, place des Saisons, 92400 Courbevoie-Paris-La Défense, Cedex 1
Appointed: May 21, 2010, for six financial years

KPMG Audit IS

3, cours du Triangle, Immeuble “Le Palatin”, Puteaux, 92939 Paris-La Défense, Cedex
Appointed: May 21, 2010, for six financial years

4.3. Auditor’s term of office

French law provides that the statutory and alternate auditors are appointed for renewable 6-fiscal year terms. The terms of office of the statutory auditors and of the alternate auditors will expire at the end of the Shareholders’ Meeting called in 2016 to approve the financial statements for fiscal year 2015.

4.4. Fees received by the statutory auditors (including members of their network)

	Ernst & Young Audit				KPMG Audit			
	Amount in millions of euros (excluding VAT)		%		Amount in millions of euros (excluding VAT)		%	
	2013	2012	2013	2012	2013	2012	2013	2012
Audit								
Audit and certification of the parent company and consolidated accounts								
TOTAL S.A.	3.6	3.3	16.1	14.8	3.1	3.0	14.0	15.1
Fully-consolidated subsidiaries	14.8	15.2	66.1	68.2	12.1	11.3	54.8	56.8
Other work and services directly related to the responsibilities of statutory auditors								
TOTAL S.A.	0.3	0.6	1.3	2.7	1.7	1.1	7.7	5.5
Fully-consolidated subsidiaries	1.0	1.0	4.4	4.5	3.0	2.7	13.5	13.6
Subtotal	**19.7**	**20.1**	**87.9**	**90.2**	**19.9**	**18.1**	**90.0**	**91.0**
Other services provided by the network to fully-consolidated subsidiaries								
Legal, tax, labor law	2.5	2.1	11.2	9.4	1.9	1.8	8.6	9.0
Other	0.2	0.1	0.9	0.4	0.3	-	1.4	-
Subtotal	**2.7**	**2.2**	**12.1**	**9.8**	**2.2**	**1.8**	**10.0**	**9.0**
Total	22.4	22.3	100	100	22.1	19.9	100	100

5. Share ownership

5.1. Arrangements for involving employees in the Company's share capital

5.1.1. Employee incentive and profit-sharing agreements

On June 29, 2012, a new incentive and profit-sharing agreement was signed for fiscal years 2012, 2013 and 2014, concerning TOTAL S.A., Elf Exploration Production, Total Exploration Production France, CDF Énergie, Total Raffinage Marketing (newly named Total Marketing Services), Total Additifs et Carburants Spéciaux, Total Lubrifiants, Total Fluides, Totalgaz, Total Raffinage-Chimie, Total Petrochemicals France and Total Raffinage France. Under the terms of this agreement, the amount available for employee profit-sharing is determined based on the return on equity (ROE) performance of the Group, as well as on the trend of the Total Recordable Injury Rate (TRIR) in view of the objectives and thresholds set out for each business unit.

The amount of the special incentive and profit-sharing reserve to be distributed by all of the companies that signed the Group agreements for fiscal year 2013 would total approximately €135 million.

5.1.2. Company savings plans

Pursuant to agreements signed on March 15, 2002 and their amendments, the Group created a "TOTAL Group Savings Plan" (PEGT) and a "Complementary Company Savings Plan" (PEC) for employees of the Group's French companies having adhered to these plans. These plans allow investments in a number of mutual funds including one invested in Company shares ("TOTAL ACTIONNARIAT FRANCE"). A "Shareholder Group Savings Plan" (PEG-A) has also been in place since November 19, 1999 to facilitate capital increases reserved for employees of the Group's French and foreign subsidiaries covered by these plans.

Company savings plans give employees of the Group's French companies that adhere to these plans the ability to make discretionary contributions (which the companies of the Group may, under certain conditions, supplement) to the plans invested in the shares of the Company. The companies of the Group made gross additional contributions (*abondement*) to various savings plans that totaled €73.9 million in 2013.

5.1.3. Capital increase reserved for Group Employees

By the seventeenth resolution of the Combined Shareholders' Meeting held on May 11, 2012, the shareholders delegated to the Board of Directors the authority to increase the share capital of the Company in one or more transactions and within a maximum period of twenty-six months from the date of the meeting, reserving subscriptions for such issuance to the Group Employees participating in a company savings plan.

At the same Shareholders' Meeting, the shareholders also delegated to the Board of Directors powers to increase the share capital of the Company in one or more transactions and within a maximum period of eighteen months from the date of the meeting, in view of giving the employees of foreign subsidiaries similar advantages as those granted to employees covered by the seventeenth resolution.

Pursuant to these delegations, the Board of Directors, at its meeting on September 18, 2012 decided to proceed with a capital increase reserved for employees of the Group, including a standard subscription offer and a leveraged offer at the discretion of the employees, within the limit of 18 million shares with dividend rights as of January 1, 2012. This capital increase resulted in the subscription of 10,802,215 shares, each with a par value of €2.50 at the unit price of €30.70, the issuance of which was recognized on April 25, 2013.

The previous capital increase reserved for employees of the Group had been decided by the Board of Directors at its meeting on October 28, 2010 pursuant to the authorization of the Combined Shareholders' Meeting on May 21, 2010 and had resulted in the subscription of 8,902,717 shares, each with a par value of €2.50 at the unit price of €34.80, the issuance of which had been recognized on April 28, 2011.

The capital increase reserved for employees approved by the Board of Directors at its meeting of September 18, 2012, was conducted under the PEG-A: (i) for employees of the Group's French subsidiaries, through the "TOTAL ACTIONNARIAT FRANCE" fund in the case of standard subscription and through the "TOTAL FRANCE CAPITAL+" fund in the case of subscription to the leveraged offer; and (ii) for employees of foreign subsidiaries, through the "TOTAL ACTIONNARIAT INTERNATIONAL CAPITALISATION" fund in the case of standard subscription and through the "TOTAL INTERNATIONAL CAPITAL" fund in the case of subscription to the leveraged offer. In addition, U.S. employees participated in this operation by directly subscribing to American Depositary Shares (ADS), and Italian and German employees by directly subscribing to new shares at the Group Caisse Autonome (in Belgium). In addition, employees in certain other countries benefited from the leveraged subscription offer by means of a dedicated vehicle.

The previous capital increases reserved for employees were conducted under the PEG-A through the "TOTAL ACTIONNARIAT FRANCE" fund for employees of the Group's French subsidiaries and through the "TOTAL ACTIONNARIAT INTERNATIONAL CAPITALISATION" fund for the employees of foreign subsidiaries. In addition, U.S. employees participated in these operations by directly subscribing to American Depositary Shares (ADS), and Italian employees (as well as German employees starting in 2011) by directly subscribing to new shares at the Group Caisse Autonome.

5.1.4. Capital increase from the global free share plan for employees of the Group

The Shareholders' Meeting on May 16, 2008 authorized the Board of Directors to proceed with the free grant of Company shares to employees of the Group as well as to executive directors of the Company or Group companies, for a period of thirty-eight months, within the limit of 0.8% of the outstanding share capital at the date of the decision of the Board of Directors to grant such shares.

Pursuant to this authorization, the Board of Directors at its meeting on May 21, 2010 decided on the terms and conditions of the global plan of free TOTAL shares in favor of the employees of the Group and delegated to the Chairman and Chief Executive Officer of the Company all powers necessary for implementing this plan.

To this end, on July 2, 2012, the Chairman and Chief Executive Officer of the Group acknowledged the issue and definitive grant of 1,366,950 common shares, each with a par value of €2.50, to the designated beneficiaries in application of the grant conditions approved by the Board of Directors at its meeting of May 21, 2010 (for further information on TOTAL's global free share plan, see point 4.5.2. of Chapter 6).

5.1.5. Pension savings plan

The September 29, 2004 Group agreement on the provisions for retirement savings set up a Collective Retirement Savings Plan (PERCO). An amendment to this plan signed on April 15, 2011 provides for the additional contribution of credit transferred from the time-savings scheme to the PERCO (CET-PERCO gateway). An amendment to the plan signed on March 30, 2012 adjusted the management mechanisms of the PERCO in order to better secure retirement savings and extended the scope of the agreement to include Total Petrochemicals France, Total Raffinage-Chimie and Total Raffinage France.

5.1.6. Employee shareholding

The total number of TOTAL shares held directly or indirectly by the Group's employees as of December 31, 2013, is as follows:

TOTAL ACTIONNARIAT FRANCE	82,067,730
TOTAL ACTIONNARIAT INTERNATIONAL CAPITALISATION	21,879,234
TOTAL FRANCE CAPITAL+	2,505,002
TOTAL INTERNATIONAL CAPITAL	931,374
ELF PRIVATISATION N°1	817,988
Shares held by U.S. employees	531,615
Group Caisse Autonome (Belgium)	474,490
TOTAL shares from the exercise of the Company's stock options and held as registered shares within a Company Savings Plan	3,122,627
Total shares held by employees	**112,330,060**

As of December 31, 2013, the employees of the Group held, on the basis of the definition of employee shareholding set forth in Article L. 225-102 of the French Commercial Code, 112,330,060 TOTAL shares, representing 4.72% of the Company's share capital and 8.63% of the voting rights that could be exercised at a Shareholders' Meeting on that date.

The management of each of the five FCPEs (Collective investment funds) mentioned above is controlled by a dedicated Supervisory board, two-thirds of its members representing holders of fund units and one-third representing the Company. The Board is responsible for reviewing the Collective investment fund's management report and annual financial statements, as well as the financial, administrative and accounting management of the fund, exercising voting rights attached to portfolio securities, deciding contribution of securities in case of a public tender offer, deciding mergers, spin-offs or liquidations, and granting its approval prior to changes in the rules and procedures of the Collective investment fund in the conditions provided for by the rules and procedures.

These rules and procedures also stipulate a simple majority vote for decisions, except for decisions requiring a qualified majority vote of two-thirds plus one related to a change in a fund's rules and procedures, its conversion or disposal.

For employees holding shares outside of the employee collective investment funds mentioned in the table above, voting rights are exercised individually.

5.2. Shares held by the administration and management bodies

As of December 31, 2013, based on information from the members of the Board and the share registrar, the members of the Board and the Group's Executive Officers (Management Committee and Treasurer) held a total of less than 0.5% of the share capital:

- members of the Board of Directors (including the Chairman and Chief Executive Officer): 330,080 shares;
- Chairman and Chief Executive Officer: 121,556 shares and 65,242 shares in the "TOTAL ACTIONNARIAT FRANCE" collective investment fund;
- Management Committee (including the Chairman and Chief Executive Officer) and Treasurer: 742,544 shares.

By decision of the Board of Directors:

- the executive directors are required to hold a number of shares of the Company equal in value to two years of the fixed portion of their annual compensation;
- members of the Executive Committee are required to hold a number of shares of the Company equal in value to two years of the fixed portion of their annual compensation. These shares have to be acquired within three years from the appointment to the Executive Committee.

The number of TOTAL shares to be considered includes:

- directly held shares, whether or not they are subject to transfer restrictions; and
- shares in the collective investment fund invested in TOTAL shares.

5.2.1. Summary of transactions in the Company's securities (Article L. 621-18-2 of the French Monetary and Financial Code)

The following table presents transactions, of which the Company has been informed, in the Company's shares or related financial instruments carried out in 2013 by the individuals concerned under paragraphs a) through c) of Article L. 621-18-2 of the French Monetary and Financial Code.

Year 2013		Acquisition	Subscription	Transfer	Exchange	Exercise of stock options
Christophe de Margerie [a]	TOTAL shares	-	-	-	-	-
	Shares in collective investment plans (FCPE), and other related financial instruments [b]	5,824.18	-	-	-	-
Philippe Boisseau [a]	TOTAL shares	-	-	-	-	9,000.00
	Shares in collective investment plans (FCPE), and other related financial instruments [b]	7,438.61	417.88	7,517.69	-	-
Yves-Louis Darricarrère [a]	TOTAL shares	-	-	9,000.00	-	29,700.00
	Shares in collective investment plans (FCPE), and other related financial instruments [b]	13,305.46	-	23,799.69	-	-
Patrick de La Chevardière [a]	TOTAL shares	-	-	-	-	22,000.00
	Shares in collective investment plans (FCPE), and other related financial instruments [b]	9,018.11	2,026.82	18,362.59	-	-
Jean-Jacques Guilbaud [a]	TOTAL shares	-	-	4,925.00	-	21,120.00
	Shares in collective investment plans (FCPE), and other related financial instruments [b]	9,377.80	353.00	22,406.86	-	-
Patrick Pouyanné [a]	TOTAL shares	-	-	-	-	8,000.00
	Shares in collective investment plans (FCPE), and other related financial instruments [b]	7,414.36	-	6,828.66	-	-

(a) Including the related individuals in the meaning of the provisions of the Article R. 621-43-1 of the French Monetary and Financial Code.
(b) Collective investment funds (FCPE) primarily invested in Company shares.

Compensation for the administration and management bodies

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1. Board members' compensation

The conditions applicable to Board members' compensation are defined by the Board of Directors on the proposal of the Compensation Committee, subject to the overall maximum amount of directors' fees authorized by the Shareholders' Meeting.

The overall maximum amount of directors' fees allocated to members of the Board of Directors was set at €1.4 million for each fiscal year by the Shareholders' Meeting on May 17, 2013.

In 2013, the overall amount of directors' fees due to the members of the Board of Directors was €1.25 million, noting that there were fifteen directors as of December 31, 2013.

The allocation of the overall amount of directors' fees for fiscal year 2013 is based on an allocation formula comprised of fixed compensation and variable compensation based on fixed amounts per meeting, which makes it possible to take into account each director's actual attendance at the meetings of the Board of Directors and its Committees, subject to the conditions below:

- a fixed annual amount of €20,000 is to be paid to each director (calculated on a pro rata basis in case of a change during the year), apart from the Chairman of the Audit Committee, who is to be paid €30,000 and the other Audit Committee members, who are to be paid €25,000;
- an amount of €5,000 per director for each Board of Directors' meeting actually attended;
- an amount of €3,500 per director for each Governance and Ethics Committee, Compensation Committee or Strategic Committee meeting actually attended;
- an amount of €7,000 per director for each Audit Committee meeting actually attended;
- a premium of €2,000 for travel from a country outside France to attend a Board of Directors or Committee meeting; and
- the Chairman and Chief Executive Officer does not receive directors' fees as director of TOTAL S.A. or any other company of the Group;
- the total amount paid to each director is determined after taking into consideration the director's actual presence at each Board of Directors' or Committee meeting and, if appropriate, after prorating the amount set for each director, such that the overall amount paid remains within the maximum limit set by the Shareholders' Meeting.

These rules for allocating directors' fees, initially defined by the Board of Directors at its meeting on October 27, 2011, were confirmed by the Board of Directors at its meeting on February 9, 2012, during which the Board also decided to prorate the total amounts paid to each director if the maximum amount authorized by the Shareholders' Meeting is exceeded. These rules were again confirmed by the Board of Directors at its meeting on February 12, 2013.

At the same Board meeting, it was decided that the amount of fees paid to directors for a fiscal year will be paid, on the decision of the Board of Directors and following a proposal of the Governance and Ethics Committee, at the beginning of the next fiscal year.

The table below presents the total compensation (including in-kind benefits) due and paid to each director in office during the last two fiscal years (Article L. 225-102-1 of the French Commercial Code, 1st and 2nd paragraphs).

Directors' fees and other compensation due and paid to the executive and non-executive directors (*mandataires sociaux*) (AMF Table No. 3)

Fiscal year endend December 31,	2012		2013	
(Gross amount – €)	Amounts due	Amounts paid	Amounts due	Amounts paid
Christophe de Margerie				
Directors' fees	none	none	none	none
Other compensation	(a)	(a)	(a)	(a)
Thierry Desmarest				
Directors' fees	76,014	76,014	89,500	-
Other compensation: retirement pension (b)	575,290	575,290	578,940	578,940
Patrick Artus				
Directors' fees	72,921	72,921	79,500	-
Other compensation	none	none	none	-
Patricia Barbizet				
Directors' fees	118,883	118,883	134,500	-
Other compensation	none	none	none	-
Daniel Bouton (c)				
Directors' fees	28,472	28,472	-	-
Other compensation	none	none	none	-
Gunnar Brock				
Directors' fees	79,992	79,992	102,500	-
Other compensation	none	none	none	-
Claude Clément (d)				
Directors' fees	60,546	60,546	31,000	-
Other compensation	102,883	102,883	92,153	92,153
Marie-Christine Coisne-Roquette				
Directors' fees	100,763	100,763	129,500	-
Other compensation	none	none	none	-
Bertrand Collomb				
Directors' fees	69,827	69,827	67,500	-
Other compensation	none	none	none	-
Paul Desmarais, jr.				
Directors' fees	64,966	64,966	47,000	-
Other compensation	none	none	none	-
Anne-Marie Idrac (e)				
Directors' fees	32,075	32,075	75,500	-
Other compensation	none	none	none	-
Charles Keller (f)				
Directors' fees	-	-	36,000	-
Other compensation	-	-	64,586	64,586
Barbara Kux				
Directors' fees	71,153	71,153	79,000	-
Other compensation	none	none	none	-
Gérard Lamarche				
Directors' fees	121,695	121,695	143,500	-
Other compensation	none	none	none	-
Anne Lauvergeon				
Directors' fees	60,546	60,546	65,500	-
Other compensation	none	none	none	-
Claude Mandil				
Directors' fees	69,827	69,827	93,000	-
Other compensation	none	none	none	-
Michel Pébereau				
Directors' fees	65,408	65,408	77,500	-
Other compensation	none	none	none	-
Thierry de Rudder (g)				
Directors' fees	6,912	6,912	-	-
Other compensation	none	none	none	-
Total	**1,778,173**	**1,778,173**	**1,986,679**	**735,679**

(a) For the Chairman and Chief Executive Officer, see the summary compensation tables given in point 2.3.4. of this Chapter. The Chairman and Chief Executive Officer does not receive directors' fees as director of TOTAL S.A. or any other company of the Group.
(b) Mr. Desmarest does not receive any compensation for duties related to representing the Group internationally.
(c) Director until May 11, 2012.
(d) Director representing employee shareholders until May 17, 2013.
(e) Director since May 11, 2012.
(f) Director representing employee shareholders since May 17, 2013.
(g) Director until January 12, 2012.

Over the past two years, the directors currently in office have not received any compensation or in-kind benefits from companies controlled by TOTAL S.A., except for Mr. Clément, who is an employee of Total Raffinage-Chimie.

The compensation indicated in the table above (except for that of the Chairman and Chief Executive Officer, Mr. Clément, Mr. Keller and Mr. Desmarest) consists solely of directors' fees (gross amount) due for the period under review. Moreover, there is no service contract linking a Director to TOTAL S.A. or any companies controlled by it which provides for benefits under such contract.

2. Compensation of the executive directors

2.1. Compensation policy for the Chairman and Chief Executive Officer

2.1.1. General principles

The policy related to the compensation of the Chairman and Chief Executive Officer is approved by the Board of Directors on the proposal of the Compensation Committee. It is determined in accordance with the "Principles and rules for determining the compensation and other benefits of the Chairman and Chief Executive Officer".

These principles and rules, approved by the Board of Directors at its meeting on February 9, 2012, are presented in the Chairman's Report on Corporate Governance (see point 1.13. of Chapter 5). They are based on the fundamental principles for determining the compensation of the executive directors set out in the AFEP-MEDEF Code and ensure the consistency and stability of the compensation policy in line with the Group's strategy.

The Board of Directors and Compensation Committee pay special attention to ensuring that the compensation policy is structured to create long-term value for the Company (in particular by introducing non-financial performance indicators) and is proportionate to the responsibility assumed while remaining reasonable and fair, in a context that values teamwork and motivation within the Company.

They also ensure a balance among the various components of the Chairman and Chief Executive Officer's compensation (fixed portion, variable portion, long-term performance share compensation plan). The benefit accruing from participation in the pension plans is taken into consideration when determining the compensation policy applicable to the Chairman and Chief Executive Officer in line with the principles of the AFEP-MEDEF Code.

The relative position of the Chairman and Chief Executive Officer's compensation to that of comparable issuers (in particular, CAC 40 companies and issuers operating in the oil and gas sectors) is examined every year, if necessary on the basis of studies undertaken by specialized firms.

The Chairman and Chief Executive Officer does not take part in any discussions or deliberations of the corporate bodies regarding items on the agenda of Board of Directors' meetings related to the assessment of the Chairman and Chief Executive Officer's performance or the determination of the components comprising his compensation.

2.1.2. Compensation policy for fiscal year 2014

On February 11, 2014, the Board of Directors, on the proposal of the Compensation Committee, decided that the compensation of Mr. de Margerie as Chairman and Chief Executive Officer for fiscal year 2014 will consist of a fixed base salary of €1,500,000, unchanged from the amount set by the Board of Directors on May 21, 2010, and a variable portion, to be paid in 2015, not exceeding 180% of the base salary, based in particular on practices at a reference sample of companies operating in the energy sectors.

On the proposal of the Compensation Committee, the Board of Directors also decided to maintain for fiscal year 2014 the various criteria for determining the variable portion defined in 2013, after confirming their appropriateness based on the Group's strategic priorities.

Consequently, the various criteria used for determining the Chairman and Chief Executive Officer's variable portion for fiscal year 2014 will be based, for up to 100% of the base salary, on economic parameters that refer to quantitative targets reflecting the Group's performance (with these economic parameters assessed on a linear basis between two performance levels to avoid threshold effects) and, for up to 80% of the base salary, on the Chairman and Chief Executive Officer's personal contribution, which allows a qualitative assessment of management.

The economic criteria include:

- return on equity for up to 50% of the base salary;
- the Company's results, in comparison with the results of four major competing oil companies[1], assessed by reference to the average growth over three years of two indicators, net earnings per share and net income. Each indicator has a weighting of up to 25% of the base salary.

The expected levels of attainment of the quantitative economic parameter targets for determining the Chairman and Chief Executive Officer's variable portion were clearly defined by the Board of Directors at its meeting on February 11, 2014, but have not been made public for reasons of confidentiality.

(1) ExxonMobil, BP, Royal Dutch Shell and Chevron.

The Chairman and Chief Executive Officer's personal contribution will be assessed, for up to 80% of the base salary, based on six pre-determined, clearly defined quantitative or qualitative criteria, each with a weighting of up to 13 to 15% of the base salary. These include:

- Health, Safety and Environment performance, measured mainly according to attainment of the annual Total Recordable Injury Rate (TRIR) target;
- the increase in hydrocarbon production;
- the increase in hydrocarbon reserves;
- the performance of the Refining & Chemicals and Marketing & Services segments assessed on the basis of the annual targets of these segments;
- the success of key negotiations involving the Group's strategy;
- CSR performance, which is measured in particular according to attainment of the CO_2 emissions and energy efficiency targets and the Group's position in the rankings of non-financial rating agencies.

The Chairman and Chief Executive Officer will also continue to have the use of a company car and be covered by a life insurance plan (see point 2.2.3. of this Chapter).

2.2. Commitments made to the Chairman and Chief Executive Officer: pension plans, termination payments and other commitments (Article L. 225-102-1, paragraph 3, of the French Commercial Code)

The commitments made to the Chairman and Chief Executive Officer regarding pension and life insurance plans, retirement benefit and termination payment for removal from office or non-renewal of his term of office, as described below, were approved by the Board of Directors on February 9, 2012 and by the Shareholders' Meeting on May 11, 2012, in accordance with Article L. 225-42-1 of the French Commercial Code.

2.2.1. Pension plans

Pursuant to applicable law, the Chairman and Chief Executive Officer is eligible for the basic French social security pension and for pension benefits under the ARRCO (Association pour le Régime de Retraite Complémentaire des Salariés) and AGIRC (Association Générale des Institutions de Retraite des Cadres) government-sponsored supplementary pension schemes.

He also participates in the internal defined contribution pension plan known as RECOSUP. This pension plan represented a booked expense to the Company in favor of the Chairman and Chief Executive Officer for fiscal year 2013 of €2,222.

The Chairman and Chief Executive Officer also participates in a defined benefit supplementary pension plan set up and financed by the Company. This plan, for which management is outsourced, applies to all employees of the Group whose annual compensation is greater than eight times the ceiling for calculating French social security contributions (€37,548 in 2014). Compensation above this amount does not qualify as pensionable compensation under either government-sponsored or contractual pension schemes.

To be eligible for this supplementary pension plan, participants must meet specific age and length of service (five years) criteria. They must also still be employed by the Group's company upon retirement, unless they retire due to disability or have taken early retirement at the Group's initiative after the age of fifty-five.

The plan provides participants with a pension equal to the sum of 1.8% of the portion of the reference compensation between eight and forty times the annual ceiling for calculating French social security contributions and 1% of the reference compensation between forty and sixty times the annual ceiling for calculating French social security contributions, multiplied by the number of years of service (up to twenty years). The basis for the calculation of this supplementary plan is indexed to changes in the ARRCO pension point. The sum of the supplementary pension plan benefits and external pension plan benefits may not exceed 45% of the compensation used as the calculation basis. In the event this percentage is exceeded, the supplementary pension is reduced accordingly.

The compensation taken into account to calculate the supplementary pension is the retiree's last 3-year average gross compensation (fixed and variable portions).

In the case of Mr. de Margerie, to date, the ceilings applicable for determining the amount of the retirement pension he may benefit from under the terms of this defined benefit supplementary pension plan have been reached, both in terms of seniority (Mr. de Margerie joined the Group in 1974) and compensation (his last 3-year average gross compensation is more than the threshold of sixty times the annual ceiling for calculating French social security contributions, *i.e.*, €2,221,920 in 2013).

The commitments made to him by TOTAL S.A. under the terms of the defined benefit supplementary pension plans and similar would thus, as of December 31, 2013, represent a gross annual retirement pension estimated at €582,000, *i.e.*, 17.96% of the gross annual compensation paid to the Chairman and Chief Executive Officer in 2013 (fixed portion for 2013 and variable portion for fiscal year 2012).

The Group's commitments related to these defined benefit supplementary pension plans and similar (including the retirement benefit mentioned in point 2.2.2.) is outsourced to an insurance company for almost its entire amount, the not outsourced balance being evaluated in an annual basis and subject to an adjustment through a provision in the accounts. The Group's commitments amount, as of December 31, 2013, to €19.1 million for the Chairman and Chief Executive Officer (€34.8 million for the executive and non executive directors (*mandataires sociaux*) participating in these plans including the Chairman and Chief Executive Officer). These amounts represent the gross value of the Group's commitments to these beneficiaries based on a statistical life expectancy, and include the additional tax contribution for an amount of 30% on pensions that exceed eight annual ceilings for Social Security, payable by the Company to the French administration in charge of collecting social security contributions (URSSAF)

(*i.e.*, €4.0 million for the Chairman and Chief Executive Officer and €7.6 million for the concerned executive and non executive directors including the Chairman and Chief Executive Officer).

The sum of all the pension plans in which Mr. de Margerie participates would, as of December 31, 2013, represent a gross annual retirement pension estimated to €718,500, *i.e.*, 22.17% of his gross annual compensation paid in 2013 (fixed portion for 2013 and variable portion for fiscal year 2012).

In line with the principles used to determine the compensation of the Chairman and Chief Executive Officer as set out in the AFEP-MEDEF Code to which the Company refers, the Board of Directors has taken account of the benefit conferred through participation in the pension plans when determining the Chairman and Chief Executive Officer's compensation.

2.2.2. Termination payment and retirement benefit

Retirement benefit

The Chairman and Chief Executive Officer is entitled to a retirement benefit equal to that available to eligible members of the Group under the French National Collective Bargaining Agreement for the Petroleum Industry. This benefit amounts to 25% of the gross annual compensation (fixed and variable portions) received during the 12-month period preceding the executive director's retirement.

Pursuant to the provisions of Article L. 225-42-1 of the French Commercial Code, entitlement to this benefit is subject to the performance conditions detailed below.

The retirement benefit cannot be combined with the termination payment described below.

Termination payment

If the Chairman and Chief Executive Officer is removed from office or his term of office is not renewed by the Company, he is entitled to termination payment equal to two years' gross compensation. The calculation will be based on the gross compensation (including both fixed and variable portions) of the 12-month period preceding the date of termination or non-renewal of his term of office.

This termination payment will be paid in the event of a change of control or strategy. It will not be due in cases of gross negligence or willful misconduct or if the Chairman and Chief Executive Officer leaves the Company of his own volition, accepts new responsibilities within the Group, or may claim full retirement benefits within a short time period.

Pursuant to the provisions of Article L. 225-42-1 of the French Commercial Code, entitlement to this benefit is subject to the performance conditions detailed below.

Performance condition

In accordance with Article L. 225-42-1 of the French Commercial Code, the Board of Directors decided, at its meeting on February 9, 2012, to make entitlement to termination payment and a retirement benefit contingent upon a performance condition which is considered to be fulfilled if at least two of the three criteria set out below are met:

- the average ROE (return on equity) over the three years preceding the year in which the Chairman and Chief Executive Officer retires is at least 12%;
- the average ROACE (return on average capital employed) over the three years preceding the year in which the Chairman and Chief Executive Officer retires is at least 10%;
- TOTAL's oil and gas production growth over the three years preceding the year in which the Chairman and Chief Executive Officer retires is greater than or equal to the average production growth rate of the four other major competing oil companies: ExxonMobil, Royal Dutch Shell, BP and Chevron.

These criteria were selected to take into account the Company's general interest, shareholder interests and standard market practices, especially in the oil and gas industry.

More specifically, the ROE performance criterion allows the termination payment and retirement benefit to be tied to the Company's overall shareholder return. Shareholders can use ROE to gauge the Company's ability to generate profit from the capital they invested and from prior year earnings reinvested in the Company.

ROACE is used by most oil and gas companies to assess the operational performance of average capital employed, regardless of whether it is funded by equity or debt. ROACE is an indicator of the return on capital employed by the Company for operational activities and, as a result, makes it possible to tie the payment of termination payment and retirement benefit to the value created for the Company.

The third and last criterion used by the Board of Directors is the Group's oil and gas production growth compared with that of its competitors. This indicator is widely used in the industry to measure operational performance and the ability to ensure the sustainable development of the Group, most of whose capital expenditure is allocated to Upstream activities.

2.2.3. Life insurance plan

In accordance with the decisions made by the Board of Directors on February 11, 2009, confirmed by the Board of Directors' decision on February 9, 2012 and May 11, 2012, the Chairman and Chief Executive Officer is covered by a life insurance plan paid by the Company. This plan guarantees, upon death, a payment equal to two years' gross compensation (fixed and variable portions), increased to three years in case of accidental death and, in the event of permanent disability due to an accident, a payment proportional to the degree of disability.

2.2.4. Summary table (AFEP-MEDEF corporate governance code – AMF position-recommendations No. 2009-16)

AMF Table No. 11

Executive directors	Employment contract	Supplementary pension plans	Payments or benefits due or likely to be due upon termination or change in duties	Benefits related to a non-compete agreement
Christophe de Margerie Chairman and Chief Executive Officer Start of term of office: February 2007 (a) End of current term of office: Shareholders' Meeting held in 2015 to approve the financial statements for the year ended December 31, 2014	NO	YES Internal defined benefit supplementary pension plan (c) and defined contribution pension plan known as RECOSUP (d) which is also applicable to certain Group employees	YES Termination payment (b) Retirement benefit (b)	NO

(a) Chairman and Chief Executive Officer since May 21, 2010; Chief Executive Officer since February 14, 2007.
(b) Payment subject to a performance condition in accordance with the decision of the Board of Directors on February 9, 2012. Details of these commitments are set out above. The retirement benefit cannot be combined with the termination payment described above.
(c) An annual pension that would be equivalent, as of December 31, 2013, to 17.96% of the annual compensation received in 2013.
(d) Mr. de Margerie's pension benefit represented a booked expense of €2,222 for fiscal year 2013.

2.3. Compensation due or granted to the Chairman and Chief Executive Officer for fiscal year 2013

2.3.1. Fixed and variable elements of compensation

The compensation paid to Mr. de Margerie as Chairman and Chief Executive Officer for fiscal year 2013 was approved by the Board of Directors at its meeting on February 11, 2014, further to the proposal of the Compensation Committee, in accordance with the compensation policy defined by the Board of Directors at its meeting on February 12, 2013.

This compensation consists of a base salary (fixed portion) of €1,500,000, unchanged from the amount set by the Board of Directors on May 21, 2010, together with a variable portion (paid in 2014) amounting to €1,987,200, which corresponds to 132.48% of his fixed annual compensation which was determined as follows.

At its meeting on February 12, 2013, the Board of Directors, further to the proposal of the Compensation Committee, decided that the compensation of Mr. de Margerie as Chairman and Chief Executive Officer for fiscal year 2013 would consist of a fixed base salary of €1,500,000, unchanged from the amount set by the Board of Directors on May 21, 2010, and a variable portion, to be paid in 2014, not exceeding 180% (instead of 165% in 2012) of the base salary, based in particular on practices at a reference sample of companies operating in the energy sectors.

The Board of Directors, at this same meeting on February 12, 2013, also decided that the various criteria used for determining the Chairman and Chief Executive Officer's variable portion should be based, for up to 100% of the base salary, on economic parameters that refer to quantitative targets reflecting the Group's performance (with these economic parameters assessed on a linear basis between two levels of performance to avoid threshold effects) and, for up to 80% of the base salary, on the Chairman and Chief Executive Officer's personal contribution, which allows a qualitative assessment of management based on six pre-determined, clearly defined criteria (each criterion can have a weighting of up to 13 to 15% of the base salary). For a detailed explanation of the criteria, see the summary table (annual variable compensation) in point 5 of this Chapter.

At its meeting on February 11, 2014, the Board of Directors, after reviewing the attainment of the economic parameters as well as the Chairman and Chief Executive Officer's personal contribution for fiscal year 2013, set the variable portion of the Chairman and Chief Executive Officer's compensation for fiscal year 2013 at 132.48% of his annual fixed compensation, *i.e.*, €1,987,200 (compared to 116.11%, *i.e.*, €1,741,000 for fiscal year 2012). 77.48%% relates to the share for the different selected economic parameters and 55% to the share for the personal contribution of the Chairman and Chief Executive Officer determined on the basis of a detailed evaluation of the six pre-determined, clearly defined criteria.

Concerning the economic parameters, the return on equity of the Group was lower in 2013 than in 2012, but the Group's performance, in comparison with its main competitors (in terms of earnings per share and net income), were considerably higher in 2013 than in 2012, which led to an increase of the part allocated for the different economic parameters compared to the previous fiscal year (77.48% of the fixed compensation for fiscal year 2013 compared to 64.11% for fiscal year 2012).

Concerning the personal contribution, the Board of Directors considered that most of the objectives were achieved, particularly the targets in terms of Safety, Corporate Social Responsibility (CSR) and concerning the success of strategic negotiations in producing countries. This personal contribution was then set to 55% (against a maximum of 80%) for fiscal year 2013 compared to 52% (against a maximum of 65%) for fiscal year 2012.

Consequently, the amount of the variable portion of Mr. de Margerie's compensation for fiscal year 2013 (paid in 2014) was €1,987,200, which corresponds 132.48% of his fixed annual compensation.

In 2013, Mr. de Margerie also continued to have the use of a company car and be covered by a life insurance plan paid by the Company (see point 2.2.3. of this Chapter). These benefits were booked in the amount of €56,472 in the Consolidated Financial Statements at December 31, 2013.

2.3.2. Grant of performance shares or stock options in 2013

Pursuant to the authorization of the Company's Combined Shareholders' Meeting of May 13, 2011 (eleventh resolution) and further to the proposal of the Compensation Committee, the Board of Directors decided, at its meeting on July 25, 2013, to grant Mr. de Margerie 53,000 outstanding performance shares of the Company (corresponding to 0.0022% of the share capital on the grant date). The shares were awarded as part of a broader share grant plan approved by the Board of Directors on July 25, 2013 related to 0.19% of the share capital for nearly 10,000 beneficiaries.

The number of shares granted (53,000 performance shares) was stable compared to the previous year. As in 2012, no stock options were awarded to the Chairman and Chief Executive Officer in 2013.

The definitive grant of all the performance shares is subject to the beneficiary's continued presence at the Group during the vesting period and to performance conditions related to the Group's return on equity (ROE) and return on average capital employed (ROACE) for fiscal years 2013, 2014 and 2015.

- For 50% of the shares granted, the performance condition states that the final number of shares granted is based on the average ROE of the Group, as published by the Group according to its consolidated balance sheet and statement of income for fiscal years 2013, 2014 and 2015. The acquisition rate is equal to zero if the average ROE is less than or equal to 8%, varies linearly between 0% and 100% if the average ROE is more than 8% and less than 16%, and is equal to 100% if the average ROE is more than or equal to 16%.
- For 50% of the shares granted, the performance condition states that the final number of shares granted is based on the average ROACE of the Group, as published by the Group according to its consolidated balance sheet and statement of income for fiscal years 2013, 2014 and 2015. The acquisition rate is equal to zero if the average ROACE is less than or equal to 7%, varies linearly between 0% and 100% if the average ROACE is more than 7% and less than 15%, and is equal to 100% if the average ROACE is more than or equal to 15%.

The ROE and ROACE values used to assess the performance conditions will be those published by the Group in the first quarters of 2014, 2015 and 2016, respectively, based on the Group's consolidated balance sheet and statement of income for fiscal years 2013, 2014 and 2015.

Pursuant to the provisions of the French Commercial Code, the Chairman and Chief Executive Officer will be required to hold in registered form, for as long as he remains in office, 50% of the capital gains, net of tax and related contributions, on the shares granted. When the Chairman and Chief Executive Officer holds a number of shares (1) corresponding to five times his gross annual fixed compensation at that time, this holding requirement will be equal to 10%. If in the future this condition is no longer met, the previous 50% holding requirement will once again apply. Given this holding requirement and given the share holding requirements that the Board of Directors impose on the executive directors whereby such directors must hold a number of shares of the Company equivalent in value to two years of the fixed portion of their annual compensation, and given the number of TOTAL shares and shares of the "Total Actionnariat France" collective investment fund (invested exclusively in TOTAL shares) effectively held by the Chairman and Chief Executive Officer, the Board of Directors decided not to make the grant of performance shares contingent upon the purchase of a quantity of shares once the awarded shares become transferable, thus disregarding one of the recommendations of the AFEP-MEDEF Code to which the Company adheres (for more detailed information, see Chapter 5, point 1.3.).

Furthermore, the Board of Directors noted that, pursuant to the Board's rules of procedure applicable to each director, the Chairman and Chief Executive Officer cannot hedge the shares of the Company and any financial instruments related to them, and has taken note of the Chairman and Chief Executive Officer's commitment to not use such hedging transactions, including on the performance shares awarded.

Subject to the specific provisions set out above, the grant of performance shares to the Chairman and Chief Executive Officer is governed by the same provisions that apply to other beneficiaries of the performance share grant plan approved by the Board of Directors at its meeting on July 25, 2013. In particular, these provisions state that shares definitively awarded at the end of the 3-year vesting period will, following validation of the presence and performance conditions, be automatically registered on the first day of the 2-year holding period and will be non-transferable until the end of the holding period.

2.3.3. Other forms of compensation due or granted for fiscal year 2013

The Chairman and Chief Executive Officer did not benefit from any other forms of compensation due or granted for fiscal year 2013. The Board of Directors has not awarded any multi-year or deferred variable compensation or any extraordinary compensation for fiscal year 2013.

It should also be noted that the Chairman and Chief Executive Officer does not receive directors' fees as director of TOTAL S.A. or any other company of the Group.

(1) Directly or through collective investment funds invested in Company stock.

2.3.4. Summary tables (AFEP-MEDEF corporate governance code AMF position-recommendations No. 2009-16)

Summary of compensation of the Chairman and Chief Executive Officer (AMF Table No. 2)

Fiscal year ended December 31,	2012		2013	
(€)	Amount due for the fiscal year	Amount paid during the fiscal year[a]	Amount due for the fiscal year	Amount paid during the fiscal year[a]
Christophe de Margerie				
Chairman and Chief Executive Officer (since May 21, 2010)				
Fixed compensation	1,500,000	1,500,000	1,500,000	1,500,000
Annual variable compensation	1,741,000[b]	1,530,000	1,987,200	1,741,000
Multi-year variable compensation	-	-	-	-
Extraordinary compensation	-	-	-	-
Directors' fees	-	-	-	-
In-kind benefits[c]	7,409	7,409	56,472	56,472
Total	**3,248,409**	**3,037,409**	**3,543,672**	**3,297,472**

(a) Variable portion paid for prior fiscal year.
(b) The variable portion of the Chairman and Chief Executive Officer's compensation is calculated by taking into account the Group's return on equity, changes in earnings compared with those of the other major competing oil companies, and the Chairman and Chief Executive Officer's personal contribution based on objective and, for the most part, operational target criteria. The variable portion paid to the Chairman and Chief Executive Officer for fiscal year 2012 could reach a maximum amount of 165% of his base salary. The variable portion due for 2012, determined by the Board of Directors on February 12, 2013 based on attainment of the economic performance criteria and an assessment of the Chairman and Chief Executive Officer's personal contribution, represents 116.11% of his base salary (*i.e.,* €1,741,000 rounded down to the nearest thousand euros).
(c) Mr. de Margerie has the use of a company car and is covered by a life insurance plan paid by the Company (see point 2.2.3. of this Chapter). For 2013, the benefit corresponding to the life insurance plan by which the Chairman and Chief Executive Officer is covered was itemized and estimated at €48,360.

Summary of compensation, stock options and performance shares awarded to the Chairman and Chief Executive Officer (AMF Table No. 1)

Fiscal year	2012	2013
Christophe de Margerie		
Chairman and Chief Executive Officer (since May 21, 2010)		
Compensation due in respect of the fiscal year (€)[a] (detailed in AMF Table No. 2 above)	3,248,409	3,543,672
Valuation of multi-year variable compensation awarded during the fiscal year (€)	-	-
Accounting valuation of the stock options awarded during the fiscal year (€)[b] (detailed in AMF Table No. 4 below)	-	-
Number of options awarded	-	-
Accounting valuation of performance shares awarded during the fiscal year (€)[c] (detailed in AMF Table No. 6 below)	1,664,730	1,729,920
Number of performance shares awarded	*53,000*	*53,000*
Total	**4,913,139**	**5,273,592**

Note: The value action of options and performance shares awarded corresponds to a valuation performed in accordance with IFRS 2 (see Notes 1E and 25 to the Consolidated Financial Statements) and not to any compensation actually received during the fiscal year. Entitlement to options and performance shares is subject to fulfillment of performance conditions assessed over a period of two or three years depending on the plans.
(a) Including in-kind benefits. Mr. de Margerie has the use of a company car and is covered by a life insurance plan paid by the Company (see point 2.2.3. of this Chapter).
(b) The valuation of options awarded is calculated on the day they were awarded using the Black-Scholes model based on the assumptions used for the Consolidated Financial Statements (see Note 25 to the Consolidated Financial Statements).
(c) The valuation of performance shares awarded was calculated on the day they were awarded (see Note 1E to the Consolidated Financial Statements).

Performance shares awarded in 2013 to each executive director by the issuer and by any Group company (Extract from AMF Table No. 6)

	Plan date and No.	Number of shares awarded during fiscal year	Valuation of shares (€) [a]	Acquisition date	Date of transferability	Performance condition
Christophe de Margerie Chairman and Chief Executive Officer	2013 Plan 07/25/2013	53,000	1,729,920	07/26/2016	07/26/2018	For 50% of the shares, the condition is based on the Group's average ROE in 2013, 2014 and 2015. For 50% of the shares, the condition is based on the Group's average ROACE in 2013, 2014 and 2015.

(a) The valuation of performance shares was calculated on the day they were awarded, according to the method used for the Consolidated Financial Statements.

Stock options awarded in 2013 to each executive director by the issuer and by any Group company (AMF Table No. 4)

	Plan date and No.	Nature of options (purchase or subscription)	Valuation of options (€) [a]	Number of options awarded during fiscal year	Exercise price	Exercise period
Christophe de Margerie Chairman and Chief Executive Officer	-	-	-	-	-	-

(a) According to the method used for the Consolidated Financial Statements.

3. Executive officers' compensation

In 2013, the aggregate amount paid directly or indirectly by the French and foreign Group companies as compensation to the executive officers [1] of TOTAL in office at December 31, 2013 (members of the Management Committee and the Treasurer) was €22.1 million (thirty individuals), including €9.3 million paid to the six members of the Executive Committee. Variable compensation accounted for 45% of the aggregate amount of €22.1 million paid to executive officers.

The following individuals were executive officers of the Group at December 31, 2013 (thirty individuals at year-end 2013, compared with thirty-three at year-end 2012):

Management Committee

Christophe de Margerie [2]
Philippe Boisseau [3]
Yves-Louis Darricarrère [3]
Jean-Jacques Guilbaud [3]
Patrick de La Chevardière [3]
Patrick Pouyanné [3]
Pierre Barbé
Marc Blaizot
Arnaud Breuillac
Olivier Cleret de Langavant
Bertrand Deroubaix
Isabelle Gaildraud
Peter Herbel
Michel Hourcard
Jean-Marc Jaubert
Helle Kristoffersen
Manoelle Lepoutre
Benoît Luc
Jacques Maigné
Jacques Marraud des Grottes
Jean-François Minster
Jean-Jacques Mosconi
Momar Nguer
Bernard Pinatel
Jacques-Emmanuel Saulnier
Philippe Sauquet
Jérôme Schmitt
Bernadette Spinoy
François Viaud

Treasurer

Humbert de Wendel

(1) Executive officers who are not directors (with the exception of the Chairman and Chief Executive Officer).
(2) Chairman and Chief Executive Officer and Chairman of the Executive Committee.
(3) Member of the Executive Committee.

4. Stock option and performance share grants policy

4.1. General policy

In addition to its policy to develop employee shareholding, TOTAL S.A. is also pursuing a policy to associate employees and executive officers with the Group's future results. This policy consists in awarding free performance shares each year. TOTAL S.A. may also award stock options despite the fact that no plan has been put in place since September 14, 2011.

Stock options and performance share grants put in place by TOTAL S.A. concern only TOTAL shares. No options for or grants of performance shares of any of the Group's listed subsidiaries are awarded by TOTAL S.A.

All grants are approved by the Board of Directors, based on the proposal of the Compensation Committee. For each plan, the Compensation Committee recommends a list of beneficiaries, the conditions and the number of options or shares awarded to each beneficiary. The Board of Directors then gives final approval for this list and the grant conditions.

Grants of performance shares under selective plans become definitive at the end of a vesting period which has been extended to three years for shares granted as of July 25, 2013. However, such grants only become definitive subject to a presence condition and a performance condition based on the Group's return on equity (ROE). At the end of this vesting period, and provided that the conditions set are met, the performance shares are definitively awarded to the beneficiaries, who must then hold them for at least two years (holding period). For beneficiaries employed by non-French subsidiaries on the grant date, the vesting period for performance shares may be increased to four years; in such cases, there is no mandatory holding period. As of 2011, all performance shares granted to executive officers are subject to performance conditions.

Stock options have a term of eight years, with an exercise price set at the average of the closing TOTAL share prices on Euronext Paris during the twenty trading days prior to the grant date, without any discount. The exercise of the options is subject to a presence condition and performance conditions, based on the return on equity (ROE) of the Group, which vary depending on the plan and beneficiary category. As of 2011, all options granted are subject to performance conditions. For options that may be awarded pursuant to the authorization given by the Extraordinary Shareholders' Meeting of May 17, 2013 (11th resolution), performance conditions will be assessed over a minimum period of three consecutive fiscal years. For earlier option plans, and subject to the applicable presence and performance conditions being met, options may be exercised only at the end of an initial 2-year vesting period and the shares resulting from the exercise may only be disposed of at the end of a second 2-year holding period. Moreover, for the 2007 to 2011 option plans, the shares resulting from the exercise of options by beneficiaries employed by non-French subsidiaries on the grant date may be disposed of or converted to bearer form at the end of the first 2-year vesting period.

Performance share and stock option grants to the Chairman and Chief Executive Officer are subject to a presence condition within the Group and specific performance conditions related to the Group's return on equity (ROE) and return on average capital employed (ROACE) set by the Board of Directors, on the proposal of the Compensation Committee.

The award of performance shares or stock options is used to extend, based on individual performance assessments at the time of each plan, the Group-wide policy of developing employee shareholding.

4.2. Follow up of the grants to the Chairman and Chief Executive Officer

4.2.1. Stock options

No stock options were awarded in 2012 or 2013.

Until 2011, the Chairman and Chief Executive Officer was awarded stock options as part of broader share grant plans approved by the Board of Directors for certain Group employees and executive officers. Subject to certain specific provisions set out below, options granted to the Chairman and Chief Executive Officer are governed by the same provisions that apply to other beneficiaries of grant plans.

As of 2007, the Board of Directors has made the exercise of options awarded to the Chairman and Chief Executive Officer contingent upon a presence condition and performance conditions based on the Group's ROE and ROACE. The conditions are set out below for the 2010 and 2011 plans. The acquisition rate of performance-related options under the 2009, 2010 and 2011 plans was 100%. It had been 60% for the 2008 plan.

Pursuant to Article L. 225-185 of the French Commercial Code, the Board of Directors decided that, for the 2007 to 2011 share subscription option plans, the executive directors (the Chairman of the Board and the Chief Executive Officer, and then from May 21, 2010 the Chairman and Chief Executive Officer) would be required to hold in registered form, for as long as they remain in office, a number of TOTAL shares representing 50% of the capital gains, net of tax and related contributions, resulting from the exercise of stock options under these plans. When the executive directors hold a number of shares (directly or through collective investment funds invested in Company stock) corresponding to five times his gross annual fixed compensation at that time, this holding requirement will be reduced to 10%. If in the future this condition is no longer met, the previous 50% holding requirement will once again apply.

The Chairman and Chief Executive Officer has undertaken not to hedge the shares of the Company and any financial instruments

related to them. This provision is now included in the rules of procedure of the Board of Directors.

All the options awarded to the Chairman and Chief Executive Officer and outstanding at December 31, 2013 represented 0.047% (1) of the potential share capital of the Company on that date.

2011 share subscription option plan: the Board of Directors decided that, provided the presence condition within the Group is met, the number of options definitively granted to the Chairman and Chief Executive Officer will be subject to two performance conditions:

– For 50% of the share subscription options granted, the performance condition states that the final number of options granted is based on the average ROE of the Group, as published by the Group according to its consolidated balance sheet and statement of income for fiscal years 2011 and 2012. The acquisition rate is equal to zero if the average ROE is less than or equal to 7%, varies linearly between 0% and 100% if the average ROE is more than 7% and less than 18%, and is equal to 100% if the average ROE is more than or equal to 18%.

– For 50% of the share subscription options granted, the performance condition states that the final number of options granted is based on the average ROACE of the Group, as published by the Group according to its consolidated balance sheet and statement of income for fiscal years 2011 and 2012. The acquisition rate is equal to zero if the average ROACE is less than or equal to 6%, varies linearly between 0% and 100% if the average ROACE is more than 6% and less than 15%, and is equal to 100% if the average ROACE is more than or equal to 15%.

2010 share subscription option plan: the Board of Directors decided that, provided the presence condition within the Group is met, the number of options definitively granted to the Chairman and Chief Executive Officer will be subject to two performance conditions:

– For 50% of the share subscription options granted, the performance condition states that the final number of options granted is based on the average ROE of the Group, as published by the Group according to its consolidated balance sheet and statement of income for fiscal years 2010 and 2011. The acquisition rate is equal to zero if the average ROE is less than or equal to 7%, varies linearly between 0% and 100% if the average ROE is more than 7% and less than 18%, and is equal to 100% if the average ROE is more than or equal to 18%.

– For 50% of the share subscription options granted, the performance condition states that the final number of options granted is based on the average ROACE of the Group, as published by the Group according to its consolidated balance sheet and statement of income for fiscal years 2010 and 2011. The acquisition rate is equal to zero if the average ROACE is less than or equal to 6%, varies linearly between 0% and 100% if the average ROACE is more than 6% and less than 15%, and is equal to 100% if the average ROACE is more than or equal to 15%.

Summary tables

Follow up table of TOTAL stock options awarded to Mr. de Margerie, Chairman and Chief Executive Officer of TOTAL S.A., outstanding in 2013

	2005 Plan	2006 Plan	2007 Plan	2008 Plan	2009 Plan	2010 Plan	2011 Plan	Total
Type of options	Subscription options	Subscription options	Subscription options	Subscription options	Subscription options	Subscription options	Subscription options	
Expiry date	07/19/2013	07/18/2014	07/17/2015	10/09/2016	09/15/2017	09/14/2018	09/14/2019	
Exercise price (€) (a)	**49.04**	**50.60**	**60.10**	**42.90**	**39.90**	**38.20**	**33.00**	
Options awarded by the Board (b)	**130,000**	**160,000**	**200,000**	**200,000**	**200,000**	**240,000**	**160,000**	**1,290,000**
Adjustments related to the spin-off of Arkema (c)	**1,828**	**-**	**-**	**-**	**-**	**-**	**-**	**1,828**
Outstanding options as of January 1, 2013	131,828	160,000	200,000	176,667	200,000	240,000	160,000	1,268,495
Options awarded in 2013	-	-	-	-	-	-	-	-
Options exercised in 2013	-	-	-	-	-	-	-	-
Options canceled in 2013	(131,828)	-	-	-	-	-	-	(131,828)
Options outstanding as of December 31, 2013	**-**	**160,000**	**200,000**	**176,667**	**200,000**	**240,000**	**160,000**	**1,136,667**

(a) Exercise price as of May 24, 2006. The exercise prices of TOTAL stock options under the plans in force on that date were multiplied by 0.25 to take into account the four-for-one stock split on May 18, 2006. Moreover, following the spin-off of Arkema, the exercise prices of TOTAL stock options under these plans were multiplied by an adjustment factor equal to 0.986147 effective as of May 24, 2006. The exercise prices effective before May 24, 2006 are given in Note 25, point A to the Consolidated Financial Statements (Chapter 10).
(b) The number of options granted on or before May 23, 2006 was multiplied by four to take into account the four-for-one stock split approved by the Shareholders' Meeting on May 12, 2006.
(c) Adjustments approved by the Board at its meeting on March 14, 2006 pursuant to the provisions in effect at the time of the Board meeting and of the Shareholders' Meeting on May 12, 2006 related to the spin-off of Arkema. These adjustments were made on May 22, 2006, effective as of May 24, 2006.

(1) Based on a potential capital of 2,403,907,748 shares (see point 1.4. of Chapter 9).

Stock options exercised in 2013 by each executive director (AMF Table No. 5)

	Plan date and No.	Number of options exercised during fiscal year	Exercise price
Christophe de Margerie Chairman and Chief Executive Officer	-	-	-

4.2.2. Grant of performance shares

Since 2011, the Chairman and Chief Executive Officer has been awarded performance shares as part of the broader share grant plans approved by the Board of Directors for certain Group employees. Subject to certain specific provisions set out below, performance shares granted to the Chairman and Chief Executive Officer are governed by the same provisions that apply to other beneficiaries of grant plans.

In case of a definitive grant to the Chairman and Chief Executive Officer of all the performance shares outstanding at December 31, 2013, these shares would represent 0.0044% (1) of the potential share capital of the Company on that date.

As of 2011, the Board of Directors has made the definitive grant of performance shares to the Chairman and Chief Executive Officer contingent upon specific presence and performance conditions as described below. As of 2013, these performance conditions are assessed over a 3-year vesting period.

For performance share grant plans awarded to the Chairman and Chief Executive Officer, the Board of Directors decided that the Chairman and Chief Executive Officer will be required to hold in registered form, for as long as he remains in office, 50% of the capital gains, net of tax and contributions related to the shares granted under such plans. When the Chairman and Chief Executive Officer holds a number of shares (directly or through collective investment funds invested in Company stock) corresponding to five times his gross annual fixed compensation at that time, this holding requirement will be equal to 10%. If in the future this condition is no longer met, the previous 50% holding requirement will once again apply.

Given this holding requirement and given the share holding requirements that the Board of Directors impose on the executive directors, the Board of Directors decided not to make the grant of performance shares contingent upon the purchase of a quantity of shares once the awarded shares become transferable, thus disregarding one of the recommendations of the AFEP-MEDEF Code to which the Company adheres (for more detailed information, see Chapter 5, point 1.3.).

The Chairman and Chief Executive Officer has undertaken not to hedge the shares of the Company and any financial instruments related to them. This provision is now included in the rules of procedure of the Board of Directors.

2013 performance share plan: the Board of Directors decided that, provided the presence condition within the Group is met, the number of shares definitively granted to the Chairman and Chief Executive Officer will be subject to two performance conditions:

– For 50% of the shares granted, the performance condition states that the final number of shares granted is based on the average ROE of the Group, as published by the Group according to its consolidated balance sheet and statement of income for fiscal years 2013, 2014 and 2015. The acquisition rate is equal to zero if the average ROE is less than or equal to 8%, varies linearly between 0% and 100% if the average ROE is more than 8% and less than 16%, and is equal to 100% if the average ROE is more than or equal to 16%.

– For 50% of the shares granted, the performance condition states that the final number of shares granted is based on the average ROACE of the Group, as published by the Group according to its consolidated balance sheet and statement of income for fiscal years 2013, 2014 and 2015. The acquisition rate is equal to zero if the average ROACE is less than or equal to 7%, varies linearly between 0% and 100% if the average ROACE is more than 7% and less than 15%, and is equal to 100% if the average ROACE is more than or equal to 15%.

2012 performance share plan: the Board of Directors decided that, provided the presence condition within the Group is met, the number of shares definitively granted to the Chairman and Chief Executive Officer will be subject to two performance conditions:

– For 50% of the shares granted, the performance condition states that the final number of shares granted is based on the average ROE of the Group, as published by the Group according to its consolidated balance sheet and statement of income for fiscal years 2012 and 2013. The acquisition rate is equal to zero if the average ROE is less than or equal to 8%, varies linearly between 0% and 100% if the average ROE is more than 8% and less than 16%, and is equal to 100% if the average ROE is more than or equal to 16%.

– For 50% of the share granted, the performance condition states that the final number of shares granted is based on the average ROACE of the Group, as published by the Group according to its consolidated balance sheet and statement of income for fiscal years 2012 and 2013. The acquisition rate is equal to zero if the average ROACE is less than or equal to 7%, varies linearly between 0% and 100% if the average ROACE is more than 7% and less than 15%, and is equal to 100% if the average ROACE is more than or equal to 15%.

2011 performance share plan: the Board of Directors decided that, provided the presence condition within the Group is met, the number of shares definitively granted to the Chairman and Chief Executive Officer will be subject to two performance conditions:

– For 50% of the shares granted, the performance condition states that the final number of shares granted is based on the average ROE of the Group, as published by the Group according to its consolidated balance sheet and statement of income for fiscal years 2011 and 2012. The acquisition rate is equal to zero if the average ROE is less than or equal to 7%, varies linearly between 0% and 100% if the average ROE is more than 7% and less than 18%, and is equal to 100% if the average ROE is more than or equal to 18%.

(1) Based on a potential capital of 2,403,907,748 shares (see point 1.4. of Chapter 9).

– For 50% of the share granted, the performance condition states that the final number of shares granted is based on the average ROACE of the Group, as published by the Group according to its consolidated balance sheet and statement of income for fiscal years 2011 and 2012. The acquisition rate is equal to zero if the average ROACE is less than or equal to 6%, varies linearly between 0% and 100% if the average ROACE is more than 6% and less than 15%, and is equal to 100% if the average ROACE is more than or equal to 15%.

The Chairman and Chief Executive Officer was not awarded any performance shares under the 2006 to 2010 plans.

Summary tables

Follow up table of TOTAL performance shares awarded to Mr. de Margerie, Chairman and Chief Executive Officer of TOTAL S.A.

	2011 Plan	2012 Plan	2013 Plan	Total
Date of the Shareholders' Meeting	**05/13/2011**	**05/13/2011**	**05/13/2011**	
Grant date	**09/14/2011**	**07/26/2012**	**07/25/2013**	
Closing price on grant date	€32.690	€36.120	€40.005	
Average repurchase price per share paid by the Company	€39.580	€38.810	€40.560	
Shares awarded by the Board	16,000	53,000	53,000	122,000
Start of the vesting period	09/14/2011	07/26/2012	07/25/2013	
Definitive grant date, subject to the conditions set out (end of the vesting period)	09/15/2013	07/27/2014	07/26/2016	
Availability date (end of the mandatory holding period)	09/15/2015	07/27/2016	07/26/2018	
Definitively granted in 2013	16,000	-	-	16,000

Performance shares awarded to each executive and non executive director in 2013 by the issuer and by any Group company (AMF Table No. 6)

	Plan date and No.	Number of shares awarded during fiscal year	Valuation of shares (€)[(a)]	Acquisition date	Availability date	Performance conditions
Christophe de Margerie Chairman and Chief Executive Officer	2013 Plan 07/25/2013	53,000	1,729,920	07/26/2016	07/26/2018	For 50% of the shares, the condition is based on the Group's average ROE in 2013, 2014 and 2015. For 50% of the shares, the condition is based on the Group's average ROACE in 2013, 2014 and 2015.
Charles Keller Director representing employee shareholders since May 17, 2013	2013 Plan 07/25/2013	400	13,056	07/26/2016	07/26/2018	Shares in excess of the first 100 shares are subject to a condition based on the Group's average ROE in 2013, 2014 and 2015.
Claude Clément Director representing employee shareholders until May 17, 2013	-	-	-	-	-	-
Total		53,400	1,742,976			

(a) The valuation of performance shares was calculated on the day they were awarded, according to the method used for the Consolidated Financial Statements.

Performance shares that have become available for each executive and non executive director (AMF Table No. 7)

	Plan date and No.	Number of shares that have become available during the fiscal year	Vesting conditions
Christophe de Margerie Chairman and Chief Executive Officer	-	-	-
Charles Keller Director representing employee shareholders since May 17, 2013	2009 Plan 09/15/2009	150	n/a
Claude Clément Director representing employee shareholders until May 17, 2013	-	-	n/a
Total		150	

4.3. Grants to employees

4.3.1. Share subscription option plan

In 2013, as in 2012, the Board of Directors decided not to award any stock options.

2011 share subscription option plan: the Board of Directors decided that, provided the presence condition within the Group is met, for each beneficiary other than the Chairman and Chief Executive Officer, options will be subject to a performance condition based on the Group's average ROE, as published by the Group according to its consolidated balance sheet and statement of income for fiscal years 2011 and 2012.

The acquisition rate:
- is equal to zero if the average ROE is less than or equal to 7%;
- varies linearly between 0% and 100% if the average ROE is greater than 7% and less than 18%; and
- is equal to 100% if the average ROE is greater than or equal to 18%.

The acquisition rate applicable to the subscription options subject to the performance condition under the 2011 plan was 100%.

4.3.2. Performance share plan

2013 performance share plan: the Board of Directors decided that for executive officers[1] (other than the Chairman and Chief Executive Officer), the definitive award of all shares granted is contingent upon a presence condition and a performance condition. The performance condition states that the number of shares definitively awarded is based on the Group's average ROE, as published by the Group according to its consolidated balance sheet and statement of income for fiscal years 2013, 2014 and 2015.

The acquisition rate:
- is equal to zero if the average ROE is less than or equal to 8%;
- varies linearly between 0% and 100% if the average ROE is greater than 8% and less than 16%; and
- is equal to 100% if the average ROE is greater than or equal to 16%.

The Board of Directors also decided that, provided the presence condition within the Group is met, for each beneficiary (other than the Chairman and Chief Executive Officer and the executive officers) of more than 100 shares, the shares in excess of that number will be definitively granted subject to the above performance condition being met.

2012 performance share plan: the Board of Directors decided that for executive officers[1] (other than the Chairman and Chief Executive Officer), the definitive award of all shares granted is contingent upon a presence condition and a performance condition. The performance condition states that the number of shares definitively awarded is based on the Group's average ROE, as published by the Group according to its consolidated balance sheet and statement of income for fiscal years 2012 and 2013.

The acquisition rate:
- is equal to zero if the average ROE is less than or equal to 8%;
- varies linearly between 0% and 100% if the average ROE is greater than 8% and less than 16%; and
- is equal to 100% if the average ROE is greater than or equal to 16%.

The Board of Directors also decided that, provided the presence condition within the Group is met, for each beneficiary (other than the Chairman and Chief Executive Officer and the executive officers) of more than 100 shares, the shares in excess of that number will be definitively granted subject to the above performance condition being met.

2011 performance share plan: the Board of Directors decided that for executive officers[1] (other than the Chairman and Chief Executive Officer), the definitive award of all shares granted is contingent upon a presence condition and a performance condition. The performance condition states that the number of shares definitively awarded is based on the Group's average ROE, as published by the Group according to its consolidated balance sheet and statement of income for fiscal years 2011 and 2012.

The acquisition rate:
- is equal to zero if the average ROE is less than or equal to 7%;
- varies linearly between 0% and 100% if the average ROE is greater than 7% and less than 18%; and
- is equal to 100% if the average ROE is greater than or equal to 18%.

The Board of Directors also decided that, provided the presence condition within the Group is met, for each beneficiary (other than the Chairman and Chief Executive Officer and the executive officers) of more than 100 shares, the shares in excess of that number will be definitively granted subject to the above performance condition being met.

The acquisition rate applicable to the shares subject to the performance condition under the 2011 plan was 100%.

(1) The executive officers (aside from the Chairman and Chief Executive Officer) are employees who are not directors.

4.4. Follow up of TOTAL stock option plans as of December 31, 2013

4.4.1. Breakdown of TOTAL stock option grants by category of beneficiary

The following table gives a breakdown of TOTAL stock options awarded by category of beneficiary (main executive officers, other executive officers and other employees) for each of the plans in effect during 2013 (for more information concerning the TOTAL stock option plans, see Note 25 to the Consolidated Financial Statements):

		Number of beneficiaries	Number of notified options[a]	Percentage	Average number of options per beneficiary[a]
2005 Plan: Subscription options					
Decision of the Board on July 19, 2005	Main executive officers[b]	30	370,040	24.3%	12,335
Exercise price: €198.90; discount: 0.0%	Other executive officers	330	574,140	37.6%	1,740
Exercise price as of May 24, 2006: €49.04[a]	Other employees	2,361	581,940	38.1%	246
	Total	**2,721**	**1,526,120**	**100%**	**561**
2006 Plan: Subscription options					
Decision of the Board on July 18, 2006	Main executive officers[b]	28	1,447,000	25.3%	51,679
Exercise price: €50.60; discount: 0.0%	Other executive officers	304	2,120,640	37.0%	6,976
	Other employees	2,253	2,159,600	37.7%	959
	Total	**2,585**	**5,727,240**	**100%**	**2,216**
2007 Plan: Subscription options					
Decision of the Board on July 17, 2007	Main executive officers[b]	27	1,329,360	22.8%	49,236
Exercise price: €60.10; discount: 0.0%	Other executive officers	298	2,162,270	37.1%	7,256
	Other employees	2,401	2,335,600	40.1%	973
	Total	**2,726**	**5,827,230**	**100%**	**2,138**
2008 Plan[c]: Subscription options					
Awarded on October 9, 2008, by decision	Main executive officers[b]	26	1,227,500	27.6%	47,212
of the Board of Directors on September 9, 2008	Other executive officers	298	1,988,420	44.7%	6,673
Exercise price: €42.90; discount: 0.0%	Other employees	1,690	1,233,890	27.7%	730
	Total	**2,014**	**4,449,810**	**100%**	**2,209**
2009 Plan[c]: Subscription options					
Decision of the Board on September 15, 2009	Main executive officers[b]	26	1,201,500	27.4%	46,212
Exercise price: €39.90; discount: 0.0%	Other executive officers	284	1,825,540	41.6%	6,428
	Other employees	1,742	1,360,460	31.0%	781
	Total	**2,052**	**4,387,500**	**100%**	**2,138**
2010 Plan[c]: Subscription options					
Decision of the Board on September 14, 2010	Main executive officers[b]	25	1,348,100	28.2%	53,924
Exercise price: €38.20; discount: 0.0%	Other executive officers	282	2,047,600	42.8%	7,261
	Other employees	1,790	1,392,720	29.0%	778
	Total	**2,097**	**4,788,420**	**100%**	**2,283**
2011 Plan[c]: Subscription options					
Decision of the Board on September 14, 2011	Main executive officers[b]	29	846,600	55.7%	29,193
Exercise price: €33.00; discount: 0.0%	Other executive officers	177	672,240	44.3%	3,798
	Other employees	-	-	-	-
	Total	**206**	**1,518,840**	**100%**	**7,373**

(a) To take into account the spin-off of Arkema, pursuant to the provisions in effect on the date of the Shareholders' Meeting on May 12, 2006, at its meeting of March 14, 2006 the Board of Directors resolved to adjust the rights of TOTAL stock options holders. For each plan and each beneficiary, the exercise prices for TOTAL stock options were multiplied by an adjustment factor of 0.986147 and the number of unexercised stock options was multiplied by an adjustment factor of 1.014048 (and then rounded up), effective as of May 24, 2006. In addition, to take into account the four-for-one stock split approved by the Shareholders' Meeting on May 12, 2006, the number of options awarded before May 23, 2006 was multiplied by four and the exercise price of these options was multiplied by 0.25. The presentation in this table of the number of notified options has not been adjusted to reflect the four-for-one stock split.

(b) Members of the Management Committee and the Treasurer as of the date of the Board meeting awarding the options. Mr. Desmarest has not been a member of the Management Committee since February 14, 2007. Mr. Desmarest was awarded 110,000 options under the 2007 plan and no options since 2008.

(c) The acquisition rate of performance condition-related shares was 60% for the 2008 plan and 100% for the 2009, 2010 and 2011 plans.

For the 2007, 2008 and 2009 share subscription option plans, the Board of Directors decided that for each beneficiary of more than 25,000 options, one-third of the options awarded in excess of that number should be subject to a performance condition.

For the 2010 share subscription option plan, a portion of the options granted to beneficiaries of more than 3,000 options are subject to a performance condition. For the 2011 share subscription option plan, all of the options are subject to a performance condition.

In 2013, as in 2012, the Board of Directors decided not to award any stock options.

4.4.2. Historic overview of outstanding TOTAL stock option plans

Past awards of subscription or purchase options - Information on the subscription or purchase options (AMF Table No. 8)

	2005 Plan	2006 Plan	2007 Plan	2008 Plan	2009 Plan	2010 Plan	2011 Plan	Total
Type of options	Subscription options	Subscription options	Subscription options	Subscription options	Subscription options	Subscription options	Subscription options	
Date of the Shareholders' Meeting	05/14/2004	05/14/2004	05/11/2007	05/11/2007	05/11/2007	05/21/2010	05/21/2010	
Date of Board meeting/grant date [a]	07/19/2005	07/18/2006	07/17/2007	10/09/2008	09/15/2009	09/14/2010	09/14/2011	
Total number of options awarded by the Board, including [b]:	**6,104,480**	**5,727,240**	**5,937,230**	**4,449,810**	**4,387,620**	**4,788,420**	**1,518,840**	**32,913,640**
Executive and non executive directors [c]	240,000	400,000	310,000	200,000	200,000	240,000	160,000	1,750,000
– C. de Margerie	*n/a*	*160,000*	*200,000*	*200,000*	*200,000*	*240,000*	*160,000*	*1,160,000*
– C. Keller	*n/a*	*n/a*	*n/a*	*n/a*	*n/a*	*n/a*	*n/a*	-
– C. Clément	*n/a*	*n/a*	*n/a*	*n/a*	*n/a*	-	-	-
– T. Desmarest	*240,000*	*240,000*	*110,000*	-	-	-	-	*590,000*
Additional grants	**134,400**	**-**	**-**	**-**	**-**	**-**	**-**	**134,400**
Adjustments related to the spin-off of Arkema [d]	**90,280**	**-**	**-**	**-**	**-**	**-**	**-**	**90,280**
Date as of which the options may be exercised:	07/20/2007	07/19/2008	07/18/2009	10/10/2010	09/16/2011	09/15/2012	09/15/2013	
Expiry date	07/19/2013	07/18/2014	07/17/2015	10/09/2016	09/15/2017	09/14/2018	09/14/2019	
Exercise price (in €) [e]	49.04	50.60	60.10	42.90	39.90	38.20	33.00	
Cumulative number of options exercised as of December 31, 2013	**39,127**	**8,620**	**-**	**112,740**	**365,722**	**159,371**	**373,346**	**1,058,926**
Cumulative number of options canceled as of December 31, 2013	**6,290,033**	**97,994**	**89,265**	**117,872**	**32,520**	**91,197**	**4,400**	**6,723,281**
Number of options:								
– Outstanding as of January 1, 2013	6,160,020	5,621,526	5,848,985	4,330,468	4,334,900	4,661,443	1,505,040	32,462,382
– Awarded in 2013	-	-	-	-	-	-	-	-
– Canceled in 2013 [f]	(6,159,390)	(900)	(1,020)	(360)	(1,080)	(720)	-	(6,163,470)
– Exercised in 2013	(630)	-	-	(110,910)	(344,442)	(122,871)	(363,946)	(942,799)
Outstanding as of December 31, 2013	**-**	**5,620,626**	**5,847,965**	**4,219,198**	**3,989,378**	**4,537,852**	**1,141,094**	**25,356,113**

(a) The grant date is the date of the Board meeting awarding the options, except for the share subscription option plan of October 9, 2008, approved by the Board on September 9, 2008.
(b) To take into account the four-for-one stock split approved by the Shareholder's Meeting of May 12, 2006, the number of options awarded before May 23, 2006 has been multiplied by four.
(c) List of executive and non executive directors who had this status during the fiscal year 2013.
(d) To take into account the spin-off of Arkema, at its meeting of March 14, 2006 the Board of Directors resolved to adjust the rights of TOTAL stock options holders, pursuant to the provisions in effect on the date of its meeting and at the time of the Shareholders' Meeting on May 12, 2006. These adjustments were made on May 22, 2006, effective as of May 24, 2006.
(e) The exercise price is the average closing price of TOTAL's share on Euronext Paris during the twenty trading days prior to the grant date, without any discount.
Exercise price as of May 24, 2006. To take into account the four-for-one stock split approved by the Shareholders' Meeting on May 12, 2006, the exercise prices of options granted before May 23, 2006 were multiplied by 0.25. Moreover, following the spin-off of Arkema, the exercise prices of TOTAL stock options under these plans were multiplied by an adjustment factor equal to 0.986147 effective as of May 24, 2006. The exercise prices applicable before May 24, 2006 are indicated in Note 25, point A to the Consolidated Financial Statements (Chapter 10).
(f) Of the 6,163,470 options canceled in 2013, 6,158,662 unexercised options expired on July 19, 2013 due to the expiration of the 2005 subscription option plan.

In the event of the exercise all share subscription options outstanding as of December 31, 2013, the corresponding shares would represent 1.05% [1] of the Company's potential share capital on that date.

(1) Based on a potential capital of 2,403,907,748 shares (see point 1.4. "Potential capital" of Chapter 9).

4.4.3. Stock options awarded to the ten employees (other than executive or non executive directors) receiving the largest number of options/Stock options exercised by the ten employees (other than executive or non executive directors) exercising the largest number of options (AMF Table No. 9)

	Total number of options awarded/ exercised	Average weighted exercise price (€)	2008 Plan 10/09/2008 [a]	2009 Plan 09/15/2009	2010 Plan 09/14/2010	2011 Plan 09/14/2011
Options awarded in 2013 by TOTAL S.A. and its affiliates [b] to the ten TOTAL S.A. employees (other than executive or non executive directors) receiving the largest number of options (aggregate - not individual information)	-	-	-	-	-	-
Options held on TOTAL S.A. and its affiliates [b] and exercised in 2013 by the ten TOTAL S.A. employees (other than executive or non executive directors) with the largest number of options purchased or subscribed (aggregate - not individual information)	248,142	35.43	18,600	45,200	20,500	163,842

(a) The grant date is the date of the Board meeting awarding the options, except for the share subscription option plan of October 9, 2008, approved by the Board on September 9, 2008.
(b) Pursuant to the conditions of Article L. 225-180 of the French Commercial Code.

4.5. Follow up of TOTAL performance share grants as of December 31, 2013

4.5.1. Breakdown of TOTAL performance share grants by category of beneficiary

The following table gives a breakdown of TOTAL performance share grants by category of beneficiary (main executive officers, other executive officers and other employees):

		Number of beneficiaries	Number of notified shares [a]	Percentage	Average number of shares per beneficiary
2009 Plan [b]					
Decision of the Board	Main executive officers [c]	25	48,700	1.6%	1,948
on September 15, 2009	Other executive officers	284	329,912	11.1%	1,162
	Other employees [d]	9,693	2,593,406	87.3%	268
	Total	**10,002**	**2,972,018**	**100%**	**297**
2010 Plan [b] [e]					
Decision of the Board	Main executive officers [c]	24	46,780	1.6%	1,949
on September 14, 2010	Other executive officers	283	343,080	11.4%	1,212
	Other employees [d]	10,074	2,620,151	87.0%	260
	Total	**10,381**	**3,010,011**	**100%**	**290**
2011 Plan [b]					
Decision of the Board	Main executive officers [c]	29	184,900	5.1%	6,376
on September 14, 2011	Other executive officers	274	624,000	17.1%	2,277
	Other employees [d]	9,658	2,840,870	77.8%	294
	Total	**9,961**	**3,649,770**	**100%**	**366**
2012 Plan					
Decision of the Board	Main executive officers [c]	33	416,100	9.7%	12,609
on July 26, 2012	Other executive officers	274	873,000	20.3%	3,186
	Other employees [d]	9,698	3,006,830	70.0%	310
	Total	**10,005**	**4,295,930**	**100%**	**429**
2013 Plan					
Decision of the Board	Main executive officers [c]	32	422,600	9.5%	13,206
on July 25, 2013	Other executive officers	277	934,500	20.9%	3,374
	Other employees [d]	9,625	3,107,100	69.6%	323
	Total	**9,934**	**4,464,200**	**100%**	**449**

(a) The number of notified performance shares shown in this table has not been adjusted to take into account the four-for-one stock split approved by the Shareholders' Meeting on May 12, 2006.
(b) For the 2009, 2010 and 2011 plans, the acquisition rate of the performance-related shares awarded was 100%.
(c) Members of the Management Committee and the Treasurer as of the date of the Board meeting granting the performance shares. The executive directors were not awarded any performance shares, with the exception of the 2011, 2012 and 2013 plans. The Board of Directors of TOTAL S.A. decided to award Mr. de Margerie 16,000 performance shares under the 2011 plan, 53,000 performance shares under the 2012 plan and 53,000 performance shares under the 2013 plan.
(d) Mr. Clément, an employee of Total Raffinage-Chimie (subsidiary of TOTAL S.A.) and director of TOTAL S.A. who represented employee shareholders until May 17, 2013, was awarded 240 performance shares under the 2010 plan, 240 shares under the 2011 plan and 260 shares under the 2012 plan. Mr. Keller, an employee of TOTAL S.A. and director of TOTAL S.A. who has represented employee shareholders since May 17, 2013, was awarded 400 performance shares under the 2013 plan.
(e) Excluding shares granted under the 2010 global free share plan.

These performance shares, which were previously bought back by the Company on the market, are definitively awarded at the end of a 2-year vesting period. For the 2013 plan, the vesting period has been extended to three years. This definitive grant is subject to a presence condition and a performance condition (see point 4.3.2. of this chapter). Moreover, the disposal of performance shares that have been definitively awarded cannot occur until the end of a 2-year mandatory holding period.

4.5.2. Historic overview of TOTAL performance share plans

Past award of TOTAL performance shares - Information on granted performance shares (AMF Table No. 10)

	2009 Plan	2010 Plan	2011 Plan	2012 Plan	2013 Plan
Date of the Shareholders' Meeting	**05/16/2008**	**05/16/2008**	**05/13/2011**	**05/13/2011**	**05/13/2011**
Date of Board meeting/grant date	**09/15/2009**	**09/14/2010**	**09/14/2011**	**07/26/2012**	**07/25/2013**
Closing price on grant date	€41.615	€39.425	€32.690	€36.120	€40.005
Average repurchase price per share paid by the Company	€38.540	€39.110	€39.580	€38.810	€40.560
Total number of performance shares awarded, including to:	2,972,018	3,010,011	3,649,770	4,295,930	4,464,200
Executive and non executive directors [a]	-	240	16,240	53,260	53,400
– C. de Margerie	-	-	*16,000*	*53,000*	*53,000*
– C. Keller	*n/a*	*n/a*	*n/a*	*n/a*	*400*
– C. Clément	*n/a*	*240*	*240*	*260*	-
Start of the vesting period	09/15/2009	09/14/2010	09/14/2011	07/26/2012	07/25/2013
Definitive grant date, subject to the conditions set out (end of the vesting period)	09/16/2011	09/15/2012	09/15/2013	07/27/2014	07/26/2016
Disposal possible from (end of the mandatory holding period)	09/16/2013	09/15/2014	09/15/2015	07/27/2016	07/26/2018
Number of performance shares:					
– Outstanding as of January 1, 2013	-	-	3,605,806	4,295,930	-
– Notified in 2013	-	-	-	-	4,464,200
– Canceled in 2013	-	-	(14,970)	(17,340)	(3,810)
– Definitively awarded in 2013 [b]	-	-	(3,590,836)	(180)	-
Outstanding as of December 31, 2013	**-**	**-**	**-**	**4,278,410**	**4,460,390**

(a) List of executive and non executive directors who had this status during the fiscal year 2013.
(b) Definitive grants following the death of their beneficiaries (2012 plan for fiscal year 2013).

In case of a definitive grant of all the performance shares outstanding at December 31, 2013, these shares would represent 0.36% [1] of the potential share capital of the Company on that date.

(1) Based on a potential capital of 2,403,907,748 shares (see point 1.4. "Potential capital" of Chapter 9).

TOTAL global free share plan

In addition to the restricted shares granted, on May 21, 2010 the Board of Directors decided to implement a global free share plan intended for all the Group's employees, *i.e.,* more than 100,000 employees. On June 30, 2010, rights to 25 free shares were granted to every employee.

The definitive grant is subject to a presence condition during the plan's vesting period. Depending on the countries in which the Group's companies are located, the vesting period is either two years followed by a 2-year holding period in countries with a 2+2 structure, or four years without a holding period in countries with a 4+0 structure. Moreover, the granted shares are not subject to any performance condition.

At the end of the vesting period, the granted shares will become new shares resulting from a TOTAL S.A. capital increase by capitalization of reserves or issue premiums.

On July 2, 2012, the Chairman and Chief Executive Officer acknowledged the creation and definitive grant of 1,366,950 shares to the designated beneficiaries at the end the 2-year vesting period.

	2010 Plan (2 + 2)	2010 Plan (4 + 0)	Total
Date of the Shareholders' Meeting	**05/16/2008**	**05/16/2008**	
Date of Board meeting/grant date [a]	**06/30/2010**	**06/30/2010**	
Total number of shares awarded, including to:	1,506,575	1,070,650	2,577,225
Executive and non executive directors [b]	50	-	50
– C. Keller	*25*	-	*25*
– C. Clément	*25*	-	*25*
Definitive grant date (end of the vesting period)	**07/01/2012**	**07/01/2014**	
Disposal possible from	**07/01/2014**	**07/01/2014**	
Number of restricted shares			
Outstanding as of January 1, 2011	**1,508,650**	**1,070,575**	**2,579,225**
Notified	-	-	-
Canceled	(29,175)	(54,625)	(83,800)
Definitively granted	(475)	(425)	(900)
Outstanding as of January 1, 2012	**1,479,000**	**1,015,525**	**2,494,525**
Notified	-	-	-
Canceled	(111,725)	(40,275)	(152,000)
Definitively granted [c]	(1,367,275)	(350)	(1,367,625)
Outstanding as of January 1, 2013	**-**	**974,900**	**974,900**
Notified	-	-	-
Canceled	100	(101,150)	(101,050)
Definitively granted	(100)	(275)	(375)
Outstanding as of December 31, 2013	**-**	**873,475**	**873,475**

(a) The June 30, 2010 grant was approved by the Board of Directors on May 21, 2010.
(b) List of executive and non executive directors who had this status during the fiscal year 2013.
(c) Definitive grant of 1,366,950 shares to the designated beneficiaries at the end of the 2-year vesting period.

In case of a definitive grant of all the restricted shares outstanding at December 31, 2013, these shares would represent 0.036% [1] of the potential share capital of the Company on that date.

(1) Based on a potential capital of 2,403,907,748 shares (see point 1.4. "Potential capital" of Chapter 9).

4.5.3. Performance share grants to the ten employees (other than executive and non executive directors) receiving the largest number of performance shares

	Number of performance shares notified/ definitively awarded	Grant date	Definitive grant date (end of the vesting period)	Availability date (end of holding period)
Performance share grants approved by the Board of Directors at its meeting on July 25, 2013 to the ten TOTAL S.A. employees (other than executive and non executive directors) receiving the largest number of performance shares [(a)]	193,100	07/25/2013	07/26/2016	07/26/2018
Performance shares definitively awarded in 2013, under the performance share grant plan approved by the Board of Directors on September 14, 2011, to the ten TOTAL S.A. employees (who were not executive and non executive directors at the time of the approval) receiving the largest number of performance shares [(b)]	84,500	09/14/2011	09/15/2013	09/15/2015

(a) These shares will be definitively awarded at the end of a 3-year vesting period, *i.e.,* on July 26, 2016, subject to a performance condition being met (see point 4.3.2. of this Chapter). Moreover, the disposal of shares that have been definitively awarded cannot occur until the end of a 2-year holding period, *i.e.,* from July 26, 2018.
(b) This definitive grant is subject to a performance condition (see point 4.3.2. of this Chapter). The acquisition rate of the performance-related shares awarded was 100%. Moreover, the disposal of shares that have been definitively awarded cannot occur until the end of a 2-year holding period, *i.e.,* from September 15, 2015.

5. Summary table of compensation elements due or granted to the Chairman and Chief Executive Officer for fiscal year 2013, as submitted to the Shareholder's Meeting for advisory vote

The table below summarizes the compensation elements due or granted to the Chairman and Chief Executive Officer for fiscal year 2013 by the Board of Directors, on the proposal of the Compensation Committee, and submitted to the Annual Shareholders' Meeting of May 16, 2014 for advisory vote, in compliance with the recommendation of t the AFEP-MEDEF Code (point 24.3).

Summary table of compensation elements

Compensation elements	Amount or accounting valuation submitted for vote	Presentation
	Compensation elements due or granted for fiscal year 2013	
Fixed compensation	€ 1,500,000 (amount paid in 2013)	At its meeting on February 12, 2013, the Board of Directors, on the proposal of the Compensation Committee, decided to maintain the fixed annual gross compensation of its Chairman and Chief Executive Officer for fiscal year 2013 at the amount of € 1,500,000, which has remained unchanged since May 21, 2010.
Annual variable compensation	€ 1,987,200 (amount paid in 2014)	At its meeting on February 11, 2014, the Board of Directors, on the proposal of the Compensation Committee, determined the amount of the variable portion of the compensation of the Chairman and Chief Executive Officer for fiscal year 2013 based on the attainment of the quantitative economic parameter targets and personal contribution objectives set for the Chairman and Chief Executive Officer by the Board of Directors at its meeting on February 12, 2013. At its meeting on February 12, 2013, the Board of Directors decided that the variable portion of the compensation to be paid to the Chairman and Chief Executive Officer for fiscal year 2013 should be based on economic parameters that refer to quantitative targets reflecting the Group's performance (for up to 100% of the base salary) and on the Chairman and Chief Executive Officer's personal contribution, which allows a qualitative assessment of management (for up to 80% of the base salary). The maximum amount of the variable portion that can be paid to the Chairman and Chief Executive Officer for fiscal year 2013 was set at 180% (instead of 165% in 2012) of the base salary, based on practices at a reference sample of companies operating in the energy sectors. The economic parameters selected by the Board (up to 100% of the base salary) include: – return on equity for up to 50% of the base salary; – the Company's results, in comparison with the results of the major competing oil companies, assessed by reference to the average growth over three years of two indicators, earnings per share and net income. Each indicator has a weighting of up to 25% of the base salary. The expected levels of attainment of the quantitative economic parameter targets set for the Chairman and Chief Executive Officer were clearly defined by the Board of Directors at its meeting on February 12, 2013. The Chairman and Chief Executive Officer's personal contribution (which can represent up to 80% of the base salary) was assessed according to the six criteria clearly defined by the Board of Directors at its meeting on February 12, 2013. These criteria include Health, Safety and Environment performance, measured mainly according to attainment of the annual Total Recordable Injury Rate (TRIR) target, the increase in hydrocarbon production, the increase in hydrocarbon reserves, the performance of the Refining & Chemicals and Marketing & Services segments (including New Energies) assessed on the basis of the annual targets of these

Compensation elements	Amount or accounting valuation submitted for vote	Presentation
Annual variable compensation (continued)		segments, the success of strategic negotiations and Corporate Social Responsibility performance, which is measured in particular according to attainment of the CO_2 emissions and energy efficiency targets and the Group's position in the rankings of non-financial rating agencies. Each criterion could have a weighting of up to 13 to 15% of the base salary. At its meeting on February 11, 2014, the Board of Directors, after reviewing the attainment of the economic parameters as well as the Chairman and Chief Executive Officer's personal contribution for fiscal year 2013, set the variable portion of the Chairman and Chief Executive Officer's compensation for fiscal year 2013 at 132.48% of his annual fixed compensation, *i.e.,* €1, 987,200 (compared to 116.11%, *i.e.*, €1,741,000 for fiscal year 2012). 77.48%% relates to the share for the different selected economic parameters and 55% to the share for the personal contribution of the Chairman and Chief Executive Officer determined on the basis of a detailed evaluation of the six pre-determined, clearly defined criteria. Concerning the economic parameters, the return on equity of the Group was lower in 2013 than in 2012, but the Group's performance, in comparison with its main competitors (in terms of earnings per share and net income), were considerably higher in 2013 than in 2012, which led to an increase of the part allocated for the different economic parameters compared to the previous fiscal year (77.48% of the fixed compensation for fiscal year 2013 compared to 64.11% for fiscal year 2012). Concerning the personal contribution, the Board of Directors consider that most of the objectives were achieved, particularly the targets in terms of Safety, Corporate Social Responsibility (CSR) and concerning the success of strategic negotiations in producing countries. The personal contribution was then set to 55% (against a maximum of 80%) for fiscal year 2013 compared to 52% (against a maximum of 65%) for fiscal year 2012. Consequently, the amount of the variable portion of Mr. de Margerie's compensation for fiscal year 2013 (paid in 2014) was €1,987,200, which corresponds 132.48% of his fixed annual compensation.
Multi-year or deferred variable compensation	Not applicable	The Board of Directors has not awarded any multi-year or deferred variable compensation.
Extraordinary compensation	Not applicable	The Board of Directors has not awarded any extraordinary compensation.
Directors' fees	Not applicable	The Chairman and Chief Executive Officer does not receive any directors' fees.
Stock options, performance shares (and all other forms of long-term compensation)	€1,729,920 (accounting valuation)	At its meeting on July 25, 2013, the Company's Board of Directors, on the proposal of the Compensation Committee, decided to award performance shares in the Company to Mr. Christophe de Margerie, Chairman and Chief Executive Officer of TOTAL S.A., subject to the conditions set out below. These performance shares were awarded to the Chairman and Chief Executive Officer as part of a broader share grant plan approved by the Board of Directors on July 25, 2013 related to 0.19% of the capital for nearly 10,000 beneficiaries. Pursuant to the authorization of the Combined Shareholders' Meeting of May 13, 2011 (eleventh resolution), the Board of Directors decided to grant Mr. Christophe de Margerie 53,000 outstanding shares of the Company (corresponding to 0.0022% of the share capital). The definitive grant of all the shares is subject to the beneficiary's continued presence at the group during the vesting period and to performance conditions related to the Group's return on equity (ROE) and return on average capital employed (ROACE) for fiscal years 2013, 2014 and 2015.

Compensation elements	Amount or accounting valuation submitted for vote	Presentation
Stock options, performance shares (and all other forms of long-term compensation) (continued)		For half the performance shares awarded, the number of shares definitively awarded to the Chairman and Chief Executive Officer will depend on the Group's average return on equity (ROE). For the other half, the number of shares definitively awarded will depend on the Group's return on average capital employed (ROACE). The ROE and ROACE values used to assess the performance conditions will be those published by the Group in the first quarters of 2014, 2015 and 2016, respectively, based on the Group's consolidated balance sheet and statement of income for fiscal years 2013, 2014 and 2015. Pursuant to the provisions of the French Commercial Code, the Chairman and Chief Executive Officer will be required to hold in registered form, for as long as he remains in office, 50% of the capital gains, net of tax and related contributions, on the shares granted. When the Chairman and Chief Executive Officer holds a number of shares [(a)] corresponding to five times his gross annual fixed compensation at that time, this percentage will be equal to 10%. If in the future this condition is no longer met, the previous 50% holding requirement will once again apply. Given this holding requirement and given the share holding requirements that the Board of Directors impose on the executive directors whereby such directors must hold a number of shares of the Company equivalent in value to two years of the fixed portion of their annual compensation, and given the number of TOTAL shares and shares of the "Total Actionnariat France" collective investment fund (invested exclusively in TOTAL shares) effectively held by the Chairman and Chief Executive Officer, the Board of Directors decided not to make the grant of performance shares contingent upon the purchase of a quantity of shares once the awarded shares become transferable. Furthermore, the Board of Directors noted that, pursuant to the Board's rules of procedure applicable to each director, the Chairman and Chief Executive Officer cannot hedge the shares of the Company and any financial instruments related to them, and has taken note of the Chairman and Chief Executive Officer's commitment to not use such transactions to hedge the performance shares awarded. Subject to the specific provisions set out above, the grant of performance shares to the Chairman and Chief Executive Officer is governed by the same provisions that apply to other beneficiaries of the performance share grant plan approved by the Board of Directors at its meeting on July 25, 2013. In particular, these provisions state that shares definitively awarded at the end of the 3-year vesting period will, following validation of the presence and performance conditions, be automatically registered on the first day of the 2-year holding period and will be non-transferable until the end of the holding period.
Benefits for taking up position	Not applicable	Mr. Christophe de Margerie has been Chief Executive Office since February 13, 2007 and Chairman and Chief Executive Officer since May 21, 2010.
Compensation elements due or granted for fiscal year 2013 that have already been submitted to a vote at the Shareholders' Meeting by virtue of the procedure related to regulated agreements and commitments		
Valuation of in-kind benefits	€56,472 (accounting valuation)	In accordance with the decisions made by the Board of Directors on February 11, 2009, confirmed by the Board of Directors' decisions on February 9, 2012 and May 11, 2012, the Chairman and Chief Executive Officer is covered by a life insurance plan paid by the Company. This plan guarantees, upon death, a payment equal to two years' gross compensation (fixed and variable portions), increased to three years in case of accidental death and, in the event of permanent disability due to an accident, a payment proportional to the degree of disability. The Chairman and Chief Executive Officer also has the use of a company car.

(a) Directly or through collective investment funds invested in Company stock.

Compensation elements	Amount or accounting valuation submitted for vote	Presentation
Termination payment	None	If the Chairman and Chief Executive Officer is removed from office or his term of office is not renewed by the Company, he is entitled to termination payment equal to two years' gross annual compensation. The calculation will be based on the gross compensation (including both fixed and variable portions) of the 12-month period preceding the date of termination or non-renewal of his term of office. This termination payment will be paid in the event of a change of control or strategy. It will not be due in cases of gross negligence or willful misconduct or if the Chairman and Chief Executive Officer leaves the Company of his own volition, accepts new responsibilities within the Group, or may claim full retirement benefits within a short time period. Pursuant to the provisions of Article L. 225-42-1 of the French Commercial Code, this termination payment is contingent upon a performance condition which is considered to be fulfilled if at least two of the three criteria set out below are met: – the average ROE (Return on Equity) over the three years preceding the year in which the Chairman and Chief Executive Officer retires is at least 12%; – the average ROACE (Return on Average Capital Employed) over the three years preceding the year in which the Chairman and Chief Executive Officer retires is at least 10%; – TOTAL's oil and gas production growth over the three years preceding the year in which the Chairman and Chief Executive Officer retires is greater than or equal to the average production growth rate of the four other major competing international oil companies: ExxonMobil, Royal Dutch Shell, BP and Chevron.
Retirement benefit	None	The Chairman and Chief Executive Officer is also entitled to a retirement benefit equal to that available to eligible members of the Group under the French National Collective Bargaining Agreement for the Petroleum Industry. This benefit amounts to 25% of the gross annual compensation (fixed and variable portions) received during the 12-month period preceding the executive director's retirement. Pursuant to Article L. 225-42-1 of the French Commercial Code, the commitment to pay a retirement benefit is contingent upon a performance condition which is considered to be fulfilled if at least two of the three criteria set out below are met: – the average ROE (Return on Equity) over the three years preceding the year in which the Chairman and Chief Executive Officer retires is at least 12%; – the average ROACE (Return on Average Capital Employed) over the three years preceding the year in which the Chairman and Chief Executive Officer retires is at least 10%; – TOTAL's oil and gas production growth over the three years preceding the year in which the Chairman and Chief Executive Officer retires is greater than or equal to the average production growth rate of the four other major competing international oil companies: ExxonMobil, Royal Dutch Shell, BP and Chevron. The retirement benefit cannot be combined with the termination payment described above.
Non-compete compensation	Not applicable	The Chairman and Chief Executive Officer does not receive any non-compete compensation.
Supplementary pension plan	None	Pursuant to applicable law, the Chairman and Chief Executive Officer is eligible for the basic French social security pension and for pension benefits under the ARRCO (Association pour le Régime de Retraite Complémentaire des Salariés) and AGIRC (Association Générale des Institutions de Retraite des Cadres) government-sponsored supplementary pension schemes. He also participates in the internal defined contribution pension plan, known as RECOSUP. This pension plan represented a booked expense to the Company in favor of the Chairman and Chief Executive Officer for fiscal year 2013 of €2,222. The Chairman and Chief Executive Officer also participates in a defined benefit supplementary pension plan set up and financed by the Company. This plan, for which management is outsourced, applies to all employees of the Group whose annual compensation is greater than eight times the ceiling for calculating French social security contributions (€37,548 in 2014).

Compensation elements	Amount or accounting valuation submitted for vote	Presentation
Supplementary pension plan (continued)	None	Compensation above this amount does not qualify as pensionable compensation under either government-sponsored or contractual pension schemes. To be eligible for this supplementary pension plan, participants must meet specific age and length of service (five years) criteria. They must also still be employed by the Company upon retirement, unless they retire due to disability or have taken early retirement at the Group's initiative after the age of fifty-five. The plan provides participants with a pension equal to the sum of 1.8% of the portion of the reference compensation between eight and forty times the annual ceiling for calculating French social security contributions and 1% of the reference compensation between forty and sixty times the annual ceiling for calculating French social security contributions, multiplied by the number of years of service (up to twenty years). The basis for the calculation of this supplementary plan is indexed to changes in the ARRCO pension point. The sum of the supplementary pension plan benefits and external pension plan benefits may not exceed 45% of the compensation used as the calculation basis. In the event this percentage is exceeded, the supplementary pension is reduced accordingly. The compensation taken into account to calculate the supplementary pension is the retiree's last 3-year average gross compensation (fixed and variable portions). In the case of Mr. de Margerie, to date, the ceilings applicable for determining the amount of the retirement pension he may benefit from under the terms of this defined benefit supplementary pension plan have been reached, both in terms of seniority (Mr. de Margerie joined the Group in 1974) and compensation (his last 3-year average gross compensation is more than the threshold of sixty times the annual ceiling for calculating French social security contributions, *i.e.*, €2,221,920 in 2013). The commitments made to him by TOTAL S.A. under the terms of the defined benefit supplementary pension plans and similar would, thus, as of December 31, 2013, represent a gross annual retirement pension estimated at €582,000, *i.e.*, 17.96% of the gross annual compensation paid to the Chairman and Chief Executive Officer in 2013 (fixed portion for 2013 and variable portion for fiscal year 2012). The Group's commitments related to these defined benefit supplementary pension plans and similar (including the retirement benefit) is outsourced to an insurance company for almost its entire amount, the not outsourced balance being evaluated on an annual basis and subject to an adjustment through a provision in the accounts. The amount of the Group's commitments amount, as of December 31, 2013, to €19.1 million for the Chairman and Chief Executive Officer (€34.8 million for the executive and non executive directors (*mandataires sociaux*) participating in these plans including the Chairman and Chief Executive Officer). These amounts represent the gross value of the Group's commitments to these beneficiaries based on a statistical life expectancy, and include the additional tax contribution for an amount of 30% on pensions that exceed eight annual ceilings for Social Security, payable by the Company to the French administration in charge of collecting social security contributions (URSSAF) (*i.e.*, €4.0 million for the Chairman and Chief Executive Officer and €7.6 million for the concerned executive and non executive directors including the Chairman and Chief Executive Officer). The sum of all the pension plans in which Mr. de Margerie participates would, as of December 31, 2013, represent a gross annual retirement pension estimated to €718,500, *i.e.*, 22.17% of his gross annual compensation paid in 2013 (fixed portion for 2013 and variable portion for fiscal year 2012). In line with the principles used to determine the compensation of the Chairman and Chief Executive Officer as set out in the AFEP-MEDEF Code which the Company uses as a reference, the Board of Directors has taken account of the benefit conferred through participation in the pension plans when determining the Chairman and Chief Executive Officer's compensation.
Approval by the Shareholders' Meeting	-	The commitments made to the Chairman and Chief Executive Officer regarding pension and life insurance plans, retirement benefit and termination payment (in case of his removal from office or non-renewal of his term of office under the conditions set out above) were approved on February 9, 2012 by the Board of Directors and by the Shareholders' Meeting of May 11, 2012.

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TOTAL puts Corporate Social Responsibility (CSR) at the heart of its activities and adheres to the following principles:

- to protect the safety of people and its facilities;
- to limit its environmental footprint;
- to ensure that its Code of Conduct is applied to all of its activities;
- to incorporate the challenges of Sustainable Development in the exercise of its activities;
- to increase its local integration by placing dialogue with its stakeholders at the heart of its policy and contributing to the economic and social development of the regions where the Group has operations; and
- to promote equal opportunities and foster diversity among its personnel.

TOTAL refers to the IPIECA (the global oil and gas industry association for environmental and social issues) reporting guidance specific to the industry and to the Global Reporting Initiative (GRI). More details on these reporting frameworks can be found on the Group's website (csr-analysts.total.com).

TOTAL's CSR performance is measured by non-financial rating agencies. TOTAL has been included continuously in the FTSE4Good index (London Stock Exchange) since 2001, in the French agency Vigeo's ASPI index (Advanced Sustainability Performance Index) since 2004, and in the Dow Jones Sustainability Indexes (DJSI – New York stock exchange): in 2013, TOTAL was listed in the DJSI World for the tenth consecutive year (TOTAL is the only major in this index since 2010); and TOTAL has also been listed in the DJSI Europe since 2005.

The Note on reporting scopes and method concerning the information in this Chapter is provided in point 5. of this chapter.

1. Social information

The quantitative information set out below regarding TOTAL's employees worldwide relates to all the entities consolidated under the global integration method. Some of the data comes from the Worldwide Human Resources Survey (WHRS), which uses almost one hundred indicators measuring important factors of the Group's employee policy. This annual survey is performed on a sample of employees from the consolidated companies, representative of their distribution by business segment and region; when such WHRS data is mentioned in this document, reference is made to this sample, which represents 90% of the Group's headcount in 2013 (82% in 2012).

1.1. Group Employees

1.1.1. Group Employees as of December 31, 2013

As of December 31, 2013, the Group had 98,799 employees belonging to 355 companies and subsidiaries located in 101 countries. The tables below show, at year-end 2011, 2012 and 2013, the breakdown of employees by the following categories: gender, nationality, business segment, region, and age bracket.

Group Employees as of December 31,	2013	2012	2011
Total number of employees	**98,799**	**97,126**	**96,104**
Women	30.8%	30.0%	29.7%
Men	69.2%	70.0%	70.3%
French	33.4%	35.6%	36.1%
Other nationalities	66.6%	64.4%	63.9%
Breakdown by business segment			
Upstream			
Exploration & Production	17.1%	16.9%	16.7%
Gas & Power	1.1%	1.7%	1.7%
Refining & Chemicals			
Refining & Chemicals	51.5%	52.5%	51.9%
Trading & Shipping	0.6%	0.6%	0.5%
Marketing & Services			
Marketing & Services	21.5%	21.6%	21.6%
New Energies	6.7%	5.2%	6.2%
Corporate	1.5%	1.5%	1.5%

Group Employees as of December 31,	2013	2012	2011
Breakdown by region			
Mainland France	33.6%	36.0%	36.5%
French Overseas Departments and Territories	0.4%	0.4%	0.4%
Rest of Europe	23.4%	23.5%	23.4%
Africa	10.0%	9.6%	9.6%
North America	6.6%	6.4%	6.8%
South America	9.6%	8.9%	7.5%
Asia	14.6%	13.2%	14.1%
Middle East	1.3%	1.3%	1.1%
Oceania	0.5%	0.5%	0.6%
Breakdown by age bracket			
< 25	6.5%	5.7%	5.9%
25 to 34	29.1%	29.2%	30.0%
35 to 44	28.8%	28.5%	28.1%
45 to 54	23.1%	23.7%	24.0%
> 55	12.5%	12.9%	12.0%

Between 2012 and 2013, the workforce increased by 1.7%. At year-end 2013, the country with the most employees after France was the United States, followed by China, Mexico and Germany.

The breakdown by gender and nationality of managers or equivalent positions (≥ 300 Hay points) is as follows:

Breakdown of managers or equivalent as of December 31,	2013	2012	2011
Total number of managers	**28,527**	**27,639**	**26,836**
Women	23.9%	23.5%	23.1%
Men	76.1%	76.5%	76.9%
French	39.1%	40.7%	41.1%
Other nationalities	60.9%	59.3%	58.9%

In 2013, the Worldwide Human Resources Survey covered 88,653 employees belonging to 149 subsidiaries.

Group included in WHRS	2013	2012	2011
Employees surveyed	**88,653**	**80,003**	**73,654**
% of Group employees	90%	82%	77%

1.1.2. Employees joining and leaving TOTAL

As of December 31,	2013	2012	2011
Total number hired on open-ended contracts	**10,649**	**9,787**	**9,295**
Women	35.9%	31.0%	29.4%
Men	64.1%	69.0%	70.6%
French	10%	11.8%	12.8%
Other nationalities	90%	88.2%	87.2%

The number of employees hired under open-ended contracts in 2013 in the consolidated companies increased by 8.8% compared with 2012. The regions in which the largest number of employees under open-ended contracts were hired were Latin America (30.5%), followed by Asia (26.7%) and Europe (25.1%), and the business segment that hired most was Refining & Chemicals (49.1%).

The consolidated Group companies also hired 4,326 employees on fixed-term contracts. Over 600,000 job applications were received by the subsidiaries covered by the WHRS.

As of December 31,	2013	2012	2011
Departures excluding retirement/transfers/early retirement/ voluntary departures and expiry of short-term contracts	**6,779**	**8,324**	**6,892**
Death	106	155	119
Resignations	4,040	4,946	4,332
Redundancies/negotiated departures [(a)]	2,495	3,006	2,199
Negotiated departures (France)	138	217	242
Total departures/total employees	**6.9%**	**8.6%**	**7.2%**

(a) The increase between 2011 and 2012 is principally due to the reduction of employees at SunPower (essentially in the Philippines).

1.1.3. Compensation

TOTAL's approach to overall compensation (salary and employee benefits) is guided by the twin imperatives of external competitiveness, with salaries and social protection schemes positioned relative to local reference markets, and internal fairness. These shared principles are adapted in line with local factors such as labor laws, the economic context and the job market in the various countries where the Group operates.

Most of the subsidiaries that implement annual individual pay reviews attempt to position their compensation at least at the mid-point of the comparative external reference (market average).

General and merit-based increases take place yearly. Group companies may also use tools that reward collective performance (for example, in France, incentives and profit-sharing), together with base salary supplements, such as bonuses or variable portions, to better acknowledge individual contribution. The trend is towards individualized remuneration by strengthening rewards for collective and individual performance.

The HSE (Health, Safety and Environment) aspect is also taken into account when evaluating individual and collective performance. A policy is pursued that recognizes HSE performance by assessing the individual performance of managers and collective team performance. A portion of the managers' variable compensation is based on the achievement of HSE targets set for each business segment. It may also include individual HSE objectives, for which achievement is assessed during the annual performance review.
For the managers whose compensation includes a variable portion, HSE criteria can determine up to 10% of the variable portion.
For all employees, the annual performance review also includes an

HSE target determined with the line manager. In addition, the three-yearly profit-sharing agreement for 2012-2014 applying to the oil and petrochemicals perimeter[1] in France includes for the first time a component of remuneration that is conditional on reaching an HSE target assessed per the business segment.

Moreover, 93% of the employees in the scope of the 2013 WHRS are employed in countries where the law guarantees a minimum wage. In the absence of legislation for the remaining 7%, the Group, at the very least, complies with the local agreements on pay (company agreements or collective conventions) or builds its own structure. The minimum compensation is always set in accordance with the above policy, which is based on external benchmarks, thereby guaranteeing compensation above the locally applicable minimum.

The development of employee shareholding is another cornerstone of the Group's compensation policy. It is used to foster a good understanding of the Company's core values and to create a direct link with company performance. TOTAL thus grants performance shares to a significant number of employees (about 10,000) on the basis of the Group's achievement of overall economic goals (see point 4. of Chapter 6).

In July 2013, the Board of Directors of TOTAL S.A. approved a performance share plan. This is the ninth plan implemented by the Group since the granting of free shares to employees has been permitted by French law and it ensures a significant replenishment rate with 39% of employees who were not beneficiaries the previous year.

The Group regularly invites its employees to subscribe to capital increases reserved for employees, the latest of which was launched in 2013. During this operation, 28,000 employees in 96 countries decided to subscribe to this capital increase, which, in addition to a conventional scheme, offered a scheme securing the employee's investment with a guaranteed minimum return.

Moreover, TOTAL places the development of employee savings, wherever possible, at the heart of its Human Resources policy. For more detailed information, see point 5. of Chapter 5 of this Registration Document.

The pension and employee benefit programs in the Group's subsidiaries are improved every year (health insurance, life insurance). Since 2011, such improvements include the gradual introduction of a supplementary pension scheme in certain subsidiaries of Refining & Chemicals and Marketing & Services and the benchmarking and introduction of supplementary health and life insurance programs in eight Asian countries and for all employees in the Mexican subsidiaries in 2013. Additional improvements were made in 2013 in other countries regarding the death benefit. A life insurance program paying a minimum of two years' salary in case of death, regardless of the cause, has been set up in a large majority of Group companies. As a result of significant changes in the scope under review (sale of large companies and integration of new, created or acquired companies), As a result of significant changes in the scope under review (sale of large companies and integration of new, created or acquired companies), the level of coverage under this program at year-end was 86% of the workforce included in the 2013 WHRS.

1.2. Organization of work

The average work week is determined by applicable local law. It is less than forty hours in most of the subsidiaries in Europe and Japan, and 40 hours in most of the Asian and African countries. It is longer in the United States and India.

Depending on current local law, there are several programs that aim to create a better balance between work and private life and/or to encourage equal career opportunities. In France, teleworking was introduced in 2012. As of December 31, 2013, there were 255 teleworkers in the oil and petrochemicals perimeter[1], 45% of whom were managers and 30% men.

	WHRS 2013	WHRS 2012	WHRS 2011
% of companies offering the option of working part-time	63%[a]	69%	63%
% of employees working part-time of those given the option	5.2%	5%	5%
% of companies offering the option of teleworking	22%	19%	15%
% of employees involved in teleworking of those given the option	2.3%	2%	3%

(a) The reduction in this percentage from 2012 to 2013 is due to the difference in the scope of the WHRS.

The sickness absenteeism rate is one of the indicators monitored in the WHRS:

	WHRS 2013	WHRS 2012	WHRS 2011
Sickness absenteeism rate	2.5%	2.6%	2.7%

(1) Including nine Upstream, Refining & Chemicals and Marketing & Services companies in France.

1.3. Dialogue with employees

TOTAL's employees and their representatives have a privileged position and role among the numerous stakeholders with which the Group has and intends to develop regular dialogue (see also point 3.1. of this Chapter). In countries where employee representation is not required by law, TOTAL strives to set up such representation (for example in Myanmar and Nigeria). There are therefore employee representatives in the majority of Group companies, most of whom are elected. The subjects covered by dialogue with employees vary from company to company, but there are common major themes such as work time, health and safety, compensation, training and equal opportunity.

Organizational changes were carried out in the Group in 2013 in consultation with employee representatives and paved the way for a constructive social dialogue, leading to agreements such as the one on commitments in the context of the disposal of TIGF and the one relating to the mechanism of providing labor support measures for the future of the petrochemical platform in Carling.

In France, thirty-two agreements were signed with employee representatives in 2012, covering in particular retirement conditions, compensation systems, geographical relocations and teleworking.

	WHRS 2013	WHRS 2012	WHRS 2011
Percentage of companies with employee representation	71.6% (a)	79.9%	77.4%
Percentage of employees covered by collective agreements	67%	67.7%	70.3%

(a) The reduction in this percentage from 2012 to 2013 is due to the differences in the scope of the WHRS.

TOTAL continues to develop dialogue with employees on a European scale through negotiations with European trade union federations.

Several agreements have been signed, including, for example, the convention on labor relations and equal opportunities that aims to set up a common social platform applicable to all the Group's European entities.

A single Work Committee representing European personnel has been set up at the Group-wide level in order to inform employees and hold discussions on the Group's strategy, its social, economic and financial situation, as well as questions of Sustainable Development, CSR and safety on a European scale. It also examines any significant proposed organizational change concerning at least two companies in two European countries, to express its opinion, in addition to the procedures initiated before the national representative bodies.

In addition, every other year TOTAL carries out an internal survey amongst its employees to gather their views and expectations with regard to their work situation and perception of the Company, locally and as a Group. The results of the survey conducted in 2013 amongst 70% of the Group Employees show that they have a commitment rate of 73% and that 85% of them are proud to work for TOTAL.

1.4. Training

The Group has four priority goals in the field of training:

- sharing TOTAL's corporate values, in particular with respect to ethics and corporate HSE;
- increasing key skills in all business areas and maintaining a high level of operating performance;
- promoting employees' integration and career development through induction, management and personal development training;
- supporting the policy of diversity and mobility within the Group through language and intercultural training.

The Group's efforts in the field of training continued in 2013: 87% of employees followed at least one training course and, within the scope of the WHRS, 454,000 days of training were offered for a total training budget of about €290 million (mentoring represents approximately 23%). Priorities for technical training or training that meets the specific needs of the activities are implemented by the operational business divisions in order to better meet the needs of the personnel.

In 2013, the Group continued its effort to provide HSE training, with programs focusing on HSE Culture (see point 2.2.1.). This year also marked an acceleration in the development of managerial programs abroad, particularly to strengthen equal career opportunities in the Group. Moreover, TOTAL has continued the large-scale deployment of business-specific e-learning modules and programs on such cross-functional topics as diversity, compliance, competition law, the oil and gas chain, etc. In 2013, 33,000 people attended at least one module.

Average number of days' training/year per employee (including mentoring, excluding e-learning)	WHRS 2013	WHRS 2012	WHRS 2011
Group average	**5.2**	**5.5**	**5.8**
By segment			
Upstream	9.6	8.9	9.5
Exploration & Production	9.9	9.2	9.8
Gas & Power	2.4	5.1	5.3
Refining & Chemicals	4.6	4.9	5.0
Refining & Chemicals	4.6	4.9	5.0
Trading & Shipping	1.8	1.9	2.1
Marketing & Services	3.4	4.2	4.4
Marketing & Services	3.6	4.7	4.4
New Energies	2.7	2.0	6.2
Corporate	3.3	2.9	2.4
By region			
Africa	9.4	9.2	8.3
North America	5.0	8.3	7.9
Latin America	6.9	4.1	6.2
Asia-Pacific	5.1	6.0	9.4
Europe	4.1	4.6	4.5
Middle East	9.4	11.6	13.9
Oceania	2.6	3.4	1.5
French Overseas Departments and Territories	2.3	2.4	1.5
Breakdown by type of training given (including mentoring, excluding e-learning)			
Technical	41%	42%	42%
Safety	25%	27%	29%
Language	12%	11%	8%
Other [a]	22%	20%	21%

(a) Other: management, personal development, intercultural.

1.5. Equal opportunity

TOTAL strives to offer equal opportunities to all its employees throughout their professional careers. An action plan was launched in 2004 to ensure that not only recruiters and career managers, but also business unit managers comply with the principle of equal opportunities.

Since 2004, the Group's Diversity Council, chaired by a member of the Executive Committee, has been overseeing activities with a view to increasing the number of women employees, international employees and local employees up to the highest levels of management. Promoting diversity goes hand-in-hand with combating all forms of discrimination within the Group, whether in relation to openness to different social background, equal opportunities for men and women or the hiring and retaining of employees with disabilities.

1.5.1. Equal treatment for men and women

In addition to the various collective agreements embodying its commitment to equal treatment of men and women, TOTAL signed in 2010 the Women's Empowerment Principles – Equality Means Business (unglobalcompact.org), set out by the United Nations Global Compact.

The Group intends to continue to foster gender diversity in all the Group's professions and to enable women to gain access to all levels of responsibility on equal terms with their male counterparts. In this regard, the Diversity Council monitors the following indicators:

% of women	2013	2012	2011
In recruitment on open-ended contracts	36%	31%	29%
Employees in management recruitment/JL [1] ≥10	29%	27%	28%
Employees	31%	30%	30%
Employees in management/JL1 [1] ≥10	24%	24%	23%
Employees in senior management	17%	16%	15%

TOTAL also participates in the BoardWomen Partners program, which aims to significantly increase the proportion of women in the boards of large companies throughout Europe. Following the 2012 Shareholders' Meeting, 33% of TOTAL S.A.'s Board of Directors were women, compared with 26% before the meeting. Refer to point 1.1. of Chapter 5 for more details.

The Group also shows its commitment through agreements or provisions relating to access to employment, maternity and paternity leave, child care facilities, working conditions, balancing work and family responsibilities, and managing dual careers.

(1) JL: the level of the job position according to the Hay method. The Hay method is a unique reference framework used to classify and assess jobs. JL10 corresponds to junior managers.

In addition, the Group offers women the opportunity to share and discuss through TWICE (Total Women's Initiative for Communication and Exchange), created in 2006 and restarted in 2009. The aim of this network is to promote career development for women in line with TOTAL's gender diversity strategy. This initiative is currently in place in France and around the world (Germany, Angola, Belgium, Cameroon, Canada, China, Congo, United Arab Emirates, Gabon, Indonesia, Italy, Nigeria and Singapore) and has over 3,000 members. TWICE offers a mentoring program that supports women in their professional development by helping them better negotiate the key phases of their career, deepen their self-exploration and expand their network.

1.5.2. Internationalization of management

With employees representing over 130 nationalities, TOTAL enjoys great cultural diversity, and it is important that this be reflected at all levels of the Company and across all business segments.

The Group's companies recruit for a highly varied portfolio of business segments, usually with a large technical component, and strive to prioritize local recruitment.

In 2013, 73% of managers recruited were non-French, representing more than eighty different nationalities. Several measures have been put in place so that the internationalization of management reflects this diversity, including harmonizing Human Resources practices (for example with regard to hiring and annual appraisals), increasing the number of foreign postings for non-French employees, and decentralizing training.

% of non-French	2013	2012	2011
In recruitment on open-ended contracts	90%	88%	87%
Employees in management recruitment/JL (1) ≥10	73%	71%	75%
Employees	67%	64%	64%
Employees in management/JL (1)≥10	61%	59%	59%
Employees in senior management	26%	25%	23%

1.5.3. Measures promoting the employment and integration of people with disabilities

For over twenty years, TOTAL has set out its disability policy in France through successive agreements signed with employee representatives to promote the employment of workers with disabilities.

While promoting the direct recruitment of disabled people and cooperation with the sector for disabled workers, TOTAL also takes various types of action:

– in-house: integration, professional training, job retention, advertising, awareness sessions organized for managers and teams, Human Resources managers, etc.

– externally: cooperation with recruitment agencies, information and advertising aimed at students, attendance at specialized recruitment forums, etc.

In continuation of the work already undertaken, three new 3-year framework agreements (2013-2015) with the French representative unions set out TOTAL's policy in France with regard to integrating people with disabilities into the work world.

1.5.4. Measures promoting non-discrimination and diversity

In addition to basing its recruitment policy on the principle of non-discrimination, TOTAL is involved in a number of initiatives to promote diversity. In France, the Group is in particular a partner in the action taken by IMS-Entreprendre pour la Cité (Institut Mécénat-Solidarité), with a view to facilitating the integration of young graduates into the workplace.

The TOTAL Foundation also works alongside several associations that help young graduates from disadvantaged backgrounds to find jobs or support them in further education.

(1) JL: the level of the job position according to the Hay method. The Hay method is a unique reference framework used to classify and assess jobs. JL10 corresponds to junior managers.

2. Safety, health and environment information

TOTAL's safety, health and environment policy is based on the charter below, which was adopted in 2000 and updated in 2009. This charter represents the common framework of the Group's HSE and Quality management systems. Group directives define the minimum requirements expected in the different HSE areas and are implemented in the business segments, which subsequently factor in the specific characteristics of their operations. Recommendations, guides and manuals are regularly published and made available to the different business segments. They provide invaluable guidance and support for implementing and managing the Group's policies.

Safety Health Environment Quality Charter

TOTAL has based its policy in matters pertaining to health, safety, the environment and quality on the following ten principles:

Article 1
TOTAL considers personal health and safety, operational safety, respect for the environment, customer satisfaction and listening to stakeholders as paramount priorities.

Article 2
TOTAL strives to comply with applicable laws and regulations wherever it conducts its business and supplements them, when appropriate, with its own specific requirements.

Article 3
TOTAL promotes among its employees a shared culture the core components of which are skills management, incident feedback, information and dialogue. This process is driven by the leadership and exemplary conduct of management.

Article 4
TOTAL favors the selection of its industrial and business partners on the basis of their ability to comply with its health, safety, environment and quality policy.

Article 5
TOTAL implements, for all its operations, appropriate management policies regarding health, safety, environment and quality risks which are regularly assessed. No project development or product launch may be undertaken without a risk assessment covering the entire life of the project or product.

Article 6
Appropriate health, safety, environment and quality management systems for each line of business undergo regular assessment involving measuring the performance, setting milestones, formulating relevant action plans and instituting suitable control procedures.

Article 7
In order to respond effectively in the event of accidents, TOTAL equips itself appropriately and establishes emergency procedures that are periodically reviewed and regularly tested during exercises.

Article 8
All employees, at all levels, must be aware of their role and personal responsibility in performing their duties, giving due consideration to the prevention of risks of accidents, harm to health, environmental damage or adverse impacts on product and service quality. Vigilance and professionalism in these fields are important criteria in evaluating the performance of each member of personnel, in particular for those in positions of responsibility.

Article 9
In matters of health, safety, environment and quality, TOTAL adopts a constructive attitude based on open dialogue with stakeholders and outside parties. Through its social commitment, it focuses on developing its business in harmony with the neighboring communities.

Article 10
TOTAL monitors and controls the Group's energy consumption, greenhouse gas emissions, production of ultimate waste and impact on biodiversity. The Group develops new processes, products and customer services in order to enhance energy efficiency and reduce environmental footprints. The Group is engaged in research and development for additional energy resources. TOTAL thus actively contributes to Sustainable Development.

The Industrial Safety department and the Sustainable Development and Environment department, together with the Security department, report to Corporate Affairs and provide support to the segments and ensure that they implement policies that reflect the principles of the charter in a concrete, effective manner.

In accordance with oil and gas industry best practices (set out in the IPIECA reporting guidance), the following Health, Safety and Environment information relates to the activities, sites and industrial assets that TOTAL operates or for which it has been given contractual responsibility for managing operations, directly or through one of its subsidiaries. An exception is made for information concerning greenhouse gases, which is also expressed as a Group share of all assets in which TOTAL has a stake. The data presented in this section are provided on a current basis. For instance, data relating to SunPower, in which the Group holds a 64.65% interest, were taken into account from 2012.

2.1. Occupational health and safety

For many years now, the Group has been developing an HSE normative framework. In this respect, directives have been drawn up for occupational health and safety. These directives set out TOTAL's requirements in these areas for personnel working on its sites. In 2013, the three business segments increased their efforts in terms of the reference frameworks of the HSE management systems in order to provide greater overall consistency, while at the same time respecting the businesses' specific characteristics.

Indicators are used to measure the main results in these areas and monthly reporting of occupational incidents is used to monitor performance at both the global and site level. The Group does not differentiate between the safety of its employees and that of external contractors. The indicators below include incidents and hours worked by Group Employees and contractors working on its sites.

	2013	2012	2011
LTIR[(a)]: number of lost time incidents per million hours worked	0.9	1.0	1.3
TRIR[(b)]: number of recorded incidents per million hours worked	1.6	1.8	2.2
SIR[(c)]: average number of days lost per lost time incident	32.0	27.2	23.9

(a) LTIR: Lost Time Injury Rate.
(b) TRIR: Total Recordable Injury Rate.
(c) SIR: Severity Injury Rate.

The severity injury rate increased in 2013 compared with the previous year. This was particularly apparent in the Upstream segment, where a single event led to the death of four people (see below) and an extended absence from work for fourteen other employees, and in Marketing & Services, where the inclusion in reporting for France of work carried out at service stations had a significant impact on the increase in the segment's severity rate. In Refining & Chemicals, however, this indicator decreased slightly. The impact on the severity injury rate of the increase in the activities of Exploration & Production and security-related accidents, especially in Marketing & Services, is also being closely monitored.

In 2013, the Group experienced eleven accidents that led to fifteen fatalities, including a tragic helicopter accident that resulted in the death of four contractors. This accident occurred in late August in the North Sea, off the coast of the Shetland Islands, when eighteen people were being carried from an offshore drilling rig by helicopter. An investigation is being conducted by the competent British authorities (AAIB).

The number of fatalities per million hours worked (Fatality Incident Rate) calculated over a 3-year rolling basis, however, shows a downward trend: 0.030 in 2011; 0.025 in 2012; and 0.021 in 2013.

Since 2010, the basic rules to be scrupulously followed by all personnel, employees and contractors alike, in all of the Group's lines of business worldwide, have been set out in a safety document entitled "Safety at work: TOTAL's golden rules". According to the Group's internal statistics, in more than 90% of severe incidents or near misses with high severity potential in the workplace, at least one of the golden rules had not been followed. The roll-out of the golden rules was accompanied by an awareness campaign in 2011 and 2012 to ensure that all employees know and understand these rules. The proper application of these golden rules, and more generally of all occupational safety procedures, is verified through site visits and audits. Regular presentations and seminars are also organized with the employee representatives on the European Works Council to promote the golden rules.

In 2013, a worldwide safety campaign was launched in connection with the World Day for Safety and Health at Work on the theme of commitment to safety: "TOTAL commitment for me, for you, for all". This campaign, launched in eighteen languages, is expected to continue for several more years.

Moreover, the reporting of anomalies and near misses is strongly encouraged and monitored. The ability of each employee to identify anomalies or dangerous situations is a measure of the personnel's involvement and vigilance in accident prevention, which also reflects the safety culture level. An investigation is generally launched in response to any type of accident whatsoever. The method and depth of investigation depend on the actual or potential severity level. For example, a near miss with a high severity potential level is treated in the same way as a severe incident: its analysis is considered to be a key driving force for progress and, depending on its relevance to the other business units or business segments within the Group, triggers a safety alert and even the dissemination of a feedback report.

The Group's directives are equally demanding with regard to employee health. In particular, the Group's companies are expected to prepare a formal occupational risk assessment (chemical, physical, biological, ergonomic or psychosocial), create a risk management action plan and ensure medical monitoring of staff in line with the risks to which they are exposed. Two main indicators are monitored yearly:

	2013	2012	2011
Percentage of companies included in the Worldwide Human Resources Survey offering employees regular medical monitoring	95%	98%	96%
Number of occupational illnesses recorded in the year (in accordance with local regulations) per million hours worked	0.68	0.86	0.87

In 2013, there was an 18% decrease in recorded illnesses compared to 2012 with respect to the main occupational illnesses identified at TOTAL:

- Musculoskeletal disorders, the main cause of occupational illness, representing 42% of all recorded illnesses. This figure decreased by 12% compared with 2012 due to the implementation of a specific action plan to control risk and improve working conditions, particularly in Hutchinson's operations;
- Illnesses related to asbestos exposure, which decreased by 33% compared with 2012, in line with the continuous decline over several years due to the absence of recent exposure;
- Illnesses related to noise exposure.

In support of the Group's policy on preventing occupational illnesses and to complement the periodic medical surveillance scheme currently in place, TOTAL set up an employee health observatory which is responsible for keeping track of any medical conditions potentially affecting employees and, if applicable, suggesting and overseeing the appropriate preventive actions. By the end of 2013,

thirteen of the Group's sites in Europe had signed up for the observatory, which monitors approximately 10% of the Group's employees.

At the same time, eight French sites give their employees a questionnaire to complete when they have periodic medical check-ups, which are used to measure the impact of the reaction to the stress factors to which they may be exposed.

On a broader level, TOTAL is associated with promoting individual and collective health in the countries where it operates (including flu vaccination campaigns and prevention and screening programs for certain diseases, such as AIDS, cancer and malaria, for employees, their families and local communities). Awareness campaigns relating to lifestyle risks in particular have also been in place for several years (including, for example, anti-smoking and anti-drinking campaigns, musculoskeletal disorder prevention programs).

2.2. Environmental protection

2.2.1. General policy

The main Group entities have Health, Safety and Environment (HSE) departments or units that ensure compliance with both relevant local regulations and internal requirements. In all, over 980 full-time equivalent positions dedicated to environmental matters were identified within the Group in 2013.

The Group steering bodies, led by the Sustainable Development and Environment department, have a threefold task:

- monitoring TOTAL's environmental performances, which are reviewed annually by the Management Committee and presented before the Executive Committee, for which multi-annual improvement targets are set;
- in conjunction with the business segments, handling the various environment-related areas under their responsibility; and
- promoting the internal standards to be applied by the Group's business units as set out in the charter.

New objectives were set in the beginning of 2013 for the period up to 2017.

In-house, TOTAL also promotes compliance of its environmental management systems with ISO 14001. In 2013, 314 sites operated by the Group were ISO 14001-certified (compared to 305 in 2012), out of a total of 858 operated sites. The objective for 2017 is to achieve certification for all production sites producing over 10 kt of CO_2 eq emissions per year. The policy of allowing new or recently acquired sites two years to achieve certification will continue to apply. At year-end 2013, 100% of the eighty-four sites meeting these conditions were ISO 14001 certified and one site that started up less than two years ago has scheduled its certification for 2014.

The environmental risks and impacts of any planned investment, disposal or acquisition subject to Executive Committee approval are assessed and reviewed before the final decision is made (also refer to point 1.10. in Chapter 5).

TOTAL ensures that all employees are aware of its environmental protection requirements. Employees are given training in the required skills. TOTAL also raises employee awareness through internal campaigns (*e.g.*, in-house magazines, intranet, posters) and provides annual information about the Group's environmental performance through circulation of the CSR report.

Two 3-day training courses on all aspects of HSE are also made available to the business units. "HSE Implementation" sessions are aimed at employees whose job is specifically to handle one or more HSE areas within a business unit (three sessions were held in 2013 with seventy-eight participants). The training session "HSE for Managers" is aimed at senior managers who are currently or will in the future be responsible for one of the Group's business units (five sessions were held in 2013 with 221 participants). Lastly, the "HSE for Executives" course focusing on management styles has been organized since 2012 for Group executives (five sessions were held in 2013 with 99 participants).

2.2.2. Environmental footprint

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

Water, air

The Group's operations generate chronic emissions, such as fumes at combustion plants, emissions into the atmosphere from the various conversion processes and discharges into wastewater. In addition to complying with applicable legislation, the Group's companies actively pursue a policy aimed at reducing the amount of emissions. Sites use various treatment systems that include different types of measures:

- Organizational measures (*e.g.*, using predictive models for controlling peaks in SO_2 emissions in accordance with weather forecast data, managing combustion processes).
- Technical measures (such as building wastewater treatment plants).

These measures can be preventive to avoid generating pollutants (such as low NOx burners for combustion plants) or curative (such as biological treatment of processed water to reduce the hydrocarbon content of the final effluent).

To ensure the quality of its wastewater discharge, TOTAL has set, for all of its offshore exploration and production operations, a target of complying with the hydrocarbon concentration requirements set out in the OSPAR standard (less than 30 mg/l), which is only mandatory in the North Sea. For the fifth consecutive applicable year, the Group achieved this goal on yearly average in 2013.

In 2013, the Normandy platform (petrochemical plant) hosted E4WATER, a European research project aimed at developing tomorrow's technologies that would permit recycling water based on a petrochemical pollution matrix. This involves testing seven pilot processes (sand filtration, ozonation for cooling, UV disinfection treatment, ozonation for waste water, bio-filtration, ultrafiltration and reverse osmosis) on two aqueous flows in the site: waste water and cooling water. These technologies are mature, but their combination on a petrochemical matrix is innovative. On completion of this project in 2015, the knowledge acquired will be used locally for a

recycling project (40% reduction in withdrawal) or globally (recycling program for Exploration & Production and Refining & Chemicals segments). This project aims both to decrease the discharge of hazardous substances into the natural environment and to save natural resources by recycling water in the processes used by the Group.

The table below shows changes in chronic emissions into the atmosphere (excluding greenhouse gas; see point 2.2.5.) and discharged water quality:

	2013	2012	2011
SO2 emissions (thousands of metric tons)	75	79	91
NOx emissions (thousands of metric tons)	91	88	84
Hydrocarbons in discharged water (metric tons, onshore and coastal, excluding Specialty Chemicals)	306	437	380
Chemical oxygen demand (COD) in water discharged by specialty chemicals (metric tons)	270	275	320

The presentation of hydrocarbon discharges in effluents was changed in 2013 to obtain an indicator consistent with the target set by the Group (40% reduction in onshore and coastal hydrocarbon discharges between 2011 and 2017). In order to compare 2013 performance with that of previous years, the concentration of hydrocarbons in water discharged by Exploration & Production was 17 mg/l in 2013 compared to 23 mg/l in 2012 and 20 mg/l in 2011.

The slight decrease in SO_2 emissions between 2012 and 2013 was driven by the shutdown of the catalytic crackers at two refineries and the proper operational performance of the sulfur units at other refineries. In addition, the vast majority of the fuels used at the Group's refineries are now gaseous, which have a much lower sulfur content than liquid fuels.

In 2013, NOx emissions produced by Exploration & Production increased by 5 kt due to the increase in drilling activities, and therefore of diesel consumption, and decreased by 1.5 kt as a result of the sale of the Fertilizers business.

The amount of hydrocarbons discharged at the coasts and onshore has declined sharply due to the improved performance of oil terminals in the Gulf of Guinea, with the inflow of investments and with the operational management between offshore facilities and terminals.

Below are the Group's achievements at year-end 2013 based on the objectives set at the beginning of 2013:

- 19% reduction in hydrocarbon discharges in water (onshore and coastal) since 2011 compared to the 40% target set for 2017;
- 24% reduction in SO_2 emissions compared to 2010, that is, exceeding the target set for 2017 (-20%).

Soil

The risks of soil pollution related to TOTAL's operations come mainly from accidental spills (refer to point 2.2.3. of this Chapter) and waste storage (see below). The Group's approach to preventing and controlling these types of pollution is based on four cornerstones:

- leak prevention, by implementing industry best practices in engineering, operations and transport;
- maintenance at appropriate intervals to minimize the risk of leaks;
- overall monitoring of the environment to identify any increase in soil pollution; and
- controlling pollution from previous activities by means of containment or reduction operations.

Decommissioned Group facilities (*e.g.*, chemical plants, service stations, mud pits or lagoons resulting from hydrocarbon extraction operations, wasteland on the site of decommissioned refinery units) impact the landscape and may, despite all of the precautions taken, be sources of chronic or accidental pollution. TOTAL ensures that sites are remediated when it leaves in order to allow new operations to be set up once the future use of the land has been determined in agreement with the authorities. This continuous task is performed by various teams within the Group, some of which form subsidiaries, and has been governed by a "Polluted soil and site reclamation" policy since 2012.

Waste

The Group's companies are focused on controlling the waste produced at every stage in their operations. This commitment is based on the following four principles, listed in decreasing order of priority:

1. reducing waste at source, by designing products and processes that generate as little waste as possible, as well as minimizing the quantity of waste produced by the Group's operations;
2. reusing products for a similar purpose in order to prevent them from becoming waste;
3. recycling residual waste; and
4. recovering energy, wherever possible, from non-recycled products.

To this end, TOTAL has entered into a variety of partnerships:

- With Veolia, the Group is involved in the Osilub project, which culminated in the construction of a used motor oil recycling plant in Le Havre, France. The plant, of which TOTAL holds a 35% share, entered into production in 2012 and boasts a processing capacity of 120,000 t/y (50% of all the used motor oil collected in France); the recycled oil is used to make Vacuum Gas Oil (VGO) for refinery production of lubricants and fuels.
- In 2011, Total Energy Ventures (the Group's vehicle for investing mainly in new energy and environmental protection technologies) acquired a stake in Agilyx. This American startup has developed an innovative process to convert waste plastic into crude oil, for which it already has a unit in production.

A Group directive issued in 2012 sets out the minimum requirements related to waste management. It is carried out in four basic stages:

- waste identification (technical and regulatory);
- waste storage (soil protection and discharge management);
- waste traceability, from production through to disposal (*e.g.*, notes, logs, statements); and
- waste processing, with technical and regulatory knowledge of the relevant channels, under site responsibility.

TOTAL is especially committed to managing and treating waste classified as hazardous (depending on the type, waste is mainly processed outside the Group by specialized companies):

	2013	2012	2011
Volume of hazardous waste treated outside the Group (kt)	232	237	248

Since 2012, TOTAL has also been monitoring the different waste treatment technologies used for the following categories:

	2013	2012 [(a)]
Recycling	37%	38%
Waste-to-energy recovery	7%	9%
Incineration	12%	12%
Landfill	23%	20%

(a) The values for 2012 have been corrected given that a large volume of wastewater discharge should not have been recorded as waste at the Exploration & Production subsidiary in Yemen.

Environmental nuisance

TOTAL's operations may cause environmental nuisances for residents near its industrial sites. These may be sound or odor nuisances, but can also result from vibrations or road, sea or river traffic.

Most sites have a system for receiving and handling residents' complaints, the aim of which is to take account of and gain a clearer insight into the different types of nuisances and to minimize them. Monitoring systems can also be put in place, such as sound level measurements at the site perimeter or networks of sensors to determine the origin and intensity of odors.

2.2.3. Incident risk

In addition to setting up management structures and systems, TOTAL strives to minimize the industrial risks and the environmental impacts associated with its operations by:

- performing rigorous inspections and audits;
- training staff and raising the awareness of all parties involved; and
- implementing an active investment policy.

In particular, TOTAL strives to prevent accidental spills. A common technological risk management approach has been developed to formalize this requirement at the Group's industrial sites. The methodology is gradually being implemented in all operated businesses exposed to technological risks and sets out a risk analysis based on incident scenarios for which the severity of the consequences and the probability of occurrence are assessed. These parameters are used to create a decision matrix that identifies the required level of mitigation.

Specifically with regard to shipping, the Group has an internal policy setting out the rules for selecting vessels. These rules are based on the recommendations of the Oil Company International Marine Forum (OCIMF), an industry association made up of the main global oil companies that promotes best practices in oil shipping, and on OCIMF's Ship Inspection Report (SIRE) Program. TOTAL does not charter any single-hulled vessels for shipping hydrocarbons and the average age of the fleet chartered by TOTAL's Shipping division is about five years.

In accordance with industry best practices, TOTAL particularly monitors accidental liquid hydrocarbon spills of a volume of more than one barrel. Spills that exceed a certain severity threshold (whether in terms of volume spilt, toxicity of the product in question or sensitivity of the natural environment affected) are reviewed on a monthly basis and annual statistics are sent to the Group's Management Committee. All accidental spills are followed by a corrective action aimed at returning the environment to its original state as quickly as possible.

The table below shows the number and volume of accidental hydrocarbon spills with an environmental impact and that are greater than one barrel in volume:

	2013	2012	2011
Number of hydrocarbon spills with an environmental impact	169	219	263
Total volume of hydrocarbon spills with an environmental impact (thousands of m^3)	1.8	2.0	1.8

Note: Soil on sites is deemed to form part of the natural environment unless sealed.

Excluding the amounts spilled as a result of the Elgin incident in the North Sea (approximately 700 m^3) in 2012, the 2013 volumes increased over those of 2012. For the most part, this increase was due to spills at refineries (approximately one-third of the total), over 95% of which were recovered, as well as better reporting at Marketing & Services.

While risk prevention is emphasized, TOTAL regularly addresses the issue of crisis management on the basis of risk scenarios identified through analyses.

In particular, the Group has emergency plans and procedures in place in the event of a hydrocarbon leak or spill. For accidental spills that reach the surface, anti-pollution plans specific to each subsidiary or site, which are adapted to their structure, activities and environment while complying with Group recommendations, are regularly reviewed and tested during exercises. In 2012, the Group's requirements for preparing emergency plans and the associated exercises were set out in a Group directive.

The Group uses the following indicators to measure its readiness to counteract pollution:

	2013
Number of sites whose risk analysis identified at least one scenario of major accidental pollution to surface water	150
Proportion of those sites with an operational anti-pollution plan	87%
Proportion of subsidiaries and sites whose risk analysis identified at least one scenario of accidental pollution to surface water and that have performed at least one anti-pollution exercise during the year	82%

Also available to TOTAL's subsidiaries, the PARAPOL (Plan to Mobilize Resources Against Pollution) alert scheme is used to facilitate crisis management at the Group level. Its main aim is to mobilize the internal and external human and physical resources necessary to respond in the event of pollution of marine, coastal or inland waters, without geographical restriction, at any time, at the request of any site.

The Group and its subsidiaries have assistance agreements with the main bodies specializing in oil spill management, such as Oil Spill Response Limited, CEDRE and Clean Caribbean & Americas. Their role is to provide expertise, resources and equipment in all of the regions where TOTAL has operations.

Following the blowout of the Macondo well in the Gulf of Mexico in 2010 (in which the Group was not involved), TOTAL created three task forces in order to analyze risks and issue recommendations.

The task forces finalized most of their work in 2012, and the Group has continued deploying solutions to minimize such risks.

In 2012, the work carried out as part of the Subsea Well Response Project (SWRP), a consortium of nine oil companies including TOTAL, paved the way for the construction of several capping systems designed to prevent hydrocarbon spills in the underwater environment. In 2013, three of the four capping systems were positioned in various parts of the world, representing a solution that can be launched into action in case of a deepwater drilling pollution incident. The last one will be positioned in 2014.

Additionally, the work carried by TOTAL through its Subsea Emergency Response System (SERS) has also led to the construction of capping equipment to respond to an event on a production well. These capping systems will be positioned in 2014 in the Gulf of Guinea where TOTAL is strongly present in subsea production.

In November 2013, a large-scale exercise to simulate a massive oil leak in deep offshore waters was conducted in Angola. During this 3-day emergency exercise, known as "Lula", the Angolan subsidiary deployed the resources that would have been needed to manage an actual event of this kind (*e.g.*, several ships, an airplane, helicopters, teams working on the FPSO, at the headquarters of the Total E&P Angola subsidiary in Luanda and the Group in Paris). It provided the ability to test a number of the systems implemented by the post-Macondo task forces:

- deployment of a subsea dispersant injection system;
- supply chain for large quantities of dispersants;
- surface anti-pollution mechanisms (*e.g.*, dispersion, recovery); and
- systems for tracking and predicting the location of oil slicks (*e.g.*, satellite tracking, prediction models based on oceanographic/meteorological data).
- mobilization of partners that specialize in crisis management and pollution control.

Many lessons have already been learned from this exercise and a detailed feedback report is being drafted to further improve the Group's ability to respond to an accident of this scale.

2.2.4. Sustainable use of resources

Water

The distribution worldwide of available freshwater varies greatly in space and time. The issue of water consumption therefore requires different responses depending on the regional and technical context.

In order to establish which of its facilities are affected by this issue as a priority, TOTAL both:

- identifies water withdrawals and discharges across all of its sites; and
- identifies sites located in "water stress" areas (watersheds that will have less than 1,700 m³ of renewable freshwater available per person and per year by 2025, according to the Falkenmark indicator), using the Global Water Tool for Oil & Gas developed jointly by the World Business Council for Sustainable Development and IPIECA.

	2013	2012	2011
Freshwater withdrawals excluding cooling water (million m³)	126	143	142
Percentage of Group sites, excluding Marketing, located in water-stressed areas	49%	49%	44%

The decrease in water withdrawals between 2012 and 2013 is due mainly to the deconsolidation of the Fertilizers business in 2013.

The "Optimizing water consumption on industrial sites" guide sets out best practices for saving and recycling water at all Group sites. The guide has been widely distributed throughout the Group since 2007.

In the activities of exploration and production, re-injecting water extracted at the same time as the hydrocarbons (production water) back into the original reservoir is one of the methods used to maintain reservoir pressure. The technical specifications in force in the Group stipulate that this option must be given priority over other production water treatment technologies.

At refineries and petrochemical sites, water is mainly used to produce steam and for cooling units. Increasing recycling and replacing water by air for cooling are TOTAL's preferred approaches for reducing freshwater withdrawals.

Soil

Preliminary work for the Joslyn North oil sands mine in Canada began in 2013. Of the 4,000 hectares of forest cleared, about 630 will be rehabilitated at the end of the project (see point 4.1. of Chapter 7), with the rest eventually replanted.

Aside from this example, TOTAL uses the ground surface that it needs to safely conduct its industrial operations and, at present, does not make extensive use of ground surfaces that could significantly conflict with the various natural ecosystems or with agriculture.

Raw materials

Hydrocarbons, an energetic material, are the Group's main raw material. Optimum use of hydrocarbons therefore lies in what is known as "energy efficiency", as described below.

Since 2011, TOTAL has measured the raw material loss rate for each line of business. This is the percentage of converted raw materials that are neither delivered to any of the business line's customers nor used for energy purposes.

Raw material loss rate	2013	2012	2011
Hydrocarbon production line of business	2.5%	2.8%	2.5%
Refining line of business	0.5%	0.5%	0.6%

Energy efficiency

Streamlining energy use is one of the Group's performance targets. Internal documents (roadmaps and guides) describe the challenges, set out methodologies and action plans, and include quantified goals to reduce consumption. Since the beginning of 2013, a Group directive has defined the requirements to be met by 2016 at operated sites that use more than 50,000 tons of oil equivalent per year of primary energy.

In early 2013, the Group set an objective to improve energy

efficiency by 1.5% per year on average between 2012 and 2017 within Exploration & Production, Refining and Petrochemicals, with the exception of the resins business. These areas represent over 95% of the Group's net primary energy consumption.
A Group Energy Efficiency Index (GEEI) was created in early 2013 to assess the Group's performance in this area. It consists of a combination of energy intensity ratios (ratio of net primary energy consumption to the level of activity) per business, reduced to base 100 and consolidated with a weighting by each business's net primary energy consumption. Its value is therefore 100 in 2012 and the goal is to reach 92.5 by 2017.

	2013	2012	2011
Net primary energy consumption (TWh)	157	159	158
Group Energy Efficiency Index (GEEI) (base 100 in 2012)	102.3	100	-

The decrease in net primary energy consumption is due primarily to the sale of the Fertilizers business.

The Group's energy efficiency worsened in 2013 despite the fact that the performance expected at Refining & Chemicals was achieved. This is mainly the result of the flaring of associated gas during the startup phase of the Usan field in Nigeria, which took longer than expected (see point 2.2.5.).

In early 2011, the Group's internal structure relating to "Climate and Energy" was changed:

- A decision-making body was created in the form of the CO_2/Energy Efficiency Management Committee. Its role is to define the guidelines and targets on greenhouse gas emissions and energy performance. It is based on a permanent energy efficiency task force and, where applicable, temporary Group-wide task forces.
- Energy Network days and the Energy seminar provide opportunities for internal discussion, reflection and information-sharing.

In France, Energy Efficiency Certificates (*Certificats d'économies d'énergie* – CEE) are awarded by the Energy and Climate Administration (*Direction générale de l'Énergie et du Climat*) in recognition of energy-saving activities. TOTAL is encouraging its customers to reduce their energy consumption by 50 TWh (over the entire service life of the product) over the period of 2011 to 2014.

Through the "Total Ecosolutions" program, the Group is also developing innovative products and services that perform above market average on the environmental front, such as by curbing energy use and greenhouse gas emissions while providing the same level of service. At year-end 2013, forty-two products and services bore the "Total Ecosolutions" label. SunPower's photovoltaic modules, which received the label in 2013, help avoid approximately 40% of greenhouse gas emissions throughout the entire life cycle compared to the market reference (average of the four main competing technologies). The CO_2 eq emissions avoided throughout the life cycle by the use of Total Ecosolutions products and services, compared to the use of benchmark products on the market and for an equivalent level of service, are measured annually based on sales volumes. This represented 740,000 t of CO_2 eq in 2012. In early 2013, the Group set the following target: to have fifty "Total Ecosolutions" labels by year-end 2015.

In late 2012, TOTAL introduced an energy efficiency scheme that allows its 40,000 employees in France to perform an energy audit of their homes (financed at a rate of 50%) and to receive investment subsidies for energy efficiency upgrades under the Energy Efficiency Certificate program in France and special discounts from building professionals who partner with the Group.

Use of renewable energies

As part of its strategy, TOTAL has long been committed to developing renewable energies. The main focus in developing renewable energies is solar energy through SunPower (64.65%). TOTAL is also exploring a number of avenues for converting biomass to energy.

A detailed description of the activities carried out by the Group in the field of new energy sources is provided in point 4.2. of Chapter 2.

TOTAL is using renewable energies to supply power to some production sites. The Group has installed solar photovoltaic panels on several of its buildings (for example, CSTJF in Pau, Lacq, and Provence refinery in France) and certain isolated wellheads, as well as a number of service station canopies in Europe and Africa.

2.2.5. Climate change

Greenhouse gas emissions

TOTAL has made reducing greenhouse gas emissions one of its priorities. It has set the objective of reducing greenhouse gas emissions by its operations by 15% from 2008 to 2015. Quantified targets have also been defined in an attempt to reduce flaring (50% reduction between 2005 and 2014) and improve the energy efficiency (1.5% per year between 2012 and 2017). These targets are annually published and tracked.

	2013	2012	2011
Daily volumes of gas flared (million m³ per day)	10.8	10.8	10.0
Operated direct greenhouse gas emissions (Mt CO_2 equivalent, 100% of emissions from sites operated by the Group)	46	47	46
Group share of direct greenhouse gas emissions (Mt CO_2 equivalent, from sites in which TOTAL has a stake)	51	53 [(a)]	53

(a) The 2 Mt CO_2 eq correction of the 2012 figure is the result of an error in interpreting the information received from our Novatek partner.

Flaring of associated gas remained stable in 2013 and still includes 2 Mm³ per day from the start-up phase of the Usan site, which is expected to begin its reinjection of associated gas only in 2014 due to the geological structure of the reservoir. Excluding volumes related to the start-up of facilities, the volume of flared associated gas totaled 8.8 Mm³/d, a 40% decrease compared with the baseline year (2005). The Group's target is a 50% reduction by 2014, excluding start-up phases of new facilities.

The drop in operated direct greenhouse gas emissions is mainly linked to the sale of Fertilizers, which accounted for 1 Mt CO_2 eq in 2012.

To ensure that investment projects can withstand the general emergence of a cost of CO_2 emissions, investments have been valued since 2008 based on a cost of CO_2 emissions of €25 per metric ton of CO_2 emitted.

TOTAL invests in R&D to reduce direct greenhouse gas emissions into the atmosphere by other means. The Group especially intends to develop CO_2 capture, transport and storage technologies. For several years now, it has been working on CCS (carbon capture and storage), so that it can be used on its industrial sites when permitted by economic and regulatory conditions. Currently, two production sites in which TOTAL has a stake, the Sleipner and Snøhvit fields in Norway, are using these technologies. The research program is ongoing, notably through a pilot project at the Lacq complex in France, where CO_2 is being captured by oxy-fuel combustion, transported and stored in a depleted natural gas field. The CO_2 pumping phase was stopped in 2013, but the Group will continue to monitor the behavior of the CO_2 storage conditions until March 2016.

Adapting to climate change

The Group assesses the vulnerability of its existing and future facilities to predicted climate change.

Climate conditions are factored into the design of industrial facilities, which are not only built to withstand extreme events observed in the past, but also to include additional safety margins.

In addition to adapting to climate change and limiting the effects of human activity on the climate, TOTAL advocates concerted action, particularly the emergence of a balanced, progressive international agreement that prevents the distortion of competition between industries or regions of the world.

2.2.6. Protecting biodiversity

Due to the nature of its business, and particularly because new exploration and production projects are located in potentially sensitive natural environments, TOTAL's operations are likely to have an impact on biodiversity. More specifically:

- impacts related to, for example, construction sites, access roads and linear infrastructures, that can result in habitat fragmentation;
- physicochemical impacts leading to changes in environments and habitats, or that might affect or interfere with certain species; and
- contribution to the propagation of invasive species in terrestrial and marine environments.

TOTAL is aware of these challenges and takes biodiversity into account in its guidelines at a number of levels:

- the Safety Health Environment Quality Charter (refer to point 2. of this Chapter), Article 10 of which specifies: "TOTAL (…) monitors and controls (…) (its) impact on biodiversity"; and
- a biodiversity policy that details the Group's principles for action in this area:

1. minimizing the impact of operations on biodiversity throughout the facility life cycle;
2. incorporating biodiversity protection into the environmental management system, particularly initial analyses, and social and environmental impact studies;
3. paying specific attention to operations in regions with particularly rich or vulnerable biodiversity; and
4. informing and raising the awareness of employees, customers and the public, helping to improve understanding of ecosystems.

This policy is implemented by means of a number of tools and rules. In Exploration & Production, rules and specifications govern the performance of baseline surveys and environmental impact assessments on land or at sea. Since 2011, all Group business units have had access to a detailed mapping tool detailing the world's protected areas based on regularly updated data from UNEP-WCMC (World Conservation Monitoring Center). The Group has renewed its partnership with UNEP-WCMC for 2013-2015.

In 2012, TOTAL acquired acreage near Lake Albert in Uganda in partnership with CNOOC and Tullow (33% each). TOTAL is the operator of Block 1 of this license, most of which is located in Murchison Falls National Park and the Ramsar zone of the Albert Nile Delta. This IUCN II-classified park was created in particular to protect its fauna, which includes such iconic species as large mammals (for example, elephants and Rothschild's giraffes), reptiles and numerous birds (including the shoebill). In light of this site's unique biodiversity, and in addition to applying the general principles of the Group's biodiversity policy, Total E&P Uganda set as its objective a net increase in biodiversity. To this end, Total E&P Uganda has adopted specific operating rules, such as using wireless geophone systems for seismic campaigns, limiting the size of drilling pads to 1 hectare (100 m x 100 m) and mapping biodiversity hotspots to prevent interference with areas sensitive for fauna (*e.g.*, breeding grounds) during the current seismic campaign, especially in the Albert Nile Delta. A dedicated social and environmental team, whose members include biodiversity specialists, has been created. A "Biodiversity and Livelihood Advisory Committee" has been set up with external stakeholders from national and international organizations specializing in nature conservation and relations between communities and wildlife. Its role is to ensure that Total E&P Uganda is aware of and implements best practices for its operations inside the park in order to help it meet its objective of a net increase in biodiversity.

TOTAL classifies protected areas around the world according to the categories defined by IUCN (International Union for the Conservation of Nature). TOTAL consistently aims to launch biodiversity action plans leveraging industry best practices for projects at new facilities and production sites (excluding exploration, storage and distribution operations) in the most sensitive protected areas corresponding to IUCN categories I to IV, such as national parks. In-depth studies are carried out prior to each new field development project and may lead to a series of preventive measures. For instance, in January 2012, the authorities of the Democratic Republic of Congo awarded TOTAL an oil exploration license (Block III), 30% of which is located in the Virunga national park, which is listed among the UNESCO natural World Heritage sites. TOTAL made a public commitment not to work within the zone currently defined as a national park. This commitment was reiterated during the Shareholders' Meeting in May 2013. More generally, TOTAL has undertaken to refrain from prospecting or exploiting oil and gas in natural sites inscribed on the World Heritage List as at June 4, 2013.

Finally, TOTAL is involved in sector-specific initiatives, such as those spearheaded by IPIECA, which in 2010 resulted in the publication of a guide to the issue of invasive species. Recommendations include taking seasons into account when planning work and checking the origin of the equipment used (also refer to point 3.3. of this Chapter).

2.3. Consumer health and safety

Many of the products that TOTAL markets pose a potential health risk if they are incorrectly used. The Group therefore meets its current and future obligations with regard to information and prevention in order to minimize the risks throughout the product life cycle.

TOTAL uses various guidelines to ensure compliance with the necessary measures to be implemented to promote consumer health and safety:

– the Safety Health Environment Quality Charter (articles 1 and 5; see point 2. of this Chapter);

– a health policy that sets out the Group's principles for action in relation to incident prevention and protecting the health of people in direct or indirect contact with its products throughout the entire product life cycle, including customers, users and anyone else involved (health and products); and

– a directive stating the minimum requirements for marketing products worldwide in order to avoid or reduce potential risks to consumer health and the environment.

TOTAL identifies and assesses the risks inherent in its products and their use, and then informs customers and users of these risks and the applicable prevention and protection measures. The material safety data sheets (MSDS) that accompany all products marketed by the Group (in at least one of the languages used in the country) and product labels are two key sources of information in this regard. All new products comply fully with the regulatory requirements in the countries and markets for which they are intended.

As part of the first phase of the European REACH Regulation (Registration, Evaluation, Authorization and Restriction of Chemicals), the Group has registered a total of 214 chemical substances. This regulation aims to protect the health of consumers and professionals by means of a stringent assessment of the toxicological effects for each substance use scenario and the implementation of appropriate mitigation measures.

3. Community development information

TOTAL's aim is to be known, both by host governments and by its partners, as an operator that strives for excellence. Wherever it operates and in line with the values and principles set out in its Code of Conduct, Ethics Charter and Safety Health Environment Quality Charter, TOTAL places its commitment to community development at the heart of its Corporate responsibility to create value that is shared with those residing near its facilities, its suppliers and its employees. This approach, which is deployed within most of the Group's business units directly linked to operations, encompasses the action taken to improve the Group's integration into the countries where it operates.

Managing risks, facilitating operations and creating opportunities are the three components of a coherent strategy of reducing negative impacts and promoting socioeconomic development through close cooperation with national authorities and with the support of local populations. To accomplish this, openness, dialogue and engagement are essential for developing constructive and transparent relations with all stakeholders.

In concrete terms, the primary goal is to strengthen the local content (employment and subcontracting) of the Group's activities, foster economic diversification, support educational and skills improvement projects, promote the heritage and cultural wealth of local communities, contribute to human and social development and, in particular, facilitate access to energy for the most disadvantaged populations via innovative and long-term social business solutions.

New societal reporting tools were developed in 2012 and implemented in 2013 to better monitor the community development initiative as a whole, in line with the defined strategic priorities (Group societal policy and directive). The Group's societal reporting on the operated scope now consists of two parts:

– A qualitative self-assessment questionnaire of the application of the societal directive. This questionnaire can be used to assess and manage the degree of deployment of the societal directive in the Group.

– A quantitative questionnaire listing all the local community development actions taken by the Group's operational divisions.

This new annual reporting aims to improve the measurement of the efforts made by the Group in this field.

In 2013, a cross-functional working group developed eight societal performance indicators with reference to the societal policy: two indicators measure the quality of social dialogue with stakeholders, one indicator concerns the management of the impact of the Group's activities, four others focus on economic and social development projects and the last one on access to energy. These indicators, applicable to all the community development actions consolidated at the Group level from 2014, will allow a more accurate analysis of the societal approach of the subsidiaries and sites and will serve as a tool to monitor the Group's community actions.

The Group's expertise is based on the continuous professionalization of its community development engineers. Tools such as structuring projects, setting goals and monitoring and assessing indicators have enabled TOTAL to progress from an aid-giving approach to one in which communities take charge of their own development. In Exploration & Production, more than 400 people are involved in community development (including experts under contract), with over 360 involved on a full-time basis. Furthermore, TOTAL is one of the only companies to dedicate a person in the Group's Head Office to relationships with NGOs.

3.1. Dialogue and involvement with stakeholders

For some twenty years, changes in the regulatory framework have promoted the information, consultation and dialogue with stakeholders prior to making decisions that have a significant environmental impact.

In addition to complying with regulations, TOTAL sets up structures for dialogue at every level of the Group. Communities neighboring TOTAL's sites often have questions about the impact of the Group's activities on health, safety and the environment. Establishing a dialogue with the residents and with other local stakeholders helps provide answers to these legitimate concerns.

The number one requirement of the societal directive is that "each asset must consult its stakeholders regularly to gain a clearer understanding of their expectations and concerns, measure their level of satisfaction regarding the Group and identify avenues of improvement for its societal strategy".

Stakeholder consultation processes

TOTAL strives to develop a continuous dialogue with its stakeholders and to ensure the long-term sustainability of this relationship through various mechanisms and structures. Along these lines, the Group has launched various initiatives in recent years:

- Several documents have been created to formalize the societal methodology at TOTAL: Guide to Stakeholder Dialogue, Local Community Guide, Practical guide for Local Development, E&P Societal Guide & Manual.
- In the Group's Exploration & Production subsidiaries, and particularly during the project phase, CLOs (Community Liaison Officers) often play a key role. These officers, who come from the local community, speak its language and understand its practices, are employed by TOTAL and trained in the culture and specific characteristics of the oil industry. CLOs promote the Company's integration in the local context and are the first link in its community development initiative. For example, in Uganda, the Exploration & Production subsidiary has set up a highly structured process to select eight CLOs and prepare them for their tasks. All of them come from the voluntary and NGO sectors and have a good knowledge of the social fabric. Each of them speak a local language and can therefore speak to the concerned people in their language. Similarly, in Yemen, a department is dedicated to relations with stakeholders.
- A Memorandum of Understanding (MoU) can be signed with the communities to formalize an agreement. For example, in Indonesia, working Committees signed an MoU with the communities, local authorities and Total E&P Indonesia in 2013. Other MoUs have been signed in Nigeria and Canada.
- "Open houses" have been created in Yemen and the Republic of South Sudan. Public consultations are also organized, as well as meetings with stakeholders (Australia, Brunei, Democratic Republic of Congo), consultations and media campaigns.
- The signature of "Responsible Care®", a voluntary commitment of the global Chemicals industry, led to the creation of Community Advisory Panels in the United States, developed at the initiative of the American Chemistry Council. The "*Terrains d'entente*" (common ground) initiative was launched in France in 2002 within TOTAL's Chemicals business segment (now integrated into the Refining & Chemicals Segment) with the objective to strengthen dialogue between industrial sites and their environment.
- Initiated by TOTAL, the "Safety and Environment Commission" of the Feluy industrial park in Belgium is a voluntary forum for dialogue among industrial players, authorities and residents on the effects of companies' operations in the areas of safety, health and environmental protection.
- The "Conférence Riveraine" (residents' conference) was set up in 2007 by the Feyzin refinery in France, in partnership with the Feyzin town council. This residents' dialogue forum improves the living conditions of the neighboring population and its relationship with the site. It was recognized by the authorities as a consultation partner under the technological risk prevention plan.
- Site monitoring commissions, which succeeded the local information and consultation Committees in France, pursuant to the French technological risk prevention act, have been created.
- In 2011, a collective consultation process was introduced in the Lorraine region of France involving stakeholders from all the Group's business segments operating in this region.

"SRM+" dialogue tool

To put its approach to community development at its sites and subsidiaries on a professional footing, TOTAL implemented the internal SRM+ (Stakeholder Relationship Management) tool in 2006. It is used to identify and map the main stakeholders, schedule meetings with them and understand their perception and challenges, and then draw up an action plan for building a long-term relationship.

SRM+ was deployed by Exploration & Production in Qatar and Kenya in 2013.

The Marketing & Services segment carried out further deployments of SRM+ in 2013, including:

- India (Namakkal): seventeen stakeholders were interviewed and concurred that the subsidiary's team maintained a good relationship with its environment. Some issues, such as power cuts, public information and economic development of the community, were raised. An action plan was built by the community development team and validated by the Executive Committee. It includes twenty-two actions, some of which have already been carried out, such as renovating the roof of the village community center using recycled materials. The building was then inaugurated along with the villagers.
- Jamaica: twenty-nine stakeholders were identified, of whom fourteen were interviewed. The action plan features eleven priority actions to be implemented. This exercise helped identify areas for improvement such as distributing HSEQ documents (*e.g.*, HSE charter, best practices, check lists) to customers, but also some medium/long term actions such as organizing a forum of local small and medium enterprises (*e.g.*, on accounting, energy savings, finance), developing the skills of fuel attendants or setting up partnerships on environmental matters.
- The Africa/Middle East division is in an active phase of development: about ten subsidiaries launched an SRM+ approach in 2013 (Ethiopia, Eritrea, Gambia, Mali, Sierra Leone, Togo, Congo, Gabon, Uganda, Tanzania, Malawi, Reunion Island). These deployments took place either at depots, around

certain service stations or at the Head Office depending on the specific issues faced by each subsidiary. The progress varies from one subsidiary to another, but the actions plans identified will be implemented.

Dialogue with indigenous and tribal peoples

TOTAL is aware of the specificities of indigenous and tribal peoples (as identified in the International Labor Organization's Convention No. 169), and has introduced a Charter of Principles and Guidelines Regarding Indigenous and Tribal Peoples in contact with its subsidiaries. Under this Charter and in compliance with its Code of Conduct, the Group strives to get to know and understand the legitimate needs of the communities neighboring its subsidiaries. In particular, this Charter encourages the subsidiaries to call on experts to identify and understand the expectations and specificities of indigenous peoples, to consult them through dialogue before starting industrial projects and to make a positive contribution to their socioeconomic development.

Further, CDA or "Collaborative Learning Project", an American non-profit organization specialized in handling conflicts with local communities, helps the Group to assess the local communities' perception of the social impact of its projects in high risk regions. The Nigeria Oil & Gas Corporate Social Responsibility 2012 prize was awarded to Total E&P Nigeria for its commitment to local communities.

Respect for human rights is a factor of social recognition: the Group is recognized today (notably by the Nobel Peace Prize laureate, Ms. Aung San Suu Kyi) as a responsible investor in Myanmar.

Fully aware that taking human rights into consideration is one of the cornerstones of its industrial projects with respect to local populations, TOTAL participated in 2012 in the work of the IPIECA (global oil and gas industry association for environmental and social issues) to develop the guide entitled "Indigenous Peoples and the oil and gas industry: context, issues and emerging good practices". The Group also contributed to the "Oxfam America's Community Consent Index", a collection of best practices in terms of FPIC (Free Prior Informed Consent). The Group thus shared its experience with the Guarani people in Bolivia. The subsidiary Total E&P Bolivia has embarked on an exemplary partnership with the Guarani communities in the Santa Cruz department. The subsidiary has launched a number of socioeconomic development initiatives, by striving to rectify discriminations, especially, gender discrimination.

Example: dialogue with indigenous and tribal peoples in Bolivia

Since 2011, Total E&P Bolivia has been developing a gas deposit discovered in 2004 in the eastern lowlands of Bolivia. This project to construct a gas plant and a pipeline of over 100 km falls within a stringent legal framework that protects the rights of indigenous people. The consultation process, undertaken by the government, helps identify the economic and sociocultural impacts of the project and, where appropriate, opens the door to the negotiation of financial compensation between the concerned company and the stakeholders, for the impacts that cannot be mitigated.

The consultation process initiated by the subsidiary in 2011 to obtain the environmental permit was suspended in the wake of opposition from an indigenous organization that owns a part of the project area regarding rights of use and passage.

Consultation with the indigenous peoples resumed from May to September 2013 and the negotiations on rights of use resulted in an agreement. The Group's societal directive and its implementation in Exploration & Production helped the subsidiary to manage the community development component of the project. Open-mindedness, dialogue and perseverance enabled to forge ties with the communities and notably to discuss with several contacts from different groups of stakeholders, formal but also informal leaders, to send across the same message to all in a process of direct dialogue with the concerned communities and not just with their representatives.

Internally, the subsidiary's community development team became stronger and more professional and also acquired the necessary tools (community development plan and procedures). Externally, the team strives to foster dialogue, relies on the government as the mediator and reaches out to a number of contacts. It strives to inform the project's neighbors about the status of the negotiations, the reasons for its position and the challenges faced by the project. A participatory approach also aims to involve the communities.

Grievance handling

An increasing number of Exploration & Production subsidiaries are setting up a grievance mechanism for local communities impacted by industrial projects. In line with the United Nations Guiding Principles on Business and Human Rights, a guide related to this complaints procedure was developed and published in August 2013. This procedure forms an integral part of the societal management plan and embodies the first requirement of the Group's societal directive. For example, a specific mechanism has been introduced in Uganda as part of the societal management plan.

To improve the management of relationships and dialogue with stakeholders, the IPIECA has launched a pilot project to promote the introduction of international standards and best practices in the industry. Total E&P Congo was selected as the pilot to implement this grievance mechanism. This process is consistent with a willingness to dialogue with the stakeholders to strengthen the ties with the Djeno community, to avert societal risks and foster a proactive and responsible management of the subsidiary's operations. In 2012, IPIECA engaged the firm Triple R Alliance and several missions were carried out at Total E&P Congo in 2012 and 2013 to complete and improve the efficiency of the already existing procedures for receiving and handling grievances.

3.2. Controlling the impact of the Group's activities

Integration of a societal approach into operational processes

In order to better control the impact of the Group's operations, the societal approach is integrated into the operational processes.

Since 2012, societal issues have been integrated into Exploration & Production's HSE management system known as MAESTRO (Management and Expectations Standards Towards Robust Operations). Seven audits were conducted in 2013 in the United Arab Emirates, Yemen, Uganda, Bolivia, Argentina, the UK and Malaysia.

Since 2012, the MOST tool (Management Operational Societal Tool) has been employed to steer and coordinate societal projects. It was set up in 2012 in the Group's subsidiaries in Congo, Gabon, Angola, Nigeria, Uganda, Democratic Republic of Congo, Myanmar and Yemen. In 2013, it was implemented in Italy, Indonesia, Bolivia and Venezuela. This system brings together such modules as "dialogue with stakeholders", "grievance handling", "land compensation" and "contributions to development" (with a "local employment" module in Uganda), with functionality that has been further improved in 2013. The use of these tools is part of the process to help the local teams monitor and manage the societal approach with a higher degree of professionalism.

In 2013, impact assessments were notably conducted in Uganda and the Democratic Republic of Congo.

In the Democratic Republic of Congo, Total E&P Congo became an operator in Block III in Lake Albert. TOTAL made the commitment not to carry out any exploration activity in the Virunga national park, partly located in Block III. With the consent of the Congolese national authorities and in compliance with internal rules, an Environmental and social impact assessment (ESIA) was conducted from September 2012 to June 2013 with two visits to the Block. About 170 stakeholders were consulted. Two days were devoted to reporting the assessment findings, on the spot, to the stakeholders. A formal presentation followed by a discussion and a question-answer session was organized for the local and regional administrative authorities. One day was also organized for the stakeholders, who were invited to review the assessment findings and to discuss with TOTAL's management and technical team.

In Uganda, Total E&P Uganda operates in certain Blocks in partnership with the companies Tullow and CNOOC. According to Ugandan law, TOTAL is not required to carry out any impact assessment until the government has approved the project. However, given the need to gather and integrate a wealth of information about the societal context and potential impacts on the communities, Total E&P Uganda chose to engage a team of international and national experts to conduct a "social screening". About twenty communities were consulted using recognized methods including interviews, focus groups, inventory of communities and direct observation on the field. The results of the social screening led to significant changes in the project to avoid and minimize the impact on the communities living close to future facilities.

In Nigeria, research has been entrusted since 2008 to ESSEC/IRENE (Advanced High School of Economic and Commercial Sciences/Institute for Research and Education in Negotiation in Europe) on the impact of oil production activities on people living in the Niger Delta with field surveys and interviews with 2,000 people (Onelga and Eastern Obolo). The aim of this research is to determine a set of impact indicators capable of measuring the direct effect of the Group's activities on the living conditions of the impacted populations. The results are expected to be consolidated in 2014 and will serve as a basis for a study involving the creation of simplified indicators for other subsidiaries.

In addition, the Group regularly calls on CDA to assess the impact of its operations and socioeconomic programs in host countries. For example, CDA has undertaken several assignments in Myanmar in recent years, the reports of which are available on the organization's website.

Road safety awareness initiatives in Africa

Over the years, the Group has developed a major project to raise road safety awareness among all categories of road users. Given its distribution activity on the African continent, the Africa/Middle East division is particularly sensitive to these issues. It deployed a road transport improvement program, PATROM, which it has continued to develop over the years.

In 2013, the Africa/Middle East division launched a large number of transporter assessments, carried out by transport professionals, in order to check safety management in these companies: 273 transporters were audited at year-end 2013, which represented 73% of the area's transporters. In addition to these audits, five regional agreements were signed among all the transporters to strengthen the sharing of experience, dialogue and best practices. Such actions broaden those carried out by the subsidiaries with local authorities to enhance transport safety and driver training.

At the same time, the Group continues to partner with the World Bank, within the framework of the United Nations resolution on the decade of action for road safety. NGOs in Kenya, Uganda and Cameroon have been created to bring the stakeholders together. This collaboration, called ARSCI (African Road Safety Corridors Initiatives), has helped share and step up societal actions aimed at reducing road accidents, considered to be a major public health problem.

Studies conducted in partnership with universities have drawn up a map of these roads and identify risk areas to target priority actions. Using this information displayed on the onboard computers of trucks, drivers can take extra care when they cross these identified points and appropriate road signs can also be installed. Awareness-raising caravans were also organized in cooperation with the police during the road safety week on these roads to inform drivers as well as pedestrians about the dangers of the road. A number of events were organized to attract a large audience during these operations. Private partners are gradually drawing up common charters guided by principles that they undertake to defend and adopt, such as joint road safety actions for the community, technical standards for vehicles, driver training and exchanges of information.

In its endeavor to sensitize the most vulnerable of populations, the Group called upon the expertise of GRSP (Global Road Safety Program) in 2012 to launch "safety cubes", an extensive educational campaign targeting children. This tool, rolled out in schools by the subsidiaries, helps students learn the rules and behaviors to adopt to avoid road hazards in a playful and educational way. The objective is to reach one million children in three years.

3.3. Optimizing the Group's contribution to the socioeconomic development of host communities and countries

While ensuring the competitiveness of operations, the community development approach should give rise to new opportunities, both for the countries in question and to strengthen the positive impact of the operations. Wherever it operates, TOTAL carries a particular responsibility for the socioeconomic development of the communities living near its facilities. This aim is embodied in a variety of ways:

1. the Group's commitment to local employment (local content);
2. educational partnerships for training and education; and
3. support for the implementation of socioeconomic programs.

The Group's commitment to local content

In Africa, the Group works particularly in favor of the development of the industrial fabric and local content (local production, local personnel in the subsidiaries, pre-qualification of local contractors, development of domestic infrastructures, diversification of the local economy).

– In Angola, more than 3 million hours of work have been completed locally as part of the Pazflor project. In cooperation with the educational projects supported by Total E&P Angola, some fifty candidates have been recruited and trained by the national oil institute since 2007 in order to become production operators on the project. For the CLOV project, slated to start production in 2014, more than 10 million hours of work have been completed in Angola. Through CLOV, Total E&P Angola has also trained nearly forty students holding an operator's diploma, who are now working in the FPSOs in Block 17 in Angola. This is the first time in Angola that a project is conducted with so many local man-hours and with such a high level of production carried out inside the country.

– In Nigeria, over 80% of the subsidiary's employees are locals and more than 100 new local recruits are expected each year. Twenty-eight percent of the construction work to develop Akpo was entrusted to local contractors, which represents approximately 10 million hours worked. For the Egina project, the goal is to complete about 21 million hours of work locally.

– In the Congo, Total E&P Congo set up an organization in 2012 dedicated to the development of local content. This department's task is to expand the use of Congolese enterprises, notably by identifying and assessing local companies likely to become Total E&P Congo's subcontractors and then by providing them programs to develop their capacities (*e.g.*, managerial, industrial, HSE). An in-depth study to identify the potential to increase the local content in Total E&P Congo revealed business areas where this potential was the highest. To strengthen local capacities in these key areas, the Moho North project instituted a mandatory local content plan with respect to its international contractors, cascaded down to lower-level local contractors. Due to these joint efforts, Total E&P Congo has set the objective of increasing the local content level of its purchasing from its current 22% to 32% by 2022.

For several years, the Marketing & Services segment has organized the "Young Dealers" program in Africa/Middle East, aimed at promoting young service station employees who have business and managerial skills. The aim is to help employees with potential to eventually become a service station manager. Due to this program, young people unable to provide a guarantee can benefit from a financial loan along with training and substantial technical assistance. A number of them thus have the opportunity to create and succeed in their own business in the distribution of petroleum products. With this management mode, the Group develops skills and boosts the motivation of its service station employees.
Out of the 3,500 service stations in Africa/Middle East, 1,300 are managed by young dealers, that is, 29% of TOTAL's network.

TOTAL's activities generate hundreds of thousands of direct and indirect jobs worldwide. The Group's purchasing activities alone represented about €31 billion worldwide in 2013. This presents numerous challenges with regard to TOTAL's impact on the environment, society and community development, all of which the Group takes into account in its relationships with suppliers (see point 3.6. of this Chapter).

A major component: developing the regional economic fabric in France

Since the 2000s, the participation of local service providers in industrial projects has steadily increased. In addition to the jobs generated by its activities, the Group, as a responsible company, supports small and medium-sized enterprises (SME) in France, particularly through *Total Développement Régional* (TDR). The aim of this structure is to promote the creation of SMEs with a view to developing the local economic fabric.

TDR has set up a program to pre-qualify and certify French small and medium-sized companies, in line with the standards required by the Group, in order to work with more local suppliers.

The *Total Emploi Local* (Total Local Employment) initiative has been implemented on the Normandy platform with the following aims, in the context of major investments (exceeding €1 billion, aimed at adapting the production facility to market demand and future environmental requirements by improving energy efficiency, safety and reliability):

– promote the development of local content by training and professionalizing unqualified people or job-seekers; and
– enable local companies to work on TOTAL projects.

TOTAL has thus initiated a partnership approach with all the economic, employment and training, and inspection stakeholders.
This innovative initiative has proved to be very encouraging, with nearly 1,200 jobs created in the Le Havre region, more than half under open-ended contracts. Local companies have recruited qualified staff and can thus meet the needs of future projects in the region.
Local players in integration, employment and training are equipped with tools and a methodology to anticipate future recruitment

and training requirements. Candidates can showcase their aptitudes to future recruiters with their skills passport. TOTAL has thus successfully completed its major projects by entrusting 70% of the services to local companies. This initiative has moreover achieved sustainability, with Le Havre Chamber of Commerce and Industry taking over this project, renamed “Compétences totalement estuaire”.

TDR can also support planned employment area regeneration schemes alongside the redeployment of the Group’s activities, as illustrated by the reconversion of the Lacq industrial basin.

The support provided forms a major component of TOTAL’s economic and industrial policy and takes a number of forms:

– financial backing for the creation, buy-out and expansion of SMEs, and support for regeneration along with local development players;
– support for export and international expansion; and
– aid for innovative SMEs.

In the last three years, TDR has provided €12.5 million in financial assistance for 386 SMEs, supporting 6,964 jobs.

Educational partnerships

TOTAL promotes the internationalization of its management and therefore encourages the recruitment of local personnel and their access to positions of responsibility, particularly within their local subsidiaries. As part of its social programs, the Group therefore offers local and international scholarships to create skilled local workforces for future hiring. thousands of students are thus given the opportunity to pursue their studies in their country of origin or at the world’s leading universities. TOTAL’s international scholarship program has also enabled over 700 students from thirty countries to study in France for qualifications (bachelor’s degrees, engineering and master’s degrees, MBAs and doctorates).

Moreover, in July 2012, TOTAL signed a partnership agreement with the French Foreign Ministry as part of the program for co-funding international grants known as “Quai d’Orsay – Entreprises”, in addition to the existing partnership. The master-level courses in French universities are open to students from six countries.

With support from other major groups, TOTAL, Paris Tech and the *École polytechnique* introduced the Renewable Energy Science and Technology Master II postgraduate degree program in the fall of 2011. Forty students from eighteen countries enrolled for this program in the fall of 2013.

TOTAL is particularly active in supporting research chairs in thirty-five establishments, half of which are in France. One of the latest examples is the “Enterprise Architecture” chair at the École Centrale de Lille.

Another of the Group’s flagship initiatives in favor of education was the fourth Total Energy and Education Seminar, which took place in Paris. This seminar is organized every eighteen months and brings together nearly 100 academics from forty countries. The academics and TOTAL managers and external experts discuss issues such as the future of energy, climate change, relationships between universities and businesses, and the impact of globalization on education and Human Resources management.

The eighth Total Summer School took place in Paris in July 2013, welcoming more than 100 students from thirty countries to debate energy challenges.

The University partnership program launched in Africa in 2010 has been extended to all of Europe, Asia and Middle East. Only the Americas are yet to be covered. Apart from their societal aspects, these partnerships, more than 50 in number at the moment, aim to hone the talents required to achieve the Group’s international ambitions.

In Africa, the Group continues to support the pilot secondary education programs launched in 2008 in the Eiffel (Angola) and Augagneur (Congo) high schools to provide free, world-class education in regions where educational opportunities are still limited. TOTAL also funds the development of preparatory courses for prestigious universities at the Léon Mba high school in Gabon. In the field of higher education, TOTAL has entered into partnerships with the oil institutes and science faculties in several countries: IST-AC (Congo/Cameroon), Institut du Pétrole et du Gaz (Gabon), University of Port Harcourt (Nigeria).

Supporting the implementation of socioeconomic programs

TOTAL’s contribution to the socioeconomic and human development of the countries where the Group operates is reflected in its involvement in local development programs.

The Group’s expenditure on community development has increased regularly over the last three years: €305 million in 2011, €316 million in 2012, and €357 million in 2013. About 90% of the expenditure on community development is made outside OECD countries. In 2013, around 3,400 community development actions were identified, spread evenly among the business segments (Upstream, Refining & Chemicals and Marketing & Services).

These programs support or serve local communities by contributing to their cultural, socioeconomic and human development. These communities are usually impacted by the Group’s presence or activities. These programs fall into three main categories: good citizenship, human and social development, and local economic development.

The importance of partnerships

TOTAL's approach is moving away from a purely donation-based model to a partnership model. Its commitment should be reflected in long-term partnerships in all the countries where the Group operates. Built on attentive listening, constructive dialogue and the firm determination to forge relationships of trust with the stakeholders, these partnerships with local institutions and organizations guarantee the long-term success of the projects. One of the eight indicators selected by the Group for monitoring its community development performance is therefore the number of actions carried out in partnership.

TOTAL takes care not to substitute the local authorities in all its actions. In this regard, TOTAL teams up with NGOs specializing in social action, which have a solid field experience. These organizations help the Group increase the effectiveness of the socioeconomic development programs it supports, particularly by encouraging it to take into account the entire life cycle of its programs, from the design phase to shutdown.

In Congo, a 2-year partnership agreement was signed in June 2012 with the Fishing and Aquaculture Ministry and the association Renatura to launch the "Fishing Practices Support Program in Congo". The objectives are to support those involved in fishing, apply regulations in force, suggest alternatives in terms of fishing practices likely to minimize marine turtle by-catch and ensure a better regeneration of fisheries resources.

Moreover, as part of its drive to support the diversification of local economies, in Congo, TOTAL has stepped up its commitment to the Pointe-Noire Industrial Association (APNI), a platform launched in 2000 for developing small and medium-sized companies. APNI offers the services of an Approved Management Center (CGA), which helps SMEs with fiscal monitoring and account keeping. APNI also provides a Market observatory with theme-based conferences (*e.g.*, SMEs and banking, Being a young entrepreneur, Business and energy).

In Nigeria, TOTAL is committed to foster the local economic development of the Egi region, in the heart of the Niger Delta where it has been operating since 1964. In partnership with local communities, TOTAL has set up the Small & Medium Enterprises-Development Network (SME-DN), a training center that aims to stimulate and sustain entrepreneurship in the region. In 2011, TOTAL sought the technical assistance of the European Institute for Economic Development (IECD) requesting it to implement its methodology of supporting small businesses within SME-DN. Since 2011, SME DN has hosted three courses, training a total of seventy-seven entrepreneurs in the Egi region. The results are positive: six months after the training, the entrepreneurs increased their turnover (+25% on average), thereby improving their standards of living.

3.4. The access to energy program

For more than ten years, certain subsidiaries have been occasionally and independently engaged in various community development projects focusing on access to energy, in three main areas:

- the electrification of rural areas that are not connected to the electric power network, thanks to photovoltaic solutions. 20,000 households have been electrified in South Africa using photovoltaic kits, plus a further 25,000 in Morocco;
- aid for LPG supplies through the Shesha program in South Africa, in which gas cylinders are sold to the residents of townships in order to improve their security and health; and
- the use of associated gases to produce electricity in certain countries where TOTAL's Exploration & Production has operations. The project developed on OML 58 in Nigeria caters to almost 100,000 people. In Yemen, a project was carried out in cooperation with the state-owned electricity company to supply electricity generated using associated gas to neighboring communities (approximately 500,000 people served). In 2013, a study was conducted to assess the possibility of increasing the capacity. In Congo, TOTAL contributed to the funding of the extension of the electricity network in certain districts of Pointe Noire, supplying electric power to about 10,000 people.

These projects were usually developed in cooperation with the communities neighboring the Group's sites or as part of programs launched by the authorities in the host countries and sometimes without any goals to achieve economic viability and, therefore, sustainability.

To improve its societal performance and structure its approach, TOTAL aims to develop programs that are both profitable and sustainable. For this reason, the Group has developed "Total Access to Energy", which proposes energy solutions adapted to underprivileged populations. The Group relies on feedback from experiments conducted in recent years to implement these programs in a social business context, with a view to deploying sustainable energy access solutions that can be reproduced on a large scale.

As of today, Total Access to Energy covers two areas in line with TOTAL's core business:

- the development of photovoltaic solar energy in non-OECD countries (the "Awango by Total" trademark was launched in 2012); and
- the fight against fuel poverty in OECD countries (mobility and heating).

"Awango by Total" program

This program is in line with a social business strategy: the project's profitability target ensures its sustainability, while at the same time satisfying certain expectations of host countries, thereby strengthening TOTAL's presence and making its activities more visible. It also contributes to enabling access to energy for as many people as possible, a mission set by the Group.

At the United Nations Rio Conference in June 2012 ("Rio+20"), TOTAL committed to enabling five million people on low incomes to have access to lighting thanks to reliable photovoltaic products by 2015, while offering a broad selection of services, ranging from after-sales to options for the collection of end-of-life products and recycling.

TOTAL was the leading sponsor of Lighting Africa, the worldwide conference on energy access organized in Dakar in November 2012 by the World Bank and the International Finance Corporation (IFC). At this conference, TOTAL launched its new Awango by Total brand to market a range of products and services that meet the lighting and mobile phone charging needs of people without access to electricity. By the end of 2013, 460,000 solar lamps were sold since the launch of this brand in twelve countries, including Cameroon, Kenya, Senegal, Burkina Faso, Uganda, Nigeria, Cambodia, Indonesia, Myanmar and Haiti.

The Awango by Total brand is expected to be deployed in five more countries by mid 2014: Tanzania, Zambia, Pakistan, Congo, and Niger. The distribution networks used to market solar solutions are both existing TOTAL networks and so-called "last mile" networks built with local partners with a view to bringing these solutions as close as possible to where people live.

Fighting fuel poverty in OECD countries

The "fuel poverty" project is the Group's global response to the challenge of access to heating as well as mobility in Europe and in emerging countries. It may be recalled some 15% to 20% of the population in Europe is considered "fuel poor".

In 2013, the fuel poverty issue sparked off a number of exchanges between all the concerned players (public, private, civil society) all over the Europe area. The challenges have been more or less clearly identified depending on the countries and the solutions implemented focus more on heating/housing than on mobility.

In 2013, TOTAL pursued and expanded its "fuel poverty" project launched in 2012 in France. In the "heating/housing" component, the Group continued pilot projects aimed at testing solutions for the fuel poor at all the links in the chain:

- With the associations "PIMMS" and "Unis Cité" for identifying those living in fuel poverty through a project in the French Meurthe et Moselle department.
- With "Fondation FACE" for identifying and supporting customers using fuel oil for heating, primarily in peri-urban and rural areas in two French pilot departments: Bas-Rhin and Sarthe.
- With the association "Parcours Confiance" to test the relevance of housing micro-credit for carrying out thermal renovation.

As part of the "Living Better" public program, the Group has contributed to 20% of thermal renovations in seventeen French departments carried out at the national level for the fuel poor. Between 2011 and year-end 2013, 4,773 thermal renovations were carried out with TOTAL's support.

At the end of 2013, under an agreement signed with the French Ministry for Sports and Youth, Voluntary Associations and Popular Education, the Group committed to an additional amount of €2 million to implement the public program on thermal renovation known as "*Habiter Mieux*" (Living Better) over two years (end of the program in 2015).

As regards the mobility component, TOTAL's partnership with the Voiture & Co association helped open two mobility platforms (supply of low-cost vehicles, personalized advice and support, microlending for the purchase of mobility solutions, etc.) in the French Eure and Hauts-de-Seine departments. In addition, a nation-wide study was conducted and made public in December 2013 on the challenges faced by those with limited transport facilities in accessing employment. Moreover, the above-mentioned agreement with the French Ministry for Sports and Youth, Voluntary Associations and Popular Education also included a mobility component with an additional €2 million to launch a call for projects to identify and support innovative mobility initiatives throughout France.

3.5. Partnerships and philanthropy

TOTAL Corporate foundation/ TOTAL S.A. Philanthropy

In addition to the community development initiatives that are directly related to the Group's industrial activities, TOTAL has also been committed for many years to taking general-interest measures in the countries where it has operations. At the Head Office, the Group's philanthropic actions are essentially conducted by the TOTAL Corporate Foundation and by the Philanthropy Department of TOTAL S.A.

Founded in 1992 in the wake of the Rio Earth Summit, the TOTAL Foundation celebrated its twentieth anniversary in 2012. Initially dedicated to the environment and marine biodiversity, the Foundation is now active in four fields:

1. marine biodiversity;
2. culture and heritage;
3. health; and
4. solidarity.

At the end of 2012, TOTAL renewed the commitments of its Foundation for a further five years (2013-2017), with a €50 million multi-year action budget.

1. With regard to the marine biodiversity, the Foundation funds programs aimed at research studies to improve knowledge, protection and enhancement of marine and coastal species and ecosystems. In 2013, the Foundation supported nearly sixty projects (new or ongoing projects). The Foundation continued to support the "Pristine" project whose objective is to redefine the baseline for coral ecosystems in order to assess human impacts in three areas of the Pacific (New Caledonia, Tonga and Polynesia). The project also produced a report on the diversity of the fish identified and the quality of their habitat during the "IMPAC 3" international conference in October 2013 in Marseille (France).
2. The Foundation promotes cultural dialogue by supporting exhibitions that showcase the heritage and arts of the Group's host countries. In 2013, the Group supported twelve exhibitions. A great patron of the Paris-based Arab World Institute, the Foundation has supported the "Golden Age of Arab Sciences" exhibition as well as its tours in Qatar, Kuwait and the United Arab Emirates. In 2013, the exhibition was held at the Abu Dhabi Paris Sorbonne University, providing an opportunity to promote French cultural competence, showcase the cultures of the Mediterranean Basin and Arabian Peninsula, and foster intercultural dialogue. In France, with the heritage association *Fondation du Patrimoine*, TOTAL Corporate Foundation also supports the preservation of traditional crafts and industry and the restoration of heritage sites in France.

3. In the field of health, the Foundation has partnered with Institut Pasteur since 2005. Professor F. Barré-Sinoussi, 2008 Nobel Prize laureate, is the resource person for this partnership, which focuses on the fight against infectious diseases. The Foundation also contributes to research programs and field actions in partnership with the Group's subsidiaries, mainly in Africa. In 2013, the Foundation supported more than six field projects (new or ongoing projects). After financing the deployment of a program to prevent sexually transmitted diseases such as AIDS among truck drivers in Morocco between 2007 and 2011, a similar program was launched in Burkina Faso in 2013.
4. Finally, the Foundation encourages Group Employees to engage with the community, through support for projects championed by non-profit organizations with which employees volunteer on a personal basis. In 2013, the Foundation supported more than sixty employee projects in thirty-four countries.

The Group has also forged a number of major institutional partnerships in France. In 2009, TOTAL signed an innovative €50 million partnership agreement with the French Ministry for Youth to promote the social and professional integration of young people. This led to the financing of over 200 social action projects between 2009 in 2013. In line with this partnership, the Group reaffirmed its commitment by supporting the government-sponsored "Priorité Jeunesse" (Priority to Youth) program.

Since 2008, TOTAL has also partnered with the French Society of Sea Rescuers (SNSM). Through its funding and expertise, the Group plays a role in improving the safety of maritime rescue operations and training volunteers.

For more than 20 years now, TOTAL Corporate Foundation's ambition has been to foster the development general interest measures, going beyond the Group's industrial responsibility, by encouraging the convergence of expertise and innovation.

3.6. Fair operating practices

Preventing corruption

The amounts of money involved and the diversity of the various regions require the oil industry to be particularly vigilant about corruption and fraud. Around one quarter of TOTAL's employees work in countries considered to be high-risk in this regard (countries in which the Transparency International index of the perception of corruption is less than or equal to fifty). Preventing corruption and fraud is therefore a major challenge for the Group and all its employees.

TOTAL's stance on the issue of corruption is based on clear principles, set out in 2000 in the Code of Conduct: "TOTAL rejects bribery and corruption in all forms, whether public or private, active or passive".

The Code of Conduct sets out the principles governing the actions and individual behavior of each person, both in their day-to-day decisions and in their relations with stakeholders. In it, TOTAL reiterates its support for the OECD Guidelines for Multinational Enterprises and the Tenth Principle of the United Nations Global Compact, which urges businesses to work against corruption in all its forms.

The Group's commitment in this area relies on the principle of "zero tolerance" in matters of corruption and is regularly reiterated by TOTAL's Chairman and Chief Executive Officer particularly to its employees and to stakeholders. This commitment takes the form of a number of actions:

– in 2009, approval by the Executive Committee of a corruption prevention policy and a robust compliance program (*e.g.*, training, communication, due diligence, audits) and the creation of a dedicated compliance structure;

– creation of the Compliance and Social Responsibility Department within the Group Legal Department, which is now backed by a network of more than 350 compliance officers in the Holding and the Group's various business segments; and

– in 2011, the Executive Committee's decision to reinforce the means of preventing fraud and corruption by setting up suitable programs.

This initiative involves actions to raise awareness amongst employees and to train them. Training seminars are organized for all compliance officers, and proposed to any employee exposed to the risk of corruption while performing his or her duties. An e-learning course on the prevention of corruption, available in twelve languages, has been made available internally since 2011. By year-end 2013, more than 45,000 employees had taken the course.

Under the settlements reached in 2013 between TOTAL, the SEC (Securities and Exchange Commission) and the U.S. Department of Justice (DoJ), an independent monitor was appointed to conduct a 3-year review of the anti-corruption compliance and related internal control procedures implemented by the Group and to recommend improvements, when necessary. The monitor's mission started on December 2, 2013 (see Chapter 5, point 1.10.).

Human rights

Although the ultimate responsibility for human rights lies with governments, the activities of companies can affect the human rights of the employees, partners or communities with which they interact in numerous ways. In addition to being an ethical commitment for TOTAL, adopting a proactive approach to human rights within the Company is vital for its daily business. This approach helps to establish and maintain successful relationships with all stakeholders.

TOTAL's Code of Conduct formally recognizes the Group's support for the principles of the 1948 Universal Declaration of Human Rights, the core conventions of the International Labor Organization, the OECD Guidelines for Multinational Enterprises and the principles of the United Nations Global Compact. Between 2005 and 2011, the Group took part in the consultations organized by the United Nations' special representative, Professor John Ruggie, on the issue of business and human rights. The Group's Chairman and Chief Executive and the General Counsel expressed their support for the "protect, respect, remedy" framework and for the UN's guiding principles on business and human rights.

Furthermore, the Group is actively involved in numerous initiatives and working groups on human rights that bring together various stakeholders. As part of the Global Compact, TOTAL takes part in

the Human Rights Working Group, the Expert Group on Responsible Business in Conflict-Affected and High-Risk Areas and the Anti-Corruption Working Group. Created in 2010, Global Compact LEAD (Initiative for Sustainable Leadership) has fifty-four members, among which TOTAL is the first French company. The Group is also a founding member of the Global Business Initiative on Human Rights and takes part actively in the work of IPIECA, through the following working groups: Social Responsibility Working Group, Human Rights Task Force, and Responsible Security workshop. Moreover, after having implemented the recommendations of the Voluntary principles on security and human rights (VPSHR) for several years, TOTAL joined this initiative in March 2012. Lastly, since 2012, TOTAL has taken part in the activities of the NGO Shift, created by Professor John Ruggie after his term of office with the UN. TOTAL's General Counsel took part in various workshops organized by Shift in Boston (USA) on the practical implementation of respect for human rights by companies.

Internally, the Executive Committee adopted a roadmap in 2013 for the period 2013-2015, with the view of strengthening TOTAL's compliance with human rights standards in its operations and risk management systems, particularly in sensitive countries where the Group operates. This roadmap is implemented in the various departments and entities concerned by these issues (Sustainable Development, Legal, Ethics, Security, Purchasing, Human Resources, Training and Audit Departments).

Moreover, in order to spell out its human rights position and initiatives, TOTAL has created a Human Rights Coordination Committee, managed by the Ethics Committee Chairman. A discussion forum that meets three or four times a year, its members include representatives of the Human Resources, Public Relations, Legal, Finance, Security, Purchasing and Sustainable Development Departments. The Committee coordinates the initiatives taken by the Group's various business units. During these meetings, the participants share their feedback and information on human rights, and particularly on TOTAL's involvement in public or private international initiatives (*e.g.*, VPSHR, EITI, GBI, IPIECA), on human rights tools developed internally or externally, on procedures and internal policies already adopted or under construction, and on civil society projects.

Linked to the United Nations' guiding principles on business and human rights, TOTAL's human rights approach is based on several pillars:

- **Written principles:** in accordance with its Code of Conduct, the Group has adopted principles appropriate to the operations and countries where it works, some of which are set out in the Human Rights Internal Guide published in 2011 in English, French, Spanish and Chinese.
- **Awareness actions:** to ensure that its human rights principles are disseminated in-house, TOTAL raises employee awareness via corporate communications channels such as the Ethics and Security intranet sites, and through specific training programs tailored to the various challenges encountered in the field. These programs are listed in the TOTAL University's Ethical, Environmental and Social Responsibilities catalogues. For example, a new training program called "Responsible Leadership for a sustainable business" targeting the management was created in 2013. The Group has also developed, in collaboration with the NGO Shift, a series of four awareness-raising videos on the Group's human rights standards. These videos highlight three key topics that the Group has identified: Voluntary principles on security and human rights (VPSHR); prevention of societal impacts on local communities; and working conditions, both of TOTAL's employees and in its supply chain. Further, in one of these videos, TOTAL's Chairman and Chief Executive Officer and Professor John Ruggie discuss TOTAL's roadmap on human rights, as well as the importance of complying with the Group's human rights standards in daily activities.
- **Listening and advice bodies:** two dedicated bodies, the Ethics Committee and the Compliance and Social Responsibility Department, are available to advise employees and coordinate efforts to promote human rights. All employees experiencing difficulties in the practical implementation of the Code of Conduct should turn first to their line manager; if necessary, they can contact the Human Resources Department or take their concerns to the Ethics Committee.

  The Ethics Committee is a central, independent structure that represents all of TOTAL's business units. Its role is to listen to, support and advise both employees and people outside the Group. The Committee maintains complete confidentiality with regard to referrals; this can only be lifted with the agreement of the person in question.
- **Assessment tools:** these are used to regularly assess the subsidiaries' human rights practices and the risks they face. They analyze the local consequences of projects (societal audits in which local communities in certain countries are questioned on their perception of the impact of the Group's activities on their everyday lives) or check that the subsidiaries' ethical practices meet the Group's standards. Most of these tools are designed to prevent or limit the ethical risks or impacts related to the Group's activities. Some of them are used with the assistance of independent experts, such as GoodCorporation, the Danish Institute for Human Rights or the CDA Collaborative Learning Projects. Action and monitoring plans are then implemented on the basis of these assessments.

Contractors and suppliers

In its Code of Conduct, TOTAL states that it expects its suppliers to respect equivalent principles to which it abides. A document entitled "Fundamental Principles in Purchasing" sets out the commitments that the Group expects of its suppliers with regard to respecting fundamental rights at work, protecting health and the environment, preventing corruption, complying with the rules of free competition and promoting economic and social development. The rules set out in this document may be made available to TOTAL suppliers in order to obtain a contractual commitment that they will comply with them. In some contracts, such as those covering the oil operations of the Exploration & Production segment, the principles contained in TOTAL's Code of Conduct (*e.g.*, preventing corruption, health, environment, security, safety, societal, right to work) are covered by specific contract clauses.

Questionnaires focused on environmental and social challenges are used to gather more in-depth information from suppliers about their approach to these subjects, either during pre-qualification or as part of an audit. This aspect of supplier relationships can also be examined in ad hoc ethical assessments of Group's subsidiaries or entities performed by GoodCorporation. With the deployment of the anti-corruption policy in 2013, specific questionnaires were sent to a certain number of suppliers and in some cases, external audits were carried out.

A cross-functional working group dedicated to sustainable purchasing, which includes the various segments and the Purchasing and Sustainable Development departments, has been active since 2011. This group is tasked with reinforcing TOTAL's policy in this area by using the initiatives taken in each segment. In 2012, a map of the CSR risks and opportunities in the Group's main purchasing categories was created in order to identify the main issues in three areas: ethics and human rights, environmental impact, and the creation of value with the communities. Pilot projects were implemented in certain categories in order to concretely integrate the monitoring of CSR aspects into the purchasing process (*e.g.*, specific questionnaire focusing on the fundamental procurement principles, drafting of suitable contract clauses, good practices guide for purchases from the sheltered sector).

In February 2013, the Group Purchasing Committee decided to focus on awareness-raising and training on sustainable purchasing, and to develop the integration of sustainable purchasing targets in the annual interviews of buyers (initially central buyers). Seven sustainable purchasing training sessions were organized in 2013 in France and will continue to be offered in 2014. Concrete tools have been developed to support this training and are used in pre- and post-learning: fact sheets on international references (for example, principles of the International Labour Organization); country fact sheets (specifying aspects of local law); internal feedback; and methodology sheets (*e.g.*, total cost of ownership, life cycle analysis, eco-labels).

In France, purchases from the sector for disabled workers continued to rise with the signature of new contracts; Group purchases from the sector for disabled workers tripled, in terms of recipient entities, for the Group's three main sites at the Head Office in Paris between 2012 and 2013.

In March 2014, TOTAL received the "Responsible supplier relationships" label for its Holding and Marketing & Services activities in France. This label, awarded by the French authorities, recognizes companies that maintain sustainable and balanced relationships with their suppliers.

4. Other social, community development and environmental information

4.1. TOTAL and oil sands

With the development of several major projects in the Canadian oil sands, TOTAL expects to produce 200 kb/d of bitumen within ten to fifteen years. It is vital that the environmental challenges, and in particular the impact on water, the rehabilitation of the land and the ecosystems affected, together with greenhouse gas emissions, are taken into account. For several years, TOTAL has been actively involved in the various collaborative research initiatives undertaken by Canadian industry into these areas, and invests approximately CAD 30 million each year. In particular, TOTAL is one of the founding members of COSIA (Canadian Oil Sands Innovation Alliance), an initiative launched in 2012 by fourteen producers in Canada to accelerate the improvement in the environmental performance of Canadian oil sands by promoting collaboration and innovation.

In order to restrict water consumption on the Surmont (50%) *in situ* project, the Group has been working with the operator to optimize water use and recycling. For phase 2 of the project, which is scheduled to begin production in 2015, the selected option is expected to permit water to be withdrawn only from saline aquifers and not from freshwater aquifers or rivers, which will lead to additional processing costs. On Joslyn North (38.25%, operator), TOTAL has committed to building a freshwater storage facility sufficient for ninety days of production, in order to reduce withdrawals from the Athabasca River in low flow periods.

The Group is also involved in oil industry initiatives to improve management of the waste associated with developing oil sand mines, which has historically been stored in tailing ponds. For Joslyn, TOTAL is planning to use processes to separate waste flows and thicken the finest waste, and even flocculation and centrifuging, in order to significantly reduce the size of the tailing ponds and ensure that they are solidified within a few years.

As open-pit mining of oil sands disturbs land and ecosystems, TOTAL is committed to their sustainable rehabilitation throughout its operations, taking into account the specific features of the boreal forest. Sixty percent of the rehabilitation work at Joslyn is expected be completed at the end of mining, and the rest in the next seven years.

Over and above Canadian industry's efforts to reduce greenhouse gas emissions from the entire oil sands production chain (which are approximately 10% to 15% higher than the average for conventional crude in a complete "well to wheel" cycle, according to the Group's estimates), TOTAL plans to install cogeneration units at its mines. The Group is also involved in carbon capture and storage project analyses in Alberta.

Mindful of its responsibilities to its stakeholders and neighbors, and particularly the First Nations, TOTAL opened a permanent office in Fort McMurray in 2006. Since that time, the Group has entered into socioeconomic agreements with the Fort McKay, Athabasca Chipewyan and Mikisew Cree First Nations, and with the Regional Municipality of Wood Buffalo. These reflect TOTAL's commitment to engaging in dialogue with the communities living near its facilities and allowing them to benefit from the economic impact of its activities (see point 3.1. of this Chapter).

For more information, visit;
total-ep-canada.com/csr/responsibility.asp; total.com;
and Chapter 2.1.7.2. of the 2013 Registration Document.

4.2. TOTAL and shale gas

TOTAL has stakes either as operator or as partner in several shale gas exploration and production licenses in the United Kingdom, Poland, Denmark, United States, Argentina, Uruguay, China and Australia.

In every country where the Group has operations, its Environmental charter and the Societal directive, backed by its compliance with local legislation, provide the framework for its operations.

The environmental challenges associated with shale gas development include reducing the quantity and impact of chemical additives, optimizing water management, and reducing the visual impact and disturbance caused by the operations. TOTAL's operational and R&D teams are working to find appropriate technological solutions.

In Europe, where TOTAL has stakes in Denmark and Poland as operator, and in the United Kingdom where it has stakes since January 2014, the Group is focusing its efforts on listening to the various contacts so that the operations can proceed in a way that is acceptable to all stakeholders. TOTAL has also made a commitment to be more transparent, whether by providing information about projects (see the site dedicated to Danish licenses – skifergas.dk) or by supporting the initiative of the Oil and Gas Producers association, which entails publishing information about fracturing fluids (ngsfacts.org). TOTAL believes that shale gas will have a place in the European energy mix, if the exploration campaigns confirm the economic viability of this resource in Europe.

In the United States, TOTAL is a partner in the appraisal, development and production of shale gas with licenses in the Barnett (Texas) and Utica (Ohio) plays.

In Argentina, TOTAL has stakes either as operator or partner in several shale gas licenses in the Neuquén basin.

In Uruguay, TOTAL is present as operator in two exploration licenses located primarily in the Artigas province in the northwest of the country. The work planned includes geological, geochemical and environmental surveys.

In Australia, TOTAL is present in four shale gas exploration licenses in the South Georgina basin in the center of the country. TOTAL can increase its stake to 68% and become the operator in the event of development.

In China, TOTAL signed an agreement in 2013 to study the shale gas potential in the Xuancheng license, 300 km to the west of Shanghai.

4.3. TOTAL and the Arctic

According to a survey published by the USGS (United States Geological Survey) in 2012, the Arctic might hold 13% of the world's undiscovered conventional oil resources and 30% of its undiscovered gas resources. These substantial resources could help to meet the rise in demand for energy in the coming decades.

For exploration and production in the Arctic, major challenges must be overcome given the difficult weather and oceanographic conditions, logistical constraints and the nature of the technologies to be deployed in a particularly sensitive ecosystem.

TOTAL currently does not conduct any exploration activities in oil fields under the ice cap.

At the same time, TOTAL is involved in research into the specific issues in the Arctic, in particular through its "*Grands froids*" (deep cold) R&D program. TOTAL is also taking part in the Joint Industry Program that brings together oil companies and scientific organizations in research into the means of preventing, detecting and responding to accidental pollution by hydrocarbons.

The Group is involved in various projects, including in Norway (Snøhvit, active exploration in the Barents sea) and in Russia (Kharyaga, Yamal LNG, Termokarstovoye).

4.4. TOTAL and Western Sahara

Off the coast of Western Sahara, Morocco awarded an authorization of reconnaissance for the Anzarane Offshore Block in December 2011 to the Office National Marocain des Hydrocarbures et des Mines (ONHYM – National Moroccan Bureau of Petroleum and Mines) and Total E&P Maroc. This authorization was extended for another year, first in December 2012 and then again in December 2013. The authorization of reconnaissance for the Anzarane Offshore Block is not an oil contract given that it covers only geological and geophysical studies.

To date, preliminary geological studies have been carried out and a 3D seismic survey over an area of 5,900 km² was conducted by ONHYM between November 2012 and July 2013. At this stage, the oil and gas potential of the area has not yet been assessed. Several more months will be needed to process and interpret the seismic data, which had led to the extension of the authorization of reconnaissance.

At the time of the extension of the authorization of reconnaissance in December 2013, Total E&P Maroc signed with ONHYM a joint public declaration and a memorandum of understanding. In the joint declaration, the Moroccan party emphasizes its commitment to comply with the principles of the Charter of the United Nations, particularly as regards consultation with the local populations and the benefit they will derive from the exploration and mining of natural resources. The memorandum of understanding outlines Corporate Social Responsibility principles for the prospecting period and for any subsequent phases.

In the Western Sahara region where the Anzarane Offshore Block is located, as in other places where it operates, TOTAL complies with the applicable laws and international standards mentioned in the Group's Code of Conduct, particularly those related to human rights.

5. Reporting scopes and method

5.1. Reporting Guidance

The Group reporting procedures consist of:

- for social indicators, a practical handbook titled "Corporate Social Reporting Protocol and Method";
- for Industrial Safety indicators, the Corporate Guidance on Event and Statistical Reporting; and
- for environmental indicators, a Group reporting procedure, together with specific instructions for the sectors.

These documents are available to all TOTAL subsidiaries. Abridged versions of the environmental and social reporting handbooks can be downloaded from the TOTAL website (Publications). The complete versions can be consulted at Corporate headquarters, in the relevant departments.

5.2. Scopes

In 2013, **environmental reporting** covered all activities, sites and industrial assets in which TOTAL, directly or through one of its subsidiaries, is the operator (either operates or contractually manages the operations) as of December 31, 2013. Equity greenhouse gas (GHG) emissions are the only data which are published on the "equity" perimeter. This perimeter, which is different from the "operated domain" mentioned above, includes all the assets in which TOTAL has a financial interest with rights over all or part of the production (financial interest without operational responsibility nor rights on all or part of the production do not lead to the incorporation of GHG emissions).

Safety reporting covers all TOTAL employees, as well as employees of contractors working at Group-operated sites. Each site submits its safety reporting to the relevant business unit. The data is then consolidated at the business level and every month at the Corporate level. In 2013, the Group safety reporting scope covered 528 million hours worked, equivalent to around 310,000 people.

The **occupational diseases reporting** covers the Group personnel and diseases are reported according to the regulation applicable in the country of operation of each entity. Each site sends its reporting on occupational diseases to the operational entity it reports to. Statistics are consolidated at sector level and reported to the Group once a year.

Social reporting is based on two resources – the Global Workforce Analysis and the Worldwide Human Resources Survey.

The **Global Workforce Analysis** is conducted twice a year, on June 30 and December 31, in all fully consolidated companies owned 50% or more and consolidated by global integration included in the Registration Document. The survey mainly covers worldwide workforces, hiring under permanent and fixed-term contracts (non-French equivalents of *contrats à durée déterminée ou indéterminée*), nationality, and employee hires and departures. This survey produces a breakdown of the workforce by gender, category (managers and other employees), age and nationality.

The **Worldwide Human Resources Survey** is an annual survey which comprises approximately 100 indicators in addition to those used in the Global Workforce Analysis. The indicators are selected in cooperation with the businesses and cover major components of the Group Human Resources policy, such as mobility, career management, training, employee dialogue, Code of Conduct application, health, compensation, retirement benefits and insurance. The survey covers a representative sample of the consolidated perimeter. The data published in this Registration Document are extracted from the most recent survey, carried out in December 2013 and January 2014; 149 companies representing 90% of the consolidated Group workforce, operating in fifty-eight countries, replied to the survey. Both surveys are conducted using the same information system introduced at the end of 2003, and undergo similar internal control and validation processes.

5.2.1. Consolidation Method

In the scopes defined above, industrial safety and social data are fully consolidated. Environmental indicators consolidate 100% of the emissions of Group operated sites for the "operated" indicators. GHG emissions are also published in equity share, that is the consolidation of the Group part of emissions for all assets in which the Group has a financial interest or rights to production.

5.2.2. Changes in Scope

For social and environmental indicators, the indicators are calculated on the basis of the perimeter of the Group as of December 31, 2013. For safety indicators, acquisitions are taken into account as soon as possible and at the latest on January 1 of the following year, and divestments are taken into account at the end of the quarter preceding their effective date of implementation. Restatement of previous years published data, unless there is a specific statement, is now limited to changes of methodology.

5.3. Principles

5.3.1. Indicator Selection and Relevance

The data published in the Registration Document are intended to inform stakeholders about TOTAL's Corporate Social Responsibility performance for the year in question. The environmental indicators include Corporate performance indicators in line with the IPIECA reporting guidance, updated in 2010. The indicators have been selected in order to track:

- TOTAL's commitments and policies, and their effects in the domains of safety, environment, social, etc.);
- performance relative to TOTAL's principal challenges and impacts; and
- information required by legislative and regulatory obligations (article L. 225-102-1 of the French Commercial Law, such as modified in 2010 by article 225 of the Grenelle II law).

5.3.2. Terminology used in Social Reporting

Outside of France, management staff (*cadre*) refers to any employee whose job level is the equivalent of 300 or more Hay points. Permanent contracts correspond to *contrats à durée indéterminée (CDI)* and fixed-term contracts to *contrats à durée determinée (CDD)*, according to the terminology used in the social reporting.

Managed Scope: all subsidiaries in which one or more Group companies own a stake of 50% or more, *i.e.*, 496 companies in 124 countries as of December 31, 2013.

Consolidated Scope: all subsidiaries fully consolidated as in the Registration Document, *i.e.*, 355 companies in 101 countries as of December 31, 2013.

5.3.3. Methods

The methods may be adjusted to reflect the diversity of TOTAL's activities, recent integration of subsidiaries, lack of regulations or standardized international definitions, practical procedures for collecting data, or changes in methods.

5.3.4. Consolidation and Internal Controls

Environmental, social and Industrial Safety data are consolidated and checked by each business unit and business segment, and then at Corporate level. Data pertaining to certain specific indicators are calculated directly by the business segments. These processes undergo regular internal audits.

5.3.5. External Verification

Since 2011, the verification scope covers the forty-two quantitative and/or qualitative information categories as stated by article R. 225-105-1 of the French Commercial Law. The external verification is performed at Group and business levels, as well as in a sample of business units in and outside France, selected each year in line with their relative contribution to the Group totals, previous years' results and a risk analysis. The auditor's independence is defined by legislation and the professions' Rules of Professional Conduct and/or a Committee of impartiality.

Since 2005, the Group has its main environmental and social performance indicators externally verified. The units with the largest workforces and that contribute significantly to environmental indicators have been audited several times since this verification process has been implemented.

5.4. Details of certain indicators

5.4.1. Environmental Indicators

Personnel in charge of the environment: it is a matter of identifying the persons in charge of the environment in the HSE departments of the sites, and if any, the staff of research centers working on this theme, the laboratories of sites (for environmental analysis), effluent liquid and gaseous emission processing departments, the department responsible for the management (and possibly internal processing) of waste, departments and entities charged with rehabilitation of sites.

ISO sites: sites covered by an ISO 14001 certificate that is valid, some certificates covering several sites.

Fresh water: water with salinity below 1.5 g/l.

Hydrocarbon spills: spills with a volume greater than 1 b (159 l) are counted. These are accidental spills of which at least part of the volume spilt reaches the natural environment (including non-waterproof ground). Spills resulting from sabotage or malicious acts are included. Spills which remain in a confined watertight containment system are excluded.

Waste: the contaminated soil excavated and removed from active sites to be treated externally is counted as waste. But drilling debris, mining cuttings or soil polluted in inactive sites are not counted as waste.

GHG: the six gases of the Kyoto protocol are counted, which are CO_2, CH_4, N_2O, HFCs, PFCs and SF6, with their respective GWP (Global Warming Potential) as described by the 1995 GIEC report.

GHG scope 2: the emission factors applied are world averages: 3.2 Mt CO_2-eq/Mtep for steam and 0.4 t CO_2-eq/MWh for electricity. This reporting is only applicable to the operated perimeter.

GHG in equity share: GHG emissions of non-significant assets are excluded, for which the Group equity share is less than 10% and for which emissions in Group share are less than 50 kt CO_2-eq/year. TOTAL relies on the information provided by its partners who operate its non-operated assets. In cases where this information is not available, estimates are made based on past data, budget data or by *pro rata* with similar assets.

Material loss rate: this rate corresponds to the net sum of materials extracted or consumed which are neither auto-consumed energy nor sold to a client, divided by the sum of transformed material. In the case of Exploration & Production, this rate is calculated by the ratio of the sum of identified losses to the sum of extracted materials. Petrochemicals considers that this new indicator is not yet sufficiently reliable to be published.

Oil Spill Preparedness:

- An oil spill scenario is deemed “important” as soon as its consequences are on a small scale and with limited impacts on the environment (orders of magnitude of several hundred meters of beaches impacted, and several tons of hydrocarbons, typically).
- An oil spill preparedness plan is deemed operational if it describes the alert mechanisms, if it is based on pollution scenarios that stem from the risk analyses and if it describes mitigation strategies that are adapted to each scenario, if it defines the technical and organizational means, internal and external, to be implemented and, lastly, if it mentions elements to be taken into account to implement a follow-up of the environmental impacts of the pollution.
- Oil spill preparedness exercise: only exercises conducted on the basis of one of the scenarios identified in the oil spill preparedness plan and which are played out until the stage of deployment of equipment are counted for this indicator.

6. Third party assurance report

Independent verifier's report on consolidated social, environmental and societal information presented in the Management Report.

This is a free translation into English of the original report issued in the French language and it is provided solely for the convenience of English speaking users. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the shareholders,

In our quality as an independent verifier of which the admissibility of the application for accreditation has been accepted by the COFRAC, under the number n° 3-1050, and as a member of the network of one of the statutory auditors of Total, we present our report on the consolidated social, environmental and societal information for the year ended on the December 31 2013, presented in the Management Report (Chapter 7. of the Registration Document) hereafter referred to as the "CSR Information" pursuant to the provisions of the article L.225-102-1 of the French Commercial Code (*Code de commerce*).

Responsibility of the Company

It is the responsibility of the executive board to establish a Management Report including CSR Information referred to in the Article R. 225-105-1 of the French Commercial Code (*Code de commerce*), in accordance with the Human Resources and environment, health and safety protocols used by the Company (the "Criteria"), in their versions dated summer 2013, and of which a summary is included in the Management Report (Chapter 7.5. of the Registration Document) (the "Methodological note") and available on request at the Company's headquarters.

Independence and quality control

Our independence is defined by regulatory requirements, the Code of Ethics of our profession as well as the provisions in the Article L. 822-11 of the French Commercial Code (*Code de commerce*). In addition, we have implemented a quality control system including documented policies and procedures to ensure compliance with ethical standards, professional standards and applicable laws and regulations.

Responsibility of the independent verifier

It is our role, based on our work:

- To attest whether the required CSR Information is present in the Management Report or, in the case of its omission, that an appropriate explanation has been provided, in accordance with the third paragraph of R. 225-105 of the French Commercial Code (*Code de commerce*) (Attestation of presence of CSR Information);
- To express a limited assurance on whether the CSR Information is presented, in all material aspects, in accordance with the Criteria.

Our verification work was undertaken by a team of nine people and took place from September 2013 to March 2014 for an estimated time period of thirty weeks.

We undertook the work described below in accordance with the professional standards applicable in France and the Order of 13 May 2013 determining the conditions under which an independent third-party verifier conduct its mission, and in relation to the opinion of fairness and the reasonable assurance report, in accordance with the international standard ISAE 3000 (1).

6.1. Attestation of presence of CSR Information

We obtained an understanding of the Company's CSR issues, based on interviews with the management of relevant departments, a presentation of the Company's strategy on Sustainable Development based on the social and environmental consequences linked to the activities of the Company and its societal commitments, as well as, where appropriate, resulting actions or programmes.

We have compared the information presented in the Management Report with the list as provided for in the Article R. 225-105-1 of the French Commercial Code (*Code de commerce*).

(1) ISAE 3000 – Assurance engagements other than audits or reviews of historical information.

In the absence of certain consolidated information, we have verified that the explanations were provided in accordance with the provisions in Article R. 225-105-1, paragraph 3, of the French Commercial Code (*Code de commerce*).

We verified that the information covers the consolidated perimeter, namely the entity and its subsidiaries, as aligned with the meaning of the Article L.233-1 and the entities which it controls, as aligned with the meaning of the Article L.233-3 of the French Commercial Code (*Code de commerce*), with the limitations specified in the Methodological Note of the Management Report (Chapter 7.5. of the Registration Document), and notably the Worldwide Human Resources Survey which covers 90% of the employees.

Based on this work, and given the limitations mentioned above, we confirm the presence in the Management Report of the required CSR Information.

6.2. Limited assurance on CSR Information

Nature and scope of the work

We undertook about forty interviews with about thirty people responsible for the preparation of CSR Information in the Sustainable Development and Environment Division, Industrial Safety Division and Human Resources Division, in charge of the data collection process and, if applicable, the people responsible for internal control processes and risk management, in order to:

– Assess the suitability of the Criteria for reporting, in relation to their relevance, completeness, reliability, neutrality, and understandability, taking into consideration, if relevant, industry standards;

– Verify the implementation of the process for the collection, compilation, processing and control for completeness and consistency of the CSR Information and identify the procedures for internal control and risk management related to the preparation of the CSR Information.

We determined the nature and extent of our tests and inspections based on the nature and importance of the CSR Information, in relation to the characteristics of the Company, its social and environmental issues, its strategy in relation to Sustainable Development and industry best practices.

For the CSR Information which we considered the most important [1]:

– At the level of the consolidated entity and the three segments, we consulted documentary sources and conducted interviews to corroborate the qualitative information (organization, policies, actions, etc.), we implemented analytical procedures on the quantitative information and verified, on a test basis, the calculations and the compilation of the information, and also verified their coherence and consistency with the other information presented in the Management Report;

– At the level of the representative selection of sites that we selected [2], based on their activity, their contribution to the consolidated indicators, their location and a risk analysis, we undertook interviews to verify the correct application of the procedures and undertook detailed tests on the basis of samples, consisting in verifying the calculations made and linking them with supporting documentation. The sample selected therefore represented on average 10% of the total workforce and 25% of greenhouse gases emissions.

We consider that the sampling methods and size of the sample that we considered by exercising our professional judgment allows us to express a limited assurance conclusion; an assurance of a higher level would have required more extensive verification work. Due to the necessary use of sampling techniques and other limitations inherent in the functioning of any information and internal control system, the risk of non-detection of a significant anomaly in the CSR Information cannot be entirely eliminated.

(1) With respect to Total Group activities, size of the company and affiliates locations, we have considered as important all information published in chapter 7 of the management report.
(2) Social and environmental data verification: TUCN Nigeria, Total E&P Austral, Total E&P Myanmar, Raffinerie de Normandie, TRM Leuna, Sunpower Philippines Fab2, Total Nigeria PLC.
Environmental data verification: Total E&P Norge (remote audit performed only on GHG on equity basis), CCP Drocourt, Total Olefins Antwerpen, Hutchinson Lodz I, Port-Arthur Refinery (remote audit).
Social data verification: Lubrifiants Argentine, TOTAL Deutschland GmbH Marketing, Hutchinson Poland.

Qualification expressed

We express qualification on the following point: the number of valid analysis results on the sulfur content of fuel gas burnt by some subsidiaries of Exploration & Production activity should be improved regarding the variability of this parameter to ensure a better management of SO_2 emissions.

Conclusion

Based on our work, and under this qualification, we have not identified any significant misstatement that causes us to believe that the CSR Information, taken together, have not been fairly presented, in compliance with the Criteria.

Observations

Without qualifying our conclusion above, we draw your attention to the following points:

- Within New Energies (Energies Nouvelles) business, which account for 13% of the audited workforce, we observed a limited use of the reporting Guidelines generating an overall uncertainty on the number of days of training, due to the contribution of this business on the selection of audited sites.
- With respect to the rate of absenteeism for medical reasons, we identified some differences in understanding of the calculation methodology.
- Methods to calculate the proportion of wastes by treatment technologies are not consistent between some of the audited sites.

Paris-La Défense, the 26 March 2014

The Independent Verifier
ERNST & YOUNG et Associés
French original signed by:
Christophe Schmeitzky Partner
Sustainable Development
Bruno Perrin Partner

TOTAL and its shareholders

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1. Listing details

1.1. Listing

1.1.1. Exchanges

Paris, New York, London and Brussels

1.1.2. Codes

ISIN	FR0000120271
Reuters	TOTF.PA
Bloomberg	FP FP
Datastream	F: TAL
Mnémo	FP

1.1.3. Included in the following stock indexes

CAC 40, Euro Stoxx 50, Stoxx Europe 50, DJ Global Titans

1.1.4. Included in the following ESG indexes (Environment, Social, Governance)

DJSI World, DJSI Europe, FTSE4Good, ASPI

1.1.5. Weight in the main indexes as of December 31, 2013

CAC 40	11.3%	Largest weight in the index
EURO STOXX 50	5.2%	Largest weight in the index
STOXX EUROPE 50	3.2%	7th largest weight in the index
DJ GLOBAL TITANS	1.7%	36th largest weight in the index

1.1.6. Market capitalization on Euronext Paris and in the euro zone as of December 31, 2013

TOTAL has the largest capitalization on the Euronext Paris regulated market. Based on the market capitalization of the companies that make up the Euro Stoxx 50, the largest market capitalizations in the euro zone are as follows [(a)]:

As of December 31, 2013 (B€)	
AB InBev	124.2
TOTAL	**105.9**
Sanofi	102.6
Volkswagen	92.8
Unilever	89.4
Siemens	87.5

(a) Source: Bloomberg for companies other than TOTAL.

1.1.7. Market capitalization as of December 31, 2013 (1)

€105.9 billion (2)
$145.7 billion (3)

1.1.8. Percentage of free float

As of December 31, 2013, the free float factor determined by Euronext for calculating TOTAL's weight in the CAC 40 was 90%. The free float factor determined by Euro Stoxx for calculating TOTAL's weight in the Euro Stoxx 50 was 95%.

1.1.9. Par value

€2.50.

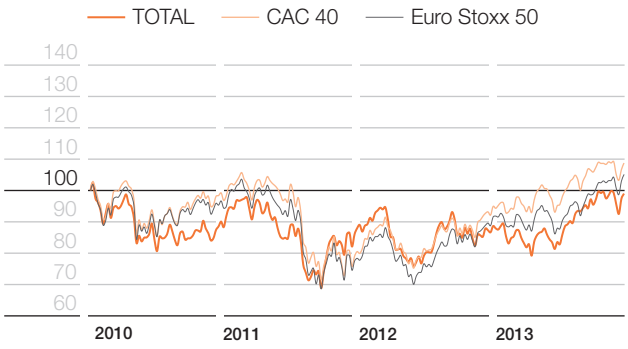
1.1.10. Credit ratings of the long-term and short-term debt (long term/outlook/short term)

As of December 31,	2013	2012
Standard & Poor's	AA-/Stable/A-1+	AA-/Stable/A-1+
Moody's	Aa1/Neg/P-1	Aa1/Neg/P-1

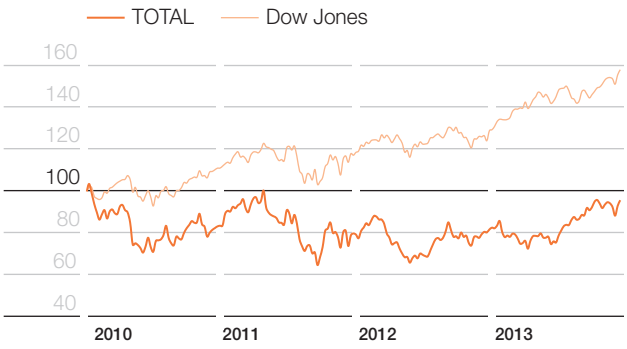
(1) Shares outstanding as of December 31, 2013: 2,377,678,160.
(2) TOTAL closing share price in Paris as of December 31, 2013: €44.53.
(3) TOTAL closing ADR price in New York as of December 31, 2013: $61.27.

1.2. Share performance

TOTAL share price in Paris (2010-2013)
(in euros)



TOTAL ADR price in New York (2010-2013)
(in dollars)



1.2.1. Arkema spin-off

Within the framework of the spin-off of Arkema's chemical activities from the Group's other chemical activities, the Shareholders' Meeting of May 12, 2006 approved TOTAL S.A.'s contribution to Arkema, under the regulation governing spin-offs, of all its interests in the businesses included under Arkema's scope, as well as the allocation for each TOTAL share of an allotment right for Arkema shares, with 10 allotment rights entitling the holder to one Arkema share. Since May 18, 2006, Arkema's shares have been traded on Euronext Paris.

Pursuant to the provisions of the notice prior to the sale of unclaimed shares (*Avis préalable à la mise en vente de titres non réclamés*) published on August 3, 2006 in the French newspaper Les Echos, Arkema shares corresponding to allotment rights for fractional shares which were unclaimed as of August 3, 2008 were sold on Euronext Paris at an average price of €32.5721 per share. As a result, from August 3, 2008, the indemnity price per share of allotment rights for Arkema shares is €3.25721 (NYSE Euronext notice No. PAR_20080812_02958_EUR). BNP Paribas Securities Services paid an indemnity to the financial intermediaries on remittance of corresponding allotment rights for Arkema shares.

As from August 4, 2018, the unclaimed amounts will be handed over to the French *Caisse des dépôts et consignations* where the holders will still be able to claim them for a period of 20 years. After this time limit, the amounts will permanently become the property of the French State.

1.2.2. Change in share prices in Europe of the major European oil companies between January 1, 2013 and December 31, 2013
(closing price in local currency)

TOTAL (euro)	**+14.2%**
Royal Dutch Shell A (euro)	-0.3%
Royal Dutch Shell B (pound sterling)	+4.8%
BP (pound sterling)	+14.9%
ENI (euro)	-4.6%

Source: Bloomberg.

1.2.3. Change in share prices in the United States (ADR quotes for European companies) of the major international oil companies between January 1, 2013 and December 31, 2013
(closing price in dollars)

TOTAL	**+17.8%**
ExxonMobil	+16.9%
Chevron	+15.5%
Royal Dutch Shell A	+3.4%
Royal Dutch Shell B	+6.0%
BP	+16.7%
ENI	-1.3%
ConocoPhillips	+21.8%

Source: Bloomberg.

1.2.4. Appreciation of a portfolio invested in TOTAL shares

Net yield of 7.25% per year over 10 years (excluding tax credit).

1.2.5. Multiplication of the initial investment by 2 over 10 years

As of December 31, 2013, for every €1,000 invested in TOTAL shares by an individual residing in France, assuming that the net dividends (excluding the tax credit) are reinvested in TOTAL shares, and excluding tax and social withholding.

	Average annual total return		Value as of December 31, 2013 of €1,000 invested	
Investment date	TOTAL[a]	CAC 40[b]	TOTAL	CAC 40
1 year	+20.65%	+20.95%	1,207	1,210
5 years	+8.49%	+9.37%	1,503	1,565
10 years	+7.25%	+5.06%	2,014	1,638
15 years	+10.06%	+3.17%	4,212	1,597

(a) TOTAL's share prices, used for the calculation of the total return (including dividends and appreciation), take into account the adjustment made by Euronext Paris in 2006 ex Arkema's share allocation rights.
(b) CAC 40 quotes taken into account to calculate the total return (including dividends and appreciation) include all dividends distributed by the companies that are in the index.

1.2.6. Information summary

Share price (€)	2013	2012	2011	2010	2009
Highest (during regular trading session)	45.670	42.97	44.55	46.74	45.79
Lowest (during regular trading session)	35.175	33.42	29.40	35.66	34.25
End of the year (closing)	44.53	39.01	39.50	39.65	45.01
Average of the last 30 trading sessions (closing)	43.60	38.73	37.65	39.16	43.19
Trading volume (average per session)[a]					
Euronext Paris	4,439,725	5,622,504	6,565,732	6,808,245	7,014,959
New York Stock Exchange (number of ADRs)	1,371,780	3,291,705	4,245,743	3,329,778	2,396,192
Dividend[b]	2.38	2.34	2.28	2.28	2.28

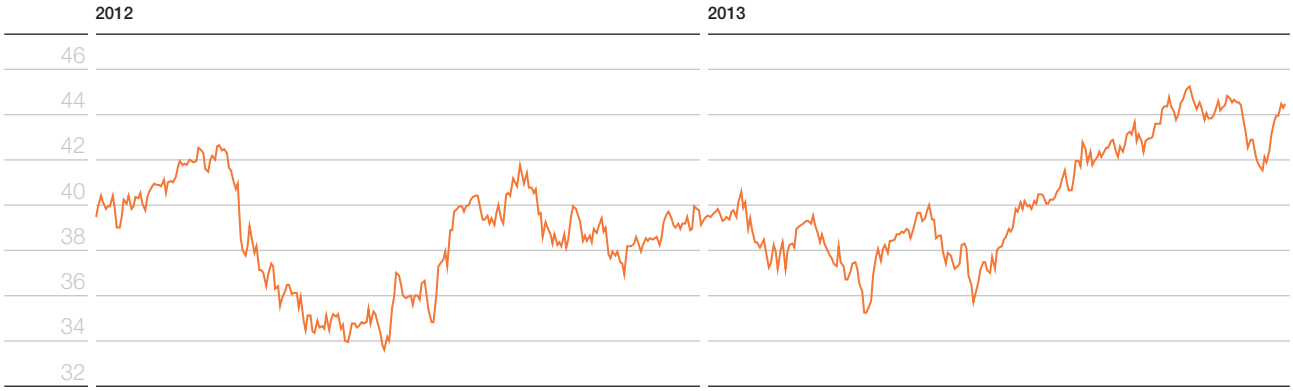
(a) Number of shares traded. Source: Euronext Paris, NYSE, composite price.
(b) The 2013 dividend is subject to approval by the Shareholders' Meeting of May 16, 2014. This amount includes the three quarterly interim dividends paid for fiscal year 2013. The interim dividends were €0.59 per share. They were paid on September 27, 2013, December 19, 2013 and March 27, 2014, and are eligible for the 40% rebate applicable to individuals residing in France for tax purposes, as stipulated in Article 158 of the French General Tax Code.

1.2.7. TOTAL share price over the past 18 months (Euronext Paris) (a)

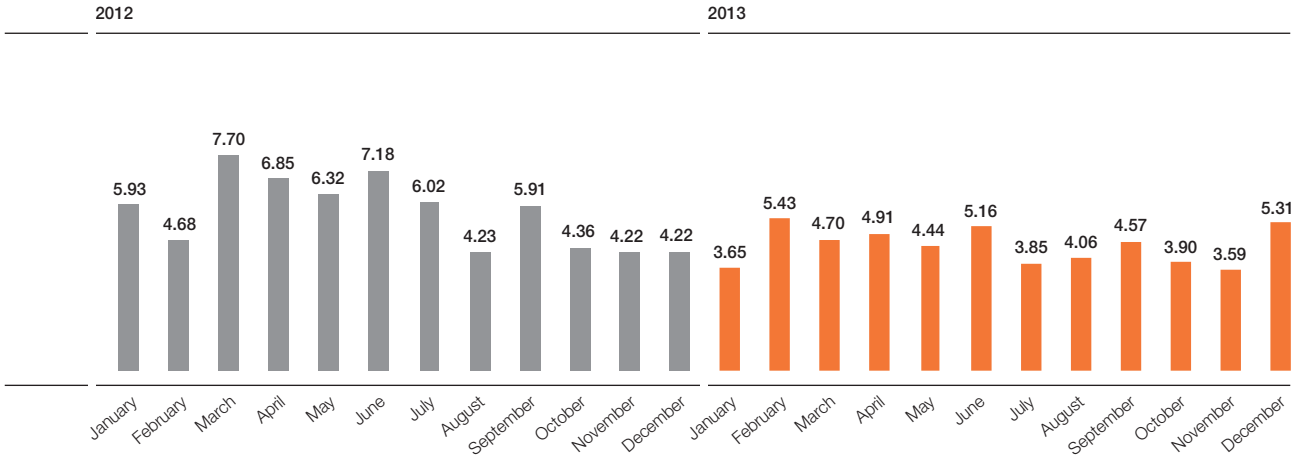
	Average daily volume(b)	Highest price quoted (€)	Lowest price quoted (€)
September 2012	5,905,512	41.995	38.600
October 2012	4,360,378	40.110	37.970
November 2012	4,221,212	39.695	36.925
December 2012	4,217,316	39.940	38.060
January 2013	3,645,252	40.820	39.030
February 2013	5,430,672	40.480	37.040
March 2013	4,704,884	39.595	37.130
April 2013	4,908,214	38.345	35.175
May 2013	4,440,556	40.400	37.815
June 2013	5,158,472	39.130	35.680
July 2013	3,851,367	40.390	36.615
August 2013	4,060,453	42.900	39.690
September 2013	4,574,553	43.785	41.435
October 2013	3,895,609	45.670	42.050
November 2013	3,594,159	45.140	43.440
December 2013	5,311,783	44.700	41.050
January 2014	4,152,073	44.745	41.650
February 2014	4,680,774	47.030	41.310
Maximum for the period		**47.030**	
Minimum for the period			**35.175**

(a) Source: Euronext Paris.
(b) Number of shares traded.

TOTAL share price at closing on Euronext Paris
(€)



TOTAL average daily volume traded on Euronext Paris
(in millions of shares)



2. Dividend

2.1. Dividend policy

2.1.1. Dividend payment policy

On October 28, 2010, the Board of Directors decided to adopt a new policy based on quarterly dividend payments starting in 2011.

2.1.2. 2013 and 2014 dividends

TOTAL paid three quarterly interim dividends for fiscal year 2013:

- the first quarterly interim dividend of €0.59 per share for fiscal year 2013, approved by the Board of Directors on April 25, 2013, was paid in cash on September 27, 2013 (the ex-dividend date was September 24, 2013);
- the second quarterly interim dividend of €0.59 per share for fiscal year 2013, approved by the Board of Directors on July 25, 2013, was paid in cash on December 19, 2013 (the ex-dividend date was December 16, 2013);
- the third quarterly interim dividend of €0.59 per share for fiscal year 2013, approved by the Board of Directors on October 30, 2013, was paid in cash on March 27, 2014 (the ex-dividend date was March 24, 2014).

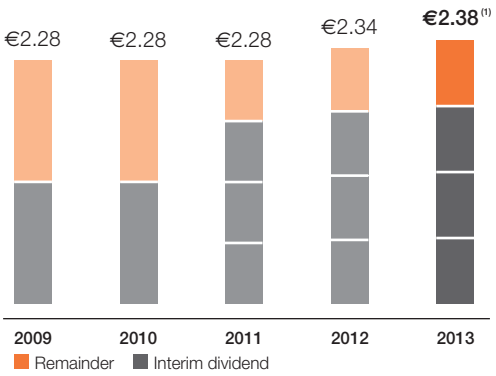
For fiscal year 2013, TOTAL intends to continue its dividend policy. As a result, the Board of Directors proposes a dividend of €2.38 per share (+1.7% compared to 2012) at the Shareholders' Meeting on May 16, 2014, including a remainder of €0.61 per share (+3.4% compared to the previous quarter) with an ex-dividend date on June 2, 2014 and a payment on June 5, 2014.

Subject to the applicable legislative and regulatory provisions, and pending the approval by the Board of Directors for the interim dividends and by the shareholders at the Shareholders' Meeting for the accounts and the final dividend, the ex-date calendar for the interim quarterly dividends and the final dividend for fiscal year 2014 is expected to be as follows:

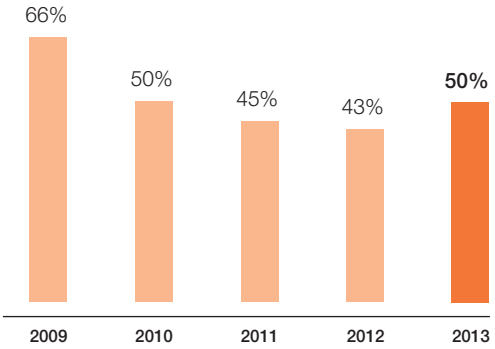
- 1st interim dividend: September 23, 2014;
- 2nd interim dividend: December 15, 2014;
- 3rd interim dividend: March 23, 2015;
- Remainder: June 8, 2015.

The provisional ex-dividend dates above relate to the TOTAL shares traded on the NYSE Euronext Paris.

Dividends in euros for the last five fiscal years
(€)



In 2013, TOTAL's pay-out ratio was 50%(2). Changes in the pay-out ratio(3) over the past five years are as follows:



(1) Pending approval at the May 16, 2014 Annual Shareholders' Meeting.
(2) Based on adjusted fully-diluted earnings per share of €4.73 and a dividend of €2.38 per share pending approval at the May 16, 2014 Annual Shareholders' Meeting.
(3) Based on adjusted fully-diluted earnings for the relevant year.

2.2. Dividend payment

BNP Paribas Securities Services manages the payment of the dividend, which is made through financial intermediaries using the Euroclear France direct payment system.

The Bank of New York Mellon (101 Barclay Street 22 W, New York, NY 10286, USA) manages the payment of dividends to holders of American Depositary Receipts (ADRs).

2.2.1. Dividend payment on stock certificates

TOTAL issued stock certificates (*certificats représentatifs d'actions*, "CRs") as part of the public exchange offer for PetroFina shares.

The CR is a stock certificate provided for by French rules, issued by Euroclear France, intended to circulate exclusively outside of France, and which may not be held by French residents. The CR is issued as a physical certificate, or registered in a custody account. It has the characteristics of a bearer security. The CR is freely convertible from a physical certificate into a security registered on a custody account and conversely. However, in compliance with the Belgian law of December 14, 2005 on the dematerialization of securities in Belgium, CRs may only be delivered in the form of a dematerialized certificate as from January 1, 2008, the effective date of the law. In addition, ING Belgique is the bank handling the payment of all coupons detached from outstanding CRs.

No fees are applicable to the payment of coupons detached from CRs, except for any income or withholding taxes; the payment may be received at the teller windows of the following institutions:

ING Belgique	Avenue Marnix 24, 1000 Brussels, Belgium
BNP Paribas Fortis	Montagne du Parc 3, 1000 Brussels, Belgium
KBC BANK N.V.	Avenue du Port 2, 1080 Brussels, Belgium

2.3. Coupons

For the year ended	Ex-dividend date	Payment date	Expiration date	Nature and amount of the coupon	Net amount (€)
2007	11/16/2007	11/16/2007	11/16/2012	Interim dividend (no. 21)	1
	05/20/2008	05/23/2008	05/23/2013	Remainder (no. 22)	1.07
2008	11/14/2008	11/19/2008	11/19/2013	Interim dividend (no. 23)	1.14
	05/19/2009	05/22/2009	05/22/2014	Remainder (no. 24)	1.14
2009	11/13/2009	11/18/2009	11/18/2014	Interim dividend (no. 25)	1.14
	05/27/2010	06/01/2010	06/01/2015	Remainder (no. 26)	1.14
2010	11/12/2010	11/17/2010	11/17/2015	Interim dividend (no. 27)	1.14
	05/23/2011	05/26/2011	05/26/2016	Remainder (no. 28)	1.14
2011	09/19/2011	09/22/2011	09/22/2016	Interim dividend (no. 29)	0.57
	12/19/2011	12/22/2011	12/22/2016	Interim dividend (no. 30)	0.57
	03/19/2012	03/22/2012	03/22/2017	Interim dividend (no. 31)	0.57
	06/18/2012	06/21/2012	06/21/2017	Remainder (no. 32)	0.57
2012	09/24/2012	09/27/2012	09/27/2017	Interim dividend (no. 33)	0.57
	12/17/2012	12/20/2012	12/20/2017	Interim dividend (no. 34)	0.59
	03/18/2013	03/21/2013	03/21/2018	Interim dividend (no. 35)	0.59
	06/24/2013	06/27/2013	06/27/2018	Remainder (no. 36)	0.59
2013 [a]	**09/24/2013**	**09/27/2013**	**09/27/2018**	**Interim dividend (no. 37)**	**0.59**
	12/16/2013	**12/19/2013**	**12/19/2018**	**Interim dividend (no. 38)**	**0.59**
	03/24/2014	**03/27/2014**	**03/27/2019**	**Interim dividend (no. 39)**	**0.59**
	06/02/2014	**06/05/2014**	**06/05/2019**	**Remainder (no. 40)**	**0.61**

(a) A resolution will be submitted to the Shareholders' Meeting on May 16, 2014 to pay a cash dividend of €2.38 per share for fiscal year 2013, including a remainder of €0.61 per share, with an ex-dividend date on June 2, 2014 and a payment date on June 5, 2014.

3. Share buybacks

The Shareholders' Meeting of May 17, 2013, after acknowledging the report of the Board of Directors, authorized the Board of Directors, in accordance with the provisions of Article L. 225-209 of the French Commercial Code and of European Regulation 2273/2003 of December 22, 2003, to buy and sell the Company's shares as part of a share buyback program. The maximum purchase price was set at €70 per share. The number of shares acquired may not exceed 10% of the share capital. This authorization was granted for a period of eighteen months and replaced the previous authorization granted by the Shareholders' Meeting of May 11, 2012.

A resolution will be submitted to the Shareholders' Meeting on May 16, 2014 to authorize trading in TOTAL shares through a share buyback program carried out in accordance with Article L. 225-209 of the French Commercial Code and European Regulation 2273/2003 of December 22, 2003. This program is described in point 3.3. of this Chapter.

3.1. Share buybacks and cancellations in 2013

In 2013, TOTAL bought back 4,414,200 of its own shares to cover commitments made in connection with restricted share grant plans, *i.e.,* approximately 0.19% of the share capital (1).

Percentage of share capital bought back

In addition, TOTAL S.A. did not cancel any shares in 2013.

3.2. Board's report on share buybacks and sales

3.2.1. Share buybacks during 2013

Under the authorization granted by the Shareholders' Meeting of May 17, 2013, 4,414,200 TOTAL shares, each with a par value of €2.50, were bought back by TOTAL S.A. in 2013, *i.e.*, 0.19% of the share capital as of December 31, 2013. This buyback was completed at an average price of €40.57 per share, for a total cost of approximately €179.09 million, excluding transaction fees. This buyback is intended to cover the performance share grant plan approved by the Board of Directors on July 25, 2013.

3.2.2. Shares held in the name of the Company and its subsidiaries as of December 31, 2013

As of December 31, 2013, the Company held 8,883,180 treasury shares, representing 0.37% of TOTAL's share capital. By law, the voting rights and dividend rights of these shares are suspended.

After taking into account the shares held by Group subsidiaries, which are entitled to a dividend but deprived of voting rights, the total number of TOTAL shares held by the Group as of December 31, 2013 was 109,214,448, representing 4.59% of TOTAL's share capital, comprised of, on the one hand, 8,883,180 treasury shares, including 8,764,020 shares held to cover the performance share grant plans and 119,160 shares to be awarded under new share purchase option plans or new restricted share grant plans and, on the other hand, 100,331,268 shares held by subsidiaries.

(1) Average share capital of year N = (share capital at December 31 N-1 + share capital at December 31 N)/2.

For shares bought back to be allocated to Company or Group Employees pursuant to the objectives referred to in Article 3 of EC Regulation 2273/2003 of December 22, 2003, note that, when such shares are held to cover share purchase option plans that have expired or performance share grants that have not been awarded at the end of the vesting period, they will be allocated to new TOTAL share purchase option plans or restricted share grant plans that may be approved by the Board of Directors.

3.2.3. Transfer of shares during fiscal year 2013

3,591,391 TOTAL shares were transferred in 2013 following the final award of TOTAL shares under the restricted share grant plans.

3.2.4. Cancellation of Company shares during fiscal year 2011, 2012 and 2013

TOTAL S.A. did not cancel any shares in 2011, 2012 and 2013.

The Shareholders' Meeting of May 11, 2012 authorized the Board of Directors to reduce the share capital on one or more occasions by canceling shares held by the Company up to a maximum of 10% of the share capital over a 24-month period. As a result, based on 2,377,678,160 shares outstanding on December 31, 2013, the Company may cancel a maximum of 237,767,816 shares before reaching the cancellation threshold of 10% of share capital canceled over a 24-month period.

3.2.5. Reallocation for other approved purposes during fiscal year 2013

Shares purchased by the Company under the authorization granted by the Shareholders' Meeting of May 17, 2013, or under previous authorizations, were not reallocated in 2013 to purposes other than those initially specified at the time of purchase.

3.2.6. Conditions for the buyback and use of derivative products

Between January 1, 2013 and February 28, 2014, the Company did not use any derivative products on the financial markets as part of the share buyback programs successively authorized by the Shareholders' Meetings of May 11, 2012 and May 17, 2013.

3.2.7. Shares held in the name of the Company and its subsidiaries as of February 28, 2014

As of February 28, 2014, the Company held 8,883,005 treasury shares, representing 0.37% of TOTAL's share capital. By law, the voting rights and dividend rights of these shares are suspended.

After taking into account the shares held by Group subsidiaries, which are entitled to a dividend but deprived of voting rights, the total number of TOTAL shares held by the Group as of February 28, 2014 was 109,214,273, representing 4.59% of TOTAL's share capital, comprised of, on the one hand, 8,883,005 treasury shares, including 8,764,020 shares held to cover the performance share grant plans and 118,985 shares to be awarded under new share purchase option plans or new restricted share grant plans and, on the other hand, 100,331,268 shares held by subsidiaries.

Summary table of transactions completed by the Company involving its own shares from March 1, 2013 to February 28, 2014 [a]:

	Cumulative gross movements		Open positions as of February 28, 2014			
	Purchases	Sales	Open purchase positions		Open sales positions	
Number of shares	4,414,200	-	Bought calls	Purchases	Sold calls	Sales
Maximum average maturity	-	-	-	-	-	-
Average transaction price (€)	40.57	-	-	-	-	-
Average exercise price	-	-	-	-	-	-
Amounts (€)	179,087,553	-	-	-	-	-

(a) In compliance with the applicable regulations as of February 28, 2014, the period indicated begins on the day after the date used as a reference for the publication of information regarding the previous program published in the 2012 Registration Document.

Moreover, 3,591,466 TOTAL shares were transferred between March 1, 2013 and February 28, 2014 following the final award of shares under the performance share grant plans.

As of February 28, 2014

Percentage of share capital held by TOTAL S.A.	**0.37%**
Number of shares held in portfolio [a]	8,883,005
Book value of portfolio (at purchase price) (M€)	353
Market value of the portfolio (M€) [b]	418
Percentage of capital held by companies [c] of the Group	**4.59%**
Number of shares held in portfolio	109,214,273
Book value of portfolio (at purchase price) (M€)	3,379
Market value of the portfolio (M€) [b]	5,136

(a) TOTAL S.A. did not buy back any shares during the three trading days preceding February 28, 2014. As a result, TOTAL S.A. owns all the shares held in portfolio as of that date.
(b) Based on a closing price of €47.03 per share as of February 28, 2014.
(c) TOTAL S.A., Total Nucléaire, Financière Valorgest, Sogapar and Fingestval.

3.3. 2014-2015 share buyback program

3.3.1. Description of the share buyback program under Article 241-1 et seq. of the General Regulation of the French Financial Markets Authority (*Autorité des marchés financiers* – AMF)

Objectives of the share buyback program:

- reduce the Company's capital through the cancellation of shares;
- honor the Company's obligations related to securities convertible or exchangeable into Company shares;
- honor the Company's obligations related to stock option programs or other share grants to the Company's management or to employees of the Company or a Group subsidiary;
- deliver shares (by exchange, payment or otherwise) in connection with external growth operations; and
- stimulate the secondary market or the liquidity of the TOTAL share under a liquidity agreement.

3.3.2. Legal framework

Implementation of this share buyback program, which is in line with Article L. 225-209 et seq. of the French Commercial Code, Article 241-1 et seq. of the General Regulation of the French Financial Markets Authority, and the provisions of European Regulation 2273/2003 of December 22, 2003, is subject to approval by the TOTAL S.A. Shareholders' Meeting of May 16, 2014 through the fourth resolution which reads as follows:

"Upon presentation of the report of the Board of Directors and certain information contained in the program description prepared in accordance with Article 241-1 et seq. of the General Regulation (*règlement général*) of the French Financial Markets Authority (*Autorité des marchés financiers*) and pursuant to the provisions of Article L. 225-209 of the French Commercial Code, European Regulation 2273/2003 of December 22, 2003, and the General Regulation of the French Financial Markets Authority, the Shareholders' Meeting, voting under conditions for quorum and majority required for ordinary general meetings, hereby authorizes the Board of Directors, with the option to sub-delegate such powers under the conditions provided by law, to buy or sell shares of the Company as part of a share buyback program.

The purchase, sale or transfer of these shares can be completed by any means on regulated markets, multilateral trading facilities or over the counter, including through the purchase or sale of blocks of shares, under the conditions authorized by the relevant market authorities. These means include the use of any financial derivative instrument traded on regulated markets, multilateral trading facilities or over the counter and the implementation of option strategies.

These transactions may be carried out at any time, except during public offerings for the Company's shares, in accordance with applicable rules and regulations.

The maximum purchase price is set at €70 per share.

In case of a capital increase by capitalization of reserves and restricted share grants, and in case of a stock-split or a reverse-stock-split, this maximum price shall be adjusted by applying the ratio of the number of shares outstanding before the transaction to the number of shares outstanding after the transaction.

Pursuant to Article L. 225-209 of the French Commercial Code, the maximum number of shares that may be bought under this authorization may not exceed 10% of the total number of shares outstanding as of the date on which this authorization is used. Purchases made by the Company may under no circumstances result in the Company holding more than 10% of the share capital, either directly or indirectly through indirect subsidiaries.

Of the 2,377,678,160 shares outstanding as of December 31, 2013, the Company held 8,883,180 shares directly and 100,331,268 shares indirectly through its subsidiaries, for a total of 109,214,448. Under these circumstances, the maximum number of shares that the Company could buy back is 128,553,368 shares, and the maximum amount that the Company may spend to acquire such shares is €8,998,735,760.

The purpose of this share buyback program will be to reduce the Company's share capital or to allow the Company to fulfill its obligations related to:

- securities convertible or exchangeable into Company shares;
- share purchase option programs, restricted share grant plans, employee shareholding plans or company savings plans, or other share grants to management or employees of the Company or a Group company.

Share buybacks may also be motivated by any of the market practices allowed by the French Financial Markets Authority, namely, as of December 31, 2013:

- the delivery of shares (by exchange, payment or otherwise) in connection with external growth, merger, spin-off or contribution operations, without exceeding the limit stipulated in Article L. 225-209, paragraph 6, of the French Commercial Code, for merger, spin-off or contribution operations; or
- stimulation of the secondary market or the liquidity of the TOTAL share by an investment service provider under a liquidity agreement that complies with the ethics rules recognized by the French Financial Markets Authority.

This program may also be used by the Company to trade in its own shares, either on or off the market, for any other authorized purpose or permitted market practice, or any practice which may be authorized by applicable laws or regulations or permitted by the French Financial Markets Authority. In case of transactions for purposes other than those mentioned above, the Company will inform its shareholders in a press release.

Based on these purposes, the shares of the Company acquired through this program may be:

- canceled up to the maximum legal limit of 10% of the total number of shares outstanding on the date of the operation, over a 24-month period;

– granted free of charge to the Group's employees and to management of the Company or Group companies;
– delivered to recipients of the Company's share purchase options having exercised such options;
– sold to employees, either directly or through Company savings plans;
– delivered to the holders of securities that grant such rights to receive such shares, either through redemption, conversion, exchange, presentation of a warrant or in any other manner; or
– used in any other manner that is consistent with the purposes stated in this resolution.

While they are held by the Company, such shares will be deprived of voting rights and dividend rights.

This authorization is granted for an 18-month period from the date of this Meeting. It renders ineffective, up to the unused portion, the fourth resolution of the combined Shareholders' Meeting held on May 17, 2013.

The Board of Directors is hereby granted full powers, with the right to delegate such authority, to undertake all actions necessary or desirable to carry out the program or programs authorized by this resolution.

The Shareholders' Meeting of May 11, 2012 also authorized the Board of Directors to reduce the capital by canceling shares up to a maximum of 10% of the share capital over a 24-month period. This authorization was granted for five years and will expire after the Shareholders' Meeting held to approve the financial statements for the year ending December 31, 2016. This approval was drafted as follows: "Upon presentation of the report of the Board of Directors and the auditors' special report, the Shareholders' Meeting, voting under conditions for quorum and majority required for extraordinary general meetings, hereby authorizes the Board of Directors, in accordance with Article L. 225-209 et seq. of the French Commercial Code and Article L. 225-213 of the same Code, to reduce the share capital on one or more occasions by canceling shares within the legal limits.

The maximum number of shares that may be canceled under this authorization may not exceed 10% of the total number of shares outstanding, over a 24-month period, with this limit applying to a number of shares that will be adjusted, if necessary, to include transactions affecting the share capital subsequent to this Meeting.

The Shareholders' Meeting hereby grants full powers to the Board of Directors, with the option to sub-delegate such powers under the conditions provided by law, to carry out such capital reductions based on its decisions alone, to decide on the number of shares to cancel within the limit of 10% of the total number of shares outstanding as of the transaction date, over a 24-month period, to decide on the conditions of the capital reduction operations and confirm their execution, to apply, where applicable, the difference between the buyback value of the shares and their par value to any reserves or premiums, to amend the by-laws accordingly, and to complete all necessary formalities related thereto.

This authorization is granted for five years and will expire after the Shareholders' Meeting held to approve the financial statements for the year ending December 31, 2016."

3.3.3. Conditions

Maximum share capital to be purchased and maximum funds allocated to the transaction

The maximum number of shares that may be purchased under the authorization proposed to the Shareholders' Meeting of May 16, 2014 may not exceed 10% of the total number of shares outstanding, with this limit applying to an amount of the Company's share capital that will be adjusted, if necessary, to include transactions affecting the share capital subsequent to this Meeting; purchases made by the Company may under no circumstances result in the Company holding more than 10% of the share capital, either directly or indirectly through subsidiaries.

Before any share cancellation under the authorization given by the Shareholders' Meeting of May 11, 2012, based on the number of shares outstanding as of December 31, 2013 (2,377,678,160 shares), and given the 109,214,273 shares held by the Group as of February 28, 2014, *i.e.,* 4.59% of the share capital, the maximum number of shares that may be purchased would be 128,553,543, representing a theoretical maximum investment of €8,998,748,010 based on the maximum purchase price of €70.

Conditions for buybacks

Such shares may be bought back by any means on regulated markets, multilateral trading facilities or over the counter, including through the purchase or sale of blocks of shares, under the conditions authorized by the relevant market authorities. These means include the use of any financial derivative instrument traded on a regulated market or over the counter and the implementation of option strategies, with the Company taking measures, however, to avoid increasing the volatility of its stock. The portion of the program carried out through the purchase of blocks of shares will not be subject to quota allocation, up to the limit set by this resolution. These shares may be bought back at any time in accordance with current regulations, except during public offerings for the Company's shares.

Duration and schedule of the share buyback program

In accordance with the fourth resolution, which will be subject to approval by the Shareholders' Meeting of May 16, 2014, the share buyback program may be implemented over an 18-month period following the date of this Meeting, and therefore expires on November 16, 2015.

Transactions carried out under the previous program

Transactions carried out under the previous program are listed in the special report of the Board of Directors on share buybacks (see point 3.2. of this Chapter).

4. Shareholders

4.1. Relationship between TOTAL and the French State

Since the repeal on October 3, 2002 of the decree of December 13, 1993 establishing a golden share of Elf Aquitaine held by the French government, there are no longer any agreements or regulatory provisions governing shareholding relationships between TOTAL (or its subsidiary Elf Aquitaine) and the French government.

4.2. Merger of TOTAL with PetroFina

In December 1998, TOTAL signed an in-kind contribution agreement with Electrafina, Investor, Tractebel, Electrabel and AG 1824 (the Contributors), under which the Contributors contributed their PetroFina shares to TOTAL. TOTAL then launched a public exchange offer in 1999 for the remaining PetroFina shares not yet in its possession. Following this public offering, TOTAL held 98.8% of PetroFina's share capital.

In 2000, TotalFinaElf launched an additional public exchange offer for PetroFina shares, increasing its interest in PetroFina to 99.6%. In 2001, TotalFinaElf contributed its entire equity stake in PetroFina to Total Chimie (a wholly-owned subsidiary of TOTAL S.A.), which then launched a squeeze-out for the PetroFina shares not yet held. Total Chimie currently holds all PetroFina shares.

4.3. Merger of TotalFina with Elf Aquitaine

In 1999, the Boards of Directors of TotalFina and Elf Aquitaine recommended to their shareholders that the two companies merge through a public exchange offer. Following the offer, TotalFina acquired the 254,345,078 shares of Elf Aquitaine in exchange for 371,735,114 new TotalFina shares. In 2000, the Board of Directors launched a public buyback offer for all the Elf Aquitaine shares not yet held by the Company. Upon completion of this offer, TotalFinaElf acquired 10,828,326 shares of Elf Aquitaine in exchange for 14,437,768 new TotalFinaElf shares.

As a result of the public buyout offer followed by a squeeze-out announced on March 24, 2010, TOTAL S.A. (formerly TotalFinaElf) now holds 100% of the shares issued by Elf Aquitaine.

4.4. Major shareholders

4.4.1. Changes in major shareholders' holdings

For the purpose of this paragraph, major shareholders are defined as shareholders whose interest (in the share capital or voting rights) exceeds 5%.

TOTAL's major shareholders as of December 31, 2013, 2012 and 2011 were as follows:

	2013			2012		2011	
As of December 31	% of share capital	% of voting rights	% of theoretical voting rights[a]	% of share capital	% of voting rights	% of share capital	% of voting rights
GBL-CNP in concert	4.8	4.8	4.4	5.4	5.4	5.5	5.6
Of which Groupe Bruxelles Lambert[b]	*3.6*	*3.6*	*3.3*	*4.0*	*4.0*	*4.0*	*4.0*
Of which Compagnie Nationale à Portefeuille[b]	*1.2*	*1.2*	*1.1*	*1.4*	*1.4*	*1.5*	*1.6*
Group Employees[c]	4.7	8.6	7.9	4.4	8.1	4.4	8.0
Treasury shares	4.6	-	8.1	4.6	-	4.6	-
Of which TOTAL S.A.	*0.4*	-	*0.3*	*0.3*	-	*0.4*	-
Of which Total Nucléaire	*0.1*	-	*0.2*	*0.1*	-	*0.1*	-
Of which subsidiaries of Elf Aquitaine[d]	*4.1*	-	*7.6*	*4.2*	-	*4.2*	-
Other shareholders[e]	85.9	86.6	79.6	85.7	86.6	85.3	86.3
Of which holders of ADS[f]	*9.3*	*9.2*	*8.5*	*9.3*	*9.3*	*8.7*	*8.7*

(a) Pursuant to Article 223-11 of the AMF General Regulation, the number of theoretical voting rights is calculated on the basis of all outstanding shares to which voting rights are attached, including treasury shares that are deprived of voting rights.
(b) Groupe Bruxelles Lambert is a company controlled jointly by the Desmarais family and Frère-Bourgeois S.A., and for the latter mainly through its direct and indirect interest in Compagnie Nationale à Portefeuille. In addition, Groupe Bruxelles Lambert and Compagnie Nationale à Portefeuille have declared that they act in concert. Moreover, these companies have executive directors who serve on the Board of Directors of TOTAL S.A.
(c) Based on the definition of employee shareholding pursuant to Article L. 225-102 of the French Commercial Code. The Amundi Group, the holding company for Amundi Asset Management, which is the manager of the employee collective investment fund "TOTAL ACTIONNARIAT FRANCE" (see below), filed a Schedule 13G with the SEC on February 11, 2014, declaring beneficial ownership of 184,350,308 Company shares as of December 31, 2013 (*i.e.*, 7.8% of the Company's share capital). The Amundi Group specified that it did not have sole voting or dispositive power over any of these shares, and that it had shared voting power over 73,373,788 of these shares (*i.e.*, 3.1% of the Company's share capital) and shared dispositive power over all of these shares. Moreover, the employee representatives serve on the Board of Directors of TOTAL S.A.
(d) Fingestval, Financière Valorgest and Sogapar.
(e) Of which 1.53% held by registered shareholders (non-Group) in 2013.
(f) American Depositary Shares listed on the New York Stock Exchange.

As of December 31, 2013, the holdings of the major shareholders were calculated based on 2,377,678,160 shares, representing 2,391,533,246 voting rights exercisable at Shareholders' Meetings, or 2,601,078,962 theoretical voting rights[1] including:

- 8,883,180 voting rights attached to the 8,883,180 TOTAL shares held by TOTAL S.A. that are deprived of voting rights; and
- 200,662,536 voting rights attached to the 100,331,268 TOTAL shares held by TOTAL S.A. subsidiaries that cannot be exercised at Shareholders' Meetings.

For prior years, the holdings of the major shareholders were calculated on the basis of 2,365,933,146 shares to which 2,371,131,871 voting rights exercisable at Shareholders' Meetings were attached as of December 31, 2012, and 2,363,767,313 shares to which 2,368,716,634 voting rights exercisable at Shareholders' Meetings were attached as of December 31, 2011.

4.4.2. Identification of the holders of bearer shares

In accordance with Article 9 of its by laws, the Company is authorized, to the extent permitted under applicable law, to identify the holders of securities that grant immediate or future voting rights at the Company's Shareholders' Meetings.

4.4.3. Temporary transfer of securities

Pursuant to legal obligations, any legal entity or individual (with the exception of those described in paragraph IV-3 of Article L. 233-7 of the French Commercial Code) holding alone or in concert a number of shares representing more than 0.5% of the Company's voting rights pursuant to one or more temporary transfers or similar operations as described in Article L. 225-126 of the aforementioned code is required to notify the Company and the French Financial Markets Authority of the number of shares temporarily owned no later than the third business day preceding the Shareholders' Meeting at midnight.

Notifications must be e-mailed to the Company at:
holding.df-shareholdingnotification@total.com

If no notification is sent, any shares acquired under any of the above temporary transfer operations will be deprived of voting rights at the relevant Shareholders' Meeting and at any Shareholders' Meeting that may be held until such shares are transferred again or returned.

4.4.4. Threshold notifications

In addition to the legal obligation to inform the Company and the French Financial Markets Authority within four trading days of the

(1) Pursuant to Article 223-11 of the AMF General Regulation, the number of theoretical voting rights is calculated on the basis of all outstanding shares, including those shares held by the Group that are deprived of voting rights.

date on which the number of shares (or securities similar to shares or voting rights pursuant to Article L. 233-9 of the French Commercial Code) held represents more than 5%, 10%, 15%, 20%, 25%, 30%, one-third, 50%, two-thirds, 90% or 95% of the share capital or theoretical voting rights[1] (Article L. 233-7 of the French Commercial Code), any individual or legal entity who directly or indirectly comes to hold a percentage of the share capital, voting rights or rights giving future access to the Company's share capital which is equal to or greater than 1%, or a multiple of this percentage, is required to notify the Company, within fifteen days of the date on which each of the above thresholds is exceeded, by registered mail with return receipt requested, and indicate the number of shares held.

If notification is not given, the shares held in excess of the threshold for which notification should have been given are deprived of voting rights at Shareholders' Meetings if, at a Meeting, the failure to give notification is acknowledged and if one or more shareholders holding collectively at least 3% of the Company's share capital or voting rights so request at that Meeting.

Any individual or legal entity is also required to notify the Company in due form and within the time limits stated above when their direct or indirect holdings fall below each of the aforementioned thresholds.

Notifications must be sent to the Vice President of Investor Relations in Paris (contact details in point 6.8. of this Chapter).

4.4.5. Legal threshold notifications in 2013

In AMF notice No. 213C1748 dated November 18, 2013, CNP and GBL acting in concert stated that they had fallen below, as of November 7, 2013, the 5% share capital and voting rights thresholds and that they held 118,764,036 TOTAL shares representing 119,511,734 voting rights, *i.e.,* 4.99% of the share capital and 4.59% of the theoretical voting rights[1] (based on share capital of 2,377,196,179 shares representing 2,606,134,412 voting rights). CNP and GBL acting in concert had exceeded the 5% threshold on August 25, 2009 (AMF notice No. 209C1156).

4.4.6. Holdings above the legal thresholds

In accordance with Article L. 233-13 of the French Commercial Code, to TOTAL's knowledge no shareholder held 5% or more of TOTAL's share capital at year-end 2013.

As of December 31, 2012, CNP and GBL acting in concert held 5.36% of the share capital representing 5.37% of the voting rights. In AMF notice No. 213C1748 dated November 18, 2013, CNP and GBL acting in concert stated that they had fallen below, as of November 7, 2013, the 5% share capital and voting rights thresholds and that they held 118,764,036 TOTAL shares representing 119,511,734 voting rights, *i.e.,* 4.99% of the share capital and 4.59% of the theoretical voting rights[1] (based on share capital of 2,377,196,179 shares representing 2,606,134,412 voting rights). CNP and GBL acting in concert held more than 5% of the Group's share capital from August 25, 2009 (AMF notice No. 209C1156 dated September 2, 2009).

To TOTAL's knowledge, one known shareholder held 5% or more of the voting rights exercisable at TOTAL Shareholders' Meetings at year-end 2013: as of December 31, 2013, the "TOTAL ACTIONNARIAT FRANCE" collective investment fund held 3.45% of the share capital representing 6.41% of the voting rights exercisable at Shareholders' Meetings and 5.89% of the theoretical voting rights[1].

4.4.7. Shareholders' agreements

TOTAL is not aware of any agreements among its shareholders.

4.5. Treasury shares

As of December 31, 2013, the Company held 109,214,448 TOTAL shares either directly or through its indirect subsidiaries, which represented 4.59% of the share capital on that date. By law, these shares are deprived of voting rights.

Refer to Chapter 9, point 1.5. of this Registration Document for more information.

4.5.1. TOTAL shares held directly by the Company (treasury shares)

The Company held 8,883,180 treasury shares as of December 31, 2013, representing 0.37% of the share capital on that date.

4.5.2. TOTAL shares held by Group companies

As of December 31, 2013, Total Nucléaire, a Group company wholly-owned indirectly by TOTAL, held 2,023,672 TOTAL shares. As of December 31, 2013, Financière Valorgest, Sogapar and Fingestval, indirect subsidiaries of Elf Aquitaine, held 22,203,704, 4,104,000 and 71,999,892 TOTAL shares, respectively, representing a total of 98,307,596 shares. As of December 31, 2013, the Company held 4.22% of the share capital through its indirect subsidiaries.

(1) Pursuant to Article 223-11 of the AMF General Regulation, the number of theoretical voting rights is calculated on the basis of all outstanding shares to which voting rights are attached, including treasury shares that are deprived of voting rights.

4.6. Shares held by members of the administrative and management bodies

This information appears in points 1. and 5. of Chapter 5.

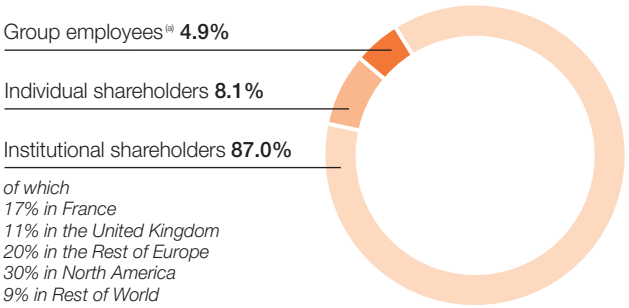
4.7. Employee shareholding

This information appears in point 5. of Chapter 5.

4.8. Shareholding structure

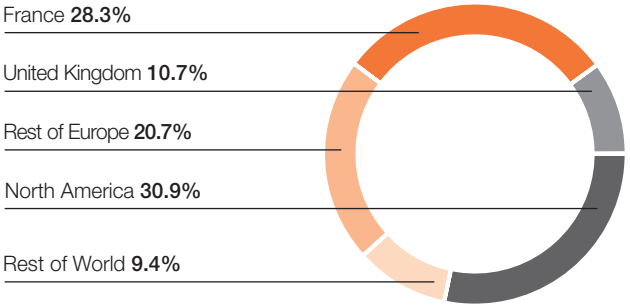
Estimates as of December 31, 2013, excluding treasury shares, based on the survey of identifiable holders of bearer shares (TPI) conducted on that date.

4.8.1. By shareholder type



(a) Based on the definition of employee shareholding pursuant to Article L. 225-102 of the French Commercial Code. (4.7% of share capital - see point 4.4. of Chapter 8).

4.8.2. By region



The number of French individual TOTAL shareholders is estimated at 500,000.

4.9. Regulated agreements and undertakings and related party transactions

4.9.1. Regulated agreements and undertakings

The special report of the statutory auditors of TOTAL S.A. on regulated agreements and undertakings referred to in Article L. 225-38 et seq. of the French Commercial Code for fiscal year 2013 appears in point 1. of Chapter 12.

4.9.2. Related party transactions

Details of transactions with related parties as specified by the regulations adopted under EC regulation 1606/2002, entered into by the Group companies during fiscal years 2011, 2012 or 2013, appear in Note 24 to the Consolidated Financial Statements (see point 7. of Chapter 10).

These transactions primarily concern equity affiliates and non-consolidated companies in which TOTAL exercises significant influence.

5. Information for foreign shareholders

5.1. American holders of ADRs

Information for holders of TOTAL American Depositary Shares (ADS), represented by American Depositary Receipts (ADRs), is provided on Form 20-F filed by TOTAL S.A. with the SEC (United States Securities and Exchange Commission) for the fiscal year ended December 31, 2013.

5.2. Non-resident shareholders (other than American shareholders)

In addition to Euronext Paris, TOTAL shares have been listed on the London Stock Exchange since 1973 and on the Brussels Stock Exchange since 1999.

Dividends

Dividends distributed by TOTAL to shareholders not residing in France are generally subject to French withholding tax at a rate of 30%.

This rate is increased to 75% for income paid outside France in a non-cooperative country or territory ("NCCT"), as defined by the French General Tax Code (Article 238-0 A). A list of these NCCT is drawn up and updated annually by an order of the French authorities.

This withholding tax is reduced to 21% for dividends received by individuals residing in a Member State of the European Union or in Iceland, Norway or Liechtenstein.

Dividends paid to non-profit organizations headquartered in a Member State of the European Union or in Iceland, Norway or Liechtenstein are generally subject to withholding tax at a rate of 15%, subject to compliance with certain conditions stipulated in the administrative policy (BOI-INT-DG-20-20-20-20-20120912 no. 290).

However, withholding tax is not applicable to income distributed by French companies to foreign collective investment funds formed under foreign law and located in a Member State of the European Union or in another State that has entered into an administrative assistance agreement with France for the purpose of combating fraud and tax evasion.

To this end, these funds must fulfill two conditions:

- raise capital among a number of investors with a view to investing it, based on a defined investment policy;
- have characteristics similar to those of collective investment funds formed under French law (open-end mutual fund (OPCVM), open-end property fund (OPCI) and closed-end investment fund (SICAF)).

Under numerous bilateral international Tax Treaties signed between France and other countries for the purpose of avoiding double taxation ("Tax Treaties"), the withholding tax rate is reduced in cases where dividends are paid to a shareholder residing in one of the countries that signed such Tax Treaties, provided that certain conditions are met ("holder").

The countries with which France has signed a tax treaty providing for a reduced withholding tax rate of 15% on French dividends are: Austria, Belgium, Canada, Germany, Ireland, Italy, Luxembourg, Norway, the Netherlands, Singapore, South Africa, Spain, Switzerland and the United Kingdom.

French administrative policy sets out the conditions under which the reduced 15% French withholding tax rate is applicable. Holders who are residents of one of the countries with which France has entered into a tax treaty providing for a reduced withholding tax rate may be eligible for immediate application of the reduced 15% withholding tax rate by electing the simplified procedure.

Under the simplified procedure, a non-resident shareholder may request a reduction in the withholding tax rate by presenting a certificate of residence which is consistent with the example available from the French tax office for non-residents at the following address: impots.gouv.fr (heading Search forms/Form no. 5000) and certified by the tax authorities of the country of residence. The shareholder must then send this certificate of residence as early as possible, and in all cases prior to payment of the dividends, to the institution that manages his or her accounts, whether in or outside France.

If the shareholder's accounts are managed outside France, the account manager outside France must inform the payer institution in France, as soon as it receives the certificate of residence and prior to payment of the dividends, of the total amount of the dividends to which the shareholder is entitled and for which the payer institution may apply the reduced withholding tax rate stipulated in the treaty.

However, the payer institution in France may waive the requirement to present the certificate of residence provided for in the treaty if the shareholder's identity and tax residence are known to it. In this case, the payer institution personally assumes responsibility for the immediate application of the reduced 15% withholding tax rate provided for in the treaty.

However, this simplified procedure does not apply to dividends paid to residents of Singapore given the specific procedures stipulated by agreement between France and this country.

If the non-resident holder is unable to present a certificate of residence from the tax authorities of his or her country of residence prior to the dividend payment date, or if the simplified procedure cannot be applied to the holder, the French payer institution will pay the dividends after deducting the ordinary withholding tax at a rate of 30%. However, the holder may request the 15% rate provided for in the treaty by being reimbursed for the amount overpaid (30% -15%). This reimbursement may be requested from the tax authorities by the shareholder, or by the payer institution if it has agreed to do so with the shareholder, by sending a specific form (forms 5000 and 5001 or any other appropriate form issued by the French tax authorities) prior to December 31 of the second year following the date on which the withholding tax was paid to the French Treasury. Generally speaking, any reimbursement

of withholding tax should be paid within 12 months of the date on which the aforementioned form is filed. However, it may not be paid before January 15 of the year following the year in which the dividends were paid. Copies of the French forms referred to above are available from the French tax office for non-residents, at the following address: impots.gouv.fr (heading "Search forms").

Taxation of dividends outside France varies according to each country's respective tax legislation.

In most countries, the gross amount of dividends is generally included in the shareholder's taxable income. Based on certain conditions and limitations, the French withholding tax on dividends may result in a tax credit being applied to the foreign tax payable by the shareholder.

However, there are some exceptions. For example, in Belgium a 25% withholding tax applies to net dividends received by an individual shareholder.

Furthermore, the amending finance law of August 16, 2012 created a 3% tax applicable to dividend distributions made on or after August 17, 2012. This tax, called "Additional corporation tax contribution", applies to distributed income and is payable by the Company that distributes the dividends.

Taxation on sales of shares

Capital gains on sales of shares realized by taxpayers residing outside France are, in principle, exempt from income tax in France. However, there are two exceptions to this rule: one for sales of holdings where the seller owns a permanent establishment or a fixed place of business in France to which his or her shares are attached, and the other for sales carried out by individuals or organizations residing or established in a non-cooperative country or territory.

However, the shareholder may be taxed on the capital gain or loss on the sale of shares in his or her country of tax residence.

Through the law of March 14, 2012, French lawmakers instituted a financial transaction tax that applies to all purchases of shares of companies listed on a French, European or foreign regulated market. This purchase must result in a transfer of ownership and the securities must be issued by a French company whose market capitalization exceeds €1 billion as of December 1 of the year preceding the year of taxation.

The tax also applies to securities representing shares of stock issued by a company, regardless of the place of establishment of its head office. This includes transactions carried out on certificates representing shares, such as American Depositary Receipts and European depositary receipts.

This financial transaction tax is equal to 0.2% of the share purchase price.

The party subject to the tax is the investment services provider (ISP), regardless of its place of establishment, when it executes buy orders for third parties or buys on its own account.

In France, ISPs are investment companies and credit institutions that have been approved to provide all or some investment services. Operators that provide equivalent services outside France are subject to the tax under the same conditions.

For purchases not involving an ISP, the tax is payable by the establishment acting as account administrator, regardless of its place of establishment.

When the shares are in registered form, the company issuing them performs the function of account keeper-custodian and is therefore liable for the payment of the tax for purchases not involving an ISP.

In principle, sales of shares of French companies are also subject to a French tax called "droit d'enregistrement" (transfer duty). However, French lawmakers have stipulated that transfer duties are not applicable to transactions that are subject to the financial transaction tax.

The above explanation is a general overview and shareholders are advised to consult their own tax advisor to determine the effect of Tax Treaties and applicable procedures as well as their income tax and, more generally, the tax consequences applicable to their particular situation.

6. Investor Relations

6.1. Communication policy

In addition to the French version of its Registration Document filed each year with the French Financial Markets Authority (*Autorité des marchés financiers*), the Group regularly provides information on its operations through reports and newsletters, on its website total.com and through press releases for significant news. The Group's presentations of its results and outlook are also available on its website. This English version of the *Document de référence* (Registration Document) is provided for information purposes only.

The Company also files an annual report on Form 20-F, in English, with the United States Securities and Exchange Commission (SEC) (see point 4 in Chapter 9).

The Group holds regular information sessions and participates in conferences, for shareholders, investors and financial analysts, both in France and abroad.

6.2. Relationships with institutional investors and financial analysts

Members of the Group's General Management regularly meet with portfolio managers and financial analysts in the leading financial centers throughout the world (Europe, North America, Asia and the Middle East).

The first series of meetings is held annually in the first quarter, after publication of the results for the previous year. A second series of meetings is held during the third quarter following the presentation of the Group's outlook. Material used during meetings is available on the Group's website (total.com, heading Investors/Institutional Investors/Presentations).

As in previous years, three conference calls were led by the Group's Chief Financial Officer to discuss results for the first, second and third quarters of the year. These conferences are available on the Group's website (total.com, heading Institutional Investors/Results).

In 2013, the Group held some 600 meetings with institutional investors and financial analysts.

In addition, from 12th to 15th November 2013, more than twenty analysts and investors took part in a field trip to Saudi Arabia and the Republic of Congo. This trip provided an opportunity to present the Refining strategy during a visit to SATORP in Jubail, which is the Group's largest refining-petrochemicals platform, and to discover two Congolese offshore sites operated by the Group: Nkossa and Alima. These visits to the Group's installations in these countries enabled those present to gain an insight into TOTAL's strong positions in these regions and discover its investment strategy. The analysts and investors also benefited from the opportunity to enter into discussions with Group's executives, local teams and a number of political of representatives from these countries.

The Group maintains an active dialogue with shareholders in the field of Corporate Social Responsibility (CSR). With a team dedicated to CSR, the Investor Relations Department pursues an ongoing dialogue with investors and non-financial analysts on a range of issues (health and safety, ethics and human rights, governance, environment, climate change and future energies, contribution to the development of local communities, dialogue with the various parties involved etc.). Meetings specifically devoted to these issues are organized in France and worldwide. Thus, seventy one-on-one meetings were held in 2013.

A significant portion of the presentation of the Group's outlook made to the financial community in London on September 23, 2013 was devoted to the CSR: Mr. Christophe de Margerie (Chairman and Chief Executive Officer) and Ms. Manoelle Lepoutre (Sustainable Development and Environment Director) reminded attendees of the Group's strategy in this field topics such as ethics, security and acceptability were addressed during workshops.

A Chapter of the Registration Document is dedicated to social and environmental information (see Chapter 7). TOTAL also publishes a CSR report every year at the time of the Shareholders' Meeting.

6.3. A quality relationship serving individual shareholders

TOTAL's Individual Shareholder Relations Department is the only shareholder service in France which has received ISO 9001 version 2008 certification for its communication policy with individual shareholders. This certification was renewed for a further three-year period in 2013 by AFNOR following a thorough audit of the various processes implemented in terms of communication with individual shareholders.

This certification of TOTAL's Individual Shareholder Relations Department reflects the Group's commitment to providing individual shareholders with valuable financial information over the long term.

As part of this quality assurance certification, satisfaction surveys are made available on the Group's website (total.com, heading Investors/Individual Shareholders/Individual Shareholder Relations).

The quality of TOTAL's investor relations was also acknowledged by trade journals in the form of the 2013 Investor Awards for long-term performance conferred by Boursorama and Morningstar, and the Agefi *Gouvernance d'argent* award for shareholder democracy, transparency of information and quality of communications.

In 2013, TOTAL also continued to organize meetings and information sessions with individual shareholders, in particular as part of various events:

- The Shareholders' Meeting held on 17 May 2013 at the *Palais des Congrès* in Paris was attended by more than 3,700 people. This meeting was broadcast live and was later available on the Group's website. Notice of the meeting is sent directly to all holders of 250 or more bearer shares and to all registered shareholders. All French shareholders owning one or more shares were able to vote via Internet using the Votaccess platform irrespective of the form of their shareholding.
- At the Actionaria trade show, which was held at the *Palais des Congrès* in Paris in November 2013, TOTAL welcomed nearly 3,500 visitors to its stand which showcased the SATORP refinery in Jubail. The trade show gave shareholders an opportunity to meet the Group's representatives present at the stand and attend conferences relating to Refining strategy.
- On November 15, Mr. Christophe de Margerie, Chairman and Chief Executive Officer, addressed more than 15,000 shareholders during an on-line interview on Boursorama.
- Eight other meetings with individual shareholders were held in 2013: in Gand in Belgium, Copenhagen in Denmark, as well as in Marseille, Toulouse, Avignon, Biarritz, Rennes and Lille in France. Other meetings were also held with professionals, in particular during the *Journées Notariales du Patrimoine* asset management seminar held in Dauphine (Paris). These meetings were attended by nearly 3,600 people. The next meetings, which are scheduled for 2014, are expected to be held in Dijon, Toulouse, Lyon, Nice, Paris and Nantes in France, as well as in Anvers, Copenhagen and Geneva in the rest of Europe.

A quarter of the members of the e-Consultative Shareholders Committee (e-CCA) were renewed. Since 2012, to facilitate exchange and promote efficient, regular interaction, the members of the e-CCA and the team of the Individual Shareholder Relations Department discuss various topics via an online dialogue forum (Group news, improvement in communication materials, feedback on events organized by the Group, etc.).

The e-CCA met three times in 2013:

- in April, during a meeting with Mr. Christophe de Margerie, Chairman and Chief Executive Officer;
- in May, following the Shareholders' Meeting;
- in September, during a visit to CSTJF in Pau (France).

During these meetings, the e-CCA expresses its opinion on various aspects of the individual shareholder communication policy, including the Shareholders' Newsletter, the presentation media used for meetings, the webzine and the "Total Investors" mobile app for smartphones and digital tablets.

In 2013, the e-CCA was particularly active in helping to set up the Votaccess voting platform for the Shareholders' Meeting.

The Shareholders' Circle organized 25 events in 2013, to which more than 2,000 individual shareholders members of the Circle were invited. Shareholders visited industrial facilities and cultural and natural sites supported by the TOTAL Foundation and attended conferences dedicated to better understanding the Group's businesses. They also attended cultural events within the framework of the TOTAL Foundation sponsorship policy.

Consequently, TOTAL met nearly 14,000 individual shareholders during 2013.

6.4. Registered shareholding

TOTAL shares, which are generally bearer instruments, can be registered shares. In this case, shareholders are identified by TOTAL S.A., in its capacity as the issuer, or by its agent, BNP Paribas Securities Services, which is responsible for keeping the register of shareholders' registered shares.

6.4.1. Registration

There are two forms of registration:

- **administered registered shares:** shares are registered with TOTAL through BNP Paribas Securities Services, but the holder's financial intermediary continues to administer them with regard to sales, purchases, coupons, etc.;
- **pure registered shares:** TOTAL holds and directly administers shares on behalf of the holder through BNP Paribas Securities Services, which administers sales, purchases, coupons, shareholders' meeting notices, etc., so that the shareholder does not need to appoint a financial intermediary. This form of registration is not easily compatible with the registration of shares in a French share savings plan (PEA), given the administrative procedures that apply in such cases.

6.4.2. Main advantages of registered shares

The advantages of registered shares include:

- double voting rights if the shares are held continuously for two successive years (see point 2.4.1. of Chapter 9);
- a toll-free number for all contacts with BNP Paribas Securities Services (a toll-free call within France from a landline): 0 800 117 000 or +33 1 40 14 80 61 (from outside France); from Monday to Friday (business days), 8: 45 a.m. – 6: 00 pm, GMT+1 (fax: +33 1 55 77 34 17);
- the ability to receive all information published by the Group for its shareholders;
- the ability to join the TOTAL Shareholders' Circle by holding at least 50 shares.

The advantages of pure registered shares, in addition to those of administered registered shares, include:

- no custodial fees;
- easier placement of market orders[1] (phone, mail, fax, Internet);

(1) Provided the subscriber has signed the market service agreement. Signing this agreement is free of charge.

– brokerage fees equal to 0.20% of the gross amount of the trade, with no minimum charge and trades of up to €1,000 each;
– the ability to view shareholdings online.

To convert TOTAL shares into pure registered shares, shareholders must fill out a form, which can be obtained upon request from the Individual Shareholder Relations Department, and send it to their financial intermediary. Once BNP Paribas Securities Services receives the shares on a registered account, a certificate of account registration is sent to the shareholder, who is asked to send the following to it:

– a bank account number (or a postal account or savings account number) for payment of dividends; and
– a market service agreement to facilitate Trading TOTAL shares on the stock exchange.

6.5. Individual Shareholders Department Contacts

For information regarding the conversion of bearer shares to registered shares, membership in the Shareholders' Circle or any other general information, individual shareholders may contact:

TOTAL S.A.
Individual Shareholder Relations Department
Tour Coupole
2, place Jean Millier
Arche Nord Coupole/Regnault
92078 Paris La Défense Cedex, France

Phone	From France: 0 800 039 039 (toll-free number from a landline in France) outside France: +33 1 47 44 24 02 Monday to Friday from 9: 00 a.m. to 12: 30 p.m. and from 1: 30 p.m. to 5.30 p.m. (GMT+1)
Fax	From France: 01 47 44 20 14 outside France: +33 1 47 44 20 14
Email	Using the contact form provided on total.com, heading Investors
Contact	Jean-Marie Rossini (Head of Individual Shareholder Relations Department)

6.6. 2014 Schedule

February 12	Results for the fourth quarter and full year 2013 and outlook – London
March 24	Ex-dividend date for the 2013 third interim dividend
April 26	Shareholders Congress in Anvers – Belgium
April 30	Results of the first quarter 2014
May 16	2014 Shareholders' Meeting in Paris (*Palais des Congrès*)
June 2	Ex-dividend date for the 2013 remainder dividend (1)
June 2	Meeting with individual shareholders in Toulouse (France)
June 12	Meeting with individual shareholders in Lyon (France)
July 30	Results of second quarter and first half 2014
September 17	Shareholders Congress in Copenhagen (Denmark)
September 22	Investor Day – London
September 23	Ex-dividend date for the 2014 first interim dividend (2)
October 6	Meeting with individual shareholders in Nantes (France)
October 13	Meeting with individual shareholders in Nice (France)
October 29	Results of the third quarter 2014
November 21-22	Actionaria Trade Show and meeting of shareholders in Paris (*Palais des Congrès*)
December 2	Meeting with individual shareholders in Geneva (Switzerland)
December 15	Ex-dividend date for the 2014 second interim dividend (2)

(1) Subject to approval by the Shareholders' Meeting of May 16, 2014.
(2) Subject to approval by the Board of Directors.

6.7. 2015 Schedule

March 23	Ex-dividend date for the 2014 third interim dividend [1]
May 29	Shareholders' Meeting in Paris (*Palais des Congrès*)
June 8	Ex-dividend date for the 2014 remainder dividend [2]

6.8. Investor Relations Department contacts

Martin Deffontaines
Vice President Investor Relations
TOTAL S.A.
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92078 Paris La Défense Cedex
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United States
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(1) Subject to approval by the Board of Directors.
(2) Subject to approval by the Shareholders' Meeting of 29 May 2015.

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1. Share capital

1.1. Share capital as of December 31, 2013

€5,944,195,400, consisting of 2,377,678,160 fully paid ordinary shares.

1.2. Features of the shares

There is only one class of shares, par value €2.50. A double voting right is granted to every shareholder, under certain conditions (see point 2.4.1. of this Chapter). The shares are in bearer or registered form at the shareholder's discretion. The shares are in book-entry form and registered in an account.

1.3. Authorized share capital not issued as of December 31, 2013

A table summarizing the currently valid delegations and authorizations to increase share capital that have been granted by the Shareholders' Meeting to the Board of Directors, and the uses made of those delegations and authorizations in fiscal year 2013, appears in point 1.3.8. of this Chapter.

1.3.1. Thirteenth resolution of the Shareholders' Meeting held on May 11, 2012

Delegation of authority granted by the Shareholders' Meeting to the Board of Directors to increase the share capital by issuing common shares or other securities granting immediate or future rights to the Company's share capital, maintaining shareholders' pre-emptive subscription rights up to a maximum nominal amount of €2.5 billion, *i.e.*, 1 billion shares (delegation of authority valid for twenty-six months).

Furthermore, the maximum nominal amount of the debt securities granting rights to the Company's share capital that may be issued pursuant to the thirteenth resolution and the fourteenth and sixteenth resolutions (mentioned below) may not exceed €10 billion, or their exchange value, on the date of issuance.

1.3.2. Fourteenth resolution of the Shareholders' Meeting held on May 11, 2012

Delegation of authority granted by the Shareholders' Meeting to the Board of Directors to increase the share capital by issuing common shares or other securities granting immediate or future rights to the Company's share capital, canceling shareholders' pre-emptive subscription rights, including the compensation comprised of securities as part of a public exchange offer, provided that they meet the requirements of Article L. 225-148 of the French Commercial Code. This resolution grants the Board of Directors the authority to grant a priority period for shareholders to subscribe to these securities pursuant to the provisions of Article L. 225-135 of the French Commercial Code. The total amount of the capital increases without pre-emptive subscription rights that may occur immediately or in the future cannot exceed the nominal amount of €850 million, *i.e.,* 340 million shares, par value €2.50 (delegation of authority valid for twenty-six months). Furthermore, under the fifteenth resolution of the Shareholders' Meeting held on May 11, 2012, the Board is authorized, for each of the issuances made in connection with the fourteenth resolution, to increase the number of securities to be issued within the limit of the ceiling of 15% of the initial issuance (at the same price as the price fixed for the initial issuance) within the limit of the ceiling fixed under the fourteenth resolution. The nominal amount of the capital increases is counted against the maximum aggregate nominal amount of €2.5 billion authorized by the thirteenth resolution of the Shareholders' Meeting held on May 11, 2012.

Furthermore, the maximum nominal amount of the debt securities granting rights to the Company's share capital that may be issued pursuant to the above mentioned thirteenth and fourteenth resolutions and the sixteenth resolution (mentioned below) may not exceed €10 billion, or their exchange value, on the date of issuance.

1.3.3. Sixteenth resolution of the Shareholders' Meeting held on May 11, 2012

Delegation of power granted by the Shareholders' Meeting to the Board of Directors to increase the share capital by issuing new ordinary shares or other securities granting immediate or future rights to the Company's share capital as compensation of in-kind contribution granted to the Company, by an amount not exceeding 10% of the share capital outstanding at the date of the Shareholders' Meeting on May 11, 2012 (delegation of authority valid for twenty-six months). The nominal amount of the capital increases is counted against the maximum aggregate nominal amount of €850 million authorized by the fourteenth resolution of the Shareholders' Meeting held on May 11, 2012.

Furthermore, the maximum nominal amount of the debt securities granting rights to the Company's share capital that may be issued pursuant to the above mentioned thirteenth, fourteenth and sixteenth resolutions may not exceed €10 billion, or their exchange value, on the date of issuance.

1.3.4. Twelfth resolution of the Shareholders' Meeting held on May 17, 2013

Delegation of authority to the Board of Directors to complete capital increases reserved for employees participating in a company savings plan (*Plan d'épargne d'entreprise*), up to a maximum of 1.5% of the outstanding share capital on the date of the decision of the Board of Directors to proceed with the issue (delegation of authority valid for twenty-six months), it being specified that the amount of the capital increase is counted against the maximum aggregate nominal amount of €2.5 billion authorized by the thirteenth resolution of the Shareholders' Meeting on May, 11, 2012. This delegation renders ineffective, up to the unused portion, the seventeenth resolution of the Shareholders' Meeting held on May 11, 2012.

Given the use of the delegations stipulated in the seventeenth and eighteenth resolutions of the Shareholders' Meeting held on May 11, 2012, which resulted in the issuance in 2013 of 10,802,215 shares, and given that the Board of Directors did not make use of the delegations of authority granted by the thirteenth, fourteenth and sixteenth resolutions of the Shareholders' Meeting held on May 11, 2012, the authorized capital not issued was €2.47 billion as of December 31, 2013, representing 989 million shares.

1.3.5. Eleventh resolution of the Shareholders' Meeting held on May 13, 2011

Authority to grant restricted outstanding or new TOTAL shares to employees of the Group and to executive directors up to a maximum of 0.8% of the share capital outstanding on the date of the meeting of the Board of Directors that approves the restricted share grants. In addition, the shares granted to the Company's executive directors cannot exceed 0.01% of the outstanding share capital on the date of the meeting of the Board of Directors that approves the grants (authorization valid for thirty-eight months).

Pursuant to this authorization:

- 3,700,000 outstanding shares were awarded by the Board of Directors at its meeting on September 14, 2011, including 16,000 outstanding shares awarded to the Chairman and Chief Executive Officer;
- 4,300,000 outstanding shares were awarded by the Board of Directors on July 26, 2012, including 53,000 outstanding shares awarded to the Chairman and Chief Executive Officer;
- 4,464,200 outstanding shares were awarded by the Board of Directors on July 25, 2013, including 53,000 outstanding shares awarded to the Chairman and Chief Executive Officer.

As of December 31, 2013, 6,557,225 shares, including 115,767 to the Company's executive directors could therefore still be awarded pursuant to this authorization.

1.3.6. Eleventh resolution of the Shareholders' Meeting held on May 17, 2013

Authority to grant Company stock options to TOTAL employees and to executive directors up to a maximum of 0.75% of the share capital outstanding on the date of the meeting of the Board of Directors that approves the stock option grant. In addition, the options granted to the Company's executive directors cannot exceed 0.05% of the outstanding share capital on the date of the meeting of the Board of Directors that approves the grants (authorization valid for thirty-eight months).

Pursuant to this authorization, as of December 31, 2013, 17,832,586 stock options, including 1,188,839 to the Company's executive directors, could still be awarded.

1.3.7. Nineteenth resolution of the Shareholders' Meeting held on May 11, 2012

Authority to cancel shares up to a maximum of 10% of the share capital of the Company existing as of the date of the operation within a twenty-four-month period. This authorization is effective until the Shareholders' Meeting held to approve the financial statements for the year ending December 31, 2016. The Board did not make use of this delegation of authority during fiscal year 2012.

Based on 2,377,678,160 shares outstanding on December 31, 2013, the Company may, up until the conclusion of the Shareholders' Meeting called to approve the financial statements for the fiscal year ending on December 31, 2016, cancel a maximum of 237,767,816 shares before reaching the cancellation threshold of 10% of share capital canceled during a twenty-four-month period.

1.3.8. Table compiled in accordance with Article L. 225-100 of the French Commercial Code summarizing the use of delegations of authority and powers granted to the Board of Directors with respect to capital increases as of December 31, 2013

Type		Par value limit, or maximum number of shares expressed as % of share capital (par value, number of shares or % of share capital)	Use in 2013, par value, or number of shares	Available balance as of 12/31/2013 par value, or number of shares	Date of delegation of authority or authorization by the Extraordinary Shareholders' Meeting	Expiry date term of authorization granted to the Board of Directors
Maximum cap for the issuance of securities granting immediate or future rights to share capital	Debt securities representing rights to capital	€10 billion in securities	-	€10 billion	May 11, 2012 (13th, 14th and 16th resolutions)	July 11, 2014 26 months
	Nominal share capital	€2.5 billion, *i.e.,* a maximum of 1 billion shares issued with a pre-emptive subscription right, of which:	10.8 million shares [a]	€2.47 billion (*i.e.,* 989 million shares)	May 11, 2012 (13th resolution)	July 11, 2014 26 months
		1/ a specific cap of €850 million, *i.e.,* a maximum of 340 million shares for issuances without pre-emptive subscription rights (with potential use of a greenshoe), including the compensation comprised of securities as part of a public exchange offer, provided that they meet the requirements of Article L. 225-148 of the French Commercial Code, of which:	-	€850 million	May 11, 2012 (14th resolution)	July 11, 2014 26 months
		1/ a sub-cap of 10% of the share capital on the date of the Shareholders' Meeting on May 11, 2012 [b] through in-kind contributions when provisions of Article L. 225-148 of the French Commercial Code are not applicable	-	€591.1 million	May 11, 2012 (16th resolution)	July 11, 2014 26 months
		2/ a specific cap of 1.5% of the share capital on the date of Board [c] decision for capital increases reserved for employees participating in Company Savings Plan	-	24.9 million shares	May 17, 2013 (12th resolution)	July 17, 2015 26 months
Stock option grants		0.75% of share capital [c] on the date of Board decision to grant options	-	17.8 million shares	May 17, 2013 (11th resolution)	July 17, 2016 38 months
Restricted shares awarded to Group Employees and to executives directors		0.8% of share capital [b] on the date of Board decision to grant the restricted shares	4.5 million	6.6 million shares [d]	May 13, 2011 (11th resolution)	July 13, 2014 38 months

(a) The number of new shares authorized under the 13th resolution of the ESM held on May 11, 2012 cannot exceed 1 billion shares. Pursuant to the 17th and 18th resolutions of the ESM held on May 11, 2012, on September 18, 2012 the Board of Directors decided to proceed with a capital increase reserved for TOTAL employees in 2013, which resulted in the creation of 10,802,215 shares counted against this cap. As a result, the available balance under this authorization was 989,197,785 new shares as at December 31, 2013.
(b) Share capital as of May 11, 2012: 2,364,546,966 shares.
(c) Share capital as of December 31, 2013: 2,377,678,160 shares.
(d) The number of shares that may be awarded as restricted share grants under the 11th resolution of the May 13, 2011 ESM may not exceed 0.8% of the share capital on the date when the restricted shares are awarded by the Board of Directors. As the Board of Directors awarded 3,700,000 outstanding shares on September 14, 2011, 4,300,000 outstanding shares on July 26, 2012 and 4,464,200 outstanding shares on July 25, 2013, the number of shares that could still be awarded as of December 31, 2013 was 6,557,225 shares. In addition, the shares awarded under presence and performance conditions to the Company's Corporate executive officers under the 11th resolution of the ESM held on May 13, 2011, cannot exceed 0.01% of the outstanding share capital on the date of the decision of the Board of Directors to proceed with the grant. Given the 16,000 outstanding shares awarded under presence and performance conditions to the Chairman and Chief Executive Officer by the Board of Directors at its meeting on September 14, 2011, the 53,000 outstanding shares awarded under presence and performance conditions to the Chairman and Chief Executive Officer by the Board of Directors at its meeting on July 26, 2012 and the 53,000 outstanding shares awarded under presence and performance conditions to the Chairman and Chief Executive Officer by the Board of Directors on July 25, 2013, the number of outstanding shares that may still be awarded to the Company's executive directors is 115,767.

1.4. Potential share capital as of December 31, 2013

Securities granting rights to TOTAL shares, through exercise or redemption, are TOTAL share subscription options amounting to 25,356,113 share subscription options as of December 31, 2013, divided into:

- 5,620,626 options for the plan awarded by the Board of Directors on July 18, 2006;
- 5,847,965 options for the plan awarded by the Board of Directors on July 17, 2007;
- 4,219,198 options for the plan awarded on October 9, 2008 by decision of the Board of Directors on September 9, 2008;
- 3,989,378 options for the plan awarded by the Board of Directors on September 15, 2009;
- 4,537,852 options for the plan awarded by the Board of Directors on September 14, 2010; and
- 1,141,094 options for the plan awarded by the Board of Directors on September 14, 2011.

In addition, the global free TOTAL share plan intended for all Group Employees awarded by the Board of Directors at its meeting on May 21, 2010 is likely to result in the issuance of a maximum of 873,475 shares as of December 31, 2013.

The potential share capital (existing share capital plus rights and securities that could result in the issuance of new TOTAL shares, through exercise or redemption), *i.e.,* 2,403,907,748 shares, represents 101.10% of the share capital as of December 31, 2013, on the basis of 2,377,678,160 TOTAL shares constituting the share capital as of December 31, 2013, 25,356,113 TOTAL shares that could be issued upon the exercise of TOTAL options, and 873,475 TOTAL shares that could be issued under a global free share plan.

1.5. TOTAL shares held by the Company or its subsidiaries

As of December 31, 2013

Percentage of share capital held by TOTAL S.A.	0.37%
Number of shares held in portfolio	8,883,180
Book value of portfolio (at purchase price) (M€)	353
Market value of portfolio (M€) [(a)]	396
Percentage of capital held by companies [(b)] of the Group	**4.59%**
Number of shares held in portfolio	109,214,448
Book value of portfolio (at purchase price) (M€)	3,379
Market value of portfolio (M€) [(a)]	4,863

(a) Based on a market price of €44.53 per share as of December 31, 2013.
(b) TOTAL S.A., Total Nucléaire, Financière Valorgest, Sogapar and Fingestval.

1.6. Share capital history

(Since January 1, 2011)

1.6.1. For fiscal year 2011

April 28, 2011 — Acknowledgement of the subscription to 8,902,717 new shares, par value € 2.50 per share, as part of the capital increase reserved for Group Employees approved by the Board of Directors on October 28, 2010, raising the share capital by € 22,256,792.50 from € 5,874,102,327.50 to € 5,896,359,120.

January 12, 2012 — Acknowledgement of the issuance of 5,223,665 new shares, par value € 2.50 per share, through the exercise of stock options between January 1 and December 31, 2011, raising the share capital by € 13,059,162.50 from € 5,896,359,120 to € 5,909,418,282.50.

1.6.2. For fiscal year 2012

July 2, 2012 — Acknowledgement of the issuance of 1,366,950 new shares, par value €2.50 per share, as part of the global free TOTAL share plan to Group Employees decided by the Board of Directors on May 21, 2010, raising the share capital by €3,417,375 from €5,909,418,282.50 to €5,912,835,657.50.

January 8, 2013 — Acknowledgement of the issuance of 798,883 new shares, par value €2.50 per share, through the exercise of stock options between January 1 and December 31, 2012, raising the share capital by €1,997,207.50 from €5,912,835,657.50 to €5,914,832,865.

1.6.3. For fiscal year 2013

April 25, 2013	Acknowledgement of the issuance of 10,802,215 new shares, par value €2.50 per share, as part of the capital increase reserved for Group Employees approved by the Board of Directors on September 18, 2012, raising the share capital by €27,005,537.50 from €5,914,832,865 to €5,941,838,402.50.
January 8, 2014	Acknowledgement of the issuance of 942,799 new shares, par value €2.50 per share, through the exercise of stock options between January 1 and December 31, 2013, raising the share capital by €2,356,997.50 from €5,941,838,402.50 to €5,944,195,400.

2. Articles of incorporation and by laws; other information

2.1. General information concerning the Company

2.1.1. Name

TOTAL S.A.

2.1.2. Headquarters

2, place Jean Millier, La Défense 6, 92400 Courbevoie (France)

2.1.3. Legal form and nationality

A French "*société anonyme*" (limited liability company)

2.1.4. Trade Registry

542 051 180 RCS Nanterre

2.1.5. EC Registration Number

FR. 59 542 051 180

2.1.6. By laws

On file with K.L. Associés, Notaries in Paris

2.1.7. APE Code (NAF)

111Z until January 7, 2008

7010Z since January 8, 2008

2.1.8. Term

99 years from March 22, 2000, to expire on March 22, 2099, unless dissolved prior to this date or extended

2.1.9. Fiscal year

From January 1 to December 31 of each year

2.2. Summary of the Company's purpose

The direct and indirect purpose of the Company is to search for and extract mining deposits in all countries, particularly hydrocarbons in all forms, and to perform industrial refining, processing and trading in said materials as well as their derivatives and by-products, as well as all activities relating to production and distribution of all forms of energy, as well as the chemicals sector in all of its forms and to the rubber and health sectors. The complete details of the Company's corporate purpose are set forth in Article 3 of the by laws.

2.3. Provisions of the by laws governing the administration and management bodies

2.3.1. Election of directors and term of office

Directors are elected by the Shareholders' Meeting for a 3-year term up to a maximum number of directors authorized by law (currently 18), subject to the legal provisions that allow the term to be extended until the next Shareholders' Meeting called to approve the financial statements for the previous fiscal year.

In addition, one director representing the employee shareholders is also elected by the Shareholders' Meeting for a 3-year term from a list of at least two candidates pre-selected by the employee shareholders under the conditions provided for by the laws, regulations and by laws in force. However, his term shall expire automatically once this Director is no longer an employee or a shareholder. The Board of Directors may meet and conduct valid deliberations until the date his replacement is named.

2.3.2. Age limit of directors

On the closing date of each fiscal year, the number of individual directors over the age of 70 may not be greater than one-third of the directors in office.

If this percentage is exceeded, the oldest Board member is automatically considered to have resigned.

The director permanent representative of a legal entity must be under 70 years old.

2.3.3. Age limit of the Chairman and the Chief Executive Officer

The duties of the Chairman of the Board and the Chief Executive Officer automatically cease on their 65th birthday at the latest.

The Shareholders' Meeting of May 15, 2009, approved an amendment of the by laws pertaining to the rules relating to the nomination of the Chairman. The amendment allows the Board, as an exception to the applicable 65-year age limit, to appoint as Chairman of the Board for a period of up to two years a director who is more than 65 years old but less than 70 years old.

At its meeting held on February 11, 2014, the Board of Directors of TOTAL S.A. decided to propose at the May 16, 2014 Shareholders' Meeting the approval of various amendments to TOTAL S.A.'s bylaws, amongst which two amendments are intended, on one hand, to raise the age limit of the Chairman from 65 to 70 years, and on the other hand, to raise the age limit of the Chief Executive Officer from 65 to 67 years.

2.3.4. Minimum interest in the Company held by directors

Each director (other than the director representing the employee shareholders) must own at least 1,000 shares of stock during his term of office. If he ceases to own the required number of shares, he may, however, adjust his position subject to the conditions set by law. The director representing employee shareholders must hold, during his term of office, either individually or through a Company Savings Plan ("*Fonds Commun de Placement d'Entreprise*" – FCPE) governed by Article L. 214-40 of the French Monetary and Finance Code, at least one share or a number of units in said fund equivalent to at least one share.

2.3.5. Majority rules for Board meetings

Decisions are adopted by a majority vote of the Directors present or represented. In the event of a tie vote, the Chairman shall cast the deciding vote.

2.3.6. Rules of procedure of the Board and Committees of the Board of Directors

See Chapter 5, point 1. (Corporate Governance – Report of the Chairman of the Board of Directors) of this Registration Document.

2.3.7. Form of Management

The Management of the Company is assumed either by the Chairman of the Board of Directors (who then holds the title of the Chairman and Chief Executive Officer), or by another person appointed by the Board of Directors with the title of Chief Executive Officer. It is the responsibility of the Board of Directors to choose between these two forms of management under the majority rules described above.

On May 21, 2010, the Board of Directors decided to reunify the positions of Chairman and Chief Executive Officer and appointed the Chief Executive Officer in the position of Chairman and Chief Executive Officer (refer to Chapter 5, point 1.7.1. for more details).

The Management Form selected remains in effect until a decision to the contrary is made by the Board of Directors.

2.4. Rights, privileges and restrictions attached to the shares

In addition to the right to vote, each share entitles the holder to a portion of the corporate assets, distributions of profits and liquidation dividend which is proportional to the number of shares issued, subject to the laws and regulations in force and the by laws.

With the exception of the double voting right, no privilege is attached to a specific class of shares or to a specific class of shareholders.

2.4.1. Double voting rights

Double voting rights, in relation to the portion of share capital they represent, are granted to all fully paid-up registered shares held continuously in the name of the same shareholder for at least two years(1), and to additional registered shares allotted to a shareholder in connection with a capital increase by capitalization of reserves, profits or premiums on the basis of the existing shares which entitle the shareholder to a double voting right.

2.4.2. Limitation of voting rights

Article 18 of the Company's by laws provides that at Shareholders' Meetings, no shareholder may cast, by himself or through his agent, on the basis of the single voting rights attached to the shares he holds directly or indirectly and the shares for which he holds powers, more than 10% of the total number of voting rights attached to the Company's shares. In the case of double voting rights, by himself or through his agent, this limit may be exceeded, taking only the resulting additional voting rights into account, provided that the total voting rights that he exercises do not exceed 20% of the total voting rights associated with the shares in the Company.

Moreover, Article 18 of the by laws also provides that the limitation on voting rights no longer applies, absent any decision of the Shareholders' Meeting, if an individual or a legal entity acting solely or together with one or more individuals or entities acquires at least two-thirds of the Company's shares following a public tender offer for all the Company's shares. In that case, the Board of Directors acknowledges that the limitation no longer applies and carries out the necessary procedure to modify the Company's by laws accordingly.

Once acknowledged, the fact that the limitation no longer applies is final and applies to all Shareholders' Meetings following the public tender offer under which the acquisition of at least two-third of the overall number of shares of the Company was made possible, and not solely to the first meeting following that public tender offer.

Because of the fact that in such circumstances the limitation no longer applies, such limitation on voting rights cannot prevent or delay any takeover of the Company, except in case of a public tender offer where the bidder does not acquire at least two-thirds of the Company's shares.

2.4.3. Fractional rights

Whenever it is necessary to own several shares in order to exercise a right, a number of shares less than the number required does not give the owners any right with respect to the Company; in such case, the shareholders are responsible for aggregating the required number of shares.

2.4.4. Statutory allocation of profits

The net profit for the period is equal to the net income minus general expenses and other personnel expenses, all amortization and depreciation of the assets, and all provisions for commercial and industrial contingencies.

From this profit, minus prior losses, if any, the following items are deducted in the order indicated:

1) 5% to constitute the legal reserve fund, until said fund reaches 10% of the share capital;

2) the amounts set by the Shareholders' Meeting to fund reserves for which it determines the allocation or use; and

3) the amounts that the Shareholders' Meeting decides to retain.

The remainder is paid to the shareholders as dividends.

The Board of Directors may pay interim dividends.

The Shareholders' Meeting held to approve the financial statements for the fiscal year may decide to grant shareholders an option, for all or part of the dividend or interim dividends, between payment of the dividend in cash or in shares.

The Shareholders' Meeting may decide at any time, but only based on a proposal by the Board of Directors, to make a full or partial distribution of the amounts in the reserve accounts, either in cash or in Company shares.

Dividends which have not been claimed at the end of a 5-year period are forfeited to the French government.

(1) This term is not interrupted and the right acquired is retained in case of a conversion of bearer to bearer pursuant to intestate or testamentary succession, share of community property between spouses or donation to the spouse or relatives entitled to inherit (Article 18 § 6 of by laws).

2.5. Amending shareholders' rights

Any amendment to the by laws must be approved or authorized by the Shareholders' Meeting voting with the quorum and majority required by the laws and regulations governing Extraordinary Shareholders' Meetings.

2.6. Shareholders' Meetings

2.6.1. Notice of meetings

Shareholders' Meetings are convened and conducted under the conditions provided for by law.

2.6.2. Admission to meetings

Participation in any form in Shareholders' Meetings is subject to registration or record of participating shares. Shares must either be held in the registered account maintained by the Company (or its securities agent) or recorded in bearer form in a securities account maintained by a financial intermediary. Proof of this registration or record is obtained under a certificate of participation ("*attestation de participation*") delivered to the shareholder. This registration or recording of the shares must be effective no later than a "record date" at 0:00 a.m. (Paris time) the third business days preceding the date of the Shareholders' Meeting. If, after having received such a certificate, shares are sold or transferred prior to this record date, the certificate of participation will be canceled and the votes sent by mail or proxies granted to the Company for such shares will be canceled accordingly. If shares are sold or transferred after this record date, the certificate of participation will remain valid and votes cast or proxies granted will be taken into account.

2.7. Thresholds to be declared according to the by laws

Any individual or entity who directly or indirectly acquires a percentage of the share capital, voting rights or rights giving future access to the share capital of the Company which is equal to or greater than 1%, or a multiple of this percentage, is required to notify the Company within fifteen days by registered mail with return receipt requested, and declare the number of securities held.

In case the shares above these thresholds are not declared, as specified in the preceding paragraph, any shares held in excess of the threshold that should have been declared will be deprived of voting rights at Shareholders' Meetings if, at a meeting, the failure to make a declaration is acknowledged and if one or more shareholders holding collectively at least 3% of the Company's share capital or voting rights so request at that meeting.

All individuals and entities are also required to notify the Company in due form and within the time limits stated above when their direct or indirect holdings fall below each of the thresholds mentioned in the first paragraph.

2.8. Changes in the share capital

The Company's share capital may be changed only under the conditions stipulated by the legal and regulatory provisions in force. No provision of the by laws, charter, or internal regulations provide for more stringent conditions than the law governing changes in the Company's share capital.

3. Historical financial information and other information

3.1. 2013, 2012 and 2011 Consolidated Financial Statements

The Consolidated Financial Statements of TOTAL S.A. and its consolidated subsidiaries (the Group) for the years ended December 31, 2013, 2012 and 2011 were prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and as adopted by the European Union as of December 31, 2013.

3.2. Statutory Financial Statements of TOTAL S.A.

The Statutory Financial Statements of TOTAL S.A., the parent company of the Group, for the years ended December 31, 2013, 2012 and 2011 were prepared in accordance with French accounting standards as applicable on December 31, 2013.

3.3. Audit of the historical financial information

The Consolidated Financial Statements for the fiscal year 2013 which appear in Chapter 10 of this Registration Document were certified by the Company's auditors. A translation of the auditors' report on the Consolidated Financial Statements is provided in point 1. of Chapter 10, for information purposes only.

TOTAL S.A.'s Statutory Financial Statements for the fiscal year 2013 (under French accounting standards) which appear in Chapter 12 of this Registration Document were also certified by the Company's auditors. A translation of the auditors' report on the 2013 Statutory Financial Statements is provided in point 2. of Chapter 12, for information purposes only.

Pursuant to Article 28 of EC Regulation No 809/2004, are incorporated by reference in this Registration Document:

- The Consolidated and Statutory Financial Statements for fiscal year 2012, together with the statutory auditors' reports on the Consolidated Financial Statements and the Statutory Financial Statements which appear on pages 194 and 316 of the French version of the Registration Document for fiscal year 2012 which was filed with the French Financial Markets Authority on March 28, 2013 (and a translation is reproduced on pages 188 and 308 of the English version of such Registration Document for information purposes only);
- The Consolidated and Statutory Financial Statements for fiscal year 2011, together with the statutory auditors' reports on the Consolidated Financial Statements and the Statutory Financial Statements which appear on pages 184 and 302 of the French version of the Registration Document for fiscal year 2011 which was filed with the French Financial Markets Authority on March 26, 2012 (and a translation is reproduced on pages 174 and 272 of the English version of such Registration Document for information purposes only).

3.4. Other information

Financial information other than that contained in Chapter 10 or 12 of this Registration Document, in particular ratios, statistical data or other calculated data, which are used to describe the Group or its business performance, is not extracted from the audited financial statements of the issuer. Except where otherwise stated, these data are based on internal Company data.

In particular, the supplemental oil and gas information provided in section 11 of this Registration Document is not extracted from the audited financial statements of the issuer and was not audited by the Company's statutory auditors. This supplemental information was prepared by the Company based on information available to it, using its own calculations or estimates and taking into account the U.S. standards to which the Company is subject for this kind of information as a result of the listing of its shares (in the form of ADRs) on the New York Stock Exchange.

This Registration Document does not include profit forecasts or estimates, under the meaning given to such terms by EC Regulation No. 809/2004 dated April 29, 2004, for the period after December 31, 2013.

4. Documents on display

Documents and information concerning TOTAL S.A., including its by laws and the Company's statutory and Consolidated Financial Statements for the year ended December 31, 2013 or for previous fiscal years may be consulted at the Company's registered office pursuant to the legal and regulatory provisions in force.

TOTAL S.A.'s registration documents filed with the French Financial Markets Authority (*Autorité des marchés financiers*) for each of the past five fiscal years, the first half financial reports, the first half Group presentations of its results and outlook, as well as the quarterly financial information, are available on the Company's website (total.com, Investors/Regulated Information in France).

Moreover, in order to meet its obligations related to the listing of its shares in the United States, the Company files, along with this Registration Document, an annual report on Form 20-F, in English, with the SEC.

Pursuant to the requirements introduced by Section 302 of the Sarbanes-Oxley Act of July 30, 2002, the Chairman and Chief Executive Officer and the Chief Financial Officer of the Company have conducted, with the assistance of the General Management, an evaluation of the effectiveness of the disclosure controls and procedures as defined by U.S. regulations, over the period covered by the Form 20-F. For fiscal year 2013, the Chairman and Chief Executive Officer and the Chief Financial Officer concluded that the disclosure controls and procedures were effective (refer to point 1.10. of Chapter 5).

5. Information on holdings

5.1. General information

As of December 31, 2013, there were 898 consolidated subsidiaries, of which 809 were fully consolidated and 89 were accounted for under the equity method.

TOTAL S.A.'s scope of consolidation includes at least all companies in which the Company holds a direct or indirect interest, the book value of which on that date is at least equal to 10% of the amount of TOTAL S.A.'s equity or of the consolidated net assets of the Group, or which has generated at least 10% of the TOTAL S.A.'s net income or of the Group's consolidated net income during the last year.

A list of the principal companies consolidated by TOTAL S.A. is provided in a summary table in Note 35 to the Consolidated Financial Statements of this Registration Document (point 7., Chapter 10).

5.2. Significant changes in the Group's interests in listed companies in 2011, 2012 and 2013

5.2.1. TOTAL's interest in Novatek

In March 2011, TOTAL signed an agreement in principle to acquire a 12.09% capital interest in Novatek, a Russian company listed on the Moscow Interbank Currency Exchange and the London Stock Exchange, with both parties intending TOTAL to increase its stake to 15% within 12 months and to 19.40% within 36 months.

TOTAL acquired its 12.09% capital interest in Novatek in April 2011 by purchasing shares from Novatek's two major shareholders. Further to this transaction, TOTAL is now represented on the Novatek Board of Directors.

TOTAL raised its stake to 14.09% in December 2011, by acquiring an additional 2% capital interest in Novatek from its two major shareholders, in the framework of the agreement concluded in March 2011.

In 2012 and 2013, TOTAL proceeded to the acquisition of shares in Novatek on a gradual basis. As of December 31, 2013, TOTAL held, through its subsidiary Total E&P Arctic Russia, 515,067,590 shares out of a total of 3,036,306,000 outstanding shares, representing 16.96% of Novatek's share capital and voting rights.

5.2.2. TOTAL's interest in SunPower

In April 2011, SunPower, an American company listed on the NASDAQ, and TOTAL signed a strategic agreement for the acquisition by TOTAL, through a friendly takeover bid, of 60% of SunPower's outstanding shares for a price of $23.25 per share, totaling around $1.4 billion. The friendly takeover bid was concluded successfully in June 2011.

TOTAL also signed in 2011 a five-year financial guarantee agreement with SunPower for a maximum amount of $1 billion, as well as a liquidity support agreement for a maximum amount of $600 million for a maximum 5-year term.

In January 2012, TOTAL's interest in SunPower increased to 66% as the result of capital increase coinciding with the Tenesol transaction (see section 4.2.1.1., Chapter 2).

As of December 31, 2013, TOTAL held, through its subsidiary Total Gas & Power USA, 78,576,682 shares out of a total of 121,535,913 outstanding shares, representing 64.65% of SunPower's share capital and voting rights.

5.2.3. TOTAL's interest in Sanofi

In fiscal year 2012, TOTAL sold the remainder of its holding in Sanofi, held indirectly through its subsidiary Elf Aquitaine.

Over the years 2010 and 2011, TOTAL's interest in Sanofi successively changed from 7.33% of the outstanding shares and 12.29% of the voting rights on December 31, 2009, to 5.51% of the outstanding shares and 9.15% of the voting rights on December 31, 2010, and then to 3.22% of the outstanding shares and 5.46% of the voting rights on December 31, 2011.

Consolidated Financial Statements

The Management report was approved by the Board of Directors on February 11, 2014 and has not been updated with subsequent events.

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1. Statutory auditor's report on the Consolidated Financial Statements

This is a free translation into English of the statutory auditors' report on the Consolidated Financial Statements issued in French and it is provided solely for the convenience of English-speaking users.
The statutory auditors' report includes information specifically required by French law in such reports, whether modified or not.
This information is presented below the audit opinion on the Consolidated Financial Statements and includes an explanatory paragraph discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the Consolidated Financial Statements taken as a whole and not to provide separate assurance on individual account balances, transactions or disclosures.
This report also includes information relating to the specific verification of information given in the Group's Management Report.
This report should be read in conjunction with and construed in accordance with French law and professional auditing standards applicable in France.

Year ended December 31, 2013

To the Shareholders,

In compliance with the assignment entrusted to us by your general annual meeting, we hereby report to you, for the year ended December 31, 2013, on:
– the audit of the accompanying Consolidated Financial Statements of TOTAL S.A.;
– the justification of our assessments;
– the specific verification required by law.

These Consolidated Financial Statements have been approved by the Board of Directors. Our role is to express an opinion on these Consolidated Financial Statements based on our audit.

I. Opinion on the Consolidated Financial Statements

We conducted our audit in accordance with professional standards applicable in France; those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Consolidated Financial Statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the Consolidated Financial Statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the Consolidated Financial Statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the Consolidated Financial Statements give a true and fair view of the assets and liabilities and of the financial position of the group as at December 31, 2013 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Without qualifying our opinion, we draw your attention to the matter set out in note "Introduction" to the Consolidated Financial Statements which sets out the accounting consequences resulting from the mandatory application of IAS 19 revised "Employee Benefits".

II. Justification of our assessments

In accordance with the requirements of Article L. 823-9 of the French commercial code (*Code de commerce*) relating to the justification of our assessments, we bring to your attention the following matters:

As stated in note "Introduction" to the Consolidated Financial Statements, some accounting principles applied by TOTAL S.A. involve a significant amount of assumptions and estimates. Management reviews these estimates and assumptions on an ongoing basis, by reference to past experience and various other factors considered as reasonable which form the basis for assessing the carrying amount of assets and liabilities. However, actual results may differ significantly from these estimates, if different assumptions or circumstances apply. These assumptions and estimates relate principally to the application of the successful efforts method for the oil and gas activities, the depreciation of long-lived assets, the provisions for asset retirement obligations and environmental remediation, the pensions and post-retirements benefits and the income tax computation. Detailed information relating to the application of these accounting principles is given in the notes to the Consolidated Financial Statements.

In order to assess the reasonableness of management's estimates, we performed audit procedures, using sampling techniques, that entailed the review of the assumptions and calculations on which the estimates are based, the comparison of prior years' actual results to their related estimates and the review of management's process for approving the estimates. Additionally, the notes to the financial statements were reviewed to ensure that appropriate information regarding the estimates used by management had been disclosed.

These assessments were made as part of our audit of the Consolidated Financial Statements taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

III. Specific verification

As required by law we have also verified, in accordance with professional standards applicable in France, the information related to the group, presented in the Management Report.

We have no matters to report as to its fair presentation and its consistency with the Consolidated Financial Statements.

Paris-La Défense, March 6, 2014

The statutory auditors

French original signed by

KPMG Audit
A division of KPMG S.A.
Jay Nirsimloo

ERNST & YOUNG Audit
Pascal Macioce
Laurent Vitse

2. Consolidated statement of income

TOTAL

For the year ended December 31,

(M€) [a]		2013	2012	2011
Sales	*(Notes 4 & 5)*	**189,542**	**200,061**	**184,693**
Excise taxes		(17,887)	(17,762)	(18,143)
Revenues from sales		171,655	182,299	166,550
Purchases net of inventory variation	*(Note 6)*	(121,113)	(126,798)	(113,892)
Other operating expenses	*(Note 6)*	(21,687)	(22,784)	(19,792)
Exploration costs	*(Note 6)*	(1,633)	(1,446)	(1,019)
Depreciation, depletion and amortization of tangible assets and mineral interests		(9,031)	(9,525)	(7,506)
Other income	*(Note 7)*	1,725	1,462	1,946
Other expense	*(Note 7)*	(2,105)	(915)	(1,247)
Financial interest on debt		(670)	(671)	(713)
Financial income from marketable securities & cash equivalents		64	100	273
Cost of net debt	*(Note 29)*	(606)	(571)	(440)
Other financial income	*(Note 8)*	524	558	609
Other financial expense	*(Note 8)*	(529)	(499)	(429)
Equity in income (loss) of affiliates	*(Note 12)*	2,571	2,010	1,925
Income taxes	*(Note 9)*	(11,110)	(13,035)	(14,091)
Consolidated net income		**8,661**	**10,756**	**12,614**
Group share		8,440	10,609	12,309
Non-controlling interests		221	147	305
Earnings per share (€)		3.73	4.70	5.48
Fully-diluted earnings per share (€)		3.72	4.68	5.45

(a) Except for per share amounts.

3. Consolidated statement of comprehensive income

TOTAL

For the year ended December 31,

(M€)	2013	2012	2011
Consolidated net income	**8,661**	**10,756**	**12,614**
Other comprehensive income			
Actuarial gains and losses	513	(911)	(533)
Tax effect	(216)	362	191
Items not potentially reclassifiable to profit and loss	**297**	**(549)**	**(342)**
Currency translation adjustment	(2,199)	(702)	1,483
Available for sale financial assets	25	(338)	337
Cash flow hedge	117	65	(84)
Share of other comprehensive income of equity affiliates, net amount	(857)	160	(15)
Other	(4)	(14)	(3)
Tax effect	(47)	63	(55)
Items potentially reclassifiable to profit and loss	**(2,965)**	**(766)**	**1,663**
Total other comprehensive income (net amount) *(Note 17)*	**(2,668)**	**(1,315)**	**1,321**
Comprehensive income	**5,993**	**9,441**	**13,935**
Group share	*5,910*	*9,334*	*13,585*
Non-controlling interests	*83*	*107*	*350*

4. Consolidated balance sheet

TOTAL

As of December 31,
(M€)

ASSETS		2013	2012	2011
Non-current assets				
Intangible assets, net	*(Notes 5 & 10)*	13,341	12,858	12,413
Property, plant and equipment, net	*(Notes 5 & 11)*	75,759	69,332	64,457
Equity affiliates: investments and loans	*(Note 12)*	14,804	13,759	12,995
Other investments	*(Note 13)*	1,207	1,190	3,674
Hedging instruments of non-current financial debt	*(Note 20)*	1,028	1,626	1,976
Deferred income taxes	*(Note 9)*	2,810	2,279	2,070
Other non-current assets	*(Note 14)*	3,195	2,663	2,457
Total non-current assets		**112,144**	**103,707**	**100,042**
Current assets				
Inventories, net	*(Note 15)*	16,023	17,397	18,122
Accounts receivable, net	*(Note 16)*	16,984	19,206	20,049
Other current assets	*(Note 16)*	10,798	10,086	10,767
Current financial assets	*(Note 20)*	536	1,562	700
Cash and cash equivalents	*(Note 27)*	14,647	15,469	14,025
Assets classified as held for sale	*(Note 34)*	2,359	3,797	-
Total current assets		**61,347**	**67,517**	**63,663**
Total assets		**173,491**	**171,224**	**163,705**

LIABILITIES & SHAREHOLDERS' EQUITY		2013	2012	2011
Shareholders' equity				
Common shares		5,944	5,915	5,909
Paid-in surplus and retained earnings		74,449	70,116	65,430
Currency translation adjustment		(4,385)	(1,504)	(1,004)
Treasury shares		(3,379)	(3,342)	(3,390)
Total shareholders' equity - Group share	*(Note 17)*	**72,629**	**71,185**	**66,945**
Non-controlling interests		**2,281**	**1,280**	**1,352**
Total shareholders' equity		**74,910**	**72,465**	**68,297**
Non-current liabilities				
Deferred income taxes	*(Note 9)*	12,943	12,132	11,855
Employee benefits	*(Note 18)*	3,071	3,744	3,385
Provisions and other non-current liabilities	*(Note 19)*	12,701	11,585	10,909
Non-current financial debt	*(Note 20)*	25,069	22,274	22,557
Total non-current liabilities		**53,784**	**49,735**	**48,706**
Current liabilities				
Accounts payable		21,958	21,648	22,086
Other creditors and accrued liabilities	*(Note 21)*	13,821	14,698	14,774
Current borrowings	*(Note 20)*	8,116	11,016	9,675
Other current financial liabilities	*(Note 20)*	276	176	167
Liabilities directly associated with the assets classified as held for sale	*(Note 34)*	626	1,486	-
Total current liabilities		**44,797**	**49,024**	**46,702**
Total liabilities and shareholders' equity		**173,491**	**171,224**	**163,705**

5. Consolidated statement of cash flow

TOTAL

(Note 27)

For the year ended December 31, (M€)	2013	2012	2011
CASH FLOW FROM OPERATING ACTIVITIES			
Consolidated net income	8,661	10,756	12,614
Depreciation, depletion and amortization	10,058	10,481	8,628
Non-current liabilities, valuation allowances and deferred taxes	1,171	1,470	1,632
Impact of coverage of pension benefit plans	-	(362)	-
(Gains) losses on disposals of assets	(68)	(1,321)	(1,590)
Undistributed affiliates' equity earnings	(583)	211	(107)
(Increase) decrease in working capital	1,930	1,084	(1,739)
Other changes, net	304	143	98
Cash flow from operating activities	**21,473**	**22,462**	**19,536**
CASH FLOW USED IN INVESTING ACTIVITIES			
Intangible assets and property, plant and equipment additions	(22,400)	(19,905)	(17,950)
Acquisitions of subsidiaries, net of cash acquired	(16)	(191)	(854)
Investments in equity affiliates and other securities	(1,318)	(898)	(4,525)
Increase in non-current loans	(2,188)	(1,949)	(1,212)
Total expenditures	**(25,922)**	**(22,943)**	**(24,541)**
Proceeds from disposals of intangible assets and property, plant and equipment	1,329	1,418	1,439
Proceeds from disposals of subsidiaries, net of cash sold	1,995	352	575
Proceeds from disposals of non-current investments	248	2,816	5,691
Repayment of non-current loans	1,242	1,285	873
Total divestments	**4,814**	**5,871**	**8,578**
Cash flow used in investing activities	**(21,108)**	**(17,072)**	**(15,963)**
CASH FLOW USED IN FINANCING ACTIVITIES			
Issuance (repayment) of shares:			
- Parent company shareholders	365	32	481
- Treasury shares	(179)	(68)	-
Dividends paid:			
- Parent company shareholders	(5,367)	(5,184)	(5,140)
- Non controlling interests	(118)	(104)	(172)
Other transactions with non-controlling interests	1,621	1	(573)
Net issuance (repayment) of non-current debt	8,359	5,279	4,069
Increase (decrease) in current borrowings	(6,804)	(2,754)	(3,870)
Increase (decrease) in current financial assets and liabilities	978	(947)	896
Cash flow used in financing activities	**(1,145)**	**(3,745)**	**(4,309)**
Net increase (decrease) in cash and cash equivalents	**(780)**	**1,645**	**(736)**
Effect of exchange rates	(42)	(201)	272
Cash and cash equivalents at the beginning of the period	15,469	14,025	14,489
Cash and cash equivalents at the end of the period	**14,647**	**15,469**	**14,025**

6. Consolidated statement of changes in shareholders' equity

TOTAL

(M€)	Common shares issued		Paid-in surplus and retained earnings	Currency translation adjustment	Treasury shares		Shareholders' equity	Non-controlling interests	Total shareholders' equity
	Number	Amount			Number	Amount	Group share		
As of January 1, 2011 before IAS 19 R application	**2,349,640,931**	**5,874**	**60,538**	**(2,495)**	**(112,487,679)**	**(3,503)**	**60,414**	**857**	**61,271**
IAS 19 R impacts	-	-	(766)	-	-	-	(766)	(1)	(767)
As of January 1, 2011 after IAS 19 R application	**2,349,640,931**	**5,874**	**59,772**	**(2,495)**	**(112,487,679)**	**(3,503)**	**59,648**	**856**	**60,504**
Net income 2011	-	-	12,309	-	-	-	12,309	305	12,614
Other comprehensive income *(Note 17)*	-	-	(112)	1,388	-	-	1,276	45	1,321
Comprehensive Income	**-**	**-**	**12,197**	**1,388**	**-**	**-**	**13,585**	**350**	**13,935**
Dividend	-	-	(6,457)	-	-	-	(6,457)	(172)	(6,629)
Issuance of common shares *(Note 17)*	14,126,382	35	446	-	-	-	481	-	481
Purchase of treasury shares	-	-	-	-	-	-	-	-	-
Sale of treasury shares [(a)]	-	-	(113)	-	2,933,506	113	-	-	-
Share-based payments *(Note 25)*	-	-	161	-	-	-	161	-	161
Share cancellation *(Note 17)*	-	-	-	-	-	-	-	-	-
Other operations with non-controlling interests	-	-	(553)	103	-	-	(450)	(123)	(573)
Other items	-	-	(23)	-	-	-	(23)	441	418
As of December 31, 2011	**2,363,767,313**	**5,909**	**65,430**	**(1,004)**	**(109,554,173)**	**(3,390)**	**66,945**	**1,352**	**68,297**
Net income 2012	-	-	10,609	-	-	-	10,609	147	10,756
Other comprehensive income *(Note 17)*	-	-	(769)	(506)	-	-	(1,275)	(40)	(1,315)
Comprehensive Income	**-**	**-**	**9,840**	**(506)**	**-**	**-**	**9,334**	**107**	**9,441**
Dividend	-	-	(5,237)	-	-	-	(5,237)	(104)	(5,341)
Issuance of common shares *(Note 17)*	2,165,833	6	26	-	-	-	32	-	32
Purchase of treasury shares	-	-	-	-	(1,800,000)	(68)	(68)	-	(68)
Sale of treasury shares [(a)]	-	-	(116)	-	2,962,534	116	-	-	-
Share-based payments *(Note 25)*	-	-	146	-	-	-	146	-	146
Share cancellation *(Note 17)*	-	-	-	-	-	-	-	-	-
Other operations with non-controlling interests	-	-	11	6	-	-	17	(16)	1
Other items	-	-	16	-	-	-	16	(59)	(43)
As of December 31, 2012	**2,365,933,146**	**5,915**	**70,116**	**(1,504)**	**(108,391,639)**	**(3,342)**	**71,185**	**1,280**	**72,465**
Net income 2013	-	-	8,440	-	-	-	8,440	221	8,661
Other comprehensive income *(Note 17)*	-	-	360	(2,890)	-	-	(2,530)	(138)	(2,668)
Comprehensive Income	**-**	**-**	**8,800**	**(2,890)**	**-**	**-**	**5,910**	**83**	**5,993**
Dividend	-	-	(5,358)	-	-	-	(5,358)	(118)	(5,476)
Issuance of common shares *(Note 17)*	11,745,014	29	336	-	-	-	365	-	365
Purchase of treasury shares	-	-	-	-	(4,414,200)	(179)	(179)	-	(179)
Sale of treasury shares [(a)]	-	-	(142)	-	3,591,391	142	-	-	-
Share-based payments *(Note 25)*	-	-	142	-	-	-	142	-	142
Share cancellation *(Note 17)*	-	-	-	-	-	-	-	-	-
Other operations with non-controlling interests	-	-	548	9	-	-	557	1,027	1,584
Other items	-	-	7	-	-	-	7	9	16
As of December 31, 2013	**2,377,678,160**	**5,944**	**74,449**	**(4,385)**	**(109,214,448)**	**(3,379)**	**72,629**	**2,281**	**74,910**

(a) Treasury shares related to the restricted stock grants.

7. Notes to the Consolidated Financial Statements

On February 11, 2014, the Board of Directors established and authorized the publication of the Consolidated Financial Statements of TOTAL S.A. for the year ended December 31, 2013, which will be submitted for approval to the shareholders' meeting to be held on May 16, 2014.

Introduction

The Consolidated Financial Statements of TOTAL S.A. and its subsidiaries (the Group) are presented in Euros and have been prepared on the basis of IFRS (International Financial Reporting Standards) as adopted by the European Union and IFRS as issued by the IASB (International Accounting Standard Board) as of December 31, 2013.

The accounting principles applied in the Consolidated Financial Statements as of December 31, 2013 were the same as those that were used as of December 31, 2012 except for amendments and interpretations of IFRS which were mandatory for the periods beginning after January 1, 2013 (and not early adopted).

– The revised standard IAS 19 "Employee benefits" applicable retrospectively from January 1st, 2013, led in particular to the full recognition of the net position in respect of employee benefits obligations (liabilities net of assets) in the balance sheet, to the elimination of the corridor approach previously used by the Group, the elimination of the depreciation of past services costs, and to the obligation to evaluate the expected return on plan assets on a normative basis (via the discount rate used to value the debt).

  The application of this standard had an impact on January 1st, 2013, on January 1st, 2012 and on January 1st, 2011 of an increase in employee benefit provisions of €2.8 billion, €1.8 billion and €1.3 billion respectively, and a respective decrease in equity of €2.8 billion, €1.8 billion and €1.3 billion before tax (€1.7 billion, €1.1 billion and €0.8 billion after tax). The impact on the profit for 2012 and 2011 is not significant. In accordance with the transitional rules of IAS 19 revised, the comparative periods were restated to take into account the retrospective application of the standard.

– Application of standards on consolidation: IFRS 10 "Consolidated Financial Statements", IFRS 11 "Joint arrangements", IFRS 12 "Disclosure of interests in other entities", IAS 27 revised "Separate financial statements" and IAS 28 revised "Investments in associates and joint ventures". The application of these standards did not have a material effect on the Group's Consolidated balance sheet, income statement and shareholder's equity as of December 31, 2013.

– The application of standards IFRS 13 "Fair value measurement" and IAS 1 revised "Presentation of financial statements" did not have a material effect on the Group's Consolidated Balance Sheet, Statement of Income and shareholder's equity as of December 31, 2013.

The preparation of financial statements in accordance with IFRS requires the management to make estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of preparation of the financial statements and reported income and expenses for the period. The management reviews these estimates and assumptions on an ongoing basis, by reference to past experience and various other factors considered as reasonable which form the basis for assessing the carrying amount of assets and liabilities. Actual results may differ significantly from these estimates, if different assumptions or circumstances apply. These judgments and estimates relate principally to the application of the successful efforts method for the oil and gas accounting, the valuation of long-lived assets, the provisions for asset retirement obligations and environmental remediation, the pensions and post-retirements benefits and the income tax computation.

Furthermore, where the accounting treatment of a specific transaction is not addressed by any accounting standard or interpretation, the management applies its judgment to define and apply accounting policies that provide information consistent with the general IFRS concepts: faithful representation, relevance and materiality.

Change in presentation currency of the Consolidated Financial Statements

To make the financial information of the Group more readable and to better reflect the performance of its activities mainly carried out in U.S. dollars, Total decided to change, effective January 1, 2014, the presentation currency of the Consolidated Financial Statements from the euro to the U.S. dollar. The financial statements of TOTAL S.A., the parent company of the Group remain prepared in euro. The dividend paid therefore remains fixed in euro.

Following this change in accounting policy, the comparative Consolidated Financial Statements will be presented in U.S. dollars.

1) Accounting policies

Pursuant to the accrual basis of accounting followed by the Group, the financial statements reflect the effects of transactions and other events when they occur. Assets and liabilities such as property, plant and equipment and intangible assets are usually measured at cost. Assets and liabilities are measured at fair value when required by the standards.

Accounting policies used by the Group are described below:

A) Principles of consolidation

Entities that are directly controlled by the parent company or indirectly controlled by other consolidated entities are fully consolidated.

Investments in joint ventures are consolidated under the equity method. The Group accounts for joint operations by recognizing its share of assets, liabilities, income and expenses.

Investments in associates, in which the Group has significant influence, are accounted for by the equity method. Significant influence is presumed when the Group holds, directly or indirectly (*e.g.* through subsidiaries), 20% or more of the voting rights. Companies in which ownership interest is less than 20%, but over which the Company is deemed to exercise significant influence, are also accounted for by the equity method.

All intercompany balances, transactions and income are eliminated.

B) Business combinations

Business combinations are accounted for using the acquisition method. This method requires the recognition of the acquired identifiable assets, assumed liabilities and any non-controlling interests in the companies acquired by the Group at their fair value.

The value of the purchase price is finalized within one year from the acquisition date.

The acquirer shall recognize goodwill at the acquisition date, being the excess of:

- The consideration transferred, the amount of non-controlling interests and, in business combinations achieved in stages, the fair value at the acquisition date of the investment previously held in the acquired company;
- Over the fair value at the acquisition date of acquired identifiable assets and assumed liabilities.

If the consideration transferred is lower than the fair value of acquired identifiable assets and assumed liabilities, an additional analysis is performed on the identification and valuation of the identifiable elements of the assets and liabilities. After having completed such additional analysis any residual negative goodwill is recorded as income.

In transactions with non-controlling interests, the difference between the price paid (received) and the book value of non-controlling interests acquired (sold) is recognized directly in equity.

C) Foreign currency translation

The financial statements of subsidiaries are prepared in the currency that most clearly reflects their business environment. This is referred to as their functional currency.

(i) Monetary transactions

Transactions denominated in foreign currencies other than the functional currency of the entity are translated at the exchange rate on the transaction date. At each balance sheet date, monetary assets and liabilities are translated at the closing rate and the resulting exchange differences are recognized in the statement of income.

(ii) Translation of financial statements denominated in foreign currencies

Assets and liabilities of foreign entities are translated into euros on the basis of the exchange rates at the end of the period. The income and cash flow statements are translated using the average exchange rates for the period. Foreign exchange differences resulting from such translations are either recorded in shareholders' equity under "Currency translation adjustments" (for the Group share) or under "Non-controlling interests" (for the share of non-controlling interests) as deemed appropriate.

D) Sales and revenues from sales

Sales figures include excise taxes collected by the Group within the course of its oil distribution operations. Excise taxes are deducted from sales in order to obtain the "Revenues from sales" indicator.

(i) Sale of goods

Revenues from sales are recognized when the significant risks and rewards of ownership have been passed to the buyer and when the amount is recoverable and can be reasonably measured.

Revenues from sales of crude oil, natural gas and coal are recorded upon transfer of title, according to the terms of the sales contracts.

Revenues from the production of crude oil and natural gas properties, in which the Group has an interest with other producers, are recognized based on actual volumes sold during the period. Any difference between volumes sold and entitlement volumes, based on the Group net working interest, is recognized as "Crude oil and natural gas inventories" or "Other current assets" or "Other creditors and accrued liabilities", as appropriate.

Quantities delivered that represent production royalties and taxes, when paid in cash, are included in oil and gas sales, except for the United States and Canada.

Certain transactions within the trading activities (contracts involving quantities that are purchased from third parties then resold to third parties) are shown at their net value in sales.

Exchanges of crude oil and petroleum products within normal Trading activities do not generate any income and therefore these flows are shown at their net value in both the statement of income and the balance sheet.

(ii) Sale of services

Revenues from services are recognized when the services have been rendered.

Revenues from gas transport are recognized when services are rendered. These revenues are based on the quantities transported and measured according to procedures defined in each service contract.

Shipping revenues and expenses from time-charter activities are recognized on a pro rata basis over a period that commences upon the unloading of the previous voyage and terminates upon the unloading of the current voyage. Shipping revenue recognition starts only when a charter has been agreed to by both the Group and the customer.

(iii) Solar Farm Development Projects

SunPower develops and sells solar farm projects. This activity generally contains a property component (land ownership or an interest in land rights). The revenue associated with the development of these projects is recognized when the entities-projects and land rights are irrevocably sold.

Revenues under contracts for construction of solar systems are recognized based on the progress of construction works, measured according to the percentage of costs incurred relative to total forecast costs.

E) Share-based payments

The Group may grant employees stock options, create employee share purchase plans and offer its employees the opportunity to subscribe to reserved capital increases. These employee benefits are recognized as expenses with a corresponding credit to shareholders' equity.

The expense is equal to the fair value of the instruments granted. The expense is recognized on a straight-line basis between the grant date and vesting date.

The fair value of the options is calculated using the Black-Scholes model at the grant date.

For restricted share plans, the fair value is calculated using the market price at the grant date after deducting the expected distribution rate during the vesting period.

The number of allocated equity instruments can be revised during the vesting period in cases of non compliance with performance conditions, with the exception of those related to the market, or according to the rate of turnover of the beneficiaries.

The cost of employee-reserved capital increases is immediately expensed. A discount reduces the expense in order to account for the non-transferability of the shares awarded to the employees over a period of five years.

F) Income taxes

Income taxes disclosed in the statement of income include the current tax expenses and the deferred tax expenses.

The Group uses the method whereby deferred income taxes are recorded based on the temporary differences between the carrying amounts of assets and liabilities recorded in the balance sheet and their tax bases, and on carry-forwards of unused tax losses and tax credits.

Deferred tax assets and liabilities are measured using the tax rates that have been enacted or substantially enacted at the balance sheet date. The tax rates used depend on the timing of reversals of temporary differences, tax losses and other tax credits. The effect of a change in tax rate is recognized either in the Consolidated statement of income or in shareholders' equity depending on the item it relates to.

Deferred tax assets are recognized when future recovery is probable.

Asset retirement obligations and finance leases give rise to the recognition of assets and liabilities for accounting purposes as described in paragraph K "Leases" and paragraph Q "Asset retirement obligations" of this Note. Deferred income taxes resulting from temporary differences between the carrying amounts and tax bases of such assets and liabilities are recognized.

Deferred taxes resulting from temporary differences between the carrying amounts of equity-method investments and their tax bases are recognized. The deferred tax calculation is based on the expected future tax effect (dividend distribution rates or tax rates on capital gains).

G) Earnings per share

Earnings per share is calculated by dividing net income (Group share) by the weighted-average number of common shares outstanding during the period, excluding TOTAL shares held by TOTAL S.A. (Treasury shares) and TOTAL shares held by the Group subsidiaries which are deducted from consolidated shareholders' equity.

Diluted earnings per share is calculated by dividing net income (Group share) by the fully-diluted weighted-average number of common shares outstanding during the period. Treasury shares held by the parent company, TOTAL S.A., and TOTAL shares held by the Group subsidiaries are deducted from consolidated shareholders' equity. These shares are not considered outstanding for purposes of this calculation which also takes into account the dilutive effect of stock options, share grants and capital increases with a subscription period closing after the end of the fiscal year.

The weighted-average number of fully-diluted shares is calculated in accordance with the treasury stock method provided for by IAS 33. The proceeds, which would be recovered in the event of an exercise of rights related to dilutive instruments, are presumed to be a share buyback at the average market price over the period. The number of shares thereby obtained leads to a reduction in the total number of shares that would result from the exercise of rights.

H) Oil and gas exploration and producing properties

The Group applies IFRS 6 "Exploration for and Evaluation of Mineral Resources". Oil and gas exploration and production properties and assets are accounted for in accordance with the successful efforts method.

(i) Exploration costs

Geological and geophysical costs, including seismic surveys for exploration purposes are expensed as incurred.

Mineral interests are capitalized as intangible assets when acquired. These acquired interests are tested for impairment on a regular basis, property-by-property, based on the results of the exploratory activity and the management's evaluation.

In the event of a discovery, the unproved mineral interests are transferred to proved mineral interests at their net book value as soon as proved reserves are booked.

Exploratory wells are tested for impairment on a well-by-well basis and accounted for as follows:

– Costs of exploratory wells which result in proved reserves are capitalized and then depreciated using the unit-of-production method based on proved developed reserves;

– Costs of dry exploratory wells and wells that have not found proved reserves are charged to expense;

– Costs of exploratory wells are temporarily capitalized until a determination is made as to whether the well has found proved reserves if both of the following conditions are met:

- the well has found a sufficient quantity of reserves to justify its completion as a producing well, if appropriate, assuming that the required capital expenditures are made;
- the Group is making sufficient progress assessing the reserves and the economic and operating viability of the project. This progress is evaluated on the basis of indicators such as whether additional exploratory works are under way or firmly planned (wells, seismic or significant studies), whether costs are being incurred for development studies and whether the Group is waiting for governmental or other third-party authorization of a proposed project, or availability of capacity on an existing transport or processing facility.

Costs of exploratory wells not meeting these conditions are charged to expense.

(ii) Oil and Gas producing assets

Development costs incurred for the drilling of wells and for the construction of production and treatment facilities are capitalized, together with borrowing costs incurred during the period of construction and the present value of estimated future costs of asset retirement obligations. The depletion rate is usually equal to the ratio of oil and gas production for the period to proved developed reserves (unit-of-production method).

With respect to production sharing contracts, this computation is based on the portion of production and reserves assigned to the Group taking into account estimates based on the contractual clauses regarding the reimbursement of exploration, development and production costs (cost oil) as well as the sharing of hydrocarbon rights (profit oil).

Transportation assets are depreciated using the unit-of-production method based on throughput or by using the straight-line method whichever best reflects the duration of use of the economic life of the asset.

Proved mineral interests are depreciated using the unit-of-production method based on proved reserves.

I) Goodwill and other intangible assets excluding mineral interests

Other intangible assets include goodwill, patents, trademarks, and lease rights.

Intangible assets are carried at cost, after deducting any accumulated depreciation and accumulated impairment losses.

Guidance for calculating goodwill is presented in Note 1 paragraph B to the Consolidated Financial Statements. Goodwill is not amortized but is tested for impairment annually or as soon as there is any indication of impairment (see Note 1 paragraph L to the Consolidated Financial Statements).

In equity affiliates, goodwill is included in the investment book value.

Other intangible assets (except goodwill) have a finite useful life and are amortized on a straight-line basis over 3 to 20 years depending on the useful life of the assets.

Research and development

Research costs are charged to expense as incurred.

Development expenses are capitalized when the following can be demonstrated:

– the technical feasibility of the project and the availability of the adequate resources for the completion of the intangible asset;

– the ability of the asset to generate probable future economic benefits;

– the ability to measure reliably the expenditures attributable to the asset; and

– the feasibility and intention of the Group to complete the intangible asset and use or sell it.

Advertising costs are charged to expense as incurred.

J) Other property, plant and equipment

Other property, plant and equipment are carried at cost, after deducting any accumulated depreciation and accumulated impairment losses. This cost includes borrowing costs directly attributable to the acquisition or production of a qualifying asset incurred until assets are placed in service. Borrowing costs are capitalized as follows:

– if the project benefits from a specific funding, the capitalization of borrowing costs is based on the borrowing rate;

– if the project is financed by all the Group's debt, the capitalization of borrowing costs is based on the weighted average borrowing cost for the period.

Routine maintenance and repairs are charged to expense as incurred. The costs of major turnarounds of refineries and large petrochemical units are capitalized as incurred and depreciated over the period of time between two consecutive major turnarounds.

Other property, plant and equipment are depreciated using the straight-line method over their useful lives, which are as follows:

Furniture, office equipment, machinery and tools	3-12 years
Transportation equipments	5-20 years
Storage tanks and related equipment	10-15 years
Specialized complex installations and pipelines	10-30 years
Buildings	10-50 years

K) Leases

A finance lease transfers substantially all the risks and rewards incidental to ownership from the lessor to the lessee. These contracts are capitalized as assets at fair value or, if lower, at the present value

of the minimum lease payments according to the contract. A corresponding financial debt is recognized as a financial liability. These assets are depreciated over the corresponding useful life used by the Group.

Leases that are not finance leases as defined above are recorded as operating leases.

Certain arrangements do not take the legal form of a lease but convey the right to use an asset or a group of assets in return for fixed payments. Such arrangements are accounted for as leases and are analyzed to determine whether they should be classified as operating leases or as finance leases.

L) Impairment of long-lived assets

The recoverable amounts of intangible assets and property, plant and equipment are tested for impairment as soon as any indication of impairment exists. This test is performed at least annually for goodwill.

The recoverable amount is the higher of the fair value (less costs to sell) or its value in use.

Assets are grouped into cash-generating units (or CGUs) and tested. A cash-generating unit is a homogeneous group of assets that generates cash inflows that are largely independent of the cash inflows from other groups of assets.

The value in use of a CGU is determined by reference to the discounted expected future cash flows, based upon the management's expectation of future economic and operating conditions. When this value is less than the carrying amount of the CGU, an impairment loss is recorded. It is allocated first to goodwill in counterpart of "Other expenses". These impairment losses are then allocated to "Depreciation, depletion and amortization of tangible assets and mineral interests" for property, plant and mineral interests and to "Other expenses" for other intangible assets.

Impairment losses recognized in prior periods can be reversed up to the original carrying amount, had the impairment loss not been recognized. Impairment losses recognized for goodwill cannot be reversed.

M) Financial assets and liabilities

Financial assets and liabilities are financial loans and receivables, investments in non-consolidated companies, publicly traded equity securities, derivatives instruments and current and non-current financial liabilities.

The accounting treatment of these financial assets and liabilities is as follows:

(i) Loans and receivables

Financial loans and receivables are recognized at amortized cost. They are tested for impairment, by comparing the carrying amount of the assets to estimates of the discounted future recoverable cash flows. These tests are conducted as soon as there is any evidence that their fair value is less than their carrying amount, and at least annually. Any impairment loss is recorded in the statement of income.

(ii) Other investments

These assets are classified as financial assets available for sale and therefore measured at their fair value. For listed securities, this fair value is equal to the market price. For unlisted securities, if the fair value is not reliably determinable, securities are recorded at their historical value. Changes in fair value are recorded in shareholders' equity. If there is any evidence of a significant or long-lasting impairment loss, a loss is recorded in the statement of income. This impairment is irreversible.

(iii) Derivative instruments

The Group uses derivative instruments to manage its exposure to risks of changes in interest rates, foreign exchange rates and commodity prices. Changes in fair value of derivative instruments are recognized in the statement of income or in shareholders' equity and are recognized in the balance sheet in the accounts corresponding to their nature, according to the risk management strategy described in Note 31 to the Consolidated Financial Statements. The derivative instruments used by the Group are the following:

• Cash management

Financial instruments used for cash management purposes are part of a hedging strategy of currency and interest rate risks within global limits set by the Group and are considered to be used for transactions (held for trading). Changes in fair value are systematically recorded in the statement of income. The balance sheet value of those instruments is included in "Current financial assets" or "Other current financial liabilities".

• Long-term financing

When an external long-term financing is set up, specifically to finance subsidiaries, and when this financing involves currency and interest rate derivatives, these instruments are qualified as:

1) Fair value hedge of the interest rate risk on the external debt and of the currency risk of the loans to subsidiaries. Changes in fair value of derivatives are recognized in the statement of income as are changes in fair value of underlying financial debts and loans to subsidiaries.

   The fair value of those hedging instruments of long-term financing is included in the assets under "Hedging instruments on non-current financial debt" or in the liabilities under "Non-current financial debt "for the non-current portion. The current portion (less than one year) is accounted for in "Current financial assets" or "Other current financial liabilities".

   In case of the anticipated termination of derivative instruments accounted for as fair value hedges, the amount paid or received is recognized in the statement of income and:

   - If this termination is due to an early cancellation of the hedged items, the adjustment previously recorded as revaluation of those hedged items is also recognized in the statement of income;
   - If the hedged items remain in the balance sheet, the adjustment previously recorded as a revaluation of those hedged items is spread over the remaining life of those items.

2) Cash flow hedge of the currency risk of the external debt. Changes in fair value are recorded in Other comprehensive Income for the effective portion of the hedging and in the statement of income for the ineffective portion of the hedging. Amounts recorded in equity are transferred to the income statement when the hedged transaction affects profit or loss.

   The fair value of those hedging instruments of long-term financing is included in the assets under "Hedging instruments on non-current financial debt" or in the liabilities under "Non-current financial debt" for the non-current portion. The current portion (less than one year) is accounted for in "Current financial assets" or "Other current financial liabilities".

If the hedging instrument expires, is sold or terminated by anticipation, gains or losses previously recognized in equity remain in equity. Amounts are recycled in the income statement only when the hedged transaction affects profit or loss.

• Foreign subsidiaries' equity hedge

Certain financial instruments hedge against risks related to the equity of foreign subsidiaries whose functional currency is not the euro (mainly the dollar). These instruments qualify as "net investment hedges" and changes in fair value are recorded in Other comprehensive income for the effective portion of the hedging and in the statement of income for the ineffective portion of the hedging. Gains or losses on hedging instruments previously recorded in equity, are reclassified to the statement of income in the same period as the total or partial disposal of the foreign activity.

The fair value of these instruments is recorded under "Current financial assets" or "Other current financial liabilities".

• Financial instruments related to commodity contracts

Financial instruments related to commodity contracts, including crude oil, petroleum products, gas, power and coal purchase/sales contracts within the trading activities, together with the commodity contract derivative instruments such as energy contracts and forward freight agreements, are used to adjust the Group's exposure to price fluctuations within global trading limits. According to the industry practice, these instruments are considered as held for trading. Changes in fair value are recorded in the statement of income. The fair value of these instruments is recorded in "Other current assets" or "Other creditors and accrued liabilities" depending on whether they are assets or liabilities.

Detailed information about derivatives positions is disclosed in Notes 20, 28, 29, 30 and 31 to the Consolidated Financial Statements.

(iv) Current and non-current financial liabilities

Current and non-current financial liabilities (excluding derivatives) are recognized at amortized cost, except those for which hedge accounting can be applied as described in the previous paragraph.

(v) Fair value of financial instruments

Fair values are estimated for the majority of the Group's financial instruments, with the exception of publicly traded equity securities and marketable securities for which the market price is used.

Estimations of fair value, which are based on principles such as discounting future cash flows to present value, must be weighted by the fact that the value of a financial instrument at a given time may be influenced by the market environment (liquidity especially), and also the fact that subsequent changes in interest rates and exchange rates are not taken into account.

As a consequence, the use of different estimates, methodologies and assumptions could have a material effect on the estimated fair value amounts.

The methods used are as follows:

• Financial debts, swaps

The market value of swaps and of bonds that are hedged by those swaps has been determined on an individual basis by discounting future cash flows with the zero coupon interest rate curves existing at year-end.

• Financial instruments related to commodity contracts

The valuation methodology is to mark to market all open positions for both physical and paper transactions. The valuations are determined on a daily basis using observable market data based on organized and over the counter (OTC) markets. In particular cases when market data are not directly available, the valuations are derived from observable data such as arbitrages, freight or spreads and market corroboration. For valuation of risks which are the result of a calculation, such as options for example, commonly known models are used to compute the fair value.

• Other financial instruments

The fair value of the interest rate swaps and of FRA's (Forward Rate Agreements) are calculated by discounting future cash flows on the basis of zero coupon interest rate curves existing at year-end after adjustment for interest accrued but unpaid.

Forward exchange contracts and currency swaps are valued on the basis of a comparison of the negociated forward rates with the rates in effect on the financial markets at year-end for similar maturities.

Exchange options are valued based on the Garman-Kohlhagen model including market quotations at year-end.

• Fair value hierarchy

IFRS 7 "Financial instruments: disclosures", amended in 2009, introduces a fair value hierarchy for financial instruments and proposes the following three-level classification:

– level 1: quotations for assets and liabilities (identical to the ones that are being valued) obtained at the valuation date on an active market to which the entity has access;

– level 2: the entry data are observable data but do not correspond to quotations for identical assets or liabilities;

– level 3: the entry data are not observable data. For example: these data come from extrapolation. This level applies when there is no market or observable data and the company has to use its own hypotheses to estimate the data that other market players would have used to determine the fair value of the asset.

Fair value hierarchy is disclosed in Notes 29 and 30 to the Consolidated Financial Statements.

(vi) Commitments to purchase shares held by non-controlling interests (put options written on minority interests)

Put options granted to non-controlling-interest shareholders are initially recognized as financial liabilities at the present value of the exercise price of the options with a corresponding reduction in shareholders' equity. The financial liability is subsequently measured at fair value at each balance sheet date in accordance with contractual clauses and any variation is recorded in the statement of income (cost of debt).

N) Inventories

Inventories are measured in the Consolidated Financial Statements at the lower of historical cost or market value. Costs for petroleum and petrochemical products are determined according to the FIFO (First-In, First-Out) method and other inventories are measured using the weighted-average cost method. In addition stocks held for trading are measured at fair value less costs of sale.

Refining & Chemicals

Petroleum product inventories are mainly comprised of crude oil and refined products. Refined products principally consist of gasoline, kerosene, diesel, fuel oil and heating oil produced by the Group's refineries. The turnover of petroleum products does not exceed more than two months on average.

Crude oil costs include raw material and receiving costs. Refining costs principally include crude oil costs, production costs (energy, labor, depreciation of producing assets) and an allocation of production overheads (taxes, maintenance, insurance, etc.).

Costs of chemical product inventories consist of raw material costs, direct labor costs and an allocation of production overheads. Start-up costs, general administrative costs and financing costs are excluded from the cost price of refined and chemicals products.

Marketing & Services

The costs of refined products include mainly crude oil costs, production costs (energy, labor, depreciation of producing assets) and an allocation of production overheads (taxes, maintenance, insurance, etc.).

Start-up costs, general administrative costs and financing costs are excluded from the cost price of refined products.

Product inventories purchased from entities external to the Group are valued at their purchase cost plus primary costs of transport.

O) Treasury shares

Treasury shares of the parent company held by its subsidiaries or itself are deducted from consolidated shareholders' equity. Gains or losses on sales of treasury shares are excluded from the determination of net income and are recognized in shareholders' equity.

P) Provisions and other non-current liabilities

A provision is recognized when the Group has a present obligation (legal or constructive) as a result of a past event for which it is probable that an outflow of resources will be required and when a reliable estimate can be made regarding the amount of the obligation. The amount of the liability corresponds to the best possible estimate.

Provisions and non-current liabilities are comprised of liabilities for which the amount and the timing are uncertain. They arise from environmental risks, legal and tax risks, litigation and other risks.

Q) Asset retirement obligations

Asset retirement obligations, which result from a legal or constructive obligation, are recognized based on a reasonable estimate in the period in which the obligation arises.

The associated asset retirement costs are capitalized as part of the carrying amount of the underlying asset and depreciated over the useful life of this asset.

An entity is required to measure changes in the liability for an asset retirement obligation due to the passage of time (accretion) by applying a risk-free discount rate to the amount of the liability. The increase of the provision due to the passage of time is recognized as "Other financial expense".

R) Employee benefits

In accordance with the laws and practices of each country, the Group participates in employee benefit plans offering retirement, death and disability, healthcare and special termination benefits. These plans provide benefits based on various factors such as length of service, salaries, and contributions made to the governmental bodies responsible for the payment of benefits.

These plans can be either defined contribution or defined benefit pension plans and may be entirely or partially funded with investments made in various non-Group instruments such as mutual funds, insurance contracts, and other instruments.

For defined contribution plans, expenses correspond to the contributions paid.

Defined benefit obligations are determined according to the Projected Unit Method. Actuarial gains and losses may arise from differences between actuarial valuation and projected commitments (depending on new calculations or assumptions) and between projected and actual return of plan assets. Such gains and losses are recognized in the statement of comprehensive income, with no possibility to subsequently recycle them to the income statement.

The past service cost is recorded immediately in the statement of income, whether vested or unvested.

The net periodic pension cost is recognized under "Other operating expenses".

S) Consolidated Statement of Cash Flows

The Consolidated Statement of Cash Flows prepared in foreign currencies has been translated into euros using the exchange rate on the transaction date or the average exchange rate for the period. Currency translation differences arising from the translation of monetary assets and liabilities denominated in foreign currency into euros using the closing exchange rates are shown in the Consolidated Statement of Cash Flows under "Effect of exchange rates". Therefore, the Consolidated Statement of Cash Flows will not agree with the figures derived from the Consolidated Balance Sheet.

Cash and cash equivalents

Cash and cash equivalents are comprised of cash on hand and highly liquid short-term investments that are easily convertible into known amounts of cash and are subject to insignificant risks of changes in value.

Investments with maturities greater than three months and less than twelve months are shown under "Current financial assets".

Changes in current financial assets and liabilities are included in the financing activities section of the Consolidated Statement of Cash Flows.

Non-current financial debt

Changes in non-current financial debt are presented as the net variation to reflect significant changes mainly related to revolving credit agreements.

T) Carbon dioxide emission rights

In the absence of a current IFRS standard or interpretation on accounting for emission rights of carbon dioxide, the following principles are applied:

– Emission rights are managed as a cost of production and as such are recognized in inventories:

  - emission rights allocated for free are booked in inventories with a nil carrying amount;
  - purchased emission rights are booked at acquisition cost;
  - sales or annual restorations of emission rights consist of decreases in inventories recognized based on a weighted average cost;
  - if the carrying amount of inventories at closing date is higher than the market value, an impairment loss is recorded.

– At each closing, a provision is recorded in order to materialize the obligation of emission rights restoration related to the emissions of the period. This provision is calculated based on estimated emissions of the period, valued at weighted average cost of the inventories at the end of the period. It is reversed when the emission rights are restored.

– If emission rights to be delivered at the end of the compliance period are higher than emission rights (allocated and purchased) booked in inventories, the shortage is accounted for as a liability at market value.

– Forward transactions are recognized at their fair market value in the balance sheet. Changes in the fair value of such forward transactions are recognized in the statement of income.

U) Energy savings certificates

In the absence of current IFRS standards or interpretations on accounting for energy savings certificates, the following principles are applied:

– If the obligations linked to the sales of energy are greater than the number of ESC's held then a liability is recorded. These liabilities are valued based on the price of the latest transactions;

– In the event that the number of ESC's held exceeds the obligation at the balance sheet date this is accounted for as inventory;

– ESC inventories are valued at weighted average cost (acquisition cost for those ESC's acquired or cost incurred for those ESC's generated internally).

If the carrying value of the inventory of certificates at the balance sheet date is higher than the market value, an impairment loss is recorded in income.

V) Non-current assets held for sale and discontinued operations

Pursuant to IFRS 5 "Non-current assets held for sale and discontinued operations", assets and liabilities of affiliates that are held for sale are presented separately on the face of the balance sheet. Depreciation of assets ceases from the date of classifcation in "Non-current assets held for sale".

Net income from discontinued operations is presented separately on the face of the statement of income. Therefore, the notes to the Consolidated Financial Statements related to the statement of income only refer to continuing operations.

A discontinued operation is a component of the Group for which cash flows are independent. It represents a major line of business or geographical area of operations which has been disposed of or is currently being held for sale.

W) New accounting principles not yet in effect

The standards or interpretations published respectively by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC) which were not yet in effect at December 31, 2013, are as follows:

Standards not yet adopted by the European Union at December 31, 2013

– In November 2009, the IASB issued standard IFRS 9 "Financial Instruments" that introduces new requirements for the classification and measurement of financial assets, and included in October 2010 requirements regarding classification and measurement of financial liabilities. This standard shall be completed with texts on impairment of financial assets measured at amortized cost and hedge accounting. Under standard IFRS 9, financial assets and liabilities are generally measured either at fair value through profit or loss or at amortized cost if certain conditions are met. The standard will not be applicable before 2017. The application of the standard as published in 2010 should not have any material effect on the Group's consolidated balance sheet, statement of income and shareholder's equity.

– In May 2013, the IASB issued the interpretation IFRIC 21 "Levies". This interpretation is applicable retrospectively for annual periods beginning on or after January 1, 2014. The impacts of the application of this interpretation are under review.

2) Main indicators - information by business segment

Performance indicators excluding the adjustment items, such as adjusted operating income, adjusted net operating income, and adjusted net income are meant to facilitate the analysis of the financial performance and the comparison of income between periods.

Adjustment items

The detail of these adjustment items is presented in Note 4 to the Consolidated Financial Statements.

Adjustment items include:

(i) Special items

Due to their unusual nature or particular significance, certain transactions qualified as "special items" are excluded from the business segment figures. In general, special items relate to transactions that are significant, infrequent or unusual. However, in certain instances, transactions such as restructuring costs or assets disposals, which are not considered to be representative of the normal course of business, may be qualified as special items although they may have occurred within prior years or are likely to occur again within the coming years.

(ii) The inventory valuation effect

The adjusted results of the Refining & Chemicals and Marketing & Services segments are presented according to the replacement cost method. This method is used to assess the segments' performance and facilitate the comparability of the segments' performance with those of its competitors.

In the replacement cost method, which approximates the LIFO (Last-In, First-Out) method, the variation of inventory values in the statement of income is, depending on the nature of the inventory, determined using either the month-end prices differential between one period and another or the average prices of the period rather than the historical value. The inventory valuation effect is the difference between the results according to the FIFO (First-In, First-Out) and the replacement cost.

(iii) Effect of changes in fair value

The effect of changes in fair value presented as adjustment items reflects for some transactions differences between internal measures of performance used by TOTAL's management and the accounting for these transactions under IFRS.

IFRS requires that trading inventories be recorded at their fair value using period end spot prices. In order to best reflect the management of economic exposure through derivative transactions, internal indicators used to measure performance include valuations of trading inventories based on forward prices.

Furthermore, TOTAL, in its trading activities, enters into storage contracts, which future effects are recorded at fair value in Group's internal economic performance. IFRS precludes recognition of this fair value effect.

Main indicators

(i) Operating income (measure used to evaluate operating performance)

Revenue from sales after deducting cost of goods sold and inventory variations, other operating expenses, exploration expenses and depreciation, depletion, and amortization.

Operating income excludes the amortization of intangible assets other than mineral interests, currency translation adjustments and gains or losses on the disposal of assets.

(ii) Net operating income (measure used to evaluate the return on capital employed)

Operating income after taking into account the amortization of intangible assets other than mineral interests, currency translation adjustments, gains or losses on the disposal of assets, as well as all other income and expenses related to capital employed (dividends from non-consolidated companies, equity in income of affiliates, capitalized interest expenses), and after income taxes applicable to the above.

The only income and expense not included in net operating income but included in net income are interest expenses related to net financial debt, after applicable income taxes (net cost of net debt) and non-controlling interests.

(iii) Adjusted income

Operating income, net operating income, or net income excluding the effect of adjustment items described above.

(iv) Fully-diluted adjusted earnings per share

Adjusted net income divided by the fully-diluted weighted-average number of common shares.

(v) Capital employed

Non-current assets and working capital, at replacement cost, net of deferred income taxes and non-current liabilities.

(vi) ROACE (Return on Average Capital Employed)

Ratio of adjusted net operating income to average capital employed between the beginning and the end of the period.

(vii) ROE (Return on Equity)

Ratio of adjusted consolidated net income to average adjusted shareholders' equity (after distribution) between the beginning and the end of the period.

(viii) Net debt

Non-current debt, including current portion, current borrowings, other current financial liabilities, less cash and cash equivalents and other current financial assets.

3) Changes in the Group structure, main acquisitions and divestments

During 2013, 2012 and 2011, main changes in the Group structure and main acquisitions and divestments were as follows:

2013

• Upstream

– TOTAL finalized in February 2013 the acquisition of an additional 6% interest in the Ichthys Liquefied Natural Gas (LNG) project from its partner INPEX. TOTAL's overall equity stake in the Ichthys LNG project increased from 24% to 30%.

– TOTAL finalized in February 2013 the sale to INPEX of a 9.99% indirect interest in offshore Angola Block 14.

– On March 27, 2013, TOTAL entered into an agreement for the sale to Suncor Energy Inc. of its 49% interest in the Voyageur upgrader project, which is located in the Canadian province of Alberta and intended to upgrade bitumen from the Fort Hills and Joslyn mines. The transaction amounted to $506 million (€381 million). The mining development projects of Fort Hills and Joslyn continue according to the production evacuation logistics studies jointly conducted with Suncor. The sale entails a net loss of €1,247 million.

– TOTAL finalized in June 2013 the sale of a 25% interest in the Tempa Rossa field in Italy to Mitsui.

– TOTAL finalized in July 2013 the sale of 100% of Transport et Infrastructures Gaz France (TIGF) to a consortium comprising Snam, EDF and GIC (Government of Singapore Investment Corporation) for an amount of €1,558 million, net of cash sold.

– TOTAL finalized in September 2013 the sale of its Upstream interests in Trinidad & Tobago to The National Gas Company of Trinidad & Tobago for an amount of €236 million ($318 million), net of cash sold.

– TOTAL finalized in December 2013 the acquisition by Qatar Petroleum International Upstream of 15% of the capital of Total E&P Congo through a capital increase of €1,225 million ($1,627 million).

– TOTAL finalized during 2013 the acquisition of an additional 1.62% interest in Novatek for an amount of €437 million ($587 million), bringing TOTAL's overall interest in Novatek to 16.96% as at December 31, 2013.

– In October 2013, a consortium in which TOTAL holds a 20% interest was awarded a production sharing contract for 35 years to develop the Libra oil field in Brazil. TOTAL paid a signing bonus of 3,000 million Brazilian Real (approximately $1,301 million).

• Refining & Chemicals

– TOTAL finalized in June 2013 the sale of its fertilizing businesses in Europe.

Information relating to sales in progress is presented in accordance with IFRS 5 "Non-current assets held for sale and discontinued operations" in note 34.

2012

• Upstream

– TOTAL finalized in February 2012 the acquisition in Uganda of a one-third interest in Blocks 1, 2 and 3A held by Tullow Oil plc for €1,157 million ($1,487 million), entirely consisting of mineral interests. TOTAL became an equal partner with Tullow and CNOOC in the Blocks, each with a one-third interest and each being an operator of one of the Blocks. TOTAL is the operator of Block 1.

– TOTAL finalized during 2012 the acquisition of an additional 1.25% interest in Novatek for an amount of €368 million ($480 million), increasing TOTAL's overall interest in Novatek to 15.34% as at December 31, 2012.

– TOTAL finalized in October 2012 the sale of its interest in the Cusiana field as well as a participation in OAM and ODC pipelines in Colombia to Sinochem, for an amount of €318 million ($409 million), net of cash sold.

• Holding

– During 2012, TOTAL gradually sold its remaining interest in Sanofi, generating a net capital gain of €341 million after tax. As at the December 31, 2012 the Group retained no further interest in the capital of Sanofi.

2011

• Upstream

– TOTAL finalized in March 2011 the acquisition from Santos of an additional 7.5% interest in Australia's GLNG project. This increased TOTAL's overall stake in the project to 27.5%.

The acquisition cost amounted to €202 million ($281 million) and mainly corresponded to the value of mineral interests that have been recognized as intangible assets in the consolidated balance sheet for €227 million.

– In March 2011, Total E&P Canada Ltd., a TOTAL subsidiary, and Suncor Energy Inc. (Suncor) finalized a strategic oil sands alliance encompassing the Suncor-operated Fort Hills mining project, the TOTAL-operated Joslyn mining project and the Suncor-operated Voyageur upgrader project. All three assets are located in the Athabasca region of the province of Alberta, in Canada.

TOTAL acquired 19.2% of Suncor's interest in the Fort Hills project, increasing TOTAL's overall interest in the project to 39.2%. Suncor, as operator, held 40.8%. TOTAL also acquired a 49% stake in the Suncor-operated Voyageur upgrader project. For those two acquisitions, the Group paid €1,937 million (CAD 2,666 million) mainly representing the value of intangible assets for €474 million and the value of tangible assets for €1,550 million.

Furthermore, TOTAL sold to Suncor 36.75% interest in the Joslyn project for €612 million (CAD 842 million). The Group, as operator, retained a 38.25% interest in the project.

– TOTAL finalized in April 2011 the sale of its 75.8% interest in its Upstream Cameroonian affiliate Total E&P Cameroun to Perenco, for an amount of €172 million ($247 million), net of cash sold.

– TOTAL and the Russian company Novatek signed in March 2011 two Memorandums of Cooperation to develop the cooperation between TOTAL on one side, and Novatek and its main shareholders on the other side.

This cooperation was developed around the two following axes:

- In April 2011, TOTAL took a 12.09% shareholding in Novatek for an amount of €2,901 million ($4,108 million). In December 2011, TOTAL finalized the acquisition of an additional 2% interest in Novatek for an amount of €596 million ($796 million), which increased TOTAL's overall interest in Novatek to 14.09%. TOTAL considered that it had a significant influence especially through its representation on the Board of Directors of Novatek and its participation in the major Yamal LNG project. Therefore, the interest in Novatek has been accounted for by the· equity method since the second quarter of 2011.
- In October 2011, TOTAL finalized the acquisition of a 20% interest in the Yamal LNG project and became Novatek's partner in this project.

– TOTAL finalized in July 2011 the sale of 10% of its interest in the Colombian pipeline OCENSA. The Group still held a 5.2% interest in this asset.

– TOTAL finalized in September 2011 the acquisition of Esso Italiana's interests respectively in the Gorgoglione concession (25% interest), which contains the Tempa Rossa field, and in two exploration licenses located in the same area (51.7% for each one). The acquisition increased TOTAL's interest in the operated Tempa Rossa field to 75%.

– TOTAL finalized in December 2011 the sale to Silex Gas Norway AS, a wholly owned subsidiary of Allianz, of its entire stake in Gassled (6.4%) and related entities for an amount of €477 million (NOK 3.7 billion).

– Total E&P USA Inc. signed in December 2011 an agreement to enter into a Joint Venture with Chesapeake Exploration L.L.C., a subsidiary of Chesapeake Energy Corporation, and its partner EnerVest Ltd. Under the terms of this agreement, TOTAL acquired a 25% share in Chesapeake's and EnerVest's liquids-rich area of the Utica shale play. TOTAL paid to Chesapeake and EnerVest €500 million ($696 million) in cash for the acquisition of these assets. TOTAL will also be committed to pay additional amounts up to $1.63 billion over a maximum period of 7 years in the form of a 60% carry of Chesapeake and EnerVest's future capital expenditures on drilling and completion of wells within the Joint Venture. Furthermore, TOTAL will also acquire a 25% share in any new acreage which will be acquired by Chesapeake in the liquids-rich area of the Utica shale play.

• Refining & Chemicals

– TOTAL finalized in July 2011 the sale of its photocure and coatings resins businesses to Arkema for an amount of €520 million, net of cash sold.

– TOTAL and International Petroleum Investment Company (a company wholly-owned by the Government of Abu Dhabi) entered into an agreement on February 15, 2011 for the sale, to International Petroleum Investment Company (IPIC), of the 48.83% equity interest held by TOTAL in the share capital of CEPSA, to be completed within the framework of a public tender offer being launched by IPIC for all the CEPSA shares not yet held by IPIC, at a unit purchase price of €28 per CEPSA share. TOTAL sold to IPIC all of its equity interest in CEPSA and received, as of July 29, 2011, an amount of €3,659 million.

• Marketing & Services

– TOTAL finalized in October 2011 the sale of most of its Marketing assets in the United Kingdom, the Channel Islands and the Isle of Man, to Rontec Investments LLP, a consortium led by Snax 24, one of the leading independent forecourt operators in the United Kingdom, for an amount of €424 million (£368 million).

– After the all-cash tender of $23.25 per share launched on April 28, 2011 and completed on June 21, 2011, TOTAL acquired a 60% stake in SunPower Corp., a U.S. company listed on NASDAQ with headquarters in San Jose (California). Shares of SunPower Corp. continue to be traded on the NASDAQ.

The acquisition cost, whose cash payment occurred on June 21, 2011, amounted to €974 million ($1,394 million).

The goodwill amounted to $533 million and was fully depreciated on 31st December, 2011.

4) Business segment information

Financial information by business segment is reported in accordance with the internal reporting system and shows internal segment information that is used to manage and measure the performance of TOTAL and which is reviewed by the main operational decision-making body of the Group, namely the Executive Committee.

The operational profit and assets are broken down by business segment prior to the consolidation and inter-segment adjustments.

Sales prices between business segments approximate market prices.

The Group's activities are divided into three business segments as follows:

– an Upstream segment including, alongside the activities of the Exploration & Production of hydrocarbons, the activities of Gas & Power;

– a Refining & Chemicals segment constituting a major industrial hub comprising the activitites of refining, Petrochemicals, fertilizers and speciality Chemicals. This segment also includes the activitites of oil Trading & Shipping; and

– a Marketing & Services segment including the global activitites of supply and marketing in the field of petroleum products as well as the activity of New Energies.

In addition the Corporate segment includes holdings operating and financial activities.

A) Information by business segment

For the year ended December 31, 2013 (M€)	Upstream	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Non-Group sales	19,855	86,204	83,481	2	-	189,542
Intersegment sales	28,349	39,360	1,626	133	(69,468)	-
Excise taxes	-	(3,625)	(14,262)	-	-	(17,887)
Revenues from sales	**48,204**	**121,939**	**70,845**	**135**	**(69,468)**	**171,655**
Operating expenses	(24,002)	(120,500)	(68,802)	(597)	69,468	(144,433)
Depreciation, depletion and amortization of tangible assets and mineral interests	(7,141)	(1,307)	(552)	(31)	-	(9,031)
Operating income	**17,061**	**132**	**1,491**	**(493)**	**-**	**18,191**
Equity in net income (loss) of affiliates and other items	2,027	143	39	(23)	-	2,186
Tax on net operating income	(10,321)	(460)	(413)	(21)	-	(11,215)
Net operating income	**8,767**	**(185)**	**1,117**	**(537)**	**-**	**9,162**
Net cost of net debt	-	-	-	-	-	(501)
Non-controlling interests	-	-	-	-	-	(221)
Net income	**-**	**-**	**-**	**-**	**-**	**8,440**

For the year ended December 31, 2013 (adjustments) [a] (M€)	Upstream	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Non-Group sales	(56)	-	-	-	-	(56)
Intersegment sales	-	-	-	-	-	-
Excise taxes	-	-	-	-	-	-
Revenues from sales	**(56)**	**-**	**-**	**-**	**-**	**(56)**
Operating expenses	(86)	(1,059)	(102)	-	-	(1,247)
Depreciation, depletion and amortization of tangible assets and mineral interests	(651)	(138)	(3)	-	-	(792)
Operating income [b]	**(793)**	**(1,197)**	**(105)**	**-**	**-**	**(2,095)**
Equity in net income (loss) of affiliates and other items	(218)	(199)	2	(30)	-	(445)
Tax on net operating income	408	(193)	69	(34)	-	250
Net operating income [b]	**(603)**	**(1,589)**	**(34)**	**(64)**	**-**	**(2,290)**
Net cost of net debt	-	-	-	-	-	-
Non-controlling interests	-	-	-	-	-	(15)
Net income	**-**	**-**	**-**	**-**	**-**	**(2,305)**

(a) Adjustments include special items, inventory valuation effect and the effect of changes in fair value.
(b) Of which inventory valuation effect

- on operating income	*-*	*(737)*	*(65)*	*-*
- on net operating income	*-*	*(495)*	*(47)*	*-*

For the year ended December 31, 2013 (adjusted) (M€) [a]	Upstream	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Non-Group sales	19,911	86,204	83,481	2	-	189,598
Intersegment sales	28,349	39,360	1,626	133	(69,468)	-
Excise taxes	-	(3,625)	(14,262)	-	-	(17,887)
Revenues from sales	**48,260**	**121,939**	**70,845**	**135**	**(69,468)**	**171,711**
Operating expenses	(23,916)	(119,441)	(68,700)	(597)	69,468	(143,186)
Depreciation, depletion and amortization of tangible assets and mineral interests	(6,490)	(1,169)	(549)	(31)	-	(8,239)
Adjusted operating income	**17,854**	**1,329**	**1,596**	**(493)**	**-**	**20,286**
Equity in net income (loss) of affiliates and other items	2,245	342	37	7	-	2,631
Tax on net operating income	(10,729)	(267)	(482)	13	-	(11,465)
Adjusted net operating income	**9,370**	**1,404**	**1,151**	**(473)**	**-**	**11,452**
Net cost of net debt	-	-	-	-	-	(501)
Non-controlling interests	-	-	-	-	-	(206)
Adjusted net income	**-**	**-**	**-**	**-**	**-**	**10,745**
Adjusted fully-diluted earnings per share (€)	**-**	**-**	**-**	**-**	**-**	**4.73**

(a) Except for earnings per share.

For the year ended December 31, 2013 (M€)	Upstream	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Total expenditures	22,396	2,039	1,365	122	-	25,922
Total divestments	4,353	275	141	45	-	4,814
Cash flow from operating activities	16,457	3,211	1,926	(121)	-	21,473
Balance sheets as of December 31, 2013						
Property, plant and equipment, intangible assets, net	75,169	8,998	4,671	262	-	89,100
Investments & loans in equity affiliates	11,499	2,568	737	-	-	14,804
Other non-current assets	4,125	1,045	1,475	567	-	7,212
Working capital	(237)	7,545	2,692	(1,974)	-	8,026
Provisions and other non-current liabilities	(22,894)	(3,216)	(1,669)	(936)	-	(28,715)
Assets and liabilities classified as held for sale	1,603	-	-	-	-	1,603
Capital Employed (balance sheet)	**69,265**	**16,940**	**7,906**	**(2,081)**	**-**	**92,030**
Less inventory valuation effect	-	(2,643)	(647)	(2)	-	(3,292)
Capital Employed (Business segment information)	**69,265**	**14,297**	**7,259**	**(2,083)**	**-**	**88,738**
ROACE as a percentage	**14%**	**9%**	**16%**	**-**	**-**	**13%**

For the year ended December 31, 2012 (M€)	Upstream	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Non-Group sales	22,143	91,117	86,614	187	-	200,061
Intersegment sales	31,521	44,470	755	199	(76,945)	-
Excise taxes	-	(3,593)	(14,169)	-	-	(17,762)
Revenues from sales	**53,664**	**131,994**	**73,200**	**386**	**(76,945)**	**182,299**
Operating expenses	(25,966)	(129,499)	(71,535)	(973)	76,945	(151,028)
Depreciation, depletion and amortization of tangible assets and mineral interests	(7,437)	(1,445)	(607)	(36)	-	(9,525)
Operating income	**20,261**	**1,050**	**1,058**	**(623)**	**-**	**21,746**
Equity in net income (loss) of affiliates and other items	2,325	213	(198)	276	-	2,616
Tax on net operating income	(12,359)	(263)	(380)	(127)	-	(13,129)
Net operating income	**10,227**	**1,000**	**480**	**(474)**	**-**	**11,233**
Net cost of net debt	-	-	-	-	-	(477)
Non-controlling interests	-	-	-	-	-	(147)
Net income	**-**	**-**	**-**	**-**	**-**	**10,609**

For the year ended December 31, 2012 (adjustments) [a] (M€)	Upstream	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Non-Group sales	(9)	-	-	-	-	(9)
Intersegment sales	-	-	-	-	-	-
Excise taxes	-	-	-	-	-	-
Revenues from sales	**(9)**	**-**	**-**	**-**	**-**	**(9)**
Operating expenses	(586)	(199)	(229)	(88)	-	(1,102)
Depreciation, depletion and amortization of tangible assets and mineral interests	(1,200)	(206)	(68)	-	-	(1,474)
Operating income [b]	**(1,795)**	**(405)**	**(297)**	**(88)**	**-**	**(2,585)**
Equity in net income (loss) of affiliates and other items	240	(41)	(119)	146	-	226
Tax on net operating income	637	70	66	(108)	-	665
Net operating income [b]	**(918)**	**(376)**	**(350)**	**(50)**	**-**	**(1,694)**
Net cost of net debt	-	-	-	-	-	-
Non-controlling interests	-	-	-	-	-	27
Net income	**-**	**-**	**-**	**-**	**-**	**(1,667)**

(a) Adjustments include special items, inventory valuation effect and the effect of changes in fair value.
(b) Of which inventory valuation effect

- on operating income	*-*	*(179)*	*(55)*	*-*
- on net operating income	*-*	*(116)*	*(39)*	*-*

For the year ended December 31, 2012 (adjusted) (M€) [a]	Upstream	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Non-Group sales	22,152	91,117	86,614	187	-	200,070
Intersegment sales	31,521	44,470	755	199	(76,945)	-
Excise taxes	-	(3,593)	(14,169)	-	-	(17,762)
Revenues from sales	**53,673**	**131,994**	**73,200**	**386**	**(76,945)**	**182,308**
Operating expenses	(25,380)	(129,300)	(71,306)	(885)	76,945	(149,926)
Depreciation, depletion and amortization of tangible assets and mineral interests	(6,237)	(1,239)	(539)	(36)	-	(8,051)
Adjusted operating income	**22,056**	**1,455**	**1,355**	**(535)**	**-**	**24,331**
Equity in net income (loss) of affiliates and other items	2,085	254	(79)	130	-	2,390
Tax on net operating income	(12,996)	(333)	(446)	(19)	-	(13,794)
Adjusted net operating income	**11,145**	**1,376**	**830**	**(424)**	**-**	**12,927**
Net cost of net debt	-	-	-	-	-	(477)
Non-controlling interests	-	-	-	-	-	(174)
Adjusted net income	**-**	**-**	**-**	**-**	**-**	**12,276**
Adjusted fully-diluted earnings per share (€)	**-**	**-**	**-**	**-**	**-**	**5.42**

(a) Except for earnings per share.

For the year ended December 31, 2012 (M€)	Upstream	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Total expenditures	19,618	1,944	1,301	80	-	22,943
Total divestments	2,798	304	152	2,617	-	5,871
Cash flow from operating activities	18,950	2,127	1,132	253	-	22,462
Balance sheets as of December 31, 2012						
Property, plant and equipment, intangible assets, net	68,310	9,220	4,433	227	-	82,190
Investments & loans in equity affiliates	11,080	1,971	708	-	-	13,759
Other non-current assets	3,226	1,194	1,293	419	-	6,132
Working capital	(329)	9,623	2,821	(1,772)	-	10,343
Provisions and other non-current liabilities	(21,492)	(3,046)	(1,627)	(1,296)	-	(27,461)
Assets and liabilities classified as held for sale	3,067	-	-	-	-	3,067
Capital Employed (balance sheet)	**63,862**	**18,962**	**7,628**	**(2,422)**	**-**	**88,030**
Less inventory valuation effect	-	(3,236)	(642)	-	-	(3,878)
Capital Employed (Business segment information)	**63,862**	**15,726**	**6,986**	**(2,422)**	**-**	**84,152**
ROACE as a percentage	**18%**	**9%**	**12%**	**-**	**-**	**16%**

For the year ended December 31, 2011 (M€)	Upstream	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Non-Group sales	22,211	77,146	85,325	11	-	184,693
Intersegment sales	27,301	44,277	805	185	(72,568)	-
Excise taxes	-	(2,362)	(15,781)	-	-	(18,143)
Revenues from sales	**49,512**	**119,061**	**70,349**	**196**	**(72,568)**	**166,550**
Operating expenses	(21,855)	(116,369)	(68,384)	(663)	72,568	(134,703)
Depreciation, depletion and amortization of tangible assets and mineral interests	(5,039)	(1,936)	(496)	(35)	-	(7,506)
Operating income	**22,618**	**756**	**1,469**	**(502)**	**-**	**24,341**
Equity in net income (loss) of affiliates and other items	2,198	647	(377)	336	-	2,804
Tax on net operating income	(13,576)	(138)	(441)	(41)	-	(14,196)
Net operating income	**11,240**	**1,265**	**651**	**(207)**	**-**	**12,949**
Net cost of net debt	-	-	-	-	-	(335)
Non-controlling interests	-	-	-	-	-	(305)
Net income	**-**	**-**	**-**	**-**	**-**	**12,309**

For the year ended December 31, 2011 (adjustments) [a] (M€)	Upstream	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Non-Group sales	45	-	-	-	-	45
Intersegment sales	-	-	-	-	-	-
Excise taxes	-	-	-	-	-	-
Revenues from sales	**45**	**-**	**-**	**-**	**-**	**45**
Operating expenses	-	852	271	-	-	1 123
Depreciation, depletion and amortization of tangible assets and mineral interests	(75)	(705)	(1)	-	-	(781)
Operating income [b]	**(30)**	**147**	**270**	**-**	**-**	**387**
Equity in net income (loss) of affiliates and other items	682	337	(363)	90	-	746
Tax on net operating income	(43)	(61)	(78)	(80)	-	(262)
Net operating income [b]	**609**	**423**	**(171)**	**10**	**-**	**871**
Net cost of net debt	-	-	-	-	-	-
Non-controlling interests	-	-	-	-	-	(19)
Net income	**-**	**-**	**-**	**-**	**-**	**852**

(a) Adjustments include special items, inventory valuation effect and the effect of changes in fair value.
(b) Of which inventory valuation effect

- on operating income	*-*	*928*	*287*	*-*
- on net operating income	*-*	*669*	*200*	*-*

For the year ended December 31, 2011 (adjusted) (M€) [a]	Upstream	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Non-Group sales	22,166	77,146	85,325	11	-	184,648
Intersegment sales	27,301	44,277	805	185	(72,568)	-
Excise taxes	-	(2,362)	(15,781)	-	-	(18,143)
Revenues from sales	**49,467**	**119,061**	**70,349**	**196**	**(72,568)**	**166,505**
Operating expenses	(21,855)	(117,221)	(68,655)	(663)	72,568	(135,826)
Depreciation, depletion and amortization of tangible assets and mineral interests	(4,964)	(1,231)	(495)	(35)	-	(6,725)
Adjusted operating income	**22,648**	**609**	**1,199**	**(502)**	**-**	**23,954**
Equity in net income (loss) of affiliates and other items	1,516	310	(14)	246	-	2,058
Tax on net operating income	(13,533)	(77)	(363)	39	-	(13,934)
Adjusted net operating income	**10,631**	**842**	**822**	**(217)**	**-**	**12,078**
Net cost of net debt	-	-	-	-	-	(335)
Non-controlling interests	-	-	-	-	-	(286)
Adjusted net income	**-**	**-**	**-**	**-**	**-**	**11,457**
Adjusted fully-diluted earnings per share (€)	**-**	**-**	**-**	**-**	**-**	**5.08**

(a) Except for earnings per share.

For the year ended December 31, 2011 (M€)	Upstream	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Total expenditures	20,662	1,910	1,834	135	-	24,541
Total divestments	2,591	2,509	1,955	1,523	-	8,578
Cash flow from operating activities	17,044	2,146	541	(195)	-	19,536
Balance sheets as of December 31, 2011						
Property, plant and equipment, intangible assets, net	63,250	9,037	4,338	245	-	76,870
Investments & loans in equity affiliates	10,581	1,658	756	-	-	12,995
Other non-current assets	2,446	1,492	1,188	3,075	-	8,201
Working capital	699	9,851	2,902	(1,374)	-	12,078
Provisions and other non-current liabilities	(20,064)	(3,220)	(1,664)	(1,201)	-	(26,149)
Assets and liabilities classified as held for sale	-	-	-	-	-	-
Capital Employed (balance sheet)	**56,912**	**18,818**	**7,520**	**745**	**-**	**83,995**
Less inventory valuation effect	-	(3 367)	(667)	13	-	(4 021
Capital Employed (Business segment information)	**56,912**	**15,451**	**6,853**	**758**	**-**	**79,974**
ROACE as a percentage	**21%**	**5%**	**13%**	**-**	**-**	**16%**

B) ROE (Return on Equity)

The Group evaluates the return on equity as the ratio of adjusted consolidated net income to average adjusted shareholders' equity between the beginning and the end of the period. Thus, adjusted shareholders' equity for the year ended December 31, 2013 is calculated after payment of a dividend of €2.38 per share, subject to approval by the shareholders' meeting on May 16, 2014.

The ROE is calculated as follows:

For the year ended December 31, (M€)	2013	2012	2011
Adjusted net income - Group share	10,745	12,276	11,457
Adjusted non-controlling interests	206	174	286
Adjusted consolidated net income	**10,951**	**12,450**	**11,743**
Shareholders' equity - Group share	72,629	71,185	66,945
Distribution of the income based on existing shares at the closing date	(1,362)	(1,299)	(1,255)
Non-controlling interests	2,281	1,280	1,352
Adjusted shareholders' equity [(a)]	**73,548**	**71,166**	**67,042**
ROE	**15%**	**18%**	**19%**

(a) Adjusted shareholders' equity as of December 31, 2010 amounted to €57,951 million.

C) Reconciliation of the information by business segment with Consolidated Financial Statements

The table below presents the impact of adjustment items on the consolidated statement of income:

For the year ended December 31, 2013 (M€)	Adjusted	Adjustments[(a)]	Consolidated statement of income
Sales	189,598	(56)	189,542
Excise taxes	(17,887)	-	(17,887)
Revenues from sales	171,711	(56)	171,655
Purchases net of inventory variation	(120,311)	(802)	(121,113)
Other operating expenses	(21,242)	(445)	(21,687)
Exploration costs	(1,633)	-	(1,633)
Depreciation, depletion and amortization of tangible assets and mineral interests	(8,239)	(792)	(9,031)
Other income	468	1,257	1,725
Other expense	(418)	(1,687)	(2,105)
Financial interest on debt	(670)	-	(670)
Financial income from marketable securities & cash equivalents	64	-	64
Cost of net debt	(606)	-	(606)
Other financial income	524	-	524
Other financial expense	(529)	-	(529)
Equity in net income (loss) of affiliates	2,586	(15)	2,571
Income taxes	(11,360)	250	(11,110)
Consolidated net income	**10,951**	**(2,290)**	**8,661**
Group share	10,745	(2,305)	8,440
Non-controlling interests	206	15	221

(a) Adjustments include special items, inventory valuation effect and the effect of changes in fair value.

For the year ended December 31, 2012 (M€)	Adjusted	Adjustments[a]	Consolidated statement of income
Sales	200,070	(9)	200,061
Excise taxes	(17,762)	-	(17,762)
Revenues from sales	182,308	(9)	182,299
Purchases net of inventory variation	(126,564)	(234)	(126,798)
Other operating expenses	(21,916)	(868)	(22,784)
Exploration costs	(1,446)	-	(1,446)
Depreciation, depletion and amortization of tangible assets and mineral interests	(8,051)	(1,474)	(9,525)
Other income	681	781	1,462
Other expense	(448)	(467)	(915)
Financial interest on debt	(671)	-	(671)
Financial income from marketable securities & cash equivalents	100	-	100
Cost of net debt	(571)	-	(571)
Other financial income	558	-	558
Other financial expense	(499)	-	(499)
Equity in net income (loss) of affiliates	2,098	(88)	2,010
Income taxes	(13,700)	665	(13,035)
Consolidated net income	**12,450**	**(1,694)**	**10,756**
Group share	12,276	(1,667)	10,609
Non-controlling interests	174	(27)	147

(a) Adjustments include special items, inventory valuation effect and the effect of changes in fair value.

For the year ended December 31, 2011 (M€)	Adjusted	Adjustments[a]	Consolidated statement of income
Sales	184,648	45	184,693
Excise taxes	(18,143)	-	(18,143)
Revenues from sales	166,505	45	166,550
Purchases net of inventory variation	(115,107)	1,215	(113,892)
Other operating expenses	(19,700)	(92)	(19,792)
Exploration costs	(1,019)	-	(1,019)
Depreciation, depletion and amortization of tangible assets and mineral interests	(6,725)	(781)	(7,506)
Other income	430	1,516	1,946
Other expense	(536)	(711)	(1,247)
Financial interest on debt	(713)	-	(713)
Financial income from marketable securities & cash equivalents	273	-	273
Cost of net debt	(440)	-	(440)
Other financial income	609	-	609
Other financial expense	(429)	-	(429)
Equity in net income (loss) of affiliates	1,984	(59)	1,925
Income taxes	(13,829)	(262)	(14,091)
Consolidated net income	**11,743**	**871**	**12,614**
Group share	11,457	852	12,309
Non-controlling interests	286	19	305

(a) Adjustments include special items, inventory valuation effect and the effect of changes in fair value.

D) Adjustment items by business segment

The adjustment items for income as per Note 2 to the Consolidated Financial Statements are detailed as follows:

Adjustments to operating income

For the year ended December 31, 2013 (M€)	Upstream	Refining & Chemicals	Marketing & Services	Corporate	Total
Inventory valuation effect	-	(737)	(65)	-	(802)
Effect of changes in fair value	(56)	-	-	-	(56)
Restructuring charges	-	(281)	(3)	-	(284)
Asset impairment charges	(651)	(138)	(3)	-	(792)
Other items	(86)	(41)	(34)	-	(161)
Total	**(793)**	**(1,197)**	**(105)**	**-**	**(2,095)**

Adjustments to net income, Group share

For the year ended December 31, 2013 (M€)	Upstream	Refining & Chemicals	Marketing & Services	Corporate	Total
Inventory valuation effect	-	(495)	(54)	-	(549)
Effect of changes in fair value	(44)	-	-	-	(44)
Restructuring charges	-	(405)	(23)	-	(428)
Asset impairment charges	(442)	(137)	(7)	-	(586)
Gains (losses) on disposals of assets	(31)	(41)	-	-	(72)
Other items	(86)	(511)	35	(64)	(626)
Total	**(603)**	**(1,589)**	**(49)**	**(64)**	**(2,305)**

Adjustments to operating income

For the year ended December 31, 2012 (M€)	Upstream	Refining & Chemicals	Marketing & Services	Corporate	Total
Inventory valuation effect	-	(179)	(55)	-	(234)
Effect of changes in fair value	(9)	-	-	-	(9)
Restructuring charges	-	(2)	-	-	(2)
Asset impairment charges	(1,200)	(206)	(68)	-	(1,474)
Other items	(586)	(18)	(174)	(88)	(866)
Total	**(1,795)**	**(405)**	**(297)**	**(88)**	**(2,585)**

Adjustments to net income, Group share

For the year ended December 31, 2012 (M€)	Upstream	Refining & Chemicals	Marketing & Services	Corporate	Total
Inventory valuation effect	-	(116)	(41)	-	(157)
Effect of changes in fair value	(7)	-	-	-	(7)
Restructuring charges	-	(24)	(53)	-	(77)
Asset impairment charges	(769)	(192)	(121)	(30)	(1,112)
Gains (losses) on disposals of assets	240	-	-	341	581
Other items	(382)	(44)	(108)	(361)	(895)
Total	**(918)**	**(376)**	**(323)**	**(50)**	**(1,667)**

Adjustments to operating income

For the year ended December 31, 2011 (M€)	Upstream	Refining & Chemicals	Marketing & Services	Corporate	Total
Inventory valuation effect	-	928	287	-	1,215
Effect of changes in fair value	45	-	-	-	45
Restructuring charges	-	-	-	-	-
Asset impairment charges	(75)	(706)	-	-	(781)
Other items	-	(75)	(17)	-	(92)
Total	**(30)**	**147**	**270**	**-**	**387**

Adjustments to net income, Group share

For the year ended December 31, 2011 (M€)	Upstream	Refining & Chemicals	Marketing & Services	Corporate	Total
Inventory valuation effect	-	669	165	-	834
Effect of changes in fair value	32	-	-	-	32
Restructuring charges	-	(72)	(50)	-	(122)
Asset impairment charges	(75)	(476)	(463)	-	(1,014)
Gains (losses) on disposals of assets	843	415	206	74	1,538
Other items	(178)	(113)	(61)	(64)	(416)
Total	622	423	(203)	10	852

E) Additional information on impairments

In the Upstream, Refining & Chemicals, Marketing & Services and Holdings segments, impairments of assets have been recognized for the year ended December 31, 2013, with an impact of €792 million in operating income and €586 million in net income, Group share. These impairments have been disclosed as adjustments to operating income and adjustments to net income, Group share. These items are identified in paragraph 4D above as adjustment items with the heading "Asset impairment charges".

The impairment losses impact certain Cash Generating Units (CGU) for which there were indications of impairment, due mainly to changes in the operating conditions or the economic environment of their specific businesses.

The principles applied are the following:

- the recoverable amount of CGU's has been based on their value in use, as defined in Note 1 paragraph L to the Consolidated Financial Statements "Impairment of long-lived assets";
- the future cash flows have been determined with the assumptions in the long-term plan of the Group. These assumptions (including future prices of products, supply and demand for products, future production volumes) represent the best estimate by management of the Group of all economic conditions during the remaining life of assets;
- the future cash flows, based on the long-term plan, are prepared over a period consistent with the life of the assets within the CGU. They are prepared post-tax and include specific risks attached to CGU assets. They are discounted using an 8% post-tax discount rate, this rate being a weighted-average capital cost estimated from historical market data. This rate has been applied consistently for the years ending in 2011, 2012 and 2013;
- the value in use calculated by discounting the above post-tax cash flows using an 8% post-tax discount rate is not materially different from value in use calculated by discounting pre-tax cash flows using a pre-tax discount rate determined by an iterative computation from the post-tax value in use. These pre-tax discount rates are in a range from 8% to 12% in 2013.

For the year ended December 31, 2013 impairments of assets have been recognized in respect of CGUs of the Upstream segment with an impact of €651 million in operating income and €442 million in net income, Group share. These impairments mainly concern shale gas assets in the Barnett basin of the United States due to the persistent weakness of gas prices in the American market (Henry Hub). They also include impairments of the Group's assets in Syria due to a permanent degradation of the security context.

A +10% variation in the price of hydrocarbons in identical operating conditions would have a positive impact in operating income of €195 million and €126 million in net income, Group share. A variation of (1)% in the discount rate would have a positive impact in operating income of €47 million and €30 million in net income, Group share. For these assets and certain assets where the value in use is close to the net book value, opposite variations in the above assumptions would have respective impacts in operating income of €(1,185) million and €(619) million, and of €(822) million and €(431) million in net income, Group share.

The additional impairments that could be recorded in the case of unfavourable evolutions of the price of hydrocarbons or discount rates concern mainly shale gas assets in the Barnett basin of the United States and assets in Australia and Kazakhstan.

The CGUs for the Refining & Chemicals segment are defined by the legal entities having the operating activities for the refining and petrochemical activities. The CGUs for the other activities of the sector are global divisions, each division grouping together a set of businesses or homogeneous products for strategic, commercial and industrial plans. For the year 2013 the Group recorded impairments of €138 million in operating profit and €137 million in net income, Group share, mainly linked to the project to adapt the Carling platform in France. In addition, in the context of persistent volatility of European refining margins, the Group did not change impairments on CGUs for refining in France and the United Kingdom. A +5% variation in gross margin under identical operating conditions or a (1)% or a +1% variation in the discount rate would not impact operating income or net income, Group share. An opposite variation in gross margin projections would have an impact in operating income of €(31) million and €(22) million in net income, Group share. This additional impairment in the case of unfavourable gross margin concerns mainly the Composites activity.

The CGUs of Marketing & Services are subsidiaries or groups of subsidiaries organised by relevant geographical zone. For the year 2013 the Group recorded impairments on CGUs of the Marketing & Services segment of €3 million in operating profit and €7 million in net income, Group share. Different scenarios of sensitivity (gross margin, discount rate, and solar unit sales prices) would not lead to additional impairments on CGUs of this segment.

For the year ended December 31, 2012, impairments of assets have been recognized in the Upstream, Refining & Chemicals, Marketing & Services and Holding segments with an impact of €1,474 million in operating income and €1,112 million in net income, Group share. These impairments have been disclosed as adjustments to operating income and adjustments to net income, Group share.

For the year ended December 31, 2011, impairments of assets have been recognized in the Upstream, Refining & Chemicals and Marketing & Services segments with an impact of €781 million in operating income and €1,014 million in net income, Group share.

These impairments have been disclosed as adjustments to operating income and adjustments to net income, Group share.

No reversal of impairment has been recognized for the years ended December 31, 2013, 2012, and 2011.

5) Information by geographical area

(M€)	France	Rest of Europe	North America	Africa	Rest of the world	Total
For the year ended December 31, 2013						
Non-Group sales	43,412	96,876	16,815	17,428	15,011	189,542
Property, plant and equipment, intangible assets, net	4,533	19,463	14,204	27,444	23,456	89,100
Capital expenditures	1,335	4,736	3,130	8,060	8,661	25,922
For the year ended December 31, 2012						
Non-Group sales	45,981	103,862	17,648	17,921	14,649	200,061
Property, plant and equipment, intangible assets, net	4,560	17,697	15,220	24,999	19,714	82,190
Capital expenditures	1,589	4,406	3,148	7,274	6,526	22,943
For the year ended December 31, 2011						
Non-Group sales	42,626	81,453	15,917	15,077	29,620	184,693
Property, plant and equipment, intangible assets, net	5,637	15,576	14,518	23,546	17,593	76,870
Capital expenditures	1,530	3,802	5,245	5,264	8,700	24,541

6) Operating expenses

For the year ended December 31, (M€)	2013	2012	2011
Purchases, net of inventory variation [a] [b]	(121,113)	(126,798)	(113,892)
Exploration costs	(1,633)	(1,446)	(1,019)
Other operating expenses [c]	(21,687)	(22,784)	(19,792)
of which non-current operating liabilities (allowances) reversals	*138*	*436*	*666*
of which current operating liabilities (allowances) reversals	*4*	*(51)*	*(150)*
Operating expenses	**(144,433)**	**(151,028)**	**(134,703)**

(a) Includes taxes paid on oil and gas production in the Upstream segment, namely royalties.
(b) The Group values under/overliftings at market value.
(c) Principally composed of production and administrative costs (see in particular the payroll costs as detailed in Note 26 to the Consolidated Financial Statements "Payroll and staff"). Also includes for 2012 an amount of €176 million for the exceptional contribution of 4% on the value of the oil stocks established by the second corrective finance act for 2012 in France.This exceptional contribution is due by every person, with the exception of the state, owning volumes of certain types of petroleum products situated in the territory of metropolitan France.

7) Other income and other expense

For the year ended December 31, (M€)	2013	2012	2011
Gains on disposal of assets	1,501	1,321	1,650
Foreign exchange gains	6	26	118
Other	218	115	178
Other income	**1,725**	**1,462**	**1,946**
Losses on disposal of assets	(1,433)	-	-
Foreign exchange losses	-	-	-
Amortization of other intangible assets (excl. mineral interests)	(219)	(250)	(592)
Other	(453)	(665)	(655)
Other expense	**(2,105)**	**(915)**	**(1,247)**

Other income

In 2013, gains on disposals were mainly related to the sale of Transport et Infrastructures Gaz France (TIGF) and the sales of interests in the Upstream segment: 25% interest in the Tempa Rossa field in Italy and all interests in Trinidad & Tobago (see Note 3 to the Consolidated Financial Statements).

In 2012, gains and losses on disposal of assets were mainly related to the sale of the interest in Sanofi and to the sale of assets in the Upstream segment (sales in Colombia (see Note 3 to the Consolidated Financial Statements), Great Britain and Nigeria).

In 2011, gains and losses on disposal of assets were mainly related to the sale of the interest in CEPSA, to the sale of assets in the Upstream segment (especially the sale of 10% Group's interest in the Colombian pipeline OCENSA) and to the sale of photocure and coatings resins businesses (see Note 3 to the Consolidated Financial Statements).

Other expense

In 2013, the loss on disposals is mainly related to the sale to Suncor Energy Inc. of TOTAL's 49% interest in the Voyageur upgrader project in Canada (see Note 3 to the Consolidated Financial Statements). The heading "Other" mainly consists of €212 million of restructuring charges in the Upstream, Refining & Chemicals and Marketing & Services segments.

In 2012, the heading "Other" was mainly comprised of a provision for the amount of $398 million in relation to a transaction in progress with the United States Securities and Exchange Commission (SEC) and the Department of Justice (DoJ) in the United States (see Note 32 to the Consolidated Financial Statements).

In 2011, the heading "Other" was mainly comprised of €243 million of restructuring charges in the Upstream, Refining & Chemicals and Marketing & Services segments.

8) Other financial income and expense

As of December 31, (M€)	2013	2012	2011
Dividend income on non-consolidated subsidiaries	152	223	330
Capitalized financial expenses	259	248	171
Other	113	87	108
Other financial income	**524**	**558**	**609**
Accretion of asset retirement obligations	(439)	(405)	(344)
Other	(90)	(94)	(85)
Other financial expense	**(529)**	**(499)**	**(429)**

9) Income taxes

TOTAL S.A. is taxed in accordance with the common French tax regime.

Since August 2012, an additional tax to corporate income tax of 3% is due on dividends distributed by French companies or foreign organizations subject to corporate income tax in France. This tax is liable on amounts distributed, the payment of which was due from August 17th, 2012, the effective date of the law.

The impact of this additional tax for the Group is a charge of €161 million in 2013 and of €120 million in 2012. This additional tax is not tax deductible.

In addition, no deferred tax is recognized for the temporary differences between the carrying amounts and tax bases of investments in foreign subsidiaries which are considered to be permanent investments. Undistributed earnings from foreign subsidiaries considered to be reinvested indefinitely amounted to €31,097 million as of December 31, 2013. The determination of the tax effect relating to such reinvested income is not practicable.

No deferred tax is recognized on unremitted earnings (approximately €28,195 million) of the Group's French subsidiaries since the remittance of such earnings would be tax exempt for the subsidiaries in which the Company owns 95% or more of the outstanding shares.

Income taxes are detailed as follows:

For the year ended December 31, (M€)	2013	2012	2011
Current income taxes	(10,246)	(12,430)	(12,495)
Deferred income taxes	(864)	(605)	(1,596)
Total income taxes	**(11,110)**	**(13,035)**	**(14,091)**

Before netting deferred tax assets and liabilities by fiscal entity, the components of deferred tax balances are as follows:

As of December 31, (M€)	2013	2012	2011
Net operating losses and tax carry forwards	3,325	2,247	1,584
Employee benefits	1,190	1,583	1,329
Other temporary non-deductible provisions	4,373	3,816	3,521
Gross deferred tax assets	**8,888**	**7,646**	**6,434**
Valuation allowance	(1,462)	(719)	(667)
Net deferred tax assets	**7,426**	**6,927**	**5,767**
Excess tax over book depreciation	(15,190)	(14,083)	(12,831)
Other temporary tax deductions	(2,369)	(2,697)	(2,721)
Gross deferred tax liability	**(17,559)**	**(16,780)**	**(15,552)**
Net deferred tax liability	**(10,133)**	**(9,853)**	**(9,785)**

Carried forward tax losses on net operating losses in the table above for €3,325 million as of December 31, 2013, includes notably Belgium for €575 million, France for €567 million and the United States for €476 million.
The impairment of deferred tax assets in the table above for €1,426 million as of December 31, 2013, relates notably to France for an amount of €365 million and to Belgium for an amount of €337 million.
After netting deferred tax assets and liabilities by fiscal entity, deferred taxes are presented on the balance sheet as follows:

As of December 31, (M€)	2013	2012	2011
Deferred tax assets, non-current	2,810	2,279	2,070
Deferred tax liabilities, non-current	(12,943)	(12,132)	(11,855)
Net amount	**(10,133)**	**(9,853)**	**(9,785)**

The net deferred tax variation in the balance sheet is analyzed as follows:

As of December 31, (M€)	2013	2012	2011
Opening balance	**(9,853)**	**(9,785)**	**(7,921)**
Deferred tax on income	(864)	(605)	(1,596)
Deferred tax on shareholders' equity [(a)]	(263)	425	136
Changes in scope of consolidation [(b)]	113	69	(17)
Currency translation adjustment	734	43	(387)
Closing balance	**(10,133)**	**(9,853)**	**(9,785)**

(a) This amount includes mainly deferred taxes on actuarial gains and losses current income taxes and deferred taxes for changes in fair value of listed securities classified as financial assets available for sale, as well as deferred taxes related to cash flow hedges (see Note 17 to the Consolidated Financial Statements).
(b) Changes in scope of consolidation include, as of December 31, 2013, the impact of reclassifications in assets classified as held for sale and liabilities directly associated with the assets classified as held for sale for €219 million.

Reconciliation between provision for income taxes and pre-tax income:

For the year ended December 31, (M€)	2013	2012	2011
Consolidated net income	8,661	10,756	12,614
Provision for income taxes	11,110	13,035	14,091
Pre-tax income	**19,771**	**23,791**	**26,705**
French statutory tax rate	38.00%	36.10%	36.10%
Theoretical tax charge	**(7,513)**	**(8,589)**	**(9,641)**
Difference between French and foreign income tax rates	(4,616)	(5,944)	(5,739)
Tax effect of equity in income (loss) of affiliates	977	726	695
Permanent differences	852	811	889
Adjustments on prior years income taxes	-	82	(19)
Adjustments on deferred tax related to changes in tax rates	2	(69)	(201)
Changes in valuation allowance of deferred tax assets	(812)	(52)	(71)
Other	-	-	(4)
Net provision for income taxes	**(11,110)**	**(13,035)**	**(14,091)**

The difference between the French tax rate and the tax rates of foreign subsidiaries is mainly due to the taxation of profits made by the Group in countries where it conducts its exploration and production activities at higher tax rates than French tax rates.

The French statutory tax rate includes the standard corporate tax rate (33.33%) and additional applicable taxes that bring the overall tax rate to 38.00% in 2013 (versus 36.10% in 2012 and 2011).

Permanent differences are mainly due to impairment of goodwill and to dividends from non-consolidated companies as well as the specific taxation rules applicable to certain activities.

Net operating losses and carried forward tax credits

Deferred tax assets related to carried forward tax credits on net operating losses expire in the following years:

As of December 31, (M€)	2013		2012		2011	
	Basis	Tax	Basis	Tax	Basis	Tax
2012	-	-	-	-	242	115
2013	-	-	316	150	171	81
2014	356	171	249	116	104	47
2015	270	129	167	75	8	2
2016 [a]	164	76	26	8	2,095	688
2017 [b]	410	134	3,187	971	-	-
2018 and after	3,216	966	-	-	-	-
Unlimited	5,506	1,849	3,049	927	2,119	651
Total	**9,922**	**3,325**	**6,994**	**2,247**	**4,739**	**1,584**

(a) Net operating losses and carried forward tax credits in 2016 and after for 2011.
(b) Net operating losses and carried forward tax credits in 2017 and after for 2012.

10) Intangible assets

As of December 31, 2013 (M€)	Cost	Amortization and impairment	Net
Goodwill	1,845	(937)	908
Proved mineral interests	8,926	(3,628)	5,298
Unproved mineral interests	7,563	(1,295)	6,268
Other intangible assets	3,609	(2,742)	867
Total intangible assets	**21,943**	**(8,602)**	**13,341**

As of December 31, 2012 (M€)	Cost	Amortization and impairment	Net
Goodwill	1,852	(963)	889
Proved mineral interests	8,803	(3,291)	5,512
Unproved mineral interests	6,416	(913)	5,503
Other intangible assets	3,571	(2,617)	954
Total intangible assets	**20,642**	**(7,784)**	**12,858**

As of December 31, 2011 (M€)	Cost	Amortization and impairment	Net
Goodwill	1,903	(993)	910
Proved mineral interests	8,319	(2,626)	5,693
Unproved mineral interests	5,400	(555)	4,845
Other intangible assets	3,377	(2,412)	965
Total intangible assets	**18,999**	**(6,586)**	**12,413**

Changes in net intangible assets are analyzed in the following table:

(M€)	Net amount as of January 1,	Acquisitions	Disposals	Amortization and impairment	Currency translation adjustment	Other	Net amount as of December 31,
2013	**12,858**	**2,746**	**(292)**	**(1,150)**	**(602)**	**(219)**	**13,341**
2012	12,413	2,466	(58)	(1,439)	(163)	(361)	12,858
2011	8,917	2,504	(428)	(991)	358	2,053	12,413

In 2013, the heading "Other" mainly includes mineral interests in Utica reclassified into acquisitions for €(455) million, the reclassification of assets in accordance with IFRS 5 "Non-current assets held for sale and discontinued operations" for €(70) million (see Note 34 to the Consolidated Financial Statements) and the reversal of the reclassification under IFRS 5 as at December 31, 2012 for €249 million corresponding to disposals.

In 2012, the heading "Other" mainly included the reclassification of assets in accordance with IFRS 5 "Non-current assets held for sale and discontinued operations" for €(333) million (see Note 34 to the Consolidated Financial Statements).

In 2011, the heading "Other" mainly included Chesapeake's Barnett shale mineral interests reclassified into the acquisitions for €(649) million, the not yet paid part of the acquisition of Chesapeake's mineral interests in Utica for €1,216 million, the reclassification of Joslyn's mineral interests sold in 2011 and formerly classified in accordance with IFRS 5 "Non-current assets held for sale and discontinued operations" for €384 million, and €697 million related to the acquisition of SunPower.

A summary of changes in the carrying amount of goodwill by business segment for the year ended December 31, 2013 is as follows:

(M€)	Net goodwill as of January 1, 2013	Increases	Impairments	Other	Net goodwill as of December 31, 2013
Upstream	2	-	-	-	2
Refining & Chemicals	788	63	-	(35)	816
Marketing & Services	74	-	-	(9)	65
Corporate	25	-	-	-	25
Total	**889**	**63**	**-**	**(44)**	**908**

11) Property, plant and equipment

As of December 31, 2013 (M€)	Cost	Depreciation and impairment	Net
Upstream properties			
Proved properties	97,534	(60,489)	37,045
Unproved properties	1,038	-	1,038
Work in progress	25,138	(41)	25,097
Subtotal	**123,710**	**(60,530)**	**63,180**
Other property, plant and equipment			
Land	1,339	(422)	917
Machinery, plant and equipment (including transportation equipment)	25,537	(19,508)	6,029
Buildings	6,563	(4,257)	2,306
Work in progress	1,680	(337)	1,343
Other	7,046	(5,062)	1,984
Subtotal	**42,165**	**(29,586)**	**12,579**
Total property, plant and equipment	**165,875**	**(90,116)**	**75,759**

As of December 31, 2012 (M€)	Cost	Depreciation and impairment	Net
Upstream properties			
Proved properties	87,896	(57,832)	30,064
Unproved properties	229	-	229
Work in progress	26,645	(172)	26,473
Subtotal	**114,770**	**(58,004)**	**56,766**
Other property, plant and equipment			
Land	1,354	(407)	947
Machinery, plant and equipment (including transportation equipment)	25,501	(19,458)	6,043
Buildings	6,489	(4,172)	2,317
Work in progress	1,732	(277)	1,455
Other	6,840	(5,036)	1,804
Subtotal	**41,916**	**(29,350)**	**12,566**
Total property, plant and equipment	**156,686**	**(87,354)**	**69,332**

As of December 31, 2011 (M€)	Cost	Depreciation and impairment	Net
Upstream properties			
Proved properties	84,222	(54,589)	29,633
Unproved properties	209	-	209
Work in progress	21,190	(15)	21,175
Subtotal	**105,621**	**(54,604)**	**51,017**
Other property, plant and equipment			
Land	1,346	(398)	948
Machinery, plant and equipment (including transportation equipment)	25,838	(18,349)	7,489
Buildings	6,241	(4,131)	2,110
Work in progress	1,534	(306)	1,228
Other	6,564	(4,899)	1,665
Subtotal	**41,523**	**(28,083)**	**13,440**
Total property, plant and equipment	**147,144**	**(82,687)**	**64,457**

Changes in net property, plant and equipment are analyzed in the following table:

(M€)	Net amount as of January 1,	Acquisitions	Disposals	Depreciation and impairment	Currency translation adjustment	Other	Net amount as of December 31,
2013	**69,332**	**19,654**	**(2,129)**	**(8,908)**	**(3,633)**	**1,443**	**75,759**
2012	64,457	17,439	(633)	(9,042)	(409)	(2,480)	69,332
2011	54,964	15,443	(1,489)	(7,636)	1,692	1,483	64,457

In 2013, the heading "Disposals" mainly includes the impact of sales of assets in the Upstream segment (sale of the Voyageur upgrader project in Canada and the sale of TOTAL's interests in the Tempa Rossa field in Italy).

In 2013, the heading "Depreciation and impairment" includes the impact of impairments of assets recognized for €792 million (see Note 4D to the Consolidated Financial Statements).

In 2013, the heading "Other" principally corresponds to the increase of the asset for site restitution for an amount of €2,069 million. It also includes €(405) million related to the reclassification of assets classified in accordance with IFRS 5 "Non-current assets held for sale and discontinued operations" and €(155) million related to the sale of the fertilizing businesses in Europe.

In 2012, the heading "Disposals" mainly included the impact of sales of assets in the Upstream segment in Great Britain, Norway and Nigeria.

In 2012, the heading "Depreciation and impairment" included the impact of impairments of shale gas assets in the Barnett basin recognized for €1,134 million (see Note 4E to the Consolidated Financial Statements).

In 2012, the heading "Other" principally included the reclassification of assets in accordance with IFRS 5 "Non-current assets held for sale and discontinued operations" for an amount of €2,992 million.

In 2011, the heading "Disposals" mainly included the impact of sales of assets in the Upstream segment (disposal of the interests in Gassled in Norway and in Joslyn's field in Canada) and in the Marketing & Services segment (disposal of Marketing assets in the United Kingdom) (see Note 3 to the Consolidated Financial Statements).

In 2011, the heading "Depreciation and impairment" included the impact of impairments of assets recognized for €781 million (see Note 4D to the Consolidated Financial Statements).

In 2011, the heading "Other" corresponded to the increase of the asset for site restitution for an amount of €653 million. It also included €428 million related to the reclassification of tangible assets of Joslyn and resins businesses sold in 2011 and formerly classified in accordance with IFRS 5 "Non-current assets held for sale and discontinued operations".

Property, plant and equipment presented above includes the following amounts for facilities and equipment under finance leases that have been capitalized:

As of December 31, 2013 (M€)	Cost	Depreciation and impairment	Net
Machinery, plant and equipment	391	(314)	77
Buildings	54	(26)	28
Other	198	(13)	185
Total	**643**	**(353)**	**290**

As of December 31, 2012 (M€)	Cost	Depreciation and impairment	Net
Machinery, plant and equipment	391	(294)	97
Buildings	54	(26)	28
Other	207	(2)	205
Total	**652**	**(322)**	**330**

As of December 31, 2011 (M€)	Cost	Depreciation and impairment	Net
Machinery, plant and equipment	414	(284)	130
Buildings	54	(25)	29
Other	-	-	-
Total	**468**	**(309)**	**159**

12) Equity affiliates: investments and loans

The contribution of equity affiliates in the consolidated balance sheet, consolidated statement of income and consolidated statement of comprehensive income is presented below:

Equity value

As of December 31, (M€)	2013	2012	2011
Total Associates	9,946	9,379	9,045
Total Joint ventures	2,281	2,020	1,704
Total	**12,227**	**11,399**	**10,749**
Loans	2,577	2,360	2,246
Total	**14,804**	**13,759**	**12,995**

Equity share in profit/(loss)

As of December 31, (M€)	2013	2012	2011
Total Associates	2,438	1,962	1,855
Total Joint ventures	133	48	70
Total	**2,571**	**2,010**	**1,925**

Other comprehensive income

As of December 31, (M€)	2013	2012	2011
Total Associates	(684)	95	(34)
Total Joint ventures	(173)	65	19
Total	**(857)**	**160**	**(15)**

In cases where the Group holds less than 20% of the voting rights in another entity, the determination of whether the Group exercises significant influence is also based on other facts and circumstances *i.e.,* representation on the board of directors or an equivalent governing body of the entity, participation in policy-making processes, including participation in decisions relating to dividends or other distributions, significant transactions between the investor and the entity, exchange of management personnel, or provision of essential technical information.

Information (100% gross) relating to significant associates is as follows:

Upstream

(M€)	Novatek [a]			Liquefaction entities			PetroCedeño		
	2013	2012	2011	2013	2012	2011	2013	2012	2011
Non current assets	9,874	8,689	6,508	22,971	23,307	24,396	4,542	4,604	4,518
Current assets	2,051	1,252	1,611	5,572	5,669	4,726	3,668	3,410	2,596
Total Assets	**11,925**	**9,941**	**8,119**	**28,543**	**28,976**	**29,122**	**8,210**	**8,014**	**7,114**
Shareholder's equity	7,746	7,040	4,478	16,863	15,855	16,586	4,047	4,228	4,067
Non current liabilities	3,578	2,060	2,271	8,320	9,615	9,939	135	158	181
Current liabilities	601	841	1,370	3,360	3,506	2,597	4,028	3,628	2,866
Total Liabilities	**11,925**	**9,941**	**8,119**	**28,543**	**28,976**	**29,122**	**8,210**	**8,014**	**7,114**
Revenues from sales	7,044	5,463	3,094	29,160	29,807	23,858	3,100	3,664	3,133
Net income	**1,993**	**2,914**	**845**	**10,828**	**10,851**	**10,112**	**452**	**406**	**181**
Other comprehensive income	**(837)**	**137**	**(114)**	**(751)**	**(64)**	**92**	**(185)**	**-**	**-**
% owned	16.96%	15.34%	14.09%				30.32%	30.32%	30.32%
Revaluation identifiable assets on equity affiliates	2,570	2,735	2,737	-	-	-	-	-	-
Equity value	3,884	3,815	3,368	2,627	2,310	2,369	1,227	1,282	1,233
Equity share in profit/(loss)	167	34	24	1,526	1,377	1,290	137	123	55
Equity other comprehensive income	(448)	113	(96)	(116)	(7)	11	(56)	-	-
Dividends paid to the Group	77	69	21	1,189	1,485	1,272	137	47	-

(a) Information includes estimates at the date of Total's financial statements.

Novatek, listed in Moscow and London, is the 2nd largest producer of natural gas in Russia. The Group share of Novatek's market value amounted to €4,542 million as at December 31, 2013.

The Group's interests in associates operating liquefaction plants are combined. The amounts include investments in; Nigeria LNG (15.00%), Angola LNG Ltd. (13.60%), Yemen LNG Co (39.62%), Qatargas (10.00%), Qatar Liquefied Gas Company Limited II – Train B (16.70%), Oman LNG (5.54%), Brass LNG (17.00%) and Abu Dhabi Gas Lc (5.00%).

PetroCedeño produces and upgrades extra-heavy crude oil in Venezuela.

Refining & Chemicals

(M€)	Saudi Aramco Total Refining & Petrochemicals			Qatar		
	2013	2012	2011	2013	2012	2011
Non current assets	8,960	7,867	5,893	2,079	1,941	1,964
Current assets	965	74	264	926	823	778
Total Assets	**9,925**	**7,941**	**6,157**	**3,005**	**2,764**	**2,742**
Shareholder's equity	1,077	472	325	1,906	1,721	1,477
Non current liabilities	7,571	7,013	4,835	349	686	994
Current liabilities	1,277	456	997	750	357	271
Total Liabilities	**9,925**	**7,941**	**6,157**	**3,005**	**2,764**	**2,742**
Revenues from sales	-	-	-	1,627	1,446	1,297
Net income	**(67)**	**(77)**	**(80)**	**760**	**720**	**645**
Other comprehensive income	**(45)**	**(8)**	**21**	**(86)**	**(31)**	**62**
% owned	37.50%	37.50%	37.50%			
Revaluation identifiable assets on equity affiliates	-	-	-	-	-	-
Equity value	404	177	121	579	513	376
Equity share in profit/(loss)	(25)	(29)	(30)	261	234	187
Equity other comprehensive income	(17)	(3)	8	(26)	(8)	19
Dividends paid to the Group	-	-	-	169	89	76

Saudi Aramco Total Refining & Petrochemicals is an entity including a refinery in Jubail, Saudi Arabia, with capacity of a 400,000 barrels/day with integrated petrochemical units.

The Group's interests in associates of the Refining & Chemicals segment, operating steam crackers and polyethylene lines in Qatar have been combined: Qatar Petrochemical Company Ltd. (20.00%) and Qatofin (49.09%).

The information (100% gross) relating to significant joint ventures is as follows:

(M€)	Liquefaction entities (Upstream)			Samsung Total Petrochemicals (Refining & Chemicals)		
	2013	2012	2011	2013	2012	2011
Non current assets	9,114	3,427	913	2,744	2,022	1,626
Current assets exluding cash and cash equivalents	38	99	60	968	918	780
Cash and cash equivalents	260	143	8	114	90	242
Total Assets	**9,412**	**3,669**	**981**	**3,826**	**3,030**	**2,648**
Shareholder's equity	625	904	662	1,694	1,516	1,412
Other non current liabilities	5	5	10	60	52	38
Non current financial debts	7,756	1,867	83	1,002	682	454
Other current liabilities	1,026	893	76	512	468	508
Current financial debts	-	-	150	558	312	236
Total Liabilities	**9,412**	**3,669**	**981**	**3,826**	**3,030**	**2,648**
Revenues from sales	5	-	-	5,412	5,004	4,432
Depreciation and amortisation	-	-	-	(150)	(166)	(130)
Interest income	-	-	-	-	-	-
Interest expense	-	-	-	(16)	(26)	(20)
Income taxes	-	-	-	(74)	(58)	(62)
Net income	**(70)**	**(63)**	**(29)**	**284**	**136**	**228**
Other comprehensive income	**(247)**	**2**	**41**	**(40)**	**88**	**(10)**
% owned				50.00%	50.00%	50.00%
Revaluation identifiable assets on equity affiliates	709	587	430	-	-	-
Equity value	844	781	576	847	758	706
Equity share in profit/(loss)	(16)	(13)	(7)	142	68	114
Equity other comprehensive income	(140)	21	26	(20)	44	(5)
Dividends paid to the Group	-	-	-	34	59	49

The Group's interests in joint ventures operating liquefaction plants have been combined. The amounts include investments in Yamal LNG in Russia (20.02% direct holding) and Ichthys LNG in Australia (30.00%).

Samsung Total Petrochemicals is a South Korean company that operates a petrochemical complex in Daesan, South Korea (condensate separator, steam cracker, styrene, paraxylene, polyolefins).

Off balance sheet commitments relating to joint ventures are disclosed in Note 23 of the Consolidated Financial Statements.

In Group share, the main aggregated financial items in equity consolidated affiliates, and that have not been presented individually are as follows:

As of December 31, (M€)	2013		2012		2011	
	Associates	Joint ventures	Associates	Joint ventures	Associates	Joint ventures
Non current assets	2,914	1,059	2,512	714	2,709	673
Current assets	1,086	1,103	927	1,001	1,125	1,036
Total Assets	**4,000**	**2,162**	**3,439**	**1,715**	**3,834**	**1,709**
Shareholder's equity	1,225	590	1,282	481	1,577	423
Non current liabilities	1,614	761	1,306	526	1,272	438
Current liabilities	1,161	811	851	708	985	848
Total Liabilities	**4,000**	**2,162**	**3,439**	**1,715**	**3,834**	**1,709**

As of December 31, (M€)	2013		2012		2011	
	Associates	Joint ventures	Associates	Joint ventures	Associates	Joint ventures
Revenues from sales	2,944	4,150	2,984	3,934	5,429	3,415
Net income	**372**	**7**	**223**	**(7)**	**329**	**(37)**
Other comprehensive income	(21)	13	-	-	24	(2)
Equity value	1,225	590	1,282	481	1,577	423
Dividends paid to the Group	336	36	425	32	367	22

The equity value of the Group's share in Shtokman Development AG amounts to €254 million as of December 31, 2013.

In 2007, TOTAL and Gazprom signed an agreement for the first phase of development of the Shtokman gas and condensates offshore field located in the Barents Sea. A joint venture, Shtokman Development AG ("SDAG") (TOTAL, 25%) was created in 2008 to design, build, finance and operate this first phase based on an initial development plan intended to produce 23.7 Bm^3/y (0.4 Mboe/d) of gas, with half of the gas being piped to Europe and the other half being exported as LNG.

The studies performed on the Shtokman project demonstrated that initially selected technical solutions had too high capital and operating costs to provide an acceptable return on investment, and led the partners at the first quarter 2012 to redefine the development plan for LNG production only.

Within this framework, TOTAL and Gazprom are pursuing discussions so as to conclude a new agreement reflecting the revised development scheme and replacing the previous agreement of 2007 expired since July 1st, 2012. In parallel, TOTAL and Gazprom are pursuing dialogue on technical studies to achieve an economically viable project.

13) Other investments

The investments detailed below are classified as "Financial assets available for sale" (see Note 1 paragraph M(ii) to the Consolidated Financial Statements).

As of December 31, 2013 (M€)	Carrying amount	Unrealized gain (loss)	Balance sheet value
Areva [a]	37	32	69
CME Group	1	10	11
Olympia Energy Fund – energy investment fund	36	(7)	29
Gevo	5	-	5
Other publicly traded equity securities	1	1	2
Total publicly traded equity securities [b]	**80**	**36**	**116**
BBPP	58	-	58
BTC Limited	104	-	104
Other equity securities	929	-	929
Total other equity securities [b]	**1,091**	**-**	**1,091**
Other investments	**1,171**	**36**	**1,207**

As of December 31, 2012 (M€)	Carrying amount	Unrealized gain (loss)	Balance sheet value
Areva [a]	37	10	47
CME Group	1	7	8
Olympia Energy Fund - energy investment fund	38	(6)	32
Gevo	3	-	3
Other publicly traded equity securities	1	-	1
Total publicly traded equity securities [b]	**80**	**11**	**91**
BBPP	61	-	61
Ocensa	83	-	83
BTC Limited	119	-	119
Other equity securities	836	-	836
Total other equity securities [b]	**1,099**	**-**	**1,099**
Other investments	**1,179**	**11**	**1,190**

As of December 31, 2011 (M€)	Carrying amount	Unrealized gain (loss)	Balance sheet value
Sanofi	2,100	351	2,451
Areva [a]	69	1	70
Arkema	-	-	-
Chicago Mercantile Exchange Group	1	6	7
Olympia Energy Fund - energy investment fund	38	(5)	33
Gevo	15	(3)	12
Other publicly traded equity securities	3	(1)	2
Total publicly traded equity securities [b]	**2,226**	**349**	**2,575**
BBPP	62	-	62
Ocensa [c]	85	-	85
BTC Limited	132	-	132
Other equity securities	820	-	820
Total other equity securities [b]	**1,099**	**-**	**1,099**
Other investments	**3,325**	**349**	**3,674**

(a) Unrealized gain based on the investment certificate.
(b) Including cumulative impairments of €722 million in 2013, €669 million in 2012 and €604 million in 2011.
(c) End of the accounting for by the equity method of Ocensa in July 2011 (see Note 3 to the Consolidated Financial Statements).

14) Other non-current assets

As of December 31, 2013 (M€)	Gross value	Valuation allowance	Net value
Loans and advances [a]	2,953	(361)	2,592
Other	603	-	603
Total	**3,556**	**(361)**	**3,195**

As of December 31, 2012 (M€)	Gross value	Valuation allowance	Net value
Loans and advances [a]	2,593	(386)	2,207
Other	456	-	456
Total	**3,049**	**(386)**	**2,663**

As of December 31, 2011 (M€)	Gross value	Valuation allowance	Net value
Loans and advances[a]	2,454	(399)	2,055
Other	402	-	402
Total	**2,856**	**(399)**	**2,457**

(a) Excluding loans to equity affiliates.

Changes in the valuation allowance on loans and advances are detailed as follows:

For the year ended December 31, (M€)	Valuation allowance as of January 1,	Increases	Decreases	Currency translation adjustment and other variations	Valuation allowance as of December 31,
2013	**(386)**	**(16)**	**7**	**34**	**(361)**
2012	(399)	(16)	18	11	(386)
2011	(464)	(25)	122	(32)	(399)

15) Inventories

As of December 31, 2013 (M€)	Gross value	Valuation allowance	Net value
Crude oil and natural gas	3,274	(18)	3,256
Refined products	6,430	(111)	6,319
Chemicals products	1,172	(78)	1,094
Trading inventories	3,191	-	3,191
Other inventories	2,697	(534)	2,163
Total	**16,764**	**(741)**	**16,023**

As of December 31, 2012 (M€)	Gross value	Valuation allowance	Net value
Crude oil and natural gas	3,044	(17)	3,027
Refined products	7,169	(86)	7,083
Chemicals products	1,440	(94)	1,346
Trading inventories	3,782	-	3,782
Other inventories	2,620	(461)	2,159
Total	**18,055**	**(658)**	**17,397**

As of December 31, 2011 (M€)	Gross value	Valuation allowance	Net value
Crude oil and natural gas	3,791	(24)	3,767
Refined products	7,483	(36)	7,447
Chemicals products	1,489	(103)	1,386
Trading inventories	3,233	-	3,233
Other inventories	2,695	(406)	2,289
Total	**18,691**	**(569)**	**18,122**

Changes in the valuation allowance on inventories are as follows:

For the year ended December 31, (M€)	Valuation allowance as of January 1,	Increase (net)	Currency translation adjustment and other variations	Valuation allowance as of December 31,
2013	**(658)**	**(119)**	**36**	**(741)**
2012	(569)	(96)	7	(658)
2011	(445)	(83)	(41)	(569)

16) Accounts receivable and other current assets

As of December 31, 2013 (M€)	Gross value	Valuation allowance	Net value
Accounts receivable	**17,523**	**(539)**	**16,984**
Recoverable taxes	2,482	-	2,482
Other operating receivables	7,303	(112)	7,191
Prepaid expenses	1,075	-	1,075
Other current assets	50	-	50
Other current assets	**10,910**	**(112)**	**10,798**

As of December 31, 2012 (M€)	Gross value	Valuation allowance	Net value
Accounts receivable	**19,678**	**(472)**	**19,206**
Recoverable taxes	2,796	-	2,796
Other operating receivables	6,416	(258)	6,158
Prepaid expenses	1,085	-	1,085
Other current assets	47	-	47
Other current assets	**10,344**	**(258)**	**10,086**

As of December 31, 2011 (M€)	Gross value	Valuation allowance	Net value
Accounts receivable	**20,532**	**(483)**	**20,049**
Recoverable taxes	2,398	-	2,398
Other operating receivables	7,750	(283)	7,467
Prepaid expenses	840	-	840
Other current assets	62	-	62
Other current assets	**11,050**	**(283)**	**10,767**

Changes in the valuation allowance on “Accounts receivable” and “Other current assets” are as follows:

For the year ended December 31, (M€)	Valuation allowance as of January 1,	Increase (net)	Currency translation adjustments and other variations	Valuation allowance as of December 31,
Accounts receivable				
2013	**(472)**	**(88)**	**21**	**(539)**
2012	(483)	(56)	67	(472)
2011	(476)	4	(11)	(483)
Other current assets				
2013	**(258)**	**122**	**24**	**(112)**
2012	(283)	26	(1)	(258)
2011	(136)	(132)	(15)	(283)

As of December 31, 2013, the net portion of the overdue receivables included in “Accounts receivable” and “Other current assets” was €2,764 million, of which €1,135 million was due in less than 90 days, €434 million was due between 90 days and 6 months, €547 million was due between 6 and 12 months and €648 million was due after 12 months.

As of December 31, 2012, the net portion of the overdue receivables included in “Accounts receivable” and “Other current assets” was €3,442 million, of which €2,025 million was due in less than 90 days, €679 million was due between 90 days and 6 months, €260 million was due between 6 and 12 months and €478 million was due after 12 months.

As of December 31, 2011, the net portion of the overdue receivables included in “Accounts receivable” and “Other current assets” was €3,556 million, of which €1,857 million was due in less than 90 days, €365 million was due between 90 days and 6 months, €746 million was due between 6 and 12 months and €588 million was due after 12 months.

17) Shareholders' equity

Number of TOTAL shares

The Company's common shares, par value €2.50, as of December 31, 2013 are the only category of shares. Shares may be held in either bearer or registered form.

Double voting rights are granted to holders of shares that are fully-paid and held in the name of the same shareholder for at least two years, with due consideration for the total portion of the share capital represented. Double voting rights are also assigned to restricted shares in the event of an increase in share capital by incorporation of reserves, profits or premiums based on shares already held that are entitled to double voting rights.

Pursuant to the Company's bylaws (Statutes), no shareholder may cast a vote at a shareholders' meeting, either by himself or through an agent, representing more than 10% of the total voting rights for the Company's shares. This limit applies to the aggregated amount of voting rights held directly, indirectly or through voting proxies. However, in the case of double voting rights, this limit may be extended to 20%.

These restrictions no longer apply if any individual or entity, acting alone or in concert, acquires at least two-thirds of the total share capital of the Company, directly or indirectly, following a public tender offer for all of the Company's shares.

The authorized share capital amounts to 3,417,495,344 shares as of December 31, 2013 compared to 3,421,533,930 shares as of December 31, 2012 and 3,446,401,650 shares as of December 31, 2011.

Variation of the share capital

As of December 31, 2010		**2,349,640,931**
Shares issued in connection with:	Capital increase reserved for employees	8,902,717
	Exercise of TOTAL share subscription options	5,223,665
As of December 31, 2011		**2,363,767,313**
Shares issued in connection with:	Capital increase as part of a global free share plan intended for the Group Employees	1,366,950
	Exercise of TOTAL share subscription options	798,883
As of December 31, 2012		**2,365,933,146**
Shares issued in connection with:	Capital increase reserved for employees	10,802,215
	Exercise of TOTAL share subscription options	942,799
As of 31 December 2013 [(a)]		**2,377,678,160**

(a) Including 109,214,448 treasury shares deducted from consolidated shareholders' equity.

The variation of both weighted-average number of shares and weighted-average number of diluted shares respectively used in the calculation of earnings per share and fully-diluted earnings per share is detailed as follows:

	2013	2012	2011
Number of shares as of January 1,	**2,365,933,146**	**2,363,767,313**	**2,349,640,931**
Number of shares issued during the year (pro rated)			
Exercise of TOTAL share subscription options	248,606	663,429	3,412,123
Exercise of TOTAL share purchase options	-	-	-
TOTAL performance shares	1,197,228	991,126	978,503
Global free TOTAL share plan [(a)]	227	683,868	506
Capital increase reserved for employees	7,201,477	-	5,935,145
TOTAL shares held by TOTAL S.A. or by its subsidiaries and deducted from shareholders' equity	(110,230,889)	(110,304,173)	(112,487,679)
Weighted-average number of shares	**2,264,349,795**	**2,255,801,563**	**2,247,479,529**
Dilutive effect			
TOTAL share subscription and purchase options	554,224	247,527	470,095
TOTAL performance shares	4,924,693	7,748,805	6,174,808
Global free TOTAL share plan [(a)]	852,057	1,703,554	2,523,233
Capital increase reserved for employees	862,889	1,134,296	303,738
Weighted-average number of diluted shares	**2,271,543,658**	**2,266,635,745**	**2,256,951,403**

(a) The Board of Directors approved on May 21, 2010 the implementation and conditions of a global free share plan intended for the Group Employees.

Capital increase reserved for Group employees

The Combined General Meeting of May 11, 2012, in its seventeenth resolution, delegated to the Board of Directors the authority to carry out in one or more occasions within a maximum period of twenty-six months, a capital increase reserved for employees belonging to an employee savings plan.

The Combined General Meeting of May 11, 2012, in its eighteenth resolution, also delegated to the Board of Directors the powers necessary to accomplish in one or more occasions within a maximum period of eighteen months, a capital increase with the objective of providing employees with their registered office located outside France with benefits comparable to those granted to the employees included in the seventeenth resolution of the Combined General Meeting of May 11, 2012.

Pursuant to these delegations, the Board of Directors, during its September 18, 2012, meeting, decided to proceed with a capital increase reserved for employees that included a classic offering and a leverage offering depending on the employees' choice, within the limit of 18 million shares with dividend rights as of January 1, 2012. This capital increase resulted in the subscription of 10,802,215 shares with a par value of €2.5 at a unit price of €30.70. The issuance of the shares was acknowledged on April 25, 2013.

The prior capital increase reserved for employees of the Group was decided by the Board of Directors on October 28, 2010, under the terms of the authorization of the Combined General Meeting of May 21, 2010, and resulted in the subscription of 8,902,717 shares with a par value of €2.5 at a unit price of €34.80. The issuance of the shares was acknowledged on April 28, 2011.

Capital increase as part of a global free share plan intended for Group employees

The Shareholders' Meeting held on May 16, 2008, in its seventeenth resolution, delegated to the Board of Directors the authority to grant, in one or more occasions within a maximum period of thirty-eight months, restricted shares to employees and executive officers of the Company or companies outside France affiliated with the Company, within a limit of 0.8% of the outstanding share capital of the Company as of the date of the decision of the Board of Directors to grant such shares.

Pursuant to this delegation, the Board of Directors, during its May 21, 2010 meeting, determined the terms of a global free share plan intended for Group Employees and granted the Chairman and Chief Executive Officer all powers necessary to implement this plan.

As a result, on July 2, 2012, the Chairman and Chief Executive Officer of the Group acknowledged the issuance and the final allocation of 1,366,950 ordinary shares with a nominal value of €2.50 to beneficiaries designated by the terms defined by the Board of Directors meeting held on May 21, 2010.

On December 31, 2013, 873,475 additional shares may be issued as part of this plan.

Share cancellation

The Group did not proceed with a reduction of capital by cancellation of shares held by the Company during the fiscal years 2011, 2012 and 2013.

Treasury shares (TOTAL shares held by TOTAL S.A.)

As of December 31, 2013, TOTAL S.A. holds 8,883,180 of its own shares, representing 0.37% of its share capital, detailed as follows:

- 8,764,020 shares allocated to TOTAL share grant plans for Group employees; and
- 119,160 shares intended to be allocated to new TOTAL share purchase option plans or to new share grant plans.

These shares are deducted from the consolidated shareholders' equity.

As of December 31, 2012, TOTAL S.A. holds 8,060,371 of its own shares, representing 0.34% of its share capital, detailed as follows:

- 7,994,470 shares allocated to TOTAL share grant plans for Group employees; and
- 65,901 shares intended to be allocated to new TOTAL share purchase option plans or to new share grant plans.

These shares are deducted from the consolidated shareholders' equity.

As of December 31, 2011, TOTAL S.A. held 9,222,905 of its own shares, representing 0.39% of its share capital, detailed as follows:

- 6,712,528 shares allocated to TOTAL share grant plans for Group Employees;
- 2,510,377 shares intended to be allocated to new TOTAL share purchase option plans or to new share grant plans.

These shares were deducted from the consolidated shareholders' equity.

TOTAL shares held by Group subsidiaries

As of December 31, 2013, 2012 and 2011, TOTAL S.A. held indirectly through its subsidiaries 100,331,268 of its own shares, representing 4.22% of its share capital as of December 31, 2013, 4.24% of its share capital as of December 31, 2012 and 4.24% of its share capital as of December 31, 2011 detailed as follows:

- 2,023,672 shares held by a consolidated subsidiary, Total Nucléaire, 100% indirectly controlled by TOTAL S.A.; and
- 98,307,596 shares held by subsidiaries of Elf Aquitaine (Financière Valorgest, Sogapar and Fingestval), 100% indirectly controlled by TOTAL S.A.

These shares are deducted from the consolidated shareholders' equity.

Dividend

TOTAL S.A. paid on March 21, 2013, the third quarterly interim dividend of €0.59 per share for the fiscal year 2012 (the ex-dividend date was March 18, 2013). TOTAL S.A. also paid on June 27, 2013, the balance of the dividend of €0.59 per share for the 2012 fiscal year (the ex-dividend date was June 24, 2013).

In addition, TOTAL S.A. paid two quarterly interim dividends for the fiscal year 2013:

– The first quarterly interim dividend of €0.59 per share for the fiscal year 2013, decided by the Board of Directors on April 25, 2013, was paid on September 27, 2013 (the ex-dividend date was September 24, 2013); and

– The second quarterly interim dividend of €0.59 per share for the fiscal year 2013, decided by the Board of Directors on July 25, 2013, was paid on December 19, 2013 (the ex-dividend date was December 16, 2013).

The Board of Directors, during its October 30, 2013 meeting, decided to set the third quarterly interim dividend for the fiscal year 2013 at €0.59 per share. This interim dividend will be paid on March 27, 2014 (the ex-dividend date will be March 24, 2014).

A resolution will be submitted at the shareholders' meeting on May 16, 2014 to pay a dividend of €2.38 per share for the 2013 fiscal year, *i.e.,* a balance of €0.61 per share to be distributed after deducting the three quarterly interim dividends of €0.59 per share that will have already been paid.

Paid-in surplus

In accordance with French law, the paid-in surplus corresponds to premiums related to shares, contributions or mergers of the parent company which can be capitalized or used to offset losses if the legal reserve has reached its minimum required level. The amount of the paid-in surplus may also be distributed subject to taxation except in cases of a refund of shareholder contributions.

As of December 31, 2013, paid-in surplus amounted to €28,020 million (€27,684 million as of December 31, 2012 and €27,655 million as of December 31, 2011).

Reserves

Under French law, 5% of net income must be transferred to the legal reserve until the legal reserve reaches 10% of the nominal value of the share capital. This reserve cannot be distributed to the shareholders other than upon liquidation but can be used to offset losses.

If wholly distributed, the unrestricted reserves of the parent company would be taxed for an approximate amount of €568 million as of December 31, 2013 (€539 million as of December 31, 2012 and €539 million as of December 31, 2011) with regards to additional corporation tax to be applied on regulatory reserves so that they become distributable.

Futhermore, the additional tax to corporate income tax of 3%, due on dividends distributed by French companies or foreign organizations subject to corporate income tax in France, established by the second corrective finance act for 2012 would be payable for an amount of €405 million (€375 million as of December 31, 2012).

Other comprehensive income

Detail of other comprehensive income showing items reclassified from equity to net income is presented in the table below:

For the year ended December 31, (M€)	2013	2012	2011
Actuarial gains and losses	513	(911)	(533)
Tax effect	(216)	362	191
Subtotal items not potentially reclassifiable to profit & loss	**297**	**(549)**	**(342)**
Currency translation adjustment	**(2,199)**	**(702)**	**1,483**
Unrealized gain/(loss) of the period	(2,216)	(713)	1,420
Less gain/(loss) included in net income	(17)	(11)	(63)
Available for sale financial assets	**25**	**(338)**	**337**
Unrealized gain/(loss) of the period	25	63	382
Less gain/(loss) included in net income	-	401	45
Cash flow hedge	**117**	**65**	**(84)**
Unrealized gain/(loss) of the period	182	152	(131)
Less gain/(loss) included in net income	65	87	(47)
Share of other comprehensive income of equity affiliates, net amount	**(857)**	**160**	**(15)**
Other	**(4)**	**(14)**	**(3)**
Unrealized gain/(loss) of the period	(4)	(14)	(3)
Less gain/(loss) included in net income	-	-	-
Tax effect	**(47)**	**63**	**(55)**
Subtotal items potentially reclassifiable to profit & loss	**(2,965)**	**(766)**	**1,663**
Total other comprehensive income, net amount	**(2,668)**	**(1,315)**	**1,321**

Tax effects relating to each component of other comprehensive income are as follows:

For the year ended December 31, (M€)	2013			2012			2011		
	Pre-tax amount	Tax effect	Net amount	Pre-tax amount	Tax effect	Net amount	Pre-tax amount	Tax effect	Net amount
Actuarial gains and losses	513	(216)	297	(911)	362	(549)	(533)	191	(342)
Subtotal items not potentially reclassifiable to profit & loss	**513**	**(216)**	**297**	**(911)**	**362**	**(549)**	**(533)**	**191**	**(342)**
Currency translation adjustment	(2,199)	-	(2,199)	(702)	-	(702)	1,483	-	1,483
Available for sale financial assets	25	(6)	19	(338)	89	(249)	337	(93)	244
Cash flow hedge	117	(41)	76	65	(26)	39	(84)	38	(46)
Share of other comprehensive income of equity affiliates, net amount	(857)	-	(857)	160	-	160	(15)	-	(15)
Other	(4)	-	(4)	(14)	-	(14)	(3)	-	(3)
Subtotal items potentially reclassifiable to profit & loss	**(2,918)**	**(47)**	**(2,965)**	**(829)**	**63**	**(766)**	**1,718**	**(55)**	**1,663**
Total other comprehensive income	**(2,405)**	**(263)**	**(2,668)**	**(1,740)**	**425**	**(1,315)**	**1,185**	**136**	**1,321**

Non-controlling interests

As of 31 December 2013, no subsidiary has non-controlling interests that would have a material effect on the Group financial statements.

18) Employee benefits obligations

Liabilities for employee benefits obligations consist of the following:

As of December 31, (M€)	2013	2012	2011
Pension benefits liabilities	2,244	2,774	2,413
Other benefits liabilities	571	701	628
Restructuring reserves (early retirement plans)	256	269	344
Total	**3,071**	**3,744**	**3,385**
Net liabilities relating to assets held for sale	-	9	-

Description of plans and risk management

The Group operates for the benefit of its current and former employees both defined benefit plans and defined contribution plans.

The Group recognized a charge of €97 million for defined contribution plans in 2013.

The Group's main defined benefit pension plans are located in France, the United Kingdom, the United States, Belgium and Germany. Their main characteristics, depending on the country-specific regulatory environment, are the following:

- the benefits are usually based on the final salary and seniority;
- they are usually funded (pension fund or insurer);
- they are usually closed to new employees who benefit from defined contribution pension plans; and
- they are paid in annuity or in lump sum.

The pension benefits include also termination indemnities and early retirement benefits. The other benefits are employer contributions to post-employment medical care.

In order to manage the inherent risks, the Group has implemented a dedicated governance framework to ensure the supervision of the different plans. These governance rules provide for:

- the Group's representation in key governance bodies or monitoring Committees;
- the principles of the funding policy;
- the general investment policy, including for most plans the establishment of a monitoring committee to define and follow the investment strategy and performance and ensure the principles in respect of investment allocation are respected;
- a procedure for to approve the establishment of new plans or amendment of existing plans;
- principles of administration, communication and reporting.

Change in benefit obligations and plan assets

The fair value of the defined benefit obligation and plan assets in the Consolidated Financial Statements is detailed as follows:

As of December 31, (M€)	Pension benefits			Other benefits		
	2013	2012	2011	2013	2012	2011
Change in benefit obligation						
Benefit obligation at beginning of year	10,893	9,322	8,740	701	628	623
Current service cost	219	180	163	16	14	13
Interest cost	388	429	420	23	29	28
Past service cost	9	204	9	(51)	8	3
Settlements	(68)	-	(111)	(1)	-	-
Plan participants' contributions	8	9	9	-	-	-
Benefits paid	(540)	(549)	(451)	(34)	(37)	(34)
Actuarial losses (gains)	(273)	1,217	435	(69)	58	(9)
Foreign currency translation and other	(259)	81	108	(14)	1	4
Benefit obligation at year-end	**10,377**	**10,893**	**9,322**	**571**	**701**	**628**
Of which plans entirely or partially funded	*9,632*	*9,918*	*8,277*	-	-	-
Of which plans not funded	*745*	*975*	*1,045*	*571*	*701*	*628*
Change in fair value of plan assets						
Fair value of plan assets at beginning of year	(8,148)	(7,028)	(6,809)	-	-	-
Interest income	(307)	(339)	(338)	-	-	-
Actuarial losses (gains)	(187)	(366)	108	-	-	-
Settlements	69	-	80	-	-	-
Plan participants' contributions	(8)	(9)	(9)	-	-	-
Employer contributions	(224)	(787)	(347)	-	-	-
Benefits paid	453	452	386	-	-	-
Foreign currency translation and other	163	(71)	(99)	-	-	-
Fair value of plan assets at year-end	**(8,189)**	**(8,148)**	**(7,028)**	**-**	**-**	**-**
Unfunded status	**2,188**	**2,745**	**2,294**	**571**	**701**	**628**
Asset ceiling	21	15	14	-	-	-
Net recognized amount	**2,208**	**2,760**	**2,308**	**571**	**701**	**628**
Pension benefits and other benefits liabilities	2,244	2,774	2,413	571	701	628
Other non-current assets	(36)	(23)	(105)	-	-	-
Net benefit liabilities relating to assets held for sale	-	9	-	-	-	-

The amounts recognized in the consolidated income statement and the consolidated statement of comprehensive income for defined benefit plans are detailed as follows:

For the year ended December 31, (M€)	Pension benefits			Other benefits		
	2013	2012	2011	2013	2012	2011
Current service cost	219	180	163	16	14	13
Past service cost	9	204	9	(51)	8	3
Settlements	1	-	(31)	(1)	-	-
Net interest cost	81	90	82	23	29	28
Benefit amounts recognized in Profit & Loss	**310**	**474**	**223**	**(13)**	**51**	**44**
Actuarial (Gains) Losses						
– Effect of changes in demographic assumptions	4	32	64	(7)	(1)	(9)
– Effect of changes in financial assumptions	(226)	1,030	419	(51)	67	10
– Effect of experience adjustments	(51)	155	(48)	(11)	(8)	(10)
– Actual return on plan assets (excluding interest income)	(187)	(366)	108	-	-	-
Effect of asset ceiling	16	2	(1)	-	-	-
Benefit amounts recognized in Equity	**(444)**	**853**	**542**	**(69)**	**58**	**(9)**
Total benefit amounts recognized in other comprehensive income	**(134)**	**1,327**	**765**	**(82)**	**109**	**35**

The past service cost recognized in 2012 for €204 million is mainly due to the amendment of certain French plans.

Expected future cash out flow

The average duration of accrued benefits is approximately 15 years for defined pension benefits and 14 years for other benefits. The Group expects to pay contributions of € 183 million in respect of funded pension plans in 2014.

Estimated future benefits either financed from plan assets or directly paid by the employer are detailed as follows:

Estimated future payments As of December 31, (M€)	Pension benefits	Other benefits
2014	566	29
2015	540	29
2016	550	30
2017	583	30
2018	541	30
2019-2023	2,896	159

Type of assets

Asset allocation	Pension benefits		
As of December 31,	2013	2012	2011
Equity securities	30%	29%	29%
Debt securities	64%	64%	64%
Monetary	2%	3%	4%
Real estate	4%	4%	3%

Investments on equity and debt markets are quoted on active markets.

Main actuarial assumptions and sensitivity analysis

Assumptions used to determine benefits obligations	Pension benefits			Other benefits		
As of December 31,	2013	2012	2011	2013	2012	2011
Discount rate (weighted average for all regions)	**4.14%**	**3.79%**	**4.61%**	**4.14%**	**3.82%**	**4.70%**
Of which Eurozone	*3.40%*	*3.20%*	*4.21%*	*3.44%*	*3.19%*	*4.25%*
Of which United States	*4.74%*	*4.00%*	*5.00%*	*4.71%*	*4.00%*	*4.97%*
Of which United Kingdom	*4.50%*	*4.25%*	*4.75%*	-	-	-
Inflation rate (weighted average for all regions)	**2.67%**	**2.24%**	**2.35%**			
Of which Eurozone	*2.00%*	*2.00%*	*2.00%*	-	-	-
Of which United Kingdom	*3.50%*	*2.75%*	*3.00%*	-	-	-

The discount rate retained is determined by reference to the high quality rates for AA-rated corporate bonds for a duration equivalent to that of the obligations. It derives from a benchmark per monetary area of different market data at the closing date.

A 0.5% increase or decrease in discount rates – all other things being equal – would have the following approximate impact on the benefit obligation:

(M€)	0.5% increase	0.5% decrease
Benefit obligation as of December 31, 2013	(728)	827

A 0.5% increase or decrease in inflation rates – all other things being equal – would have the following approximate impact on the benefit obligation:

(M€)	0.5% increase	0.5% decrease
Benefit obligation as of December 31, 2013	497	(454)

19) Provisions and other non-current liabilities

As of December 31, (M€)	2013	2012	2011
Litigations and accrued penalty claims	624	930	572
Provisions for environmental contingencies	841	556	600
Asset retirement obligations	9,287	7,624	6,884
Other non-current provisions	1,104	1,028	1,099
Other non-current liabilities	845	1,447	1,754
Total	**12,701**	**11,585**	**10,909**

In 2013, litigation reserves mainly include a provision of €624 million of which €506 million is in the Upstream, notably in Angola and Nigeria. Other risks and commitments that give rise to contingent liabilities are described in Note 32 to the Consolidated Financial Statements.

In 2013, other non-current provisions mainly include:

- The contingency reserve related to the Toulouse-AZF plant explosion (civil liability) for € 13 million as of December 31, 2013;
- Provisions related to restructuring activities in the Refining & Chemicals and Marketing & Services segments for € 199 million as of December 31, 2013;
- Provisions for financial risks related to non-consolidated and equity consolidated affiliates for € 172 million as of December 31, 2013;
- The contingency reserve regarding guarantees granted in relation to solar panels of SunPower for € 108 million as of December 31, 2013.

In 2013, other non-current liabilities mainly include debts (whose maturity is more than one year) related to fixed assets acquisitions. This heading is mainly composed of a €92 million debt related to the acquisition of an interest in the liquids-rich area of the Utica shale play (see Note 3 to the Consolidated Financial Statements).

In 2012, litigation reserves mainly included a provision of $398 million in relation to a transaction in progress with the United States Securities and Exchange Commission (SEC) and the Department of Justice (DoJ) in the United States (see Note 32 to the Consolidated Financial Statements). It also included a provision covering risks concerning antitrust investigations related to Arkema for an amount of €17 million as of December 31, 2012. Other risks and commitments that give rise to contingent liabilities are described in Note 32 to the Consolidated Financial Statements.

In 2012, other non-current provisions mainly included:

- The contingency reserve related to the Toulouse-AZF plant explosion (civil liability) for € 17 million as of December 31, 2012;
- Provisions related to restructuring activities in the Refining & Chemicals and Marketing & Services segments for € 196 million as of December 31, 2012;
- Provisions for financial risks related to non-consolidated and equity consolidated affiliates for € 147 million as of December 31, 2012; and

– The contingency reserve regarding guarantees granted in relation to solar panels of SunPower for €89 million as of December 31, 2012.

In 2012, other non-current liabilities mainly included debts (whose maturity is more than one year) related to fixed assets acquisitions. This heading was mainly composed of a €737 million debt related to the acquisition of an interest in the liquids-rich area of the Utica shale play (see Note 3 to the Consolidated Financial Statements).

In 2011, litigation reserves mainly included a provision covering risks concerning antitrust investigations related to Arkema amounting to €17 million as of December 31, 2011. Other risks and commitments that give rise to contingent liabilities are described in Note 32 to the Consolidated Financial Statements.

In 2011, other non-current provisions mainly included:

– The contingency reserve related to the Toulouse-AZF plant explosion (civil liability) for €21 million as of December 31, 2011;

– Provisions related to restructuring activities in the Refining & Chemicals and Marketing & Services segments for €227 million as of December 31, 2011; and

– The contingency reserve related to the Buncefield depot explosion (civil liability) for €80 million as of December 31, 2011.

In 2011, other non-current liabilities mainly included debts (whose maturity is more than one year) related to fixed assets acquisitions. This heading was mainly composed of a €991 million debt related to the acquisition of an interest in the liquids-rich area of the Utica shale play (see Note 3 to the Consolidated Financial Statements).

Changes in provisions and other non-current liabilities

Changes in provisions and other non-current liabilities are as follows:

(M€)	As of January 1,	Allowances	Reversals	Currency translation adjustment	Other	As of December 31,
2013	**11,585**	**1,309**	**(1,014)**	**(612)**	**1,433**	**12,701**
2012	10,909	1,217	(887)	47	299	11,585
2011	9,098	921	(798)	227	1,461	10,909

Allowances

In 2013, allowances for the period (€1,309 million) mainly includes:

– Asset retirement obligations for €439 million (accretion);

– Environmental contingencies for €358 million in the Marketing & Services and Refining & Chemicals segments of which €272 million is related to the Carling site in France;

– Provisions related to restructuring of activities for €117 million.

In 2012, allowances of the period (€1,217 million) mainly included:

– Asset retirement obligations for €405 million (accretion);

– Environmental contingencies for €74 million in the Marketing & Services and Refining & Chemicals segments;

– Provisions related to restructuring of activities for €74 million;

– A provision of $398 million in relation to a transaction in progress with the United States Securities and Exchange Commission (SEC) and the Department of Justice (DoJ) in the United States (see Note 32 to the Consolidated Financial Statements).

In 2011, allowances of the period (€921 million) mainly included:

– Asset retirement obligations for €344 million (accretion);

– Environmental contingencies for €100 million in the Refining & Chemicals segments; and

– Provisions related to restructuring of activities for €79 million.

Reversals

In 2013, reversals of the period (€1,014 million) are mainly related to the following incurred expenses:

– A provision of $398 million in relation to a transaction in progress with the United States Securities and Exchange Commission (SEC) and the Department of Justice (DoJ) in the United States (see Note 32 to the Consolidated Financial Statements);

– Provisions for asset retirement obligations for €287 million;

– Environmental contingencies written back for €75 million;

– The contingency reserve related to the Toulouse-AZF plant explosion (civil liability), written back for €4 million;

– Provisions for restructuring and social plans written back for €76 million.

In 2012, reversals of the period (€887 million) were mainly related to the following incurred expenses:

– Provisions for asset retirement obligations for €314 million;

– Environmental contingencies written back for €109 million;

– The contingency reserve related to the Toulouse-AZF plant explosion (civil liability), written back for €10 million;

– The contingency reserve related to the Buncefield depot explosion (civil liability), written back for €81 million; and

– Provisions for restructuring and social plans written back for €111 million.

In 2011, reversals of the period (€798 million) were mainly related to the following incurred expenses:

– Provisions for asset retirement obligations for €189 million;

– Environmental contingencies written back for €70 million;

– The contingency reserve related to the Toulouse-AZF plant explosion (civil liability), written back for €10 million;

– The contingency reserve related to the Buncefield depot explosion (civil liability), written back for €116 million; and

– Provisions for restructuring and social plans written back for €164 million.

Changes in the asset retirement obligation

Changes in the asset retirement obligation are as follows:

(M€)	As of January 1,	Accretion	Revision in estimates	New obligations	Spending on existing obligations	Currency translation adjustment	Other	As of December 31,
2013	**7,624**	**439**	**1,653**	**416**	**(287)**	**(523)**	**(35)**	**9,287**
2012	6,884	405	183	115	(314)	82	269	7,624
2011	5,917	344	330	323	(189)	150	9	6,884

In 2013 the heading "Revision in estimates" includes additional provisions in respect of asset restitution costs and the impact of the revision of the discount rate.

In 2012 the heading "Other" included €385 million increase in provisions to cover the costs of abandonment of wells in the Elgin-Franklin field (Great Britain) that will not return to production, and a €183 million increase in provisions for the restoration of the Lacq site in France on which activities are going to be stopped. These amounts were partially offset by sales of assets notably in Great Britain and Norway that have been reclassified in accordance with IFRS 5 "Non-current assets held for sale and discontinued operations" (see Note 34 to the Consolidated Financial Statements).

20) Financial debt and related financial instruments

A) Non-current financial debt and related financial instruments

As of December 31, 2013

(M€) (Assets)/Liabilities	Secured	Unsecured	Total
Non-current financial debt	519	24,550	25,069
of which hedging instruments of non-current financial debt (liabilities)	-	*236*	*236*
Hedging instruments of non-current financial debt (assets) [(a)]	-	(1,028)	(1,028)
Non-current financial debt – net of hedging instruments	**519**	**23,522**	**24,041**
Bonds after fair value hedge	-	18,828	18,828
Fixed rate bonds and bonds after cash flow hedge	-	4,408	4,408
Bank and other, floating rate	125	179	304
Bank and other, fixed rate	114	107	221
Financial lease obligations	280	-	280
Non-current financial debt – net of hedging instruments	**519**	**23,522**	**24,041**

(a) See the description of these hedging instruments in Notes 1 paragraph M(iii) "Long-term financing", 28 and 29 to the Consolidated Financial Statements.

As of December 31, 2012

(M€) (Assets)/Liabilities	Secured	Unsecured	Total
Non-current financial debt	713	21,561	22,274
of which hedging instruments of non-current financial debt (liabilities)	-	*11*	*11*
Hedging instruments of non-current financial debt (assets) [(a)]	-	(1,626)	(1,626)
Non-current financial debt – net of hedging instruments	**713**	**19,935**	**20,648**
Bonds after fair value hedge	-	15,227	15,227
Fixed rate bonds and bonds after cash flow hedge	-	4,504	4,504
Bank and other, floating rate	306	29	335
Bank and other, fixed rate	81	168	249
Financial lease obligations	326	7	333
Non-current financial debt – net of hedging instruments	**713**	**19,935**	**20,648**

(a) See the description of these hedging instruments in Notes 1 paragraph M(iii) "Long-term financing", 28 and 29 to the Consolidated Financial Statements.

As of December 31, 2011

(M€)

(Assets)/Liabilities	Secured	Unsecured	Total
Non-current financial debt	349	22,208	22,557
of which hedging instruments of non-current financial debt (liabilities)	-	*146*	*146*
Hedging instruments of non-current financial debt (assets)[(a)]	-	(1,976)	(1,976)
Non-current financial debt – net of hedging instruments	**349**	**20,232**	**20,581**
Bonds after fair value hedge	-	15,148	15,148
Fixed rate bonds and bonds after cash flow hedge	-	4,424	4,424
Bank and other, floating rate	129	446	575
Bank and other, fixed rate	76	206	282
Financial lease obligations	144	8	152
Non-current financial debt – net of hedging instruments	**349**	**20,232**	**20,581**

(a) See the description of these hedging instruments in Notes 1 paragraph M(iii) "Long-term financing", 28 and 29 to the Consolidated Financial Statements.

Fair value of bonds, as of December 31, 2013, after taking into account currency and interest rates swaps, is detailed as follows:

Bonds after fair value hedge (M€)	Year of issue	Fair value after hedging as of December 31, 2013	Fair value after hedging as of December 31, 2012	Fair value after hedging as of December 31, 2011	Currency	Maturity	Initial rate before hedging instruments
Parent company							
Bond	1998	-	127	129	FRF	2013	5.000%
Current portion (less than one year)		-	(127)	-			
Total Parent company		**-**	**-**	**129**			
TOTAL CAPITAL [a]							
Bond	2002	-	-	15	USD	2012	5.890%
Bond	2003	-	23	23	USD	2013	4.500%
Bond	2004	-	-	129	CHF	2012	2.375%
Bond	2004	49	51	52	NZD	2014	6.750%
Bond	2005	-	-	63	AUD	2012	5.750%
Bond	2005	-	-	200	CHF	2012	2.135%
Bond	2005	-	-	65	CHF	2012	2.135%
Bond	2005	-	-	97	CHF	2012	2.375%
Bond	2005	-	-	404	EUR	2012	3.250%
Bond	2005	-	-	57	NZD	2012	6.500%
Bond	2006	-	-	62	AUD	2012	5.625%
Bond	2006	-	-	72	CAD	2012	4.125%
Bond	2006	-	-	100	EUR	2012	3.250%
Bond	2006	-	-	74	GBP	2012	4.625%
Bond	2006	-	-	100	EUR	2012	3.250%
Bond	2006	-	125	125	CHF	2013	2.510%
Bond	2006	127	127	127	CHF	2014	2.635%
Bond	2006	130	130	130	CHF	2016	2.385%
Bond	2006	65	65	65	CHF	2016	2.385%
Bond	2006	64	64	64	CHF	2016	2.385%
Bond	2006	63	63	63	CHF	2016	2.385%
Bond	2006	129	129	129	CHF	2018	3.135%
Bond	2007	-	-	370	USD	2012	5.000%
Bond	2007	-	-	222	USD	2012	5.000%
Bond	2007	-	-	61	AUD	2012	6.500%
Bond	2007	-	-	72	CAD	2012	4.125%
Bond	2007	-	-	71	GBP	2012	4.625%
Bond	2007	-	300	300	EUR	2013	4.125%
Bond	2007	-	73	73	GBP	2013	5.500%
Bond	2007	-	305	306	GBP	2013	5.500%
Bond	2007	-	72	72	GBP	2013	5.500%
Bond	2007	248	248	248	CHF	2014	2.635%
Bond	2007	31	31	31	JPY	2014	1.505%
Bond	2007	61	61	61	CHF	2014	2.635%
Bond	2007	49	49	49	JPY	2014	1.723%
Bond	2007	121	121	121	CHF	2015	3.125%
Bond	2007	300	300	300	EUR	2017	4.700%
Bond	2007	76	76	76	CHF	2018	3.135%
Bond	2007	60	60	60	CHF	2018	3.135%
Bond	2008	-	-	62	CHF	2012	2.135%
Bond	2008	-	-	124	CHF	2012	3.635%
Bond	2008	-	-	46	CHF	2012	2.385%
Bond	2008	-	-	92	CHF	2012	2.385%
Bond	2008	-	-	64	CHF	2012	2.385%
Bond	2008	-	-	50	EUR	2012	3.250%
Bond	2008	-	-	63	GBP	2012	4.625%
Bond	2008	-	-	63	GBP	2012	4.625%
Bond	2008	-	-	63	GBP	2012	4.625%
Bond	2008	-	-	62	NOK	2012	6.000%
Bond	2008	-	-	69	USD	2012	5.000%

Bonds after fair value hedge (M€)	Year of issue	Fair value after hedging as of December 31, 2013	Fair value after hedging as of December 31, 2012	Fair value after hedging as of December 31, 2011	Currency	Maturity	Initial rate before hedging instruments
TOTAL CAPITAL[a] (continued)							
Bond	2008	-	60	60	AUD	2013	7.500%
Bond	2008	-	61	61	AUD	2013	7.500%
Bond	2008	-	127	128	CHF	2013	3.135%
Bond	2008	-	62	62	CHF	2013	3.135%
Bond	2008	-	200	200	EUR	2013	4.125%
Bond	2008	-	100	100	EUR	2013	4.125%
Bond	2008	-	999	1,000	EUR	2013	4.750%
Bond	2008	-	63	63	GBP	2013	5.500%
Bond	2008	-	149	149	JPY	2013	EURIBOR 6 months +0.008%
Bond	2008	-	191	191	USD	2013	4.000%
Bond	2008	61	61	61	CHF	2015	3.135%
Bond	2008	62	62	62	CHF	2015	3.135%
Bond	2008	61	61	61	CHF	2015	3.135%
Bond	2008	62	62	62	CHF	2018	3.135%
Bond	2009	-	56	56	AUD	2013	5.500%
Bond	2009	-	54	54	AUD	2013	5.500%
Bond	2009	-	236	236	CHF	2013	2.500%
Bond	2009	-	77	77	USD	2013	4.000%
Bond	2009	131	131	131	CHF	2014	2.625%
Bond	2009	997	998	998	EUR	2014	3.500%
Bond	2009	150	150	150	EUR	2014	3.500%
Bond	2009	40	40	40	HKD	2014	3.240%
Bond	2009	100	105	107	AUD	2015	6.000%
Bond	2009	549	550	550	EUR	2015	3.625%
Bond	2009	684	684	684	USD	2015	3.125%
Bond	2009	217	227	232	USD	2015	3.125%
Bond	2009	99	99	99	CHF	2016	2.385%
Bond	2009	115	115	115	GBP	2017	4.250%
Bond	2009	225	225	225	GBP	2017	4.250%
Bond	2009	451	448	448	EUR	2019	4.875%
Bond	2009	69	69	69	HKD	2019	4.180%
Bond	2010	99	103	105	AUD	2014	5.750%
Bond	2010	66	69	70	AUD	2015	6.000%
Bond	2010	67	70	71	AUD	2015	6.000%
Bond	2010	64	64	64	AUD	2015	6.000%
Bond	2010	104	109	111	CAD	2014	2.500%
Bond	2010	461	482	491	EUR	2022	3.125%
Bond	2010	51	53	54	NZD	2014	4.750%
Bond	2010	181	189	193	USD	2015	2.875%
Bond	2010	906	947	966	USD	2015	3.000%
Bond	2010	725	757	773	USD	2016	2.300%
Bond	2011	560	586	597	GBP	2018	3.875%
Bond	2011	108	113	116	AUD	2016	6.500%
Bond	2013	725	-	-	USD	2018	1.450%
Current portion (less than one year)		(2,137)	(3,333)	(2,992)			
Total TOTAL CAPITAL		**7,626**	**9,204**	**12,617**			
TOTAL CAPITAL CANADA Ltd.[b]							
Bond	2011	543	567	565	USD	2014	1.625%
Bond	2011	544	567	565	USD	2014	USLIBOR 3 months +0.38%
Bond	2011	72	76	75	AUD	2014	5.750%
Bond	2011	-	743	738	USD	2013	USLIBOR 3 months +0.09%
Bond	2011	80	83	82	NOK	2016	4.000%
Bond	2011	68	69	69	SEK	2016	3.625%
Bond	2013	724	-	-	USD	2018	1.450%
Bond	2013	111	-	-	AUD	2018	4.000%
Bond	2013	362	-	-	USD	2023	2.750%

Bonds after fair value hedge (M€)	Year of issue	Fair value after hedging as of December 31, 2013	Fair value after hedging as of December 31, 2012	Fair value after hedging as of December 31, 2011	Currency	Maturity	Initial rate before hedging instruments
TOTAL CAPITAL CANADA Ltd.[b] (continued)							
Bond	2013	726	-	-	USD	2016	USLIBOR 3 months +0.38%
Bond	2013	707	-	-	EUR	2020	4.000%
Current portion (less than one year)		(1,159)	(743)	-			
Total TOTAL CAPITAL CANADA Ltd		**2,778**	**1,362**	**2,094**			
TOTAL CAPITAL INTERNATIONAL[c]							
Bond	2012	75	78	-	AUD	2017	4.875%
Bond	2012	725	758	-	USD	2017	1.500%
Bond	2012	111	116	-	AUD	2017	4.125%
Bond	2012	1,088	1,137	-	USD	2017	1.550%
Bond	2012	73	76	-	NOK	2016	2.250%
Bond	2012	106	111	-	NOK	2017	2.250%
Bond	2012	464	485	-	EUR	2023	2.125%
Bond	2012	362	379	-	USD	2016	0.750%
Bond	2012	724	757	-	USD	2023	2.700%
Bond	2012	76	80	-	NOK	2017	2.250%
Bond	2012	76	79	-	AUD	2017	3.875%
Bond	2012	73	76	-	CAD	2017	2.000%
Bond	2013	235	-	-	EUR	2023	2.125%
Bond	2013	181	-	-	USD	2016	0.750%
Bond	2013	362	-	-	USD	2016	5.750%
Bond	2013	75	-	-	NOK	2018	1.000%
Bond	2013	363	-	-	USD	2018	USLIBOR 3 months +0.57%
Bond	2013	283	-	-	EUR	2020	2.125%
Bond	2013	218	-	-	USD	2020	USLIBOR 3 months +0.75%
Bond	2013	724	-	-	USD	2024	1.875%
Bond	2013	69	-	-	CAD	2018	2.375%
Bond	2013	825	-	-	EUR	2021	2.125%
Bond	2013	630	-	-	EUR	2025	2.875%
Current portion (less than one year)		-	-	-			
Total TOTAL CAPITAL INTERNATIONAL		**7,918**	**4,132**	**-**			
OTHER CONSOLIDATED SUBSIDIARIES		**506**	**529**	**308**			
Total bonds after fair value hedge		**18,828**	**15,227**	**15,148**			

Bonds after cash flow hedge and fixed rate bonds (M€)	Year of issue	Amount after hedging as of December 31, 2013	Amount after hedging as of December 31, 2012	Amount after hedging as of December 31, 2011	Currency	Maturity	Initial rate before hedging instruments
TOTAL CAPITAL [a]							
Bond	2005	-	-	294	GBP	2012	4.625%
Bond	2009	651	701	744	EUR	2019	4.875%
Bond	2009	363	379	386	USD	2021	4.250%
Bond	2009	804	926	1,016	EUR	2024	5.125%
Bond	2010	905	947	966	USD	2020	4.450%
Bond	2011	363	379	386	USD	2021	4.125%
Bond	2013	128	-	-	CNY	2018	3.750%
Current portion (less than one year)		-	-	(294)			
Total TOTAL CAPITAL		**3,214**	**3,332**	**3,498**			
TOTAL CAPITAL CANADA Ltd. [b]							
Bond	2013	363	-	-	USD	2023	2.750%
Current portion (less than one year)		-	-	-			
Total TOTAL CAPITAL CANADA Ltd [b]		**363**	**-**	**-**			
TOTAL CAPITAL INTERNATIONAL [c]							
Bond	2012	725	758	-	USD	2022	2.875%
Current portion (less than one year)		-	-	-			
Total TOTAL CAPITAL INTERNATIONAL [c]		**725**	**758**	**-**			
OTHER CONSOLIDATED SUBSIDIARIES		**106**	**414**	**926**			
Total Bonds after cash flow hedge		**4,408**	**4,504**	**4,424**			

(a) TOTAL CAPITAL is a wholly-owned indirect subsidiary of TOTAL S.A. (with the exception of one share held by each member of its Board of Directors). It acts as a financing vehicle for the Group. Its debt securities are fully and unconditionally guaranteed by TOTAL S.A. as to payment of principal, premium, if any, interest and any other amounts due.
(b) TOTAL CAPITAL CANADA Ltd. is a wholly-owned direct subsidiary of TOTAL S.A. It acts as a financing vehicle for the activities of the Group in Canada. Its debt securities are fully and unconditionally guaranteed by TOTAL S.A. as to payment of principal, premium, if any, interest and any other amounts due.
(c) TOTAL CAPITAL INTERNATIONAL is a wholly-owned direct subsidiary of TOTAL S.A. It acts as a financing vehicle for the Group. Its debt securities are fully and unconditionally guaranteed by TOTAL S.A. as to payment of principal, premium, if any, interest and any other amounts due.

Loan repayment schedule (excluding current portion)

As of December 31, 2013 (M€)	Non-current financial debt	*of which hedging instruments of non-current financial debt (liabilities)*	Hedging instruments of non-current financial debt (assets)	Non-current financial debt - net of hedging instruments	%
2015	3,625	*3*	(255)	3,370	14%
2016	3,441	*19*	(157)	3,284	14%
2017	3,094	*56*	(79)	3,015	12%
2018	3,386	*37*	(224)	3,162	13%
2019 and beyond	11,523	*121*	(313)	11,210	47%
Total	**25,069**	***236***	**(1,028)**	**24,041**	**100%**

As of December 31, 2012 (M€)	Non-current financial debt	*of which hedging instruments of non-current financial debt (liabilities)*	Hedging instruments of non-current financial debt (assets)	Non-current financial debt - net of hedging instruments	%
2014	4,163	*1*	(331)	3,832	19%
2015	3,903	*8*	(438)	3,465	17%
2016	2,335	-	(210)	2,125	10%
2017	3,275	-	(149)	3,126	15%
2018 and beyond	8,598	*2*	(498)	8,100	39%
Total	**22,274**	***11***	**(1,626)**	**20,648**	**100%**

As of December 31, 2011 (M€)	Non-current financial debt	*of which hedging instruments of non-current financial debt (liabilities)*	Hedging instruments of non-current financial debt (assets)	Non-current financial debt - net of hedging instruments	%
2013	5,021	*80*	(529)	4,492	22%
2014	4,020	*3*	(390)	3,630	18%
2015	4,070	*6*	(456)	3,614	18%
2016	1,712	*9*	(193)	1,519	7%
2017 and beyond	7,734	*48*	(408)	7,326	35%
Total	**22,557**	***146***	**(1,976)**	**20,581**	**100%**

Analysis by currency and interest rate

These analyses take into account interest rate and foreign currency swaps to hedge non-current financial debt.

As of December 31, (M€)	2013	%	2012	%	2011	%
U.S. dollar	20,236	84%	13,685	66%	8,645	42%
Euro	3,542	15%	5,643	27%	9,582	47%
Other currencies	263	1%	1,320	7%	2,354	11%
Total	**24,041**	**100%**	**20,648**	**100%**	**20,581**	**100%**

As of December 31, (M€)	2013	%	2012	%	2011	%
Fixed rate	4,909	20%	5,085	25%	4,854	24%
Floating rate	19,132	80%	15,563	75%	15,727	76%
Total	**24,041**	**100%**	**20,648**	**100%**	**20,581**	**100%**

B) Current financial assets and liabilities

Current borrowings consist mainly of commercial papers or treasury bills or draws on bank loans. These instruments bear interest at rates that are close to market rates.

As of December 31, (M€) (Assets)/Liabilities	2013	2012	2011
Current financial debt [(a)]	4,191	6,392	5,819
Current portion of non-current financial debt	3,925	4,624	3,856
Current borrowings *(Note 28)*	**8,116**	**11,016**	**9,675**
Current portion of hedging instruments of debt (liabilities)	228	84	40
Other current financial instruments (liabilities)	48	92	127
Other current financial liabilities *(Note 28)*	**276**	**176**	**167**
Current deposits beyond three months	(117)	(1,093)	(101)
Current portion of hedging instruments of debt (assets)	(340)	(430)	(383)
Other current financial instruments (assets)	(79)	(39)	(216)
Current financial assets *(Note 28)*	**(536)**	**(1,562)**	**(700)**
Current borrowings and related financial assets and liabilities, net	**7,856**	**9,630**	**9,142**

(a) As of December 31, 2011 and as of December 31, 2010, the current financial debt includes a commercial paper program in Total Capital Canada Ltd. Total Capital Canada Ltd. is a wholly-owned direct subsidiary of TOTAL S.A. It acts as a financing vehicle for the activities of the Group in Canada. Its debt securities are fully and unconditionally guaranteed by TOTAL S.A. as to payment of principal, premium, if any, interest and any other amounts due.

C) Net-debt-to-equity ratio

For its internal and external communication needs, the Group calculates a debt ratio by dividing its net financial debt by equity. Adjusted shareholders' equity for the year ended December 31, 2013 is calculated after payment of a dividend of €2.38 per share, subject to approval by the shareholders' meeting on May 16, 2014.

The net-debt-to-equity ratio is calculated as follows:

As of December 31, (M€) (Assets)/Liabilities	2013	2012	2011
Current borrowings	8,116	11,016	9,675
Other current financial liabilities	276	176	167
Current financial assets	(536)	(1,562)	(700)
Net financial assets and liabilities held for sale or exchange	(130)	756	-
Non-current financial debt	25,069	22,274	22,557
Hedging instruments on non-current financial debt	(1,028)	(1,626)	(1,976)
Cash and cash equivalents	(14,647)	(15,469)	(14,025)
Net financial debt	**17,120**	**15,565**	**15,698**
Shareholders' equity – Group share	72,629	71,185	66,945
Distribution of the income based on existing shares at the closing date	(1,362)	(1,299)	(1,255)
Non-controlling interests	2,281	1,280	1,352
Adjusted shareholders' equity	**73,548**	**71,166**	**67,042**
Net-debt-to-equity ratio	23.3%	21.9%	23.4%

21) Other creditors and accrued liabilities

As of December 31, (M€)	2013	2012	2011
Accruals and deferred income	217	240	231
Payable to States (including taxes and duties)	6,523	7,426	8,040
Payroll	1,140	1,128	1,062
Other operating liabilities	5,941	5,904	5,441
Total	13,821	14,698	14,774

As of December 31, 2013, the heading "Other operating liabilities" includes mainly the third quarterly interim dividend for the fiscal year 2013 for €1,361 million. This interim dividend will be paid in March 2014.

As of December 31, 2012, the heading "Other operating liabilities" included mainly the third quarterly interim dividend for the fiscal year 2012 for €1,366 million. This interim dividend was paid in March 2013.

As of December 31, 2011, the heading "Other operating liabilities" included mainly the third quarterly interim dividend for the fiscal year 2011 for €1,317 million. This interim dividend was paid in March 2012.

22) Lease contracts

The Group leases real estate, retail stations, ships, and other equipments (see Note 11 to the Consolidated Financial Statements).

The future minimum lease payments on operating and finance leases to which the Group is committed are shown as follows:

For the year ended December 31, 2013

(M€)	Operating leases	Finance leases
2014	807	52
2015	657	51
2016	600	48
2017	459	17
2018	361	17
2019 and beyond	1,174	206
Total minimum payments	**4,058**	**391**
Less financial expenses		(82)
Nominal value of contracts		**309**
Less current portion of finance lease contracts		(29)
Outstanding liability of finance lease contracts		**280**

For the year ended December 31, 2012

(M€)	Operating leases	Finance leases
2013	781	55
2014	569	54
2015	514	53
2016	441	51
2017	337	19
2018 and beyond	971	236
Total minimum payments	**3,613**	**468**
Less financial expenses		(108)
Nominal value of contracts		**360**
Less current portion of finance lease contracts		(27)
Outstanding liability of finance lease contracts		**333**

For the year ended December 31, 2011

(M€)	Operating leases	Finance leases
2012	762	41
2013	552	40
2014	416	37
2015	335	36
2016	316	34
2017 and beyond	940	20
Total minimum payments	**3,321**	**208**
Less financial expenses		(31)
Nominal value of contracts		**177**
Less current portion of finance lease contracts		(25)
Outstanding liability of finance lease contracts		**152**

Net rental expense incurred under operating leases for the year ended December 31, 2013 is €848 million (against €780 million in 2012 and €645 million in 2011).

23) Commitments and contingencies

As of December 31, 2013 (M€)	Total	Maturity and installments: Less than 1 year	Between 1 and 5 years	More than 5 years
Non-current debt obligations net of hedging instruments *(Note 20)*	23,761	-	12,721	11,040
Current portion of non-current debt obligations net of hedging instruments *(Note 20)*	3,784	3,784	-	-
Finance lease obligations *(Note 22)*	309	29	110	170
Asset retirement obligations *(Note 19)*	9,287	533	1,717	7,037
Contractual obligations recorded in the balance sheet	**37,141**	**4,346**	**14,548**	**18,247**
Operating lease obligations *(Note 22)*	4,058	807	2,077	1,174
Purchase obligations	86,275	14,546	24,663	47,066
Contractual obligations not recorded in the balance sheet	**90,333**	**15,353**	**26,740**	**48,240**
Total of contractual obligations	**127,474**	**19,699**	**41,288**	**66,487**
Guarantees given for excise taxes	1,772	1,485	74	213
Guarantees given against borrowings	6,001	80	2,687	3,234
Indemnities related to sales of businesses	232	5	98	129
Guarantees of current liabilities	525	89	169	267
Guarantees to customers/suppliers	3,528	1,537	138	1,853
Letters of credit	1,711	1,351	163	197
Other operating commitments	3,043	989	696	1,358
Total of other commitments given	**16,812**	**5,536**	**4,025**	**7,251**
Mortgages and liens received	282	15	1	266
Sales obligations	98,226	7,625	28,063	62,538
Other commitments received	5,941	3,211	1,269	1,461
Total of commitments received	**104,449**	**10,851**	**29,333**	**64,265**
Of which commitments given relating to joint ventures	*8,086*	*71*	*401*	*7,614*

As of December 31, 2012 (M€)	Total	Maturity and installments: Less than 1 year	Between 1 and 5 years	More than 5 years
Non-current debt obligations net of hedging instruments *(Note 20)*	20,315	-	12,405	7,910
Current portion of non-current debt obligations net of hedging instruments *(Note 20)*	4,251	4,251	-	-
Finance lease obligations *(Note 22)*	360	27	143	190
Asset retirement obligations *(Note 19)*	7,624	407	1,429	5,788
Contractual obligations recorded in the balance sheet	**32,550**	**4,685**	**13,977**	**13,888**
Operating lease obligations *(Note 22)*	3,613	781	1,861	971
Purchase obligations	83,219	12,005	21,088	50,126
Contractual obligations not recorded in the balance sheet	**86,832**	**12,786**	**22,949**	**51,097**
Total of contractual obligations	**119,382**	**17,471**	**36,926**	**64,985**
Guarantees given for excise taxes	1,675	1,507	70	98
Guarantees given against borrowings	3,952	117	2,695	1,140
Indemnities related to sales of businesses	193	4	49	140
Guarantees of current liabilities	403	133	105	165
Guarantees to customers/suppliers	3,586	1,982	113	1,491
Letters of credit	2,298	1,785	252	261
Other operating commitments	2,659	753	702	1,204
Total of other commitments given	**14,766**	**6,281**	**3,986**	**4,499**
Mortgages and liens received	435	117	8	310
Sales obligations	80,514	7,416	26,137	46,961
Other commitments received	5,564	3,465	859	1,240
Total of commitments received	**86,513**	**10,998**	**27,004**	**48,511**
Of which commitments given relating to joint ventures	*7,011*	-	*145*	*6,866*

As of December 31, 2011 (M€)	Total	Maturity and installments: Less than 1 year	Between 1 and 5 years	More than 5 years
Non-current debt obligations net of hedging instruments *(Note 20)*	20,429	-	13,121	7,308
Current portion of non-current debt obligations net of hedging instruments *(Note 20)*	3,488	3,488	-	-
Finance lease obligations *(Note 22)*	177	25	134	18
Asset retirement obligations *(Note 19)*	6,884	272	804	5,808
Contractual obligations recorded in the balance sheet	**30,978**	**3,785**	**14,059**	**13,134**
Operating lease obligations *(Note 22)*	3,321	762	1,619	940
Purchase obligations	77,353	11,049	20,534	45,770
Contractual obligations not recorded in the balance sheet	**80,674**	**11,811**	**22,153**	**46,710**
Total of contractual obligations	**111,652**	**15,596**	**36,212**	**59,844**
Guarantees given for excise taxes	1,765	1,594	73	98
Guarantees given against borrowings	4,778	1,027	2,797	954
Indemnities related to sales of businesses	39	-	34	5
Guarantees of current liabilities	376	262	35	79
Guarantees to customers/suppliers	3,265	1,634	57	1,574
Letters of credit	2,408	1,898	301	209
Other operating commitments	2,477	433	697	1,347
Total of other commitments given	**15,108**	**6,848**	**3,994**	**4,266**
Mortgages and liens received	408	7	119	282
Sales obligations	62,216	4,221	17,161	40,834
Other commitments received	6,740	4,415	757	1,568
Total of commitments received	**69,364**	**8,643**	**18,037**	**42,684**
Of which commitments given relating to joint ventures	-	-	-	-

A) Contractual obligations

Debt obligations

"Non-current debt obligations" are included in the items "Non-current financial debt" and "Hedging instruments of non-current financial debt" of the Consolidated Balance Sheet. It includes the non-current portion of swaps hedging bonds, and excludes non-current finance lease obligations of €280 million.

The current portion of non-current debt is included in the items "Current borrowings", "Current financial assets" and "Other current financial liabilities" of the Consolidated Balance Sheet. It includes the current portion of swaps hedging bonds, and excludes the current portion of finance lease obligations of €29 million.

The information regarding contractual obligations linked to indebtedness is presented in Note 20 to the Consolidated Financial Statements.

Lease contracts

The information regarding operating and finance leases is presented in Note 22 to the Consolidated Financial Statements.

Asset retirement obligations

This item represents the discounted present value of Upstream asset retirement obligations, primarily asset removal costs at the completion date. The information regarding contractual obligations linked to asset retirement obligations is presented in Notes 1Q and 19 to the Consolidated Financial Statements.

Purchase obligations

Purchase obligations are obligations under contractual agreements to purchase goods or services, including capital projects. These obligations are enforceable and legally binding on the Company and specify all significant terms, including the amount and the timing of the payments.

These obligations mainly include: hydrocarbon unconditional purchase contracts (except where an active, highly-liquid market exists and when the hydrocarbons are expected to be re-sold shortly after purchase), reservation of transport capacities in pipelines, unconditional exploration works and development works in the Upstream segment, and contracts for capital investment projects in the Refining & Chemicals segment.

B) Other commitments given

Guarantees given for excise taxes

They consist of guarantees given to other oil and gas companies in order to comply with French tax authorities' requirements for oil and gas imports in France. A payment would be triggered by a failure of the guaranteed party with respect to the French tax authorities. The default of the guaranteed parties is however considered to be highly remote by the Group.

Guarantees given against borrowings

The Group guarantees bank debt and finance lease obligations of certain non-consolidated subsidiaries and equity affiliates. Maturity dates vary, and guarantees will terminate on payment and/or cancellation of the obligation. A payment would be triggered by failure of the guaranteed party to fulfill its obligation covered by the guarantee, and no assets are held as collateral for these guarantees. As of December 31, 2013, the maturities of these guarantees are up to 2028.

Guarantees given against borrowings include the guarantee given in 2008 by TOTAL S.A. in connection with the financing of the Yemen LNG project for an amount of €528 million.

In 2010, TOTAL S.A. provided guarantees in connection with the financing of the Jubail project (operated by SAUDI ARAMCO TOTAL Refining and Petrochemical Company (SATORP)) of up to €2,311 million, proportional to TOTAL's share in the project (37.5%). In addition, TOTAL S.A. provided in 2010 a guarantee in favor of its partner in the Jubail project (Saudi Arabian Oil Company) with respect to Total Refining Saudi Arabia SAS's obligations under the shareholders agreement with respect to SATORP. As of December 31, 2013, this guarantee is of up to €892 million and has been recorded under "Other operating commitments".

In 2013, TOTAL S.A. provided guarantees in connection with the financing of the Ichthys LNG project for an amount of €2,218 million.

Indemnities related to sales of businesses

In the ordinary course of business, the Group executes contracts involving standard indemnities in oil industry and indemnities specific to transactions such as sales of businesses. These indemnities might include claims against any of the following: environmental, tax and shareholder matters, intellectual property rights, governmental regulations and employment-related matters, dealer, supplier, and other commercial contractual relationships. Performance under these indemnities would generally be triggered by a breach of terms of the contract or by a third party claim. The Group regularly evaluates the probability of having to incur costs associated with these indemnities.

The guarantees related to antitrust investigations granted as part of the agreement relating to the spin-off of Arkema are described in Note 32 to the Consolidated Financial Statements.

Other guarantees given

Non-consolidated subsidiaries

The Group also guarantees the current liabilities of certain non-consolidated subsidiaries. Performance under these guarantees would be triggered by a financial default of the entity.

Operating agreements

As part of normal ongoing business operations and consistent with generally and accepted recognized industry practices, the Group enters into numerous agreements with other parties. These commitments are often entered into for commercial purposes, for regulatory purposes or for other operating agreements.

C) Commitments received

Sales obligations

These amounts represent binding obligations under contractual agreements to sell goods, including in particular hydrocarbon unconditional sale contracts (except when an active, highly-liquid market exists and volumes are re-sold shortly after purchase).

24) Related parties

The main transactions and balances with related parties (principally non-consolidated subsidiaries and equity affiliates) are detailed as follows:

As of December 31, (M€)	2013	2012	2011
Balance sheet			
Receivables			
Debtors and other debtors	613	646	585
Loans (excl. loans to equity affiliates)	341	383	331
Payables			
Creditors and other creditors	876	713	724
Debts	13	9	31

For the year ended December 31, (M€)	2013	2012	2011
Statement of Income			
Sales	3,865	3,959	4,400
Purchases	5,475	5,721	5,508
Financial expense	-	-	-
Financial income	105	106	79

Compensation for the administration and management bodies

The aggregate amount of direct and indirect compensation accounted for by the French and foreign affiliates of the Company for the executive officers of TOTAL (the members of the Management Committee and the Treasurer) and for the members of the Board of Directors who are employees of the Group, is detailed as follows:

For the year ended December 31, (M€)	2013	2012	2011
Number of people	31	34	30
Direct or indirect compensation received	22.1	21.3	20.4
Pension expenses [a]	10.0	12.5	6.3
Other long-term benefits expenses	-	-	-
Termination benefits expenses	-	-	4.8
Share-based payments expense (IFRS 2) [b]	11.8	10.6	10.2

(a) The benefits provided for executive officers and certain members of the Board of Directors, employees and former employees of the Group, include severance to be paid on retirement, supplementary pension schemes and insurance plans, which represent €188.7 million provisioned as of December 31, 2013 (against €181.3 million as of December 31, 2012 and €139.7 million as of December 31, 2011).
(b) Share-based payments expense computed for the executive officers and the members of the Board of Directors who are employees of the Group as described in Note 25 paragraph E to the Consolidated Financial Statements and based on the principles of IFRS 2 "Share-based payments" described in Note 1 paragraph E to the Consolidated Financial Statements.

The compensation allocated to members of the Board of Directors for directors' fees totaled €1.25 million in 2013 (€1.10 million in 2012 and €1.07 million in 2011).

25) Share-based payments

A) TOTAL share subscription option plans

	2003 Plan	2004 Plan	2005 Plan	2006 Plan	2007 Plan	2008 Plan	2009 Plan	2010 Plan	2011 Plan	Total	Weighted average exercise price (€)
Date of the Shareholders' Meeting	05/17/2001	05/14/2004	05/14/2004	05/14/2004	05/11/2007	05/11/2007	05/11/2007	05/21/2010	05/21/2010		
Date of the award[a]	07/16/2003	07/20/2004	07/19/2005	07/18/2006	07/17/2007	10/09/2008	09/15/2009	09/14/2010	09/14/2011		
Exercise price until May 23, 2006 included (€)[b]	33.30	39.85	49.73	-	-	-	-	-	-		
Exercise price since May 24, 2006 (€)[b]	32.84	39.30	49.04	50.60	60.10	42.90	39.90	38.20	33.00		
Expiry date	07/16/2011	07/20/2012	07/19/2013	07/18/2014	07/17/2015	10/09/2016	09/15/2017	09/14/2018	09/14/2019		
Number of options[b]											
Existing options as of January 1, 2011	**5,734,444**	**12,338,847**	**6,178,856**	**5,640,886**	**5,866,445**	**4,349,158**	**4,371,890**	**4,787,300**	**-**	**49,267,826**	**43.80**
Granted	-	-	-	-	-	-	-	-	1,518,840	1,518,840	33.00
Canceled[c]	(738,534)	(28,208)	(16,320)	(17,380)	(16,080)	(13,260)	(14,090)	(85,217)	(1,000)	(930,089)	34.86
Exercised	(4,995,910)	(216,115)	-	-	-	(200)	-	(2,040)	(9,400)	(5,223,665)	33.11
Existing options as of January 1, 2012	**-**	**12,094,524**	**6,162,536**	**5,623,506**	**5,850,365**	**4,335,698**	**4,357,800**	**4,700,043**	**1,508,440**	**44,632,912**	**44.87**
Granted	-	-	-	-	-	-	-	-	-	-	-
Canceled[c]	-	(11,351,931)	(2,516)	(1,980)	(1,380)	(3,600)	(2,700)	(4,140)	(3,400)	(11,371,647)	39.31
Exercised	-	(742,593)	-	-	-	(1,630)	(20,200)	(34,460)	-	(798,883)	39.28
Existing options as of January 1, 2013	**-**	**-**	**6,160,020**	**5,621,526**	**5,848,985**	**4,330,468**	**4,334,900**	**4,661,443**	**1,505,040**	**32,462,382**	**46.96**
Granted	-	-	-	-	-	-	-	-	-	-	-
Canceled[c]	-	-	(6,159,390)	(900)	(1,020)	(360)	(1,080)	(720)	-	(6,163,470)	49.04
Exercised	-	-	(630)	-	-	(110,910)	(344,442)	(122,871)	(363,946)	(942,799)	37.37
Existing options as of December 31, 2013	**-**	**-**	**-**	**5,620,626**	**5,847,965**	**4,219,198**	**3,989,378**	**4,537,852**	**1,141,094**	**25,356,113**	**46.82**

(a) The grant date is the date of the Board meeting awarding the share subscription options, except for the grant of October 9, 2008, decided by the Board on September 9, 2008.
(b) In order to take into account the four-for-one stock split on May 18, 2006, the exercise prices of TOTAL subscription shares of the plans in force at that date were multiplied by 0.25 and the number of options awarded, outstanding, canceled or exercised before May 23, 2006 included was multiplied by four. Moreover, following the spin-off of Arkema, the exercise prices of TOTAL subscription shares of these plans were multiplied by an adjustment factor equal to 0.986147 effective as of May 24, 2006.
(c) Out of the options canceled in 2011, 2012 and 2013, 738,534 options that were not exercised expired on July 16, 2011 due to the expiry of the 2003 Plan, 11,351,931 options that were not exercised expired on July 20, 2012 due to the expiry of the 2004 Plan and 6,158,662 options that were not exercised expired on July 19, 2013 due to the expiry of the 2005 Plan.

Options are exercisable, subject to a continuous employment condition, after a 2-year period from the date of the Board meeting awarding the options and expire eight years after this date. The underlying shares may not be transferred during four years from the date of grant. For the 2007 to 2011 Plans, the 4-year transfer restriction period does not apply to employees of non-French subsidiaries as of the date of the grant, who may transfer the underlying shares after a 2-year period from the date of the grant.

Since the 2011 Plan, no new TOTAL share subscription option plan or TOTAL share purchase plan was decided.

2011 Plan

For the 2011 Plan, the Board of Directors decided that for each grantee other than the Chairman and Chief Executive Officer, the options will be finally granted to their beneficiary provided that the performance condition is fulfilled.

The performance condition states that the number of options finally granted is based on the average of the Return on Equity (ROE) of the Group. The average ROE is calculated by the Group from the Consolidated Balance Sheet and Statement of Income of the Group for fiscal years 2011 and 2012.

The acquisition rate:

- is equal to zero if the average ROE is less than or equal to 7%;
- varies on straight-line basis between 0% and 100% if the average ROE is more than 7% and less than 18%; and
- is equal to 100% if the average ROE is more than or equal to 18%.

In addition, as part of the 2011 Plan, the Board of Directors decided that the number of share subscription options finally awarded to the Chairman and Chief Executive Officer will be subject to two performance conditions:

– For 50% of the share subscription options granted, the performance condition states that the number of options finally granted is based on the average ROE of the Group. The average ROE is calculated by the Group from the Consolidated Balance Sheet and Statement of Income of the Group for fiscal years 2011 and 2012. The acquisition rate is equal to zero if the average ROE is less than or equal to 7%; varies on a straight-line basis between 0% and 100% if the average ROE is more than 7% and less than 18%; and is equal to 100% if the average ROE is more than or equal to 18%.

– For 50% of the share subscription options granted, the performance condition states that the number of options finally granted is based on the average of the Return on Average Capital Employed (ROACE) of the Group. The average ROACE is calculated by the Group from the Consolidated Balance Sheet and Statement of Income of the Group for fiscal years 2011 and 2012. The acquisition rate is equal to zero if the average ROACE is less than or equal to 6%; varies on a straight-line basis between 0% and 100% if the average ROACE is more than 6% and less than 15%; and is equal to 100% if the average ROACE is more than or equal to 15%.

B) TOTAL performance share grants

	2009 Plan	2010 Plan	2011 Plan	2012 Plan	2013 Plan	Total
Date of the Shareholders' Meeting	05/16/2008	05/16/2008	05/13/2011	05/13/2011	05/13/2011	
Date of the award	09/15/2009	09/14/2010	09/14/2011	07/26/2012	07/25/2013	
Date of the final award (end of the vesting period)	09/16/2011	09/15/2012	09/15/2013	07/27/2014	07/26/2016	
Transfer authorized as from	09/16/2013	09/15/2014	09/15/2015	07/27/2016	07/26/2018	
Number of performance shares						
Outstanding as of January 1, 2011	**2,954,336**	**3,000,637**	**-**	**-**	**-**	**5,954,973**
Notified	-	-	3,649,770	-	-	3,649,770
Canceled	(26,214)	(10,750)	(19,579)	-	-	(56,543)
Finally granted	(2,928,122)	(1,836)	-	-	-	(2,929,958)
Outstanding as of January 1, 2012	**-**	**2,988,051**	**3,630,191**	**-**	**-**	**6,618,242**
Notified	-	-	-	4,295,930	-	4,295,930
Canceled	832	(32,650)	(18,855)	-	-	(50,673)
Finally granted	(832)	(2,955,401)	(5,530)	-	-	(2,961,763)
Outstanding as of January 1, 2013	**-**	**-**	**3,605,806**	**4,295,930**	**-**	**7,901,736**
Notified	-	-	-	-	4,464,200	4,464,200
Canceled	-	-	(14,970)	(17,340)	(3,810)	(36,120)
Finally granted	-	-	(3,590,836)	(180)	-	(3,591,016)
Outstanding as of December 31, 2013	**-**	**-**	**-**	**4,278,410**	**4,460,390**	**8,738,800**

The performance shares, which are bought back by the Company on the market, are finally granted to their beneficiaries after a 3-year vesting period for the 2013 Plan and a 2-year vesting period for the previous plans, from the date of the grant. The final grant is subject to a continued employment condition and a performance condition. Moreover, the transfer of the performance shares finally granted will not be permitted until the end of a 2-year holding period from the date of the final grant.

2013 Plan

For the 2013 Plan, the Board of Directors decided that for senior executives (other than the Chairman and Chief Executive Officer), the final grant of all shares will be subject to a continued employment condition and a performance condition. The performance condition states that the number of shares finally granted is based on the average ROE of the Group. The average ROE is calculated by the Group based on TOTAL's consolidated balance sheet and statement of income for fiscal years 2013, 2014 and 2015. The acquisition rate:

– is equal to zero if the average ROE is less than or equal to 8%;

– varies on a straight-line basis between 0% and 100% if the average ROE is greater than 8% and less than 16%; and

– is equal to 100% if the average ROE is greater than or equal to 16%.

The Board of Directors also decided that, for each beneficiary (other than the Chairman and Chief Executive Officer and the senior executives) of more than 100 shares, the shares in excess of this number will be finally granted subject to the performance condition mentioned before.

In addition, as part of the 2013 plan, the Board of Directors decided that, subject to a continuous employment condition, the number of performance shares finally granted to the Chairman and Chief Executive Officer will be subject to two performance conditions:

– For 50% of the shares granted, the performance condition states that the number of shares finally granted is based on the average ROE of the Group. The average ROE is calculated by the Group from the consolidated balance sheet and statement of income of the Group for fiscal years 2013, 2014 and 2015. The acquisition rate is equal to zero if the average ROE is less than or equal to 8%; varies on a straight-line basis between 0% and 100% if the average ROE is more than 8% and less than 16%; and is equal to 100% if the average ROE is more than or equal to 16%.

– For 50% of the shares granted, the performance condition states that the number of shares finally granted is based on the average ROACE of the Group. The average ROACE is calculated by the

Group from the consolidated balance sheet and statement of income of the Group for fiscal years 2013, 2014 and 2015. The acquisition rate is equal to zero if the average ROACE is less than or equal to 7%; varies on a straight-line basis between 7% and 100% if the average ROACE is more than 7% and less than 15%; and is equal to 100% if the average ROACE is more than or equal to 15%.

2012 Plan

For the 2012 Plan, the Board of Directors decided that for senior executives (other than the Chairman and Chief Executive Officer), the final grant of all shares will be subject to a continued employment condition and a performance condition. The performance condition states that the number of shares finally granted is based on the average ROE of the Group. The average ROE is calculated by the Group based on TOTAL's consolidated balance sheet and statement of income for fiscal years 2012 and 2013. The acquisition rate:

– is equal to zero if the average ROE is less than or equal to 8%;

– varies on a straight-line basis between 0% and 100% if the average ROE is greater than 8% and less than 16%; and

– is equal to 100% if the average ROE is greater than or equal to 16%.

The Board of Directors also decided that, for each beneficiary (other than the Chairman and Chief Executive Officer and the senior executives) of more than 100 shares, the shares in excess of this number will be finally granted subject to the performance condition mentioned before.

In addition, as part of the 2012 plan, the Board of Directors decided that, subject to a continuous employment condition, the number of performance shares finally granted to the Chairman and Chief Executive Officer will be subject to two performance conditions:

– For 50% of the shares granted, the performance condition states that the number of shares finally granted is based on the average ROE of the Group. The average ROE is calculated by the Group from the consolidated balance sheet and statement of income of the Group for fiscal years 2012 and 2013. The acquisition rate is equal to zero if the average ROE is less than or equal to 8%; varies on a straight-line basis between 0% and 100% if the average ROE is more than 8% and less than 16%; and is equal to 100% if the average ROE is more than or equal to 16%.

– For 50% of the shares granted, the performance condition states that the number of shares finally granted is based on the average ROACE of the Group. The average ROACE is calculated by the Group from the consolidated balance sheet and statement of income of the Group for fiscal years 2012 and 2013. The acquisition rate is equal to zero if the average ROACE is less than or equal to 7%; varies on a straight-line basis between 7% and 100% if the average ROACE is more than 7% and less than 15%; and is equal to 100% if the average ROACE is more than or equal to 15%.

2011 Plan

For the 2011 Plan, the Board of Directors decided that for senior executives (other than the Chairman and Chief Executive Officer), the final grant of all shares will be subject to a continued employment condition and a performance condition. The performance condition states that the number of shares finally granted is based on the average ROE of the Group. The average ROE is calculated by the Group based on TOTAL's consolidated balance sheet and statement of income for fiscal years 2011 and 2012. The acquisition rate:

– is equal to zero if the average ROE is less than or equal to 7%;

– varies on a straight-line basis between 0% and 100% if the average ROE is greater than 7% and less than 18%; and

– is equal to 100% if the average ROE is greater than or equal to 18%.

The Board of Directors also decided that, for each beneficiary (other than the Chairman and Chief Executive Officer and the senior executives) of more than 100 shares, the shares in excess of this number will be finally granted subject to the performance condition mentioned before.

In addition, as part of the 2011 plan, the Board of Directors decided that, subject to a continuous employment condition, the number of performance shares finally granted to the Chairman and Chief Executive Officer will be subject to two performance conditions:

– For 50% of the shares granted, the performance condition states that the number of shares finally granted is based on the average ROE of the Group. The average ROE is calculated by the Group from the consolidated balance sheet and statement of income of the Group for fiscal years 2011 and 2012. The acquisition rate is equal to zero if the average ROE is less than or equal to 7%; varies on a straight-line basis between 0% and 100% if the average ROE is more than 7% and less than 18%; and is equal to 100% if the average ROE is more than or equal to 18%.

– For 50% of the shares granted, the performance condition states that the number of shares finally granted is based on the average ROACE of the Group. The average ROACE is calculated by the Group from the consolidated balance sheet and statement of income of the Group for fiscal years 2011 and 2012. The acquisition rate is equal to zero if the average ROACE is less than or equal to 6%; varies on a straight-line basis between 0% and 100% if the average ROACE is more than 6% and less than 15%; and is equal to 100% if the average ROACE is more than or equal to 15%.

Due to the application of the performance condition, the acquisition rate was 100% for the 2011 Plan. As a reminder, the acquisition rates were 100% for the 2009 and 2010 plans.

C) Global free TOTAL share plan

The Board of Directors approved at its meeting on May 21, 2010, the implementation and conditions of a global free share plan intended for the Group's employees (employees of TOTAL S.A. or companies in which TOTAL S.A. holds directly or indirectly an interest of more than 50%). On June 30, 2010, entitlement rights to twenty-five free shares were granted to every employee.

The final grant is subject to a continued employment condition during the plan's vesting period. Depending on the country in which the companies of the Group are located, the acquisition period is either two years followed by a conservation period of two years (for the countries with a 2+2 structure), or four years without any conservation period (for the countries with a 4+0 structure).

Following the vesting period, the shares awarded will be new shares, issued from an increase of capital of TOTAL S.A., by incorporation of paid-in surplus or retained earnings.

The Chairman and Chief Executive Officer acknowledged on July 2, 2012, the issuance and the award of 1,366,950 shares to the beneficiaries designated at the end of the 2-year acquisition period.

	2010 Plan (2 + 2)	2010 Plan (4 + 0)	Total
Date of the Shareholders' Meeting	05/16/2008	05/16/2008	
Date of the award [a]	06/30/2010	06/30/2010	
Date of the final award	07/01/2012	07/01/2014	
Transfer authorized as from	07/01/2014	07/01/2014	
Number of free shares			
Outstanding as of January 1, 2011	**1,508,650**	**1,070,575**	**2,579,225**
Notified	-	-	-
Canceled	(29,175)	(54,625)	(83,800)
Finally granted	(475)	(425)	(900)
Outstanding as of January 1, 2012	**1,479,000**	**1,015,525**	**2,494,525**
Notified	-	-	-
Canceled	(111,725)	(40,275)	(152,000)
Finally granted [b]	(1,367,275)	(350)	(1,367,625)
Outstanding as of January 1, 2013	**-**	**974,900**	**974,900**
Notified	-	-	-
Canceled	100	(101,150)	(101,050)
Finally granted	(100)	(275)	(375)
Outstanding as of December 31, 2013	**-**	**873,475**	**873,475**

(a) The June 30, 2010, grant was decided by the Board of Directors on May 21, 2010.
(b) Final grant of 1,366,950 shares to the designated beneficiaries at the end of the acquisition period.

D) SunPower plans

SunPower has three stock incentive plans: the 1996 Stock Plan ("1996 Plan"), the Third Amended and Restated 2005 SunPower Corporation Stock Incentive Plan ("2005 Plan") and the PowerLight Corporation Common Stock Option and Common Stock Purchase Plan ("PowerLight Plan"). The PowerLight Plan was assumed by SunPower by way of the acquisition of PowerLight in fiscal 2007. Under the terms of all three plans, SunPower may issue incentive or non-statutory stock options or stock purchase rights to directors, employees and consultants to purchase common stock. The 2005 Plan was adopted by SunPower's Board of Directors in August 2005, and was approved by shareholders in November 2005. The 2005 Plan replaced the 1996 Plan and allows not only for the grant of options, but also for the grant of stock appreciation rights, restricted stock grants, restricted stock units and other equity rights. The 2005 Plan also allows for tax withholding obligations related to stock option exercises or restricted stock awards to be satisfied through the retention of shares otherwise released upon vesting. The PowerLight Plan was adopted by PowerLight's Board of Directors in October 2000.

In May 2008, SunPower's stockholders approved an automatic annual increase available for grant under the 2005 Plan, beginning in fiscal 2009. The automatic annual increase is equal to the lower of three percent of the outstanding shares of all classes of SunPower's common stock measured on the last day of the immediately preceding fiscal quarter, 6.0 million shares, or such other number of shares as determined by SunPower's Board of Directors. Subsequent to the automatic annual increase effective December 30, 2013, shares available for grant will increase to approximately 7.6 million. No new awards are being granted under the 1996 Plan or the PowerLight Plan.

Incentive stock options may be granted at no less than the fair value of the common stock on the date of grant. Non-statutory stock options and stock purchase rights may be granted at no less than 85% of the fair value of the common stock at the date of grant. The options and rights become exercisable when and as determined by SunPower's Board of Directors, although these terms generally do not exceed ten years for stock options. Under the 1996 and 2005 Plans, the options typically vest over five years with a one-year cliff and monthly vesting thereafter. Under the PowerLight Plan, the options typically vest over five years with yearly cliff vesting. Under the 2005 Plan, the restricted stock grants and restricted stock units typically vest in three equal installments annually over three years.

The majority of shares issued are net of the minimum statutory withholding requirements that SunPower pays on behalf of its employees. During fiscal 2013, 2012, and 2011, the Company withheld 1,329,140 shares, 905,953 shares, and 221,262 shares, respectively, to satisfy the employees' tax obligations. SunPower pays such withholding requirements in cash to the appropriate taxing authorities. Shares withheld are treated as common stock repurchases for accounting and disclosure purposes and reduce the number of shares outstanding upon vesting.

The following table summarizes SunPower's stock option activities:

	Outstanding Stock Options			
	Shares (in thousands)	Weighted-Average Exercise Price Per Share (in dollars)	Weighted-Average Remaining Contractual Term (in years)	Aggregate Intrinsic Value (in thousands dollars)
Outstanding as of July 3, 2011	**519**	**25.39**		
Exercised	(29)	3.93		
Forfeited	(6)	31.29		
Outstanding as of January 1, 2012	**484**	**26.62**	**4.71**	**480**
Exercisable as of January 1, 2012	441	24.52	4.53	480
Expected to vest after January 1, 2012	40	48.08	6.64	-
Outstanding as of January 1, 2012	**484**	**26.62**		
Exercised	(20)	2.59		
Forfeited	(70)	24.17		
Outstanding as of December 30, 2012	**394**	**28.27**	**3.51**	**310**
Exercisable as of December 30, 2012	394	28.27	3.51	310
Outstanding as of January 1, 2013	**394**	**28.27**		
Exercised	(48)	3.24		
Forfeited	(26)	42.25		
Outstanding as of December 29, 2013	**320**	**30.87**	**2.78**	**3,269**
Exercisable as of December 29, 2013	320	30.87	2.78	3,269

The intrinsic value of options exercised in 2013, 2012, and 2011 were $0.8 million, $0.1 million, and $0.3 million, respectively. There were no stock options granted in 2013, 2012, and in the second half of 2011.

The aggregate intrinsic value in the preceding table represents the total pre-tax intrinsic value, based on the closing stock price of $28.91 at December 29, 2013, which would have been received by the option holders had all option holders exercised their options as of that date. The total number of in-the-money options exercisable was 0.2 million shares as of December 29, 2013.

The following table summarizes SunPower's non-vested stock options and restricted stock activities thereafter:

	Stock Options		Restricted Stock Awards and Units	
	Shares (in thousands)	Weighted-Average Exercise Price Per Share (in dollars)	Shares (in thousands)	Weighted-Average Grant Date Fair Value Per Share (in dollars)[a]
Outstanding as of July 3, 2011	**67**	**41.34**	**7,198**	**16.03**
Granted	-	-	2,336	6.91
Vested[b]	(19)	28.73	(691)	18.96
Forfeited	(5)	31.29	(1,473)	14.10
Outstanding as of December 31, 2011	**43**	**48.33**	**7,370**	**13.25**
Granted	-	-	5,638	5.93
Vested[b]	(30)	57.79	(2,845)	13.94
Forfeited	(13)	24.72	(1,587)	11.52
Outstanding as of December 31, 2012	**-**		**8,576**	**8.53**
Granted	-	-	5,607	15.88
Vested[b]	-	-	(3,583)	9.48
Forfeited	-	-	(1,008)	10.10
Outstanding as of December 31, 2013	**-**	**-**	**9,592**	**12.26**

(a) The Company estimates the fair value of the restricted stock unit awards as the stock price on the grant date.
(b) Restricted stock awards and units vested include shares withheld on behalf of employees to satisfy the minimum statutory tax withholding requirements.

E) Share-based payment expense

Share-based payment expense before tax for the year 2013 amounts to €216 million and is broken down as follows:

– €3 million for TOTAL share subscription plans;

– €128 million for TOTAL restricted shares plans;

– €74 million for SunPower plans; and

– €11 million for the capital increase reserved for employees (see Note 17).

Share-based payment expense before tax for the year 2012 amounted to €148 million and was broken down as follows:

– €13 million for TOTAL share subscription plans;

– €133 million for TOTAL restricted shares plans; and

– €2 million for SunPower plans.

Share-based payment expense before tax for the year 2011 amounted to €178 million and was broken down as follows:

– €27 million for TOTAL share subscription plans;

– €134 million for TOTAL restricted shares plans; and

– €17 million for SunPower plans.

The fair value of the options granted in 2011 has been measured according to the Black-Scholes method and based on the following assumptions:

For the year ended December 31,	2013	2012	2011
Risk free interest rate (%) [a]	-	-	2.0
Expected dividends (%) [b]	-	-	5.6
Expected volatility (%) [c]	-	-	27.5
Vesting period (years)	-	-	2
Exercise period (years)	-	-	8
Fair value of the granted options (€ per option)	-	-	4.4

(a) Zero coupon euro swap rate at 6 years.
(b) The expected dividends are based on the price of TOTAL share derivatives traded on the markets.
(c) The expected volatility is based on the implied volatility of TOTAL share options and of share indices options traded on the markets.

In 2013 and 2012 no new TOTAL share subscription option plan was decided.

The cost of capital increases reserved for employees is reduced to take into account the non transferability of the shares that could be subscribed by the employees over a period of five years. The valuation method of non transferability of the shares is based on a strategy cost in two steps consisting, first, in a five years forward sale of the nontransferable shares, and second, in purchasing the same number of shares in cash with a loan financing reimbursable "in fine". During 2011, the main assumptions used for the valuation of the cost of capital increase reserved for employees were the following:

For the year ended December 31,	2011
Date of the Board of Directors meeting that decided the issue	October 28, 2010
Subscription price (€)	34.80
Share price at the reference date (€) [a]	41.60
Number of shares (in millions)	8.90
Risk free interest rate (%) [b]	2.82
Employees' loan financing rate (%) [c]	7.23
Non transferability cost (% of the reference's share price)	17.6

(a) Share price at the date which the Chairman and Chief Executive Officer decided the subscription period.
(b) Zero coupon euro swap rate at 5 years.
(c) The employees' loan financing rate is based on a 5 year consumer's credit rate.

Due to the fact that the non transferability cost was higher than the discount, no cost has been accounted in 2011.

The Combined General Meeting of May 11, 2012 delegated to the Board of Directors, in its seventeenth resolution, the authority to carry out in one or more occasions within a maximum period of twenty-six months, a capital increase reserved for employees belonging to an employee savings plan.

This same Combined General Meeting of May 11, 2012 also delegated to the Board of Directors the powers necessary to accomplish in one or more occasions within a maximum period of eighteen months, a capital increase with the objective of providing employees with their registered office located outside France with benefits comparable to those granted to the employees included in the seventeenth resolution of the Combined General Meeting of May 11, 2012.

Pursuant to these delegations, the Board of Directors, during its September 18, 2012 meeting, decided to proceed with a capital increase reserved for employees that included a classic offer and a leveraged offer depending on the employees' choice, within the limit of 18 million shares with dividend rights as of January 1, 2012. This capital increase resulted in the subscription of 10,802,215 shares with a par value of €2.5 at a unit price of €30.70. The issuance of the shares was acknowledged on April 25, 2013.

The cost of the capital increase reserved for employees consists of the cost related to the discount on all the shares subscribed using both the classic and the leveraged schemes, and the opportunity gain for the shares subscribed using the leveraged scheme. This opportunity gain corresponds to the benefit of subscribing to the leveraged offer, rather than reproducing the same economic profile through the purchase of options in the market for individual investors.

The global cost is reduced to take into account the non transferability of the shares that could be subscribed by the employees over a period of five years. The valuation method of non transferability of the shares is based on a strategy cost in two steps consisting, first, in a five years forward sale of the nontransferable shares, and second, in purchasing the same number of shares in cash with a loan financing reimbursable "in fine".

During the year 2013, the main assumptions used for the valuation of the cost of the capital increase reserved for employees were the following:

For the year ended December 31,	2013
Date of the Board of Directors meeting that decided the issue	September 18, 2012
Subscription price (€) [(a)]	30.70
Share price at the reference date (€) [(b)]	39.57
Number of shares (in millions)	10.80
Risk free interest rate (%) [(c)]	0.88
Employees' loan financing rate (%) [(d)]	6.97
Non transferability cost (% of the reference's share price)	22.1

(a) Average of the closing TOTAL share prices during the twenty trading days prior to March 14, 2013, date on which the Chairman and Chief Executive Officer set the subscription period, after deduction of a 20% discount.
(b) Share price on March 14, 2013, date on which the Chairman and Chief Executive Officer set the subscription period.
(c) Zero coupon euro swap rate at 5 years.
(d) The employees' loan financing rate is based on a 5 year consumer's credit rate.

A cost of €10.6 million related to the capital increase reserved for employees has been accounted to the fiscal year 2013.

26) Payroll and staff

For the year ended December 31,	2013	2012	2011
Personnel expenses (M€)			
Wages and salaries (including social charges)	7,096	7,135	6,579
Group Employees			
France			
Management	11,189	11,347	11,123
Other	22,010	23,656	23,914
International			
Management	17,338	16,307	15,713
Other	48,262	45,816	45,354
Total	**98,799**	**97,126**	**96,104**

The number of employees includes only employees of fully consolidated subsidiaries.

27) Statement of cash flows

A) Cash flow from operating activities

The following table gives additional information on cash paid or received in the cash flow from operating activities:

For the year ended December 31, (M€)	2013	2012	2011
Interests paid	(538)	(694)	(679)
Interests received	57	73	277
Income tax paid [a]	(10,322)	(13,067)	(12,061)
Dividends received	2,107	2,419	2,133

(a) These amounts include taxes paid in kind under production-sharing contracts in the Exploration & Production.

Changes in working capital are detailed as follows:

For the year ended December 31, (M€)	2013	2012	2011
Inventories	812	372	(1,845)
Accounts receivable	2,396	767	(1,287)
Other current assets	(1,264)	(226)	(2,409)
Accounts payable	130	345	2,646
Other creditors and accrued liabilities	(144)	(174)	1,156
Net amount	**1,930**	**1,084**	**(1,739)**

B) Cash flow used in financing activities

Changes in non-current financial debt are detailed in the following table under a net value due to the high number of multiple drawings:

For the year ended December 31, (M€)	2013	2012	2011
Issuance of non-current debt	8,448	5,539	4,234
Repayment of non-current debt	(89)	(260)	(165)
Net amount	**8,359**	**5,279**	**4,069**

C) Cash and cash equivalents

Cash and cash equivalents are detailed as follows:

For the year ended December 31, (M€)	2013	2012	2011
Cash	9,351	6,202	4,715
Cash equivalents	5,296	9,267	9,310
Total	**14,647**	**15,469**	**14,025**

Cash equivalents are mainly composed of deposits less than three months deposited in government institutions or deposit banks selected in accordance with strict criteria.

28) Financial assets and liabilities analysis per instruments class and strategy

The financial assets and liabilities disclosed in the balance sheet are detailed as follows:

As of December 31, 2013 (M€)	Financial instruments related to financing and operational activities							Other financial instruments	Total	Fair value
	Amortized cost	Fair value								
Assets/(Liabilities)		Available for sale[a]	Held for trading	Financial debt[b]	Hedging of financial debt	Cash flow hedge	Net investment hedge and other			
Equity affiliates: loans	2,577	-	-	-	-	-	-	-	2,577	2,577
Other investments	-	1,207	-	-	-	-	-	-	1,207	1,207
Hedging instruments of non-current financial debt	-	-	-	-	873	155	-	-	1,028	1,028
Other non-current assets	2,592	-	-	-	-	-	-	-	2,592	2,592
Accounts receivable, net[c]	-	-	-	-	-	-	-	16,984	16,984	16,984
Other operating receivables	-	-	927	-	-	-	-	6,264	7,191	7,191
Current financial assets	117	-	78	-	340	1	-	-	536	536
Cash and cash equivalents	-	-	-	-	-	-	-	14,647	14,647	14,647
Total financial assets	**5,286**	**1,207**	**1,005**	**-**	**1,213**	**156**	**-**	**37,895**	**46,762**	**46,762**
Total non-financial assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**126,729**	**-**
Total assets	-	-	-	-	-	-	-	-	173,491	-
Non-current financial debt	(5,064)	-	-	(19,769)	(236)	-	-	-	(25,069)	(25,670)
Accounts payable[c]	-	-	-	-	-	-	-	(21,958)	(21,958)	(21,958)
Other operating liabilities	-	-	(615)	-	-	(19)	-	(5,307)	(5,941)	(5,941)
Current borrowings	(4,279)	-	-	(3,837)	-	-	-	-	(8,116)	(8,116)
Other current financial liabilities	-	-	(44)	-	(228)	(4)	-	-	(276)	(276)
Total financial liabilities	**(9,343)**	**-**	**(659)**	**(23,606)**	**(464)**	**(23)**	**-**	**(27,265)**	**(61,360)**	**(61,961)**
Total non-financial liabilities	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(112,131)**	**-**
Total liabilities	-	-	-	-	-	-	-	-	(173,491)	-

(a) Financial assets available for sale are measured at their fair value except for unlisted securities (see Note 1 paragraph M(ii) and Note 13 to the Consolidated Financial Statements).
(b) The financial debt is adjusted to the hedged risks value (currency and interest rate) as part of hedge accounting (see Note 1 paragraph M(iii) to the Consolidated Financial Statements).
(c) The impact of offsetting on accounts receivable, net is €(2,508) million and + €2,508 million on accounts payable.

As of December 31, 2012 (M€)	Financial instruments related to financing and trading activities							Other financial instruments	Total	Fair value
	Amortized cost	Fair value								
Assets/(Liabilities)		Available for sale[a]	Held for trading	Financial debt[b]	Hedging of financial debt	Cash flow hedge	Net investment hedge and other			
Equity affiliates: loans	2,360	-	-	-	-	-	-	-	2,360	2,360
Other investments	-	1,190	-	-	-	-	-	-	1,190	1,190
Hedging instruments of non-current financial debt	-	-	-	-	1,566	60	-	-	1,626	1,626
Other non-current assets	2,207	-	-	-	-	-	-	-	2,207	2,207
Accounts receivable, net[c]	-	-	-	-	-	-	-	19,206	19,206	19,206
Other operating receivables	-	-	681	-	-	-	-	5,477	6,158	6,158
Current financial assets	1,093	-	38	-	430	1	-	-	1,562	1,562
Cash and cash equivalents	-	-	-	-	-	-	-	15,469	15,469	15,469
Total financial assets	**5,660**	**1,190**	**719**	**-**	**1,996**	**61**	**-**	**40,152**	**49,778**	**49,778**
Total non-financial assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**121,446**	**-**
Total assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**171,224**	**-**
Non-current financial debt	(5,086)	-	-	(17,177)	(11)	-	-	-	(22,274)	(22,473)
Accounts payable[c]	-	-	-	-	-	-	-	(21,648)	(21,648)	(21,648)
Other operating liabilities	-	-	(456)	-	-	(10)	-	(5,438)	(5,904)	(5,904)
Current borrowings	(6,787)	-	-	(4,229)	-	-	-	-	(11,016)	(11,016)
Other current financial liabilities	-	-	(88)	-	(84)	(4)	-	-	(176)	(176)
Total financial liabilities	**(11,873)**	**-**	**(544)**	**(21,406)**	**(95)**	**(14)**	**-**	**(27,086)**	**(61,018)**	**(61,217)**
Total non-financial liabilities	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(110,206)**	**-**
Total liabilities	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(171,224)**	**-**

(a) Financial assets available for sale are measured at their fair value except for unlisted securities (see Note 1 paragraph M(ii) and Note 13 to the Consolidated Financial Statements).
(b) The financial debt is adjusted to the hedged risks value (currency and interest rate) as part of hedge accounting (see Note 1 paragraph M(iii) to the Consolidated Financial Statements).
(c) The impact of offsetting on accounts receivable, net is €(1,082) million and + €1,082 million on accounts payable.

As of December 31, 2011 (M€)	Financial instruments related to financing and trading activities							Other financial instruments	Total	Fair value
	Amortized cost	Fair value								
Assets/(Liabilities)		Available for sale[a]	Held for trading	Financial debt[b]	Hedging of financial debt	Cash flow hedge	Net investment hedge and other			
Equity affiliates: loans	2,246	-	-	-	-	-	-	-	2,246	2,246
Other investments	-	3,674	-	-	-	-	-	-	3,674	3,674
Hedging instruments of non-current financial debt	-	-	-	-	1,971	5	-	-	1,976	1,976
Other non-current assets	2,055	-	-	-	-	-	-	-	2,055	2,055
Accounts receivable, net[c]	-	-	-	-	-	-	-	20,049	20,049	20,049
Other operating receivables	-	-	1,017	-	-	-	-	6,450	7,467	7,467
Current financial assets	146	-	159	-	383	12	-	-	700	700
Cash and cash equivalents	-	-	-	-	-	-	-	14,025	14,025	14,025
Total financial assets	**4,447**	**3,674**	**1,176**	**-**	**2,354**	**17**	**-**	**40,524**	**52,192**	**52,192**
Total non-financial assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**111,513**	**-**
Total assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**163,705**	**-**
Non-current financial debt	(4,858)	-	-	(17,551)	(97)	(49)	-	(2)	(22,557)	(23,247)
Accounts payable[c]	-	-	-	-	-	-	-	(22,086)	(22,086)	(22,086)
Other operating liabilities	-	-	(548)	-	-	-	-	(4,893)	(5,441)	(5,441)
Current borrowings	(6,158)	-	-	(3,517)	-	-	-	-	(9,675)	(9,675)
Other current financial liabilities	-	-	(87)	-	(40)	(14)	(26)	-	(167)	(167)
Total financial liabilities	**(11,016)**	**-**	**(635)**	**(21,068)**	**(137)**	**(63)**	**(26)**	**(26,981)**	**(59,926)**	**(60,616)**
Total non-financial liabilities	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(103,779)**	**-**
Total liabilities	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(163,705)**	**-**

(a) Financial assets available for sale are measured at their fair value except for unlisted securities (see Note 1 paragraph M(ii) and Note 13 to the Consolidated Financial Statements).
(b) The financial debt is adjusted to the hedged risks value (currency and interest rate) as part of hedge accounting (see Note 1 paragraph M(iii) to the Consolidated Financial Statements).
(c) The impact of offsetting on accounts receivable, net is €(779) million and + €779 million on accounts payable.

29) Fair value of financial instruments (excluding commodity contracts)

A) Impact on the statement of income per nature of financial instruments

Operating assets and liabilities

The impact on the statement of income is detailed as follows:

For the year ended December 31, (M€)	2013	2012	2011
Assets available for sale (investments):			
– dividend income on non-consolidated subsidiaries	152	223	330
– gains (losses) on disposal of assets	112	516	103
– other	(71)	(60)	(29)
Loans and receivables	80	(20)	(34)
Impact on net operating income	**273**	**659**	**370**

The impact in the statement of income mainly includes:

– Dividends and gains or losses on disposal of other investments classified as “Other investments”;

– Financial gains and depreciation on loans related to equity affiliates, non-consolidated companies and on receivables reported in “Loans and receivables”.

Assets and liabilities from financing activities

The impact on the statement of income of financing assets and liabilities is detailed as follows:

For the year ended December 31, (M€)	2013	2012	2011
Loans and receivables	70	80	271
Financing liabilities and associated hedging instruments	(677)	(675)	(730)
Fair value hedge (ineffective portion)	7	4	17
Assets and liabilities held for trading	(6)	20	2
Impact on the cost of net debt	**(606)**	**(571)**	**(440)**

The impact on the statement of income mainly includes:

– Financial income on cash, cash equivalents, and current financial assets (notably current deposits beyond three months) classified as “Loans and receivables”;

– Financial expense of long term subsidiaries financing, associated hedging instruments (excluding ineffective portion of the hedge detailed below) and financial expense of short term financing classified as “Financing liabilities and associated hedging instruments”;

– Ineffective portion of bond hedging; and

– Financial income, financial expense and fair value of derivative instruments used for cash management purposes classified as “Assets and liabilities held for trading”.

Financial derivative instruments used for cash management purposes (interest rate and foreign exchange) are considered to be held for trading. Based on practical documentation issues, the Group did not elect to set up hedge accounting for such instruments. The impact on income of the derivatives is offset by the impact of loans and current liabilities they are related to. Therefore these transactions taken as a whole do not have a significant impact on the Consolidated Financial Statements.

B) Impact of the hedging strategies

Fair value hedge

The impact on the statement of income of the bond hedging instruments which is recorded in the item "Financial interest on debt" in the Consolidated statement of income is detailed as follows:

For the year ended December 31, (M€)	2013	2012	2011
Revaluation at market value of bonds	1,075	321	(301)
Swap hedging of bonds	(1,068)	(317)	318
Ineffective portion of the fair value hedge	**7**	**4**	**17**

The ineffective portion is not representative of the Group's performance considering the Group's objective to hold swaps to maturity. The current portion of the swaps valuation is not subject to active management.

Net investment hedge

These instruments are recorded directly in shareholders' equity under "Currency translation adjustments". The variations of the period are detailed in the table below:

For the year ended December 31, (M€)	As of January 1,	Variations	Disposals	As of December 31,
2013	**(291)**	**25**	**-**	**(266)**
2012	(104)	(187)	-	(291)
2011	(243)	139	-	(104)

As for December 31, 2012, the Group had no open forward hedging instruments as of December 31, 2013. The fair value of open forward instruments was €(26) million in 2011.

Cash flow hedge

The impact on the statement of income and on equity of the hedging instruments qualified as cash flow hedges is detailed as follows:

For the year ended December 31, (M€)	2013	2012	2011
Profit (Loss) recorded in equity during the period	117	65	(84)
Recycled amount from equity to the income statement during the period	65	87	(47)

As of December 31, 2013, 2012, and 2011, the ineffective portion of these financial instruments is equal to zero.

C) Maturity of derivative instruments

The maturity of the notional amounts of derivative instruments, excluding the commodity contracts, is detailed in the following table:

As of December 31, 2013 (M€) Assets/(Liabilities)	Fair value	Notional value[a] Total	2014	2015	2016	2017	2018	2019 and after
Fair value hedge								
Swaps hedging fixed-rates bonds (liabilities)	(236)	7,480	-	-	-	-	-	-
Swaps hedging fixed-rates bonds (assets)	873	12,156	-	-	-	-	-	-
Total swaps hedging fixed-rates bonds (assets and liabilities)	**637**	**19,636**	**-**	**3,410**	**2,606**	**2,970**	**3,749**	**6,901**
Swaps hedging fixed-rates bonds (current portion) (liabilities)	(228)	1,366	-	-	-	-	-	-
Swaps hedging fixed-rates bonds (current portion) (assets)	340	2,793	-	-	-	-	-	-
Total swaps hedging fixed-rates bonds (current portion) (assets and liabilities)	**112**	**4,159**	**4,159**	**-**	**-**	**-**	**-**	**-**
Cash flow hedge								
Swaps hedging fixed-rates bonds (liabilities)	-	-	-	-	-	-	-	-
Swaps hedging fixed-rates bonds (assets)	155	1,610	-	-	-	-	-	-
Total swaps hedging fixed-rates bonds (assets and liabilities)	**155**	**1,610**	**-**	**-**	**-**	**-**	**-**	**1,610**
Swaps hedging fixed-rates bonds (current portion) (liabilities)	(4)	120	-	-	-	-	-	-
Swaps hedging fixed-rates bonds (current portion) (assets)	1	96	-	-	-	-	-	-
Total swaps hedging fixed-rates bonds (current portion) (assets and liabilities)	**(3)**	**216**	**196**	**20**	**-**	**-**	**-**	**-**
Swaps hedging investments (liabilities)	(19)	143	-	-	-	-	-	-
Swaps hedging investments (assets)	-	-	-	-	-	-	-	-
Total swaps hedging investments (assets and liabilities)	**(19)**	**143**	**132**	**11**	**-**	**-**	**-**	**-**
Net investment hedge								
Currency swaps and forward exchange contracts (assets)	-	-	-	-	-	-	-	-
Currency swaps and forward exchange contracts (liabilities)	-	-	-	-	-	-	-	-
Total swaps hedging net investments	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Held for trading								
Other interest rate swaps (assets)	2	4,093	-	-	-	-	-	-
Other interest rate swaps (liabilities)	(3)	11,316	-	-	-	-	-	-
Total other interest rate swaps (assets and liabilities)	**(1)**	**15,409**	**15,127**	**86**	**83**	**62**	**51**	**-**
Currency swaps and forward exchange contracts (assets)	76	4,768	-	-	-	-	-	-
Currency swaps and forward exchange contracts (liabilities)	(41)	4,437	-	-	-	-	-	-
Total currency swaps and forward exchange contracts (assets and liabilities)	**35**	**9,205**	**8,945**	**194**	**42**	**10**	**14**	**-**

(a) These amounts set the levels of notional commitment and are not indicative of a contingent gain or loss.

As of December 31, 2012 (M€) Assets/(Liabilities)	Fair value	Notional value[a] Total	2013	2014	2015	2016	2017	2018 and after
Fair value hedge								
Swaps hedging fixed-rates bonds (liabilities)	(11)	1,737	-	-	-	-	-	-
Swaps hedging fixed-rates bonds (assets)	1,566	15,431	-	-	-	-	-	-
Total swaps hedging fixed-rates bonds (assets and liabilities)	**1,555**	**17,168**	**-**	**4,205**	**3,537**	**2,098**	**3,075**	**4,253**
Swaps hedging fixed-rates bonds (current portion) (liabilities)	(84)	591	-	-	-	-	-	-
Swaps hedging fixed-rates bonds (current portion) (assets)	430	3,614	-	-	-	-	-	-
Total swaps hedging fixed-rates bonds (current portion) (assets and liabilities)	**346**	**4,205**	**4,205**	**-**	**-**	**-**	**-**	**-**
Cash flow hedge								
Swaps hedging fixed-rates bonds (liabilities)	-	-	-	-	-	-	-	-
Swaps hedging fixed-rates bonds (assets)	60	1,683	-	-	-	-	-	-
Total swaps hedging fixed-rates bonds (assets and liabilities)	**60**	**1,683**	**-**	**-**	**-**	**-**	**-**	**1,683**
Swaps hedging fixed-rates bonds (current portion) (liabilities)	(4)	148	-	-	-	-	-	-
Swaps hedging fixed-rates bonds (current portion) (assets)	1	19	-	-	-	-	-	-
Total swaps hedging fixed-rates bonds (current portion) (assets and liabilities)	**(3)**	**167**	**167**	**-**	**-**	**-**	**-**	**-**
Swaps hedging investments (liabilities)	(10)	518	-	-	-	-	-	-
Swaps hedging investments (assets)	-	-	-	-	-	-	-	-
Total swaps hedging investments (assets and liabilities)	**(10)**	**518**	**365**	**141**	**12**	**-**	**-**	**-**
Net investment hedge								
Currency swaps and forward exchange contracts (assets)	-	-	-	-	-	-	-	-
Currency swaps and forward exchange contracts (liabilities)	-	-	-	-	-	-	-	-
Total swaps hedging net investments	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Held for trading								
Other interest rate swaps (assets)	2	11,041	-	-	-	-	-	-
Other interest rate swaps (liabilities)	(2)	9,344	-	-	-	-	-	-
Total other interest rate swaps (assets and liabilities)	**-**	**20,385**	**19,962**	**133**	**88**	**85**	**64**	**53**
Currency swaps and forward exchange contracts (assets)	36	4,768	-	-	-	-	-	-
Currency swaps and forward exchange contracts (liabilities)	(86)	12,224	-	-	-	-	-	-
Total currency swaps and forward exchange contracts (assets and liabilities)	**(50)**	**16,992**	**16,776**	**186**	**(15)**	**16**	**16**	**13**

(a) These amounts set the levels of notional commitment and are not indicative of a contingent gain or loss.

As of December 31, 2011 (M€)	Fair value	Notional value[a]						
Assets/(Liabilities)		Total	2012	2013	2014	2015	2016	2017 and after
Fair value hedge								
Swaps hedging fixed-rates bonds (liabilities)	(97)	1,478	-	-	-	-	-	-
Swaps hedging fixed-rates bonds (assets)	1,971	15,653	-	-	-	-	-	-
Total swaps hedging fixed-rates bonds (assets and liabilities)	**1,874**	**17,131**	**-**	**4,204**	**4,215**	**3,380**	**1,661**	**3,671**
Swaps hedging fixed-rates bonds (current portion) (liabilities)	(40)	642	-	-	-	-	-	-
Swaps hedging fixed-rates bonds (current portion) (assets)	383	2,349	-	-	-	-	-	-
Total swaps hedging fixed-rates bonds (current portion) (assets and liabilities)	**343**	**2,991**	**2,991**	**-**	**-**	**-**	**-**	**-**
Cash flow hedge								
Swaps hedging fixed-rates bonds (liabilities)	(49)	967	-	-	-	-	-	-
Swaps hedging fixed-rates bonds (assets)	5	749	-	-	-	-	-	-
Total swaps hedging fixed-rates bonds (assets and liabilities)	**(44)**	**1,716**		**-**	**-**	**-**	**-**	**1,716**
Swaps hedging fixed-rates bonds (current portion) (liabilities)	(14)	582	-	-	-	-	-	-
Swaps hedging fixed-rates bonds (current portion) (assets)	12	908	-	-	-	-	-	-
Total swaps hedging fixed-rates bonds (current portion) (assets and liabilities)	**(2)**	**1,490**	**1,490**	**-**	**-**	**-**	**-**	**-**
Net investment hedge								
Currency swaps and forward exchange contracts (assets)	-	-	-	-	-	-	-	-
Currency swaps and forward exchange contracts (liabilities)	(26)	881	-	-	-	-	-	-
Total swaps hedging net investments	**(26)**	**881**	**881**	**-**	**-**	**-**	**-**	**-**
Held for trading								
Other interest rate swaps (assets)	1	3,605	-	-	-	-	-	-
Other interest rate swaps (liabilities)	(2)	14,679	-	-	-	-	-	-
Total other interest rate swaps (assets and liabilities)	**(1)**	**18,284**	**18,284**	**-**	**-**	**-**	**-**	**-**
Currency swaps and forward exchange contracts (assets)	158	6,984	-	-	-	-	-	-
Currency swaps and forward exchange contracts (liabilities)	(85)	4,453	-	-	-	-	-	-
Total currency swaps and forward exchange contracts (assets and liabilities)	**73**	**11,437**	**11,176**	**80**	**58**	**36**	**31**	**56**

(a) These amounts set the levels of notional commitment and are not indicative of a contingent gain or loss.

D) Fair value hierarchy

The fair value hierarchy for financial instruments excluding commodity contracts is as follows:

As of December 31, 2013 (M€)	Quoted prices in active markets for identical assets (level 1)	Prices based on observable data (level 2)	Prices based on non observable data (level 3)	Total
Fair value hedge instruments	-	749	-	749
Cash flow hedge instruments	-	133	-	133
Net investment hedge instruments	-	-	-	-
Assets and liablities held for trading	-	34	-	34
Assets available for sale	116	-	-	116
Total	**116**	**916**	**-**	**1,032**

As of December 31, 2012 (M€)	Quoted prices in active markets for identical assets (level 1)	Prices based on observable data (level 2)	Prices based on non observable data (level 3)	Total
Fair value hedge instruments	-	1,901	-	1,901
Cash flow hedge instruments	-	47	-	47
Net investment hedge instruments	-	-	-	-
Assets and liablities held for trading	-	(50)	-	(50)
Assets available for sale	91	-	-	91
Total	**91**	**1,898**	**-**	**1,989**

As of December 31, 2011 (M€)	Quoted prices in active markets for identical assets (level 1)	Prices based on observable data (level 2)	Prices based on non observable data (level 3)	Total
Fair value hedge instruments	-	2,217	-	2,217
Cash flow hedge instruments	-	(46)	-	(46)
Net investment hedge instruments	-	(26)	-	(26)
Assets and liablities held for trading	-	72	-	72
Assets available for sale	2,575	-	-	2,575
Total	**2,575**	**2,217**	**-**	**4,792**

The description of each fair value level is presented in Note 1 paragraph M(v) to the Consolidated Financial Statements.

30) Financial instruments related to commodity contracts

Financial instruments related to oil, gas and power activities as well as related currency derivatives are recorded at fair value under "Other current assets" or "Other creditors and accrued liabilities" depending on whether they are assets or liabilities.

As of December 31, 2013 (M€) Assets/(Liabilities)	Gross value before offsetting - assets	Gross value before offsetting - liabilities	Amounts offset - assets [c]	Amounts offset - liabilities [c]	Net balance sheet value presented - assets	Net balance sheet value presented - liabilities	Other amounts not offset	Net carrying amount	Fair value [b]
Crude oil, petroleum products and freight rates activities									
Petroleum products and crude oil swaps	68	(148)	(57)	57	11	(91)	-	(80)	(80)
Freight rate swaps	-	-	-	-	-	-	-	-	-
Forwards [a]	42	(41)	(6)	6	36	(35)	-	1	1
Options	144	(170)	(45)	45	99	(125)	-	(26)	(26)
Futures	5	(1)	-	-	5	(1)	-	4	4
Options on futures	49	(41)	(41)	41	8	-	-	8	8
Other/Collateral	-	-	-	-	-	-	70	70	70
Total crude oil, petroleum products and freight rates	**308**	**(401)**	**(149)**	**149**	**159**	**(252)**	**70**	**(23)**	**(23)**
Gas & Power activities									
Swaps	50	(15)	(8)	8	42	(7)	-	35	35
Forwards [a]	763	(384)	(29)	29	734	(355)	-	379	379
Options	-	(9)	(8)	8	(8)	(1)	-	(9)	(9)
Futures	-	-	-	-	-	-	-	-	-
Other/Collateral	-	-	-	-	-	-	11	11	11
Total Gas & Power	**813**	**(408)**	**(45)**	**45**	**768**	**(363)**	**11**	**416**	**416**
Total	**1,121**	**(809)**	**(194)**	**194**	**927**	**(615)**	**81**	**393**	**393**
Total of fair value non recognized in the balance sheet									**-**

(a) Forwards: contracts resulting in physical delivery are accounted for as derivative commodity contracts and included in the amounts shown.
(b) When the fair value of derivatives listed on an organized exchange market (futures, options on futures and swaps) is offset with the margin call received or paid in the balance sheet, this fair value is set to zero.
(c) Amounts offset in accordance with IAS 32.

As of December 31, 2012 (M€) Assets/(Liabilities)	Gross value before offsetting - assets	Gross value before offsetting - liabilities	Amounts offset - assets [c]	Amounts offset - liabilities [c]	Net balance sheet value presented - assets	Net balance sheet value presented - liabilities	Other amounts not offset	Net carrying amount	Fair value [b]
Crude oil, petroleum products and freight rates activities									
Petroleum products and crude oil swaps	142	(168)	(90)	90	52	(78)	-	(26)	(26)
Freight rate swaps	-	-	-	-	-	-	-	-	-
Forwards [a]	7	(9)	(3)	3	4	(6)	-	(2)	(2)
Options	231	(249)	(226)	226	5	(23)	-	(18)	(18)
Futures	-	(6)	-	-	-	(6)	-	(6)	(6)
Options on futures	64	(59)	(59)	59	5	-	-	5	5
Other/Collateral	-	-	-	-	-	-	22	22	22
Total crude oil, petroleum products and freight rates	**444**	**(491)**	**(378)**	**378**	**66**	**(113)**	**22**	**(25)**	**(25)**
Gas & Power activities									
Swaps	54	(71)	(43)	43	11	(28)	-	(17)	(17)
Forwards [a]	652	(361)	(48)	48	604	(313)	-	291	291
Options	11	(13)	(11)	11	-	(2)	-	(2)	(2)
Futures	-	-	-	-	-	-	-	-	-
Other/Collateral	-	-	-	-	-	-	31	31	31
Total Gas & Power	**717**	**(445)**	**(102)**	**102**	**615**	**(343)**	**31**	**303**	**303**
Total	**1,161**	**(936)**	**(480)**	**480**	**681**	**(456)**	**53**	**278**	**278**
Total of fair value non recognized in the balance sheet									**-**

(a) Forwards: contracts resulting in physical delivery are accounted for as derivative commodity contracts and included in the amounts shown.
(b) When the fair value of derivatives listed on an organized exchange market (futures, options on futures and swaps) is offset with the margin call received or paid in the balance sheet, this fair value is set to zero.
(c) Amounts offset in accordance with IAS 32.

As of December 31, 2011 (M€) Assets/(Liabilities)	Gross value before offsetting - assets	Gross value before offsetting - liabilities	Amounts offset - assets [c]	Amounts offset - liabilities [c]	Net balance sheet value presented - assets	Net balance sheet value presented - liabilities	Other amounts not offset	Net carrying amount	Fair value [b]
Crude oil, petroleum products and freight rates activities									
Petroleum products and crude oil swaps	345	(342)	(240)	240	105	(102)	-	3	3
Freight rate swaps	-	-	-	-	-	-	-	-	-
Forwards [a]	11	(27)	(6)	6	5	(21)	-	(16)	(16)
Options	313	(317)	(297)	297	16	(20)	-	(4)	(4)
Futures	-	(14)	-	-	-	(14)	-	(14)	(14)
Options on futures	96	(102)	(96)	96	-	(6)	-	(6)	(6)
Other/Collateral	-	-	-	-	-	-	(50)	(50)	(50)
Total crude oil, petroleum products and freight rates	**765**	**(802)**	**(639)**	**639**	**126**	**(163)**	**(50)**	**(87)**	**(87)**
Gas & Power activities									
Swaps	72	(15)	(9)	9	63	(6)	-	57	57
Forwards [a]	949	(497)	(121)	121	828	(376)	-	452	452
Options	15	(18)	(15)	15	-	(3)	-	(3)	(3)
Futures	-	-	-	-	-	-	-	-	-
Other/Collateral	-	-	-	-	-	-	24	24	24
Total Gas & Power	**1,036**	**(530)**	**(145)**	**145**	**891**	**(385)**	**24**	**530**	**530**
Total	**1,801**	**(1,332)**	**(784)**	**784**	**1,017**	**(548)**	**(26)**	**443**	**443**
Total of fair value non recognized in the balance sheet									**-**

(a) Forwards: contracts resulting in physical delivery are accounted for as derivative commodity contracts and included in the amounts shown.
(b) When the fair value of derivatives listed on an organized exchange market (futures, options on futures and swaps) is offset with the margin call received or paid in the balance sheet, this fair value is set to zero.
(c) Amounts offset in accordance with IAS 32.

Most commitments on crude oil and refined products have a short term maturity (less than one year). The maturity of most Gas & Power energy derivatives is less than three years forward.

The changes in fair value of financial instruments related to commodity contracts are detailed as follows:

For the year ended December 31, (M€)	Fair value as of January 1,	Impact on income	Settled contracts	Other	Fair value as of December 31,
Crude oil, petroleum products and freight rates activities					
2013	**(47)**	**1,706**	**(1,754)**	**2**	**(93)**
2012	(37)	1,694	(1,705)	1	(47)
2011	38	1,572	(1,648)	1	(37)
Gas & Power activities					
2013	**272**	**470**	**(282)**	**(55)**	**405**
2012	506	588	(825)	3	272
2011	(98)	899	(295)	-	506

The fair value hierarchy for financial instruments related to commodity contracts is as follows:

As of December 31, 2013 (M€)	Quoted prices in active markets for identical assets (level 1)	Prices based on observable data (level 2)	Prices based on non observable data (level 3)	Total
Crude oil, petroleum products and freight rates activities	15	(108)	-	(93)
Gas & Power activities	-	405	-	405
Total	**15**	**297**	**-**	**312**

As of December 31, 2012 (M€)	Quoted prices in active markets for identical assets (level 1)	Prices based on observable data (level 2)	Prices based on non observable data (level 3)	Total
Crude oil, petroleum products and freight rates activities	5	(52)	-	(47)
Gas & Power activities	(52)	324	-	272
Total	**(47)**	**272**	**-**	**225**

As of December 31, 2011 (M€)	Quoted prices in active markets for identical assets (level 1)	Prices based on observable data (level 2)	Prices based on non observable data (level 3)	Total
Crude oil, petroleum products and freight rates activities	(38)	1	-	(37)
Gas & Power activities	(44)	550	-	506
Total	**(82)**	**551**	**-**	**469**

The description of each fair value level is presented in Note 1 paragraph M(v) to the Consolidated Financial Statements.

31) Financial risks management

Oil and gas market related risks

Due to the nature of its business, the Group has significant oil and gas trading activities as part of its day-to-day operations in order to optimize revenues from its oil and gas production and to obtain favorable pricing to supply its refineries.

In its international oil trading business, the Group follows a policy of not selling its future production. However, in connection with this trading business, the Group, like most other oil companies, uses energy derivative instruments to adjust its exposure to price fluctuations of crude oil, refined products, natural gas, power and coal. The Group also uses freight rate derivative contracts in its shipping business to adjust its exposure to freight-rate fluctuations. To hedge against this risk, the Group uses various instruments such as futures, forwards, swaps and options on organized markets or over-the-counter markets. The list of the different derivatives held by the Group in these markets is detailed in Note 30 to the Consolidated Financial Statements.

The Trading & Shipping division measures its market risk exposure, *i.e.,* potential loss in fair values, on its crude oil, refined products and freight rates trading activities using a value-at-risk technique. This technique is based on an historical model and makes an assessment of the market risk arising from possible future changes in market values over a 24-hour period. The calculation of the range of potential changes in fair values takes into account a snapshot of the end-of-day exposures and the set of historical price movements for the last 400 business days for all instruments and maturities in the global trading activities. Options are systematically re-evaluated using appropriate models.

The potential movement in fair values corresponds to a 97.5% value-at-risk type confidence level. This means that the Group's portfolio result is likely to exceed the value-at-risk loss measure once over 40 business days if the portfolio exposures were left unchanged.

Trading & Shipping: value-at-risk with a 97.5% probability

As of December 31, (M€)	High	Low	Average	Year end
2013	**9.9**	**3.5**	**6.2**	**7.1**
2012	13.0	3.8	7.4	5.5
2011	10.6	3.7	6.1	6.3

As part of its gas, power and coal trading activity, the Group also uses derivative instruments such as futures, forwards, swaps and options in both organized and over-the-counter markets. In general, the transactions are settled at maturity date through physical delivery. The Gas & Power division measures its market risk exposure, *i.e.,* potential loss in fair values, on its trading business using a value-at-risk technique. This technique is based on an historical model and makes an assessment of the market risk arising from possible future changes in market values over a one-day period. The calculation of the range of potential changes in fair values takes into account a snapshot of the end-of-day exposures and the set of historical price movements for the past two years for all instruments and maturities in the global trading business.

Gas & Power trading: value-at-risk with a 97.5% probability

As of December 31, (M€)	High	Low	Average	Year end
2013	9.0	2.0	4.0	5.0
2012	20.9	2.6	7.4	2.8
2011	21.0	12.7	16.0	17.6

The Group has implemented strict policies and procedures to manage and monitor these market risks. These are based on the separation of control and front-office functions and on an integrated information system that enables real-time monitoring of trading activities.

Limits on trading positions are approved by the Group's Executive Committee and are monitored daily. To increase flexibility and encourage liquidity, hedging operations are performed with numerous independent operators, including other oil companies, major energy producers or consumers and financial institutions. The Group has established counterparty limits and monitors outstanding amounts with each counterparty on an ongoing basis.

Financial markets related risks

As part of its financing and cash management activities, the Group uses derivative instruments to manage its exposure to changes in interest rates and foreign exchange rates. These instruments are mainly interest rate and currency swaps. The Group may also occasionally use futures contracts and options. These operations and their accounting treatment are detailed in Notes 1 paragraph M, 20, 28 and 29 to the Consolidated Financial Statements.

Risks relative to cash management operations and to interest rate and foreign exchange financial instruments are managed according to rules set by the Group's senior management, which provide for regular pooling of available cash balances, open positions and management of the financial instruments by the Treasury Department. Excess cash of the Group is deposited mainly in government institutions, deposit banks, or major companies through deposits, reverse repurchase agreements and purchase of commercial paper. Liquidity positions and the management of financial instruments are centralized by the Treasury Department, where they are managed by a team specialized in foreign exchange and interest rate market transactions.

The Cash Monitoring-Management Unit within the Treasury Department monitors limits and positions per bank on a daily basis and results of the Front Office. This unit also prepares marked-to-market valuations of used financial instruments and, when necessary, performs sensitivity analysis.

Counterparty risk

The Group has established standards for market transactions under which bank counterparties must be approved in advance, based on an assessment of the counterparty's financial soundness (multi-criteria analysis including a review of market prices and of the Credit Default Swap (CDS), its ratings with Standard & Poor's and Moody's, which must be of high quality, and its overall financial condition).

An overall authorized credit limit is set for each bank and is allotted among the subsidiaries and the Group's central treasury entities according to their needs.

To reduce the market values risk on its commitments, in particular for swaps set as part of bonds issuance, the Treasury Department also developed a system of margin call that is gradually implemented with significant counterparties.

Currency exposure

The Group seeks to minimize the currency exposure of each entity to its functional currency (primarily the euro, the dollar, the pound sterling and the Norwegian krone).

For currency exposure generated by commercial activity, the hedging of revenues and costs in foreign currencies is typically performed using currency operations on the spot market and, in some cases, on the forward market. The Group rarely hedges future cash flows, although it may use options to do so.

With respect to currency exposure linked to non-current assets booked in a currency other than the euro, the Group has a policy of reducing the related currency exposure by financing these assets in the same currency.

Net short-term currency exposure is periodically monitored against limits set by the Group's senior management.

The non-current debt described in Note 20 to the Consolidated Financial Statements is generally raised by the corporate treasury entities either directly in dollars or in euros, or in other currencies which are then exchanged for dollars or euros through swaps issues to appropriately match general corporate needs. The proceeds from these debt issuances are loaned to affiliates whose accounts are kept in dollars or in euros. Thus, the net sensitivity of these positions to currency exposure is not significant.

The Group's short-term currency swaps, the notional value of which appears in Note 29 to the Consolidated Financial Statements, are used to attempt to optimize the centralized cash management of the Group. Thus, the sensitivity to currency fluctuations which may be induced is likewise considered negligible.

Short-term interest rate exposure and cash

Cash balances, which are primarily composed of euros and dollars, are managed according to the guidelines established by the Group's senior management (maintain an adequate level of liquidity, optimize revenue from investments considering existing interest rate yield curves, and minimize the cost of borrowing) over a less than twelve-month horizon and on the basis of a daily interest rate benchmark, primarily through short-term interest rate swaps and short-term currency swaps, without modifying currency exposure.

Interest rate risk on non-current debt

The Group's policy consists of incurring non-current debt primarily at a floating rate, or, if the opportunity arises at the time of an issuance, at a fixed rate. Debt is incurred in dollars or in euros according to general corporate needs. Long-term interest rate and currency swaps may be used to hedge bonds at their issuance in order to create a variable or fixed rate synthetic debt. In order to partially modify the interest rate structure of the long-term debt, TOTAL may also enter into long-term interest rate swaps.

Sensitivity analysis on interest rate and foreign exchange risk

The tables below present the potential impact of an increase or decrease of 10 basis points on the interest rate yield curves for each of the currencies on the fair value of the current financial instruments as of December 31, 2013, 2012, and 2011.

			Change in fair value due to a change in interest rate by:	
Assets/(Liabilities) (M€)	Carrying amount	Estimated fair value	+10 basis points	-10 basis points
As of December 31, 2013				
Bonds (non-current portion, before swaps)	(24,028)	(24,629)	39	(39)
Swaps hedging fixed-rates bonds (liabilities)	*(236)*	*(236)*	-	-
Swaps hedging fixed-rates bonds (assets)	*1,028*	*1,028*	-	-
Total swaps hedging fixed-rates bonds (assets and liabilities)	792	792	(28)	27
Current portion of non-current debt after swap (excluding capital lease obligations)	3,784	3,784	4	(4)
Other interest rates swaps	(1)	(1)	(1)	1
Currency swaps and forward exchange contracts	13	13	-	-
As of December 31, 2012				
Bonds (non-current portion, before swaps)	(21,346)	(21,545)	97	(97)
Swaps hedging fixed-rates bonds (liabilities)	*(11)*	*(11)*	-	-
Swaps hedging fixed-rates bonds (assets)	*1,626*	*1,626*	-	-
Total swaps hedging fixed-rates bonds (assets and liabilities)	1,615	1,615	(58)	58
Current portion of non-current debt after swap (excluding capital lease obligations)	4,251	4,251	4	(4)
Other interest rates swaps	-	-	2	(2)
Currency swaps and forward exchange contracts	(50)	(50)	-	-
As of December 31, 2011				
Bonds (non-current portion, before swaps)	(21,402)	(22,092)	83	(83)
Swaps hedging fixed-rates bonds (liabilities)	*(146)*	*(146)*	-	-
Swaps hedging fixed-rates bonds (assets)	*1,976*	*1,976*	-	-
Total swaps hedging fixed-rates bonds (assets and liabilities)	1,830	1,830	(49)	49
Current portion of non-current debt after swap (excluding capital lease obligations)	3,488	3,488	3	(3)
Other interest rates swaps	(1)	(1)	3	(3)
Currency swaps and forward exchange contracts	47	47	-	-

The impact of changes in interest rates on the cost of net debt before tax is as follows:

For the year ended December 31, (M€)	2013	2012	2011
Cost of net debt	(606)	(571)	(440)
Interest rate translation of:			
+10 basis points	(11)	(11)	(10)
–10 basis points	11	11	10
+100 basis points	(113)	(106)	(103)
–100 basis points	113	106	103

As a result of the policy for the management of currency exposure previously described, the Group's sensitivity to currency exposure is primarily influenced by the net equity of the subsidiaries whose functional currency is the dollar and, to a lesser extent, the pound sterling and the Norwegian krone.

This sensitivity is reflected in the historical evolution of the currency translation adjustment recorded in the statement of changes in shareholders' equity which, in the course of the last three fiscal years, is essentially related to the fluctuation of dollar and pound sterling and is set forth in the table below:

	Euro/Dollar exchange rates	Euro/Pound sterling exchange rates
As of December 31, 2013	**1.38**	**0.83**
As of December 31, 2012	1.32	0.82
As of December 31, 2011	1.29	0.84

As of December 31, 2013 (M€)	Total	Euro	Dollar	Pound sterling	Other currencies and equity affiliates
Shareholders' equity at historical exchange rate	77,014	46,984	23,599	4,289	2,142
Currency translation adjustment before net investment hedge	(4,385)	-	(2,524)	(931)	(930)
Net investment hedge – open instruments	-	-	-	-	-
Shareholders' equity at exchange rate as of December 31, 2013	72,629	46,984	21,075	3,358	1,212

As of December 31, 2012 (M€)	Total	Euro	Dollar	Pound sterling	Other currencies and equity affiliates
Shareholders' equity at historical exchange rate	72,689	44,968	22,253	4,268	1,200
Currency translation adjustment before net investment hedge	(1,504)	-	(782)	(837)	115
Net investment hedge – open instruments	-	-	-	-	-
Shareholders' equity at exchange rate as of December 31, 2012	71,185	44,968	21,471	3,431	1,315

As of December 31, 2011 (M€)	Total	Euro	Dollar	Pound sterling	Other currencies and equity affiliates
Shareholders' equity at historical exchange rate	67,949	40,763	21,554	4,464	1,168
Currency translation adjustment before net investment hedge	(978)	-	120	(931)	(167)
Net investment hedge – open instruments	(26)	-	(25)	(1)	-
Shareholders' equity at exchange rate as of December 31, 2011	66,945	40,763	21,649	3,532	1,001

As a result of this policy, the impact of currency exchange rate fluctuations on consolidated income, as illustrated in Note 7 to the Consolidated Financial Statements, has not been significant over the last three years despite the considerable fluctuation of the dollar (a gain of €6 million in 2013, a gain of €26 million in 2012 and a gain of €118 million in 2011).

Stock market risk

The Group holds interests in a number of publicly-traded companies (see Notes 12 and 13 to the Consolidated Financial Statements). The market value of these holdings fluctuates due to various factors, including stock market trends, valuations of the sectors in which the companies operate, and the economic and financial condition of each individual company.

Liquidity risk

TOTAL S.A. has confirmed lines of credit granted by international banks, which are calculated to allow it to manage its short-term liquidity needs as required.

As of December 31, 2013, these lines of credit amounted to $11,031 million, of which $11,031 million was unused. The agreements for the lines of credit granted to TOTAL S.A. do not contain conditions related to the Company's financial ratios, to its financial ratings from specialized agencies, or to the occurrence of events that could have a material adverse effect on its financial position. As of December 31, 2013, the aggregate amount of the principal confirmed lines of credit granted by international banks to Group companies, including TOTAL S.A., was $11,581 million, of which $11,421 million was unused. The lines of credit granted to Group companies other than TOTAL S.A. are not intended to finance the Group's general needs; they are intended to finance either the general needs of the borrowing subsidiary or a specific project.

The following tables show the maturity of the financial assets and liabilities of the Group as of December 31, 2013, 2012 and 2011 (see Note 20 to the Consolidated Financial Statements).

As of December 31, 2013 (M€) Assets/(Liabilities)	Less than one year	1-2 years	2-3 years	3-4 years	4-5 years	More than 5 years	Total
Non-current financial debt (notional value excluding interests)	-	(3,370)	(3,284)	(3,015)	(3,162)	(11,210)	(24,041)
Current borrowings	(8,116)	-	-	-	-	-	(8,116)
Other current financial liabilities	(276)	-	-	-	-	-	(276)
Current financial assets	536	-	-	-	-	-	536
Assets and liabilities available for sale or exchange	130	-	-	-	-	-	130
Cash and cash equivalents	14,647	-	-	-	-	-	14,647
Net amount before financial expense	**6,921**	**(3,370)**	**(3,284)**	**(3,015)**	**(3,162)**	**(11,210)**	**(17,120)**
Financial expense on non-current financial debt	(729)	(661)	(554)	(508)	(447)	(1,294)	(4,193)
Interest differential on swaps	350	284	100	(24)	(80)	(515)	115
Net amount	**6,542**	**(3,747)**	**(3,738)**	**(3,547)**	**(3,689)**	**(13,019)**	**(21,198)**

As of December 31, 2012 (M€) Assets/(Liabilities)	Less than one year	1-2 years	2-3 years	3-4 years	4-5 years	More than 5 years	Total
Non-current financial debt (notional value excluding interests)	-	(3,832)	(3,465)	(2,125)	(3,126)	(8,100)	(20,648)
Current borrowings	(11,016)	-	-	-	-	-	(11,016)
Other current financial liabilities	(176)	-	-	-	-	-	(176)
Current financial assets	1,562	-	-	-	-	-	1,562
Assets and liabilities available for sale or exchange	(756)	-	-	-	-	-	(756)
Cash and cash equivalents	15,469	-	-	-	-	-	15,469
Net amount before financial expense	**5,083**	**(3,832)**	**(3,465)**	**(2,125)**	**(3,126)**	**(8,100)**	**(15,565)**
Financial expense on non-current financial debt	(746)	(625)	(519)	(405)	(352)	(1,078)	(3,725)
Interest differential on swaps	371	335	225	106	62	(37)	1,062
Net amount	**4,708**	**(4,122)**	**(3,760)**	**(2,424)**	**(3,416)**	**(9,215)**	**(18,228)**

As of December 31, 2011 (M€) Assets/(Liabilities)	Less than one year	1-2 years	2-3 years	3-4 years	4-5 years	More than 5 years	Total
Non-current financial debt (notional value excluding interests)	-	(4,492)	(3,630)	(3,614)	(1,519)	(7,326)	(20,581)
Current borrowings	(9,675)	-	-	-	-	-	(9,675)
Other current financial liabilities	(167)	-	-	-	-	-	(167)
Current financial assets	700	-	-	-	-	-	700
Cash and cash equivalents	14,025	-	-	-	-	-	14,025
Net amount before financial expense	**4,883**	**(4,492)**	**(3,630)**	**(3,614)**	**(1,519)**	**(7,326)**	**(15,698)**
Financial expense on non-current financial debt	(785)	(691)	(521)	(417)	(302)	(1,075)	(3,791)
Interest differential on swaps	320	331	221	120	55	44	1,091
Net amount	**4,418**	**(4,852)**	**(3,930)**	**(3,911)**	**(1,766)**	**(8,357)**	**(18,398)**

In addition, the Group guarantees bank debt and finance lease obligations of certain non-consolidated companies and equity affiliates. A payment would be triggered by failure of the guaranteed party to fulfill its obligation covered by the guarantee, and no assets are held as collateral for these guarantees. Maturity dates and amounts are set forth in Note 23 to the Consolidated Financial Statements ("Guarantees given against borrowings").

The Group also guarantees the current liabilities of certain non-consolidated companies. Performance under these guarantees would be triggered by a financial default of these entities. Maturity dates and amounts are set forth in Note 23 to the Consolidated Financial Statements ("Guarantees of current liabilities").

The following table sets forth financial assets and liabilities related to operating activities as of December 31, 2013, 2012 and 2011 (see Note 28 to the Consolidated Financial Statements).

As of December 31
(M€)

Assets/(Liabilities)	2013	2012	2011
Accounts payable	(21,958)	(21,648)	(22,086)
Other operating liabilities	(5,941)	(5,904)	(5,441)
including financial instruments related to commodity contracts	*(615)*	*(456)*	*(548)*
Accounts receivable, net	16,984	19,206	20,049
Other operating receivables	7,191	6,158	7,467
including financial instruments related to commodity contracts	*927*	*681*	*1,017*
Total	**(3,724)**	**(2,188)**	**(11)**

These financial assets and liabilities mainly have a maturity date below one year.

Credit risk

Credit risk is defined as the risk of the counterparty to a contract failing to perform or pay the amounts due.

The Group is exposed to credit risks in its operating and financing activities. The Group's maximum exposure to credit risk is partially related to financial assets recorded on its balance sheet, including energy derivative instruments that have a positive market value.

The following table presents the Group's maximum credit risk exposure:

As of December 31
(M€)

Assets/(Liabilities)	2013	2012	2011
Loans to equity affiliates *(Note 12)*	2,577	2,360	2,246
Loans and advances *(Note 14)*	2,592	2,207	2,055
Hedging instruments of non-current financial debt *(Note 20)*	1,028	1,626	1,976
Accounts receivable *(Note 16)*	16,984	19,206	20,049
Other operating receivables *(Note 16)*	7,191	6,158	7,467
Current financial assets *(Note 20)*	536	1,562	700
Cash and cash equivalents *(Note 27)*	14,647	15,469	14,025
Total	**45,555**	**48,588**	**48,518**

The valuation allowance on loans and advances and on accounts receivable and other operating receivables is detailed respectively in Notes 14 and 16 to the Consolidated Financial Statements.

As part of its credit risk management related to operating and financing activities, the Group has developed margin call contracts with certain counterparties. As of December 31, 2013, the net amount received as part of these margin calls was €801 million (against €1,635 million as of December 31, 2012 and €1,682 million as of December 31, 2011).

Credit risk is managed by the Group's business segments as follows:

Upstream segment

- **Exploration & Production**

  Risks arising under contracts with government authorities or other oil companies or under long-term supply contracts necessary for the development of projects are evaluated during the project approval process. The long-term aspect of these contracts and the high-quality of the other parties lead to a low level of credit risk.

  Risks related to commercial operations, other than those described above (which are, in practice, directly monitored by subsidiaries), are subject to procedures for establishing and reviewing credit.

Customer receivables are subject to provisions on a case-by-case basis, based on prior history and management's assessment of the facts and circumstances.

- **Gas & Power**

Gas & Power deals with counterparties in the energy, industrial and financial sectors throughout the world. Financial institutions providing credit risk coverage are highly rated international bank and insurance groups.

Potential counterparties are subject to credit assessment and approval before concluding transactions and are thereafter subject to regular review, including re-appraisal and approval of the limits previously granted.

The creditworthiness of counterparties is assessed based on an analysis of quantitative and qualitative data regarding financial standing and business risks, together with the review of any relevant third party and market information, such as data published by rating agencies. On this basis, credit limits are defined for each potential counterparty and, where appropriate, transactions are subject to specific authorizations.

Credit exposure, which is essentially an economic exposure or an expected future physical exposure, is permanently monitored and subject to sensitivity measures.

Credit risk is mitigated by the systematic use of industry standard contractual frameworks that permit netting, enable requiring added security in case of adverse change in the counterparty risk, and allow for termination of the contract upon occurrence of certain events of default.

Refining & Chemicals segment

- **Refining & Chemicals**

Credit risk is primarily related to commercial receivables. Internal procedures of Refining & Chemicals include rules for the management of credit describing the fundamentals of internal control in this domain. Each division implements procedures for managing and provisioning credit risk that differ based on the size of the subsidiary and the market in which it operates. The principal elements of these procedures are:

- implementation of credit limits with different authorization procedures for possible credit overruns;
- use of insurance policies or specific guarantees (letters of credit);
- regular monitoring and assessment of overdue accounts (aging balance), including collection procedures; and
- provisioning of bad debts on a customer-by-customer basis, according to payment delays and local payment practices (provisions may also be calculated based on statistics).

Counterparties are subject to credit assessment and approval prior to any transaction being concluded. Regular reviews are made for all active counterparties including a re-appraisal and renewing of the granted credit limits. The limits of the counterparties are assessed based on quantitative and qualitative data regarding financial standing, together with the review of any relevant third party and market information, such as that provided by rating agencies and insurance companies.

- **Trading & Shipping**

Trading & Shipping deals with commercial counterparties and financial institutions located throughout the world. Counterparties to physical and derivative transactions are primarily entities involved in the oil and gas industry or in the Trading of energy commodities, or financial institutions. Credit risk coverage is concluded with financial institutions, international banks and insurance groups selected in accordance with strict criteria.

The Trading & Shipping division has a strict policy of internal delegation of authority governing establishment of country and counterparty credit limits and approval of specific transactions. Credit exposures contracted under these limits and approvals are monitored on a daily basis.

Potential counterparties are subject to credit assessment and approval prior to any transaction being concluded and all active counterparties are subject to regular reviews, including re-appraisal and approval of granted limits. The creditworthiness of counterparties is assessed based on an analysis of quantitative and qualitative data regarding financial standing and business risks, together with the review of any relevant third party and market information, such as ratings published by Standard & Poor's, Moody's Investors Service and other agencies.

Contractual arrangements are structured so as to maximize the risk mitigation benefits of netting between transactions wherever possible and additional protective terms providing for the provision of security in the event of financial deterioration and the termination of transactions on the occurrence of defined default events are used to the greatest permitted extent.

Credit risks in excess of approved levels are secured by means of letters of credit and other guarantees, cash deposits and insurance arrangements. In respect of derivative transactions, risks are secured by margin call contracts wherever possible.

Marketing & Services segment

Internal procedures for the Marketing & Services division include rules on credit risk that describe the basis of internal control in this domain, including the separation of authority between commercial and financial operations. Credit policies are defined at the local level, complemented by the implementation of procedures to monitor customer risk (credit committees at the subsidiary level, the creation of credit limits for corporate customers, portfolio guarantees, etc.).

Each entity also implements monitoring of its outstanding receivables. Risks related to credit may be mitigated or limited by subscription of credit insurance and/or requiring security or guarantees.

Bad debts are provisioned on a case-by-case basis at a rate determined by management based on an assessment of the risk of credit loss.

32) Other risks and contingent liabilities

TOTAL is not currently aware of any exceptional event, dispute, risks or contingent liabilities that could have a material impact on the assets and liabilities, results, financial position or operations of the Group.

Antitrust investigations

The principal antitrust proceedings in which the Group's companies are involved are described thereafter.

Refining & Chemicals segment

As part of the spin-off of Arkema [1] in 2006, TOTAL S.A. and certain other Group companies agreed to grant Arkema for a period of ten years a guarantee for potential monetary consequences related to antitrust proceedings arising from events prior to the spin-off.

As of December 31, 2013, all public and civil proceedings covered by the guarantee were definitively resolved in Europe and in the United States. Despite the fact that Arkema has implemented since 2001 compliance procedures that are designed to prevent its employees from violating antitrust provisions, it is not possible to exclude the possibility that the relevant authorities could commence additional proceedings involving Arkema regarding events prior to the spin-off.

Marketing & Services segment

- The administrative procedure opened by the European Commission against TOTAL Nederland N.V and TOTAL S.A., as parent company, in relation to practices regarding a product line of the Marketing & Services segment, resulted in a condemnation in 2006 that became definitive in 2012. The resulting fine (€20.25 million) and interest thereon were paid during the first quarter of 2013.
- Following the appeal lodged by the Group's companies against the European Commission's 2008 decision fining Total Marketing Services an amount of €128.2 million, in relation to practices regarding a product line of the Marketing & Services segment, which the Company had already paid, and concerning which TOTAL S.A. was declared jointly liable as the parent company, the relevant European court decided during the third quarter of 2013 to reduce the fine imposed on Total Marketing Services to €125.5 million without modifying the liability of TOTAL S.A. as parent company. Appeals have been lodged against this judgment.
- In the United Kingdom, a settlement took place in the third quarter of 2013 putting an end to the civil proceeding initiated against TOTAL S.A., Total Marketing Services and other companies, by third parties alleging damages in connection with practices already sanctioned by the European Commission. A similar civil proceeding is pending in the Netherlands. At this stage, the plaintiffs have not communicated the amount of their claim.
- Finally, in Italy, in 2013, a civil proceeding was initiated against TOTAL S.A. and its subsidiary Total Aviazione Italia Srl before the competent Italian civil court. The plaintiff claims against TOTAL S.A., its subsidiary and other third parties, damages that it estimates to be nearly €908 million. This procedure follows practices that had been sanctioned by the Italian competition authority in 2006. The existence and the assessment of the alleged damages in this procedure involving multiple defendants are strongly contested.

Whatever the evolution of the proceedings described above, the Group believes that their outcome should not have a material adverse effect on the Group's financial situation or consolidated results.

Grande Paroisse

An explosion occurred at the Grande Paroisse industrial site in the city of Toulouse in France on September 21, 2001. Grande Paroisse, a former subsidiary of Atofina which became a subsidiary of Elf Aquitaine Fertilisants on December 31, 2004, as part of the reorganization of the Chemicals segment, was principally engaged in the production and sale of agricultural fertilizers. The explosion, which involved a stockpile of ammonium nitrate pellets, destroyed a portion of the site and caused the death of thirty-one people, including twenty-one workers at the site, and injured many others. The explosion also caused significant damage to certain property in part of the city of Toulouse.

This plant has been closed and individual assistance packages have been provided for employees. The site has been rehabilitated.

On December 14, 2006, Grande Paroisse signed, under the supervision of the city of Toulouse, a deed whereby it donated the former site of the AZF plant to the greater agglomeration of Toulouse (CAGT) and the *Caisse des dépôts et consignations* and its subsidiary ICADE. Under this deed, TOTAL S.A. guaranteed the site remediation obligations of Grande Paroisse and granted a €10 million endowment to the InNaBioSanté research foundation as part of the setting up of a cancer research center at the site by the city of Toulouse.

After having articulated several hypotheses, the Court-appointed experts did not maintain in their final report filed on May 11, 2006, that the accident was caused by pouring a large quantity of a chlorine compound over ammonium nitrate. Instead, the experts have retained a scenario where a container of chlorine compound sweepings was poured between a layer of wet ammonium nitrate covering the floor and a quantity of dry agricultural nitrate at a location not far from the principal storage site. This is claimed to have caused an explosion which then spread into the main storage site. Grande Paroisse was investigated based on this new hypothesis in 2006; Grande Paroisse is contesting this explanation, which it believes to be based on elements that are not factually accurate.

On July 9, 2007, the investigating magistrate brought charges against Grande Paroisse and the former Plant Manager before the Toulouse Criminal Court. In late 2008, TOTAL S.A. and Mr. Thierry Desmarest, Chairman and CEO at the time of the event, were summoned to appear in Court pursuant to a request by a victims association.

On November 19, 2009, the Toulouse Criminal Court acquitted both the former Plant Manager, and Grande Paroisse due to the lack of reliable evidence for the explosion. The Court also ruled that the summonses against TOTAL S.A. and Mr. Thierry Desmarest were inadmissible.

(1) Arkema is used in this section to designate those companies of the Arkema group whose ultimate parent company is Arkema S.A. Arkema became an independent company after being spun-off from TOTAL S.A. in May 2006.

Due to the presumption of civil liability that applied to Grande Paroisse, the Court declared Grande Paroisse civilly liable for the damages caused by the explosion to the victims in its capacity as custodian and operator of the plant.

The Prosecutor's office, together with certain third parties, appealed the Toulouse Criminal Court verdict. In order to preserve its rights, Grande Paroisse lodged a cross-appeal with respect to civil charges.

By its decision of September 24, 2012, the Court of Appeal of Toulouse (*Cour d'appel de Toulouse*) upheld the lower court verdict pursuant to which the summonses against TOTAL S.A. and Mr. Thierry Desmarest were determined to be inadmissible. This element of the decision has been appealed by certain third parties before the French Supreme Court (*Cour de cassation*).

The Court of Appeal considered, however, that the explosion was the result of the chemical accident described by the court-appointed experts. Accordingly, it convicted the former Plant Manager and Grande Paroisse. This element of the decision has been appealed by the former Plant Manager and Grande Paroisse before the French Supreme Court (*Cour de cassation*), which has the effect of suspending their criminal sentences.

A compensation mechanism for victims was set up immediately following the explosion. €2.3 billion was paid for the compensation of claims and related expenses amounts. A €12.7 million reserve remains booked in the Group's Consolidated Financial Statements as of December 31, 2013.

Blue Rapid and the Russian Olympic Committee – Russian regions and Interneft

Blue Rapid, a Panamanian company, and the Russian Olympic Committee filed a claim for damages with the Paris Commercial Court against Elf Aquitaine, alleging a so-called non-completion by a former subsidiary of Elf Aquitaine of a contract related to an exploration and production project in Russia negotiated in the early 1990s. Elf Aquitaine believed this claim to be unfounded and opposed it. On January 12, 2009, the Commercial Court of Paris rejected Blue Rapid's claim against Elf Aquitaine and found that the Russian Olympic Committee did not have standing in the matter. Blue Rapid and the Russian Olympic Committee appealed this decision. On June 30, 2011, the Court of Appeal of Paris dismissed as inadmissible the claim of Blue Rapid and the Russian Olympic Committee against Elf Aquitaine, notably on the grounds of the contract having lapsed. Blue Rapid and the Russian Olympic Committee appealed this decision to the French Supreme Court.

In connection with the same facts, and fifteen years after the termination of the exploration and production contract, a Russian company, which was held not to be the contracting party to the contract, and two regions of the Russian Federation that were not even parties to the contract, launched an arbitration procedure against the aforementioned former subsidiary of Elf Aquitaine that was liquidated in 2005, claiming alleged damages of U.S.$22.4 billion. For the same reasons as those successfully adjudicated by Elf Aquitaine against Blue Rapid and the Russian Olympic Committee, the Group considers this claim to be unfounded as a matter of law and fact. The Group has lodged a criminal complaint to denounce the fraudulent claim of which the Group believes it is a victim and, has taken and reserved its rights to take other actions and measures to defend its interests.

Iran

In 2003, the United States Securities and Exchange Commission (SEC) followed by the Department of Justice (DoJ) issued a formal order directing an investigation in connection with the pursuit of business in Iran by certain oil companies including, among others, TOTAL. The inquiry concerned an agreement concluded by the Company with consultants concerning gas fields in Iran and aimed at verifying whether certain payments made under this agreement would have benefited Iranian officials in violation of the Foreign Corrupt Practices Act (FCPA) and the Company's accounting obligations.

In late May 2013, and after several years of discussions, TOTAL reached settlements with the U.S. authorities (a Deferred Prosecution Agreement with the DoJ and a Cease and Desist Order with the SEC). These settlements, which put an end to these investigations, were concluded without admission of guilt and in exchange for TOTAL respecting a number of obligations, including the payment of a fine ($245.2 million) and civil compensation ($153 million) that occurred during the second quarter of 2013. The reserve of $398.2 million that was booked in the financial statements as of June 30, 2012, has been fully released. By virtue of these settlements, TOTAL also accepted to appoint a French independent compliance monitor to review the Group's compliance program and to recommend possible improvements.

With respect to the same facts, TOTAL and its Chairman and Chief Executive Officer, who was President of the Middle East at the time of the facts, were placed under formal investigation in France following a judicial inquiry initiated in 2006. In late May 2013, the Prosecutor's office recommended that the case be sent to trial. The investigating magistrate has not yet issued his decision.

At this point, the Company considers that the resolution of these cases is not expected to have a significant impact on the Group's financial situation or consequences for its future planned operations.

Libya

In June 2011, the United States Securities and Exchange Commission (SEC) issued to certain oil companies – including, among others, TOTAL – a formal request for information related to their operations in Libya. In April 2013, the SEC notified TOTAL of the closure of the investigation while stating that it does not intend to take further action as far as TOTAL is concerned.

Oil-for-Food Program

Several countries have launched investigations concerning possible violations related to the United Nations (UN) Oil-for-Food Program in Iraq.

Pursuant to a French criminal investigation, certain current or former Group Employees were placed under formal criminal investigation for possible charges as accessories to the misappropriation of Corporate assets and as accessories to the corruption of foreign public agents. The Chairman and Chief Executive Officer of the Company, formerly President of the Group's Exploration & Production division, was also placed under formal investigation in October 2006. In 2007, the criminal investigation was closed and the case was transferred to the Prosecutor's office.

In 2009, the Prosecutor's office recommended to the investigating magistrate that the case against the Group's current and former employees and TOTAL's Chairman and Chief Executive Officer not be pursued.

In early 2010, despite the recommendation of the Prosecutor's office, a new investigating magistrate, having taken over the case, decided to indict TOTAL S.A. on bribery charges as well as complicity and influence peddling. The indictment was brought eight years after the beginning of the investigation without any new evidence being introduced.

In October 2010, the Prosecutor's office recommended to the investigating magistrate that the case against TOTAL S.A., the Group's former employees and TOTAL's Chairman and Chief Executive Officer not be pursued. However, by ordinance notified in early August 2011, the investigating magistrate on the matter decided to send the case to trial. On July 8, 2013, TOTAL S.A., the Group's former employees and TOTAL's Chairman and Chief Executive Officer were cleared of all charges by the Criminal Court, which found that none of the offenses for which they had been prosecuted were established. On July 18, 2013, the Prosecutor's office appealed the parts of the Criminal Court's decision acquitting TOTAL S.A. and certain of the Group's former employees. TOTAL's Chairman and Chief Executive Officer's acquittal issued on July 8, 2013 is irrevocable since the Prosecutor's office did not appeal this part of the Criminal Court's decision.

Italy

As part of an investigation led by the Prosecutor of the Republic of the Potenza Court, Total Italia and certain Group employees are the subject of an investigation related to certain calls for tender that Total Italia made for the preparation and development of an oil field. On February 16, 2009, as a preliminary measure before the proceedings go before the Court, the preliminary investigation judge of Potenza served notice to Total Italia of a decision that would suspend the concession for this field for one year. Total Italia has appealed the decision by the preliminary investigation judge before the Court of Appeal of Potenza. In a decision dated April 8, 2009, the Court reversed the suspension of the concession and appointed for one year, *i.e.,* until February 16, 2010, a judicial administrator to supervise the operations related to the development of the concession, allowing the Tempa Rossa project to continue.

The criminal investigation was closed in the first half of 2010. In May 2012, the Judge of the preliminary hearing decided to dismiss the charges against some of the Group's employees and to refer the case for trial for a reduced number of charges. The trial started on September 26, 2012.

In 2010, Total Italia's exploration and production operations were transferred to Total E&P Italia and refining and marketing operations were merged with those of Erg Petroli.

Rivunion

On July 9, 2012, the Swiss *Tribunal Fédéral* (Switzerland's Supreme Court) rendered a decision against Rivunion, a wholly-owned subsidiary of Elf Aquitaine, confirming a tax reassessment in the amount of CHF 171 million (excluding interest for late payment). According to the *Tribunal*, Rivunion was held liable as tax collector of withholding taxes owed by the beneficiaries of taxable services. Rivunion, in liquidation since March 12, 2002, unable to recover the amounts corresponding to the withholding taxes in order to meet its fiscal obligations, has been subject to insolvency proceedings since November 1, 2012. On August 29, 2013, the Swiss federal tax administration lodged a claim as part of the insolvency proceedings of Rivunion, for an amount of CHF 284 million, including CHF 171 million of principal as well as interest for late payment.

33) Other information

Research and development costs incurred by the Group in 2013 amounted to €949 million (€805 million in 2012 and €776 million in 2011), corresponding to 0.5% of the sales.

The staff dedicated in 2013 to these research and development activities are estimated at 4,684 people (4,110 in 2012 and 3,946 in 2011).

34) Changes in progress in the Group structure

Upstream

– TOTAL announced in November 2012 the finalization of an agreement for the sale in Nigeria of its 20% interest in Block OML 138 to a subsidiary of China Petrochemical Corporation (Sinopec). This transaction remains subject to the approval by the relevant authorities. At December 31, 2013 the assets and liabilities have been respectively retained in the Consolidated balance sheet in "Assets classified as held for sale" for an amount of €1,833 million and "Liabilities directly associated with the assets classified as held for sale" for an amount of €590 million. The assets concerned mainly include tangible assets for an amount of €1,468 million.

– TOTAL has put up for sale its interest in Block 15/06 in Angola. At December 31, 2013 the assets and liabilities have been respectively classified in the Consolidated balance sheet in "Assets classified as held for sale" for an amount of €526 million and "Liabilities directly associated with the assets classified as held for sale" for an amount of €36 million. The assets concerned mainly include tangible assets for an amount of €456 million. In February 2014, TOTAL signed an agreement to sell to Sonangol E&P its interest in Block 15/06. This transaction remains subject to the approval by the relevant authorities.

35) Consolidation scope

As of December 31, 2013, 898 entities are consolidated of which 809 are fully consolidated and 89 are accounted for under equity method (E).

The table below sets forth the main Group consolidated entities:

Business segment	Statutory corporate name	% Group interest	Method	Country of incorporation	Country of operations
Upstream					
	Abu Dhabi Gas Liquefaction Company Ltd	5.00%	E	United Arab Emirates	United Arab Emirates
	Angola Block 14 B.V.	50.01%		The Netherlands	Angola
	Angola LNG Limited	13.60%	E	Bermuda	Angola
	Brass Holdings Company Limited	100.00%		Luxembourg	Luxembourg
	Brass LNG Ltd	17.00%	E	Nigeria	Nigeria
	Dolphin Energy Limited	24.50%	E	United Arab Emirates	United Arab Emirates
	E. F. Oil And Gas Limited	100.00%		United Kingdom	United Kingdom
	Elf Exploration Production	100.00%		France	France
	Elf Exploration UK Limited	100.00%		United Kingdom	United Kingdom
	Elf Petroleum Iran	100.00%		France	Iran
	Elf Petroleum UK Limited	100.00%		United Kingdom	United Kingdom
	Gaz Transport & Technigaz S.A.S.	30.00%	E	France	France
	Ichthys LNG PTY Ltd	30.00%	E	Australia	Australia
	Nigeria LNG Ltd	15.00%	E	Nigeria	Nigeria
	Novatek	16.96%	E	Russia	Russia
	Oman LNG LLC	5.54%	E	Oman	Oman
	PetroCedeño	30.32%	E	Venezuela	Venezuela
	Qatar Liquefied Gas Company Limited (II) Train B	16.70%	E	Qatar	Qatar
	Qatargas Liquefied Gas Company Limited	10.00%	E	Qatar	Qatar
	Shtokman Development AG	25.00%	E	Switzerland	Russia
	TOTAL (BTC) S.A.R.L.	100.00%		Luxembourg	Luxembourg
	TOTAL Austral	100.00%		France	Argentina
	TOTAL Coal South Africa (PTY) Ltd	100.00%		South Africa	South Africa
	TOTAL Colombia Pipeline	100.00%		France	Colombia
	TOTAL Dolphin Midstream Limited	100.00%		Bermuda	Bermuda
	Total E&P Absheron B.V.	100.00%		The Netherlands	Azerbaijan
	Total E&P Algerie	100.00%		France	Algeria
	Total E&P Angola	100.00%		France	Angola
	Total E&P Angola Block 15/06 Limited	100.00%		Bermuda	Angola
	Total E&P Angola Block 17/06	100.00%		France	Angola
	Total E&P Angola Block 25	100.00%		France	Angola
	Total E&P Angola Block 32	100.00%		France	Angola
	Total E&P Angola Block 33	100.00%		France	Angola
	Total E&P Angola Block 39	100.00%		France	Angola
	Total E&P Angola Block 40	100.00%		France	Angola
	Total E&P Arctic Russia	100.00%		France	France
	Total E&P Australia	100.00%		France	Australia
	Total E&P Australia II	100.00%		France	Australia
	Total E&P Australia III	100.00%		France	Australia
	Total E&P Azerbaijan B.V.	100.00%		The Netherlands	Azerbaijan
	Total E&P Bolivie	100.00%		France	Bolivia
	Total E&P Borneo B.V.	100.00%		The Netherlands	Brunei
	Total E&P Bulgaria B.V.	100.00%		The Netherlands	Bulgaria
	Total E&P Canada Ltd	100.00%		Canada	Canada
	Total E&P Chine	100.00%		France	China
	Total E&P Colombie	100.00%		France	Colombia
	Total E&P Congo	85.00%		Congo	Congo
	Total E&P Cyprus B.V.	100.00%		The Netherlands	Cyprus
	Total E&P Do Brasil LTDA	100.00%		Brazil	Brazil
	Total E&P Dolphin Upstream Limited	100.00%		Bermuda	Qatar
	Total E&P France	100.00%		France	France
	Total E&P Golfe Holdings Limited	100.00%		Bermuda	Bermuda

Business segment	Statutory corporate name	% Group interest	Method	Country of incorporation	Country of operations
Upstream					
	Total E&P Golfe Limited	100.00%		United Arab Emirates	Qatar
	Total E&P Guyane Francaise	100.00%		France	France
	Total E&P Ichthys	100.00%		France	Australia
	Total E&P Ichthys B.V.	100.00%		The Netherlands	Australia
	Total E&P Indonesia West Papua	100.00%		France	Indonesia
	Total E&P Indonesie	100.00%		France	Indonesia
	Total E&P Iraq	100.00%		France	Iraq
	Total E&P Italia	100.00%		Italy	Italy
	Total E&P Kazakhstan	100.00%		France	Kazakhstan
	Total E&P Kenya B.V.	100.00%		The Netherlands	Kenya
	Total E&P Kurdistan Region of Iraq (Harir) B.V.	100.00%		The Netherlands	Iraq
	Total E&P Kurdistan Region of Iraq (Safen) B.V.	100.00%		The Netherlands	Iraq
	Total E&P Libye	100.00%		France	Libya
	Total E&P Madagascar	100.00%		France	Madagascar
	Total E&P Malaysia	100.00%		France	Malaysia
	Total E&P Maroc	100.00%		France	Morocco
	Total E&P Mauritanie	100.00%		France	Mauritania
	Total E&P Mauritanie Block TA29 B.V.	100.00%		The Netherlands	Mauritania
	Total E&P Mozambique B.V.	100.00%		The Netherlands	Mozambique
	Total E&P Myanmar	100.00%		France	Myanmar
	Total E&P Nederland B.V.	100.00%		The Netherlands	The Netherlands
	Total E&P Nigeria Deepwater D Limited	100.00%		Nigeria	Nigeria
	Total E&P Nigeria Deepwater E Limited	100.00%		Nigeria	Nigeria
	Total E&P Nigeria Ltd	100.00%		Nigeria	Nigeria
	Total E&P Norge AS	100.00%		Norway	Norway
	Total E&P Oman	100.00%		France	Oman
	Total E&P Qatar	100.00%		France	Qatar
	Total E&P Russie	100.00%		France	Russia
	Total E&P South Africa B.V.	100.00%		The Netherlands	South Africa
	Total E&P South East Mahakam	100.00%		France	Indonesia
	Total E&P Syrie	100.00%		France	Syria
	Total E&P Thailand	100.00%		France	Thailand
	Total E&P Uganda B.V.	100.00%		The Netherlands	Uganda
	Total E&P UK Limited	100.00%		United Kingdom	United Kingdom
	Total E&P Uruguay B.V.	100.00%		The Netherlands	Uruguay
	Total E&P USA Inc.	100.00%		United States	United States
	Total E&P Vietnam	100.00%		France	Vietnam
	Total E&P Yamal	100.00%		France	France
	Total E&P Yemen	100.00%		France	Yemen
	TOTAL Énergie Gaz	100.00%		France	France
	TOTAL Exploration M'Bridge B.V.	100.00%		The Netherlands	Angola
	TOTAL Exploration Production Nigeria	100.00%		France	France
	TOTAL Gabon	58.28%		Gabon	Gabon
	TOTAL Gas & Power Actifs Industriels	100.00%		France	France
	TOTAL Gas & Power Limited	100.00%		United Kingdom	United Kingdom
	TOTAL Gas & Power North America Inc.	100.00%		United States	United States
	TOTAL Gasandes	100.00%		France	France
	TOTAL Gaz & Électricité Holdings France	100.00%		France	France
	TOTAL GLNG Australia	100.00%		France	Australia
	TOTAL Holding Dolphin Amont Limited	100.00%		Bermuda	Bermuda
	TOTAL Holdings International B.V.	100.00%		The Netherlands	The Netherlands
	TOTAL Holdings Nederland B.V.	100.00%		The Netherlands	The Netherlands
	TOTAL LNG Angola	100.00%		France	France
	TOTAL LNG Nigeria Ltd	100.00%		Bermuda	Bermuda
	TOTAL Midstream Holdings UK Limited	100.00%		United Kingdom	United Kingdom
	TOTAL Oil And Gas South America	100.00%		France	France
	TOTAL Oil And Gas Venezuela B.V.	100.00%		The Netherlands	Venezuela
	TOTAL Participations Pétrolières Gabon	100.00%		Gabon	Gabon
	TOTAL Petroleum Angola	100.00%		France	Angola

Business segment	Statutory corporate name	% Group interest	Method	Country of incorporation	Country of operations
Upstream					
	TOTAL Profils Pétroliers	100.00%		France	France
	TOTAL Qatar Oil And Gas	100.00%		France	France
	TOTAL Shtokman B.V.	100.00%		The Netherlands	The Netherlands
	TOTAL Upstream Nigeria Limited	100.00%		Nigeria	Nigeria
	TOTAL Upstream UK Limited	100.00%		United Kingdom	United Kingdom
	TOTAL Venezuela	100.00%		France	France
	TOTAL Yemen LNG Company Limited	100.00%		Bermuda	Bermuda
	Yamal LNG	33.59%	E	Russia	Russia
	Yemen LNG Company Ltd	39.62%	E	Bermuda	Yemen
Refining & Chemicals					
	Atlantic Trading & Marketing Inc.	100.00%		United States	United States
	Atotech (China) Chemicals Ltd	100.00%		China	China
	Atotech B.V.	100.00%		The Netherlands	The Netherlands
	Atotech Deutschland GmbH	100.00%		Germany	Germany
	Atotech Taiwan	100.00%		Taiwan	Taiwan
	BASF TOTAL Petrochemicals LLC	40.00%		United States	United States
	Bostik Holding S.A.	100.00%		France	France
	Bostik Inc.	100.00%		United States	United States
	Bostik Ltd	100.00%		United Kingdom	United Kingdom
	Bostik S.A.	100.00%		France	France
	Cosden LLC	100.00%		United States	United States
	Cos-Mar Company	50.00%		United States	United States
	Cray Valley USA LLC	100.00%		United States	United States
	CSSA – Chartering and Shipping Services S.A.	100.00%		Switzerland	Switzerland
	Dalian West Pacific Petrochemical Co. Ltd (WEPEC)	22.41%	E	China	China
	Grande Paroisse S.A.	100.00%		France	France
	Hutchinson Argentina S.A.	100.00%		Argentina	Argentina
	Hutchinson Autopartes De Mexico SA.DE. CV	100.00%		Mexico	Mexico
	Hutchinson Corporation	100.00%		United States	United States
	Hutchinson Do Brasil S.A.	100.00%		Brazil	Brazil
	Hutchinson GmbH	100.00%		Germany	Germany
	Hutchinson Poland SP Z.O.O.	100.00%		Poland	Poland
	Hutchinson S.A.	100.00%		France	France
	Legacy Site Services LLC	100.00%		United States	United States
	LSS Funding Inc.	100.00%		United States	United States
	Naphtachimie	50.00%		France	France
	Paulstra SNC	100.00%		France	France
	Qatar Petrochemical Company Q.S.C. (QAPCO)	20.00%	E	Qatar	Qatar
	Qatofin Company Limited	49.09%	E	Qatar	Qatar
	Samsung Total Petrochemicals Co. Ltd	50.00%	E	South Korea	South Korea
	Saudi Aramco Total Refining and Petrochemical Company	37.50%	E	Saudi Arabia	Saudi Arabia
	Sigmakalon Group B.V.	100.00%		The Netherlands	The Netherlands
	TOTAL Deutschland GmbH [a]	100.00%		Germany	Germany
	TOTAL Downstream UK PLC	100.00%		United Kingdom	United Kingdom
	TOTAL Lindsey Oil Refinery Ltd	100.00%		United Kingdom	United Kingdom
	TOTAL Olefins Antwerp	100.00%		Belgium	Belgium
	TOTAL Petrochemicals & Refining USA Inc. [a]	100.00%		United States	United States
	TOTAL Petrochemicals & Refining S.A./NV [a]	100.00%		Belgium	Belgium
	TOTAL Petrochemicals France	100.00%		France	France
	TOTAL Raffinaderij Antwerpen NV	100.00%		Belgium	Belgium
	TOTAL Raffinage Chimie	100.00%		France	France
	TOTAL Raffinage France	100.00%		France	France
	TOTAL Raffinerie Mitteldeutschland GmbH	100.00%		Germany	Germany
	TOTAL UK Limited [a]	100.00%		United Kingdom	United Kingdom
	TOTSA Total Oil Trading S.A.	100.00%		Switzerland	Switzerland
	Zeeland Refinery N.V.	55.00%		The Netherlands	The Netherlands

Business segment	Statutory corporate name	% Group interest	Method	Country of incorporation	Country of operations
Marketing & Services					
	Air Total International S.A.	100.00%		Switzerland	Switzerland
	Amyris Inc.	17.88%	E	United States	United States
	AS 24	100.00%		France	France
	Compagnie Pétrolière de l'Ouest - CPO	100.00%		France	France
	Société Anonyme de la Raffinerie des Antilles	50.00%	E	France	France
	SunPower Corporation	64.65%		United States	United States
	TOTAL Belgium	100.00%		Belgium	Belgium
	TOTAL China Investment Co. Ltd	100.00%		China	China
	TOTAL Deutschland GmbH [(a)]	100.00%		Germany	Germany
	TOTAL Énergie Développement	100.00%		France	France
	TOTAL Énergies Nouvelles Activités USA	100.00%		France	France
	TOTAL Especialidades Argentina	100.00%		Argentina	Argentina
	TOTAL Guinea Ecuatorial	80.00%		Equatorial Guinea	Equatorial Guinea
	TOTAL Holding Asie	100.00%		France	France
	TOTAL Kenya	93.96%		Kenya	Kenya
	TOTAL Lubrifiants	99.98%		France	France
	TOTAL Marketing Middle East Free Zone	100.00%		United Arab Emirates	United Arab Emirates
	TOTAL Marketing Services	100.00%		France	France
	TOTAL Maroc	100.00%		Morocco	Morocco
	TOTAL Mineraloel Und Chemie GmbH	100.00%		Germany	Germany
	TOTAL Oil Turkiye AS	100.00%		Turkey	Turkey
	TOTAL Outre-Mer	100.00%		France	France
	TOTAL Specialties USA Inc.	100.00%		United States	United States
	TOTAL South Africa (PTY) Ltd	50.10%		South Africa	South Africa
	TOTAL UK Limited [(a)]	100.00%		United Kingdom	United Kingdom
	TOTAL Vostok	100.00%		Russia	Russia
	TotalErg SPA	49.00%	E	Italy	Italy
Corporate					
	Elf Aquitaine	100.00%		France	France
	Elf Aquitaine Fertilisants	100.00%		France	France
	Elf Aquitaine Inc.	100.00%		United States	United States
	Omnium Reinsurance Company S.A.	100.00%		Switzerland	Switzerland
	SOCAP S.A.S.	100.00%		France	France
	Société Civile Immobilière CB2	100.00%		France	France
	SOFAX Banque	100.00%		France	France
	TOTAL Capital	100.00%		France	France
	TOTAL Capital Canada Ltd	100.00%		Canada	Canada
	TOTAL Capital International	100.00%		France	France
	TOTAL Delaware Inc.	100.00%		United States	United States
	Total E&P Holdings	100.00%		France	France
	TOTAL Finance	100.00%		France	France
	TOTAL Finance Exploitation	100.00%		France	France
	TOTAL Finance Global Services S.A.	100.00%		Belgium	Belgium
	TOTAL Finance USA Inc.	100.00%		United States	United States
	TOTAL Funding Nederland B.V.	100.00%		The Netherlands	The Netherlands
	TOTAL Gestion Filiales	100.00%		France	France
	TOTAL Gestion USA	100.00%		France	France
	TOTAL Holdings EUROPE	100.00%		France	France
	TOTAL Holdings UK Limited	100.00%		United Kingdom	United Kingdom
	TOTAL Holdings USA Inc.	100.00%		United States	United States
	TOTAL International NV	100.00%		The Netherlands	The Netherlands
	TOTAL Petrochemicals & Refining USA Inc. [(a)]	100.00%		United States	United States
	TOTAL Petrochemicals & Refining S.A./NV [(a)]	100.00%		Belgium	Belgium
	TOTAL S.A.	N/A		France	France
	TOTAL Treasury	100.00%		France	France
	TOTAL UK Finance Ltd	100.00%		United Kingdom	United Kingdom

(a) Multi-segment entities.

Supplemental oil and gas information (unaudited)

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1. Oil and gas information pursuant to FASB Accounting Standards Codification 932

Proved reserves estimates are calculated according to the Securities and Exchange Commission (SEC) Rule 4-10 of Regulation S-X set forth in the "Modernization of Oil and Gas Reporting" release (SEC Release n° 33-8995) and the Financial Accounting Standard Board (FASB) Accounting Standards Update regarding Extractive Activities – Oil and Gas (ASC 932), which provide definitions and disclosure requirements.

1.1. Preparation of reserves estimates

The estimation of reserves is an ongoing process which is done within affiliates by experienced geoscientists, engineers and economists under the supervision of each affiliate's General Management. Staff involved in reserves evaluation are trained to follow SEC-compliant internal guidelines and policies regarding criteria that must be met before reserves can be considered as proved.

The technical validation process relies on a Technical Reserves Committee that is responsible for approving proved reserves changes above a certain threshold and technical evaluations of reserves associated with an investment decision that requires approval from the Exploration & Production Executive Committee. The Chairman of the Technical Reserves Committee is appointed by the Senior Management of Exploration & Production and its members represent expertise in reservoir engineering, production geology, production geophysics, drilling, and development studies.

An internal control process related to reserves estimation is well established within TOTAL and involves the following elements:

- A central Reserve Entity whose responsibility is to consolidate, document and archive the Group's reserves; to ensure coherence of evaluations worldwide; to maintain the Corporate Reserves Guidelines Standards in line with SEC guidelines and policies; to deliver training on reserves evaluation and classification; and to conduct periodically in-depth technical review of reserves for each affiliate.
- An annual review of affiliates reserves conducted by an internal group of specialists selected for their expertise in geosciences and engineering or their knowledge of the affiliate. All members of this group chaired by the Reserves Vice-President and composed of at least three Technical Reserves Committee members are knowledgeable in the SEC guidelines for proved reserves evaluation. Their responsibility is to provide an independent review of reserves changes proposed by affiliates and ensure that reserves are estimated using appropriate standards and procedures.
- At the end of the annual review carried out by the Development Division, a SEC Reserves Committee chaired by the Exploration & Production Senior Vice President Corporate Affairs and comprised of the Development, Exploration, Strategy and Legal Senior Vice Presidents, or their representatives, as well as the Chairman of the Technical Reserves Committee and the Reserves Vice-President, approves the SEC reserve booking proposals regarding criteria that are not dependent upon reservoir and geosciences techniques. The results of the annual review and the proposals for including revisions or additions of SEC Proved Reserves are presented to the Exploration & Production Executive Committee for approval before final validation by the Group Executive Management.

The reserves evaluation and control process is audited periodically by the Group's internal auditors who verify the effectiveness of the reserves evaluation process and control procedures.

The reserves Vice-President (RVP) is the technical person responsible for preparing the reserves estimates for the Group. Appointed by the President of Exploration & Production, the RVP supervises the Reserve Entity, chairs the annual review of reserves, and is a member of the Technical Reserves Committee and the SEC Reserves Committee. The RVP has over thirty years of experience in the oil & gas industry. He previously held several management positions in the Group in reservoir engineering and geosciences, and has more than fifteen years of experience in the field of reserves evaluation and control process. He holds an engineering degree from *Institut National des Sciences Appliquées*, Lyon, France, and a petroleum engineering degree from *École Nationale Supérieure du Pétrole et des Moteurs* (IFP School), France. He is a member and past Chairman of the Society of Petroleum Engineers Oil and Gas Reserves Committee and a member of the UNECE (United Nations Economic Commission for Europe) Expert Group on Resource Classification.

1.2. Proved developed reserves

At the end of 2013, proved developed reserves of oil and gas were 5,674 Mboe and represented 49% of the proved reserves. At the end of 2012, proved developed reserves of oil and gas were 5,789 Mboe and represented 51% of the proved reserves. At the end of 2011, proved developed reserves of oil and gas were 6,046 Mboe and represented 53% of the proved reserves. Over the past three years, the yearly average of proved developed reserves renewal has remained above 800 Mboe, illustrating TOTAL's ability to consistently transfer proved undeveloped reserves into developed status.

1.3. Proved undeveloped reserves

As of December 31, 2013, TOTAL's combined proved undeveloped reserves of oil and gas were 5,852 Mboe as compared to 5,579 Mboe at the end of 2012. The net increase of 273 Mboe of proved undeveloped reserves is due to the addition of 946 Mboe of undeveloped reserves related to extensions and discoveries, the revision of -278 Mboe of previous estimates, a net increase of 44 Mboe due to acquisitions/divestitures, and the transfer of 439 Mboe from proved undeveloped reserves to proved developed reserves. Negative revision of previous estimates results from a perimeter change in the gas feed of an LNG plant in Africa and the postponement of a debottlenecking phase and a performance study performed on a field located in America. In 2013, the cost incurred to develop proved undeveloped reserves (PUDs) was €15.0 billion, which represents 83% of 2013 development costs incurred, and was related to projects located for the most part in Angola, Australia, Canada, Congo, Gabon, Nigeria, Norway, and United Kingdom.

Approximately 51% of the Group's proved undeveloped reserves are associated with producing projects and are located for the most part in Canada, Kazakhstan, Nigeria, Norway, Russia, and Venezuela. These reserves are expected to be developed over time as part of initial field development plans or additional development phases. The timing to bring these proved reserves into production will depend upon several factors including reservoir performance, surface facilities or plant capacity constraints and contractual limitations on production level. The remaining proved undeveloped reserves correspond to undeveloped fields or assets for which a development has been sanctioned or is in progress.

The Group's portfolio of projects includes a few large scale and complex developments for which it anticipates that it may take more than five years from the time of recording proved reserves to the start of production. These specific projects represent approximately 20% of the Group's proved undeveloped reserves and include deep offshore developments in Angola, Nigeria and the United Kingdom and development of oil sands in Canada. These projects are highly complex to develop due to a combination of factors that include, among others, the nature of the reservoir rock and fluid properties, challenging operating environments and the size of the projects. In addition, some of these projects are generally designed and optimized for a given production capacity that controls the pace at which the field is developed and the wells are drilled. At production start-up, only a portion of the proved reserves are developed in order to deliver sufficient production potential to meet capacity constraints and contractual obligations. The remaining PUD's associated with the complete development plan will therefore remain undeveloped for more than five years following project approval and booking. Under these specific circumstances, the Group believes that it is justified to report as proved reserves the level of reserves used in connection with the approved project, despite the fact that some of these PUDs may remain undeveloped for more than five years. In addition, TOTAL has demonstrated in recent years the Group's ability to successfully develop and bring into production similar large scale and complex projects, including the development of deep-offshore fields in Angola, Nigeria, the Republic of Congo, HP/HT fields in the United Kingdom, heavy oil projects in Venezuela and LNG projects in Qatar, Yemen, Nigeria and Indonesia.

The tables provided below are presented by the following geographic areas: Europe, Africa, the Americas, Middle East and Asia (including CIS).

1.4. Estimated proved reserves of oil, bitumen and gas reserves

The following tables present, for oil, bitumen and gas reserves, an estimate of the Group's oil, bitumen and gas quantities by geographic areas as of December 31, 2013, 2012 and 2011.

Quantities shown correspond to proved developed and undeveloped reserves together with changes in quantities for 2013, 2012 and 2011.

The definitions used for proved, proved developed and proved undeveloped oil and gas reserves are in accordance with the revised Rule 4-10 of SEC Regulation S-X.

All references in the following tables to reserves or production are to the Group's entire share of such reserves or production. TOTAL's worldwide proved reserves include the proved reserves of its consolidated subsidiaries as well as its proportionate share of the proved reserves of equity affiliates.

1.4.1. Changes in oil, bitumen and gas reserves

(in million barrels of oil equivalent)	Consolidated subsidiaries					
Proved developed and undeveloped reserves	Europe	Africa	Americas	Middle East	Asia	Total
Balance as of December 31, 2010	**1,706**	**3,371**	**1,540**	**574**	**1,099**	**8,290**
Revisions of previous estimates	117	(61)	(36)	(68)	(19)	(67)
Extensions, discoveries and other	57	6	-	-	588	651
Acquisitions of reserves in place	44	-	309	-	2	355
Sales of reserves in place	-	(65)	-	-	-	(65)
Production for the year	(187)	(237)	(75)	(56)	(93)	(648)
Balance as of December 31, 2011	**1,737**	**3,014**	**1,738**	**450**	**1,577**	**8,516**
Revisions of previous estimates	64	65	7	(23)	15	128
Extensions, discoveries and other	67	173	110	29	43	422
Acquisitions of reserves in place	32	-	-	-	-	32
Sales of reserves in place	(38)	(71)	(8)	-	-	(117)
Production for the year	(156)	(261)	(77)	(34)	(90)	(618)
Balance as of December 31, 2012	**1,706**	**2,920**	**1,770**	**422**	**1,545**	**8,363**
Revisions of previous estimates	18	(97)	44	11	48	24
Extensions, discoveries and other	12	20	135	2	227	396
Acquisitions of reserves in place	-	-	-	-	132	132
Sales of reserves in place	(51)	-	(51)	-	-	(102)
Production for the year	(143)	(243)	(74)	(31)	(97)	(588)
Balance as of December 31, 2013	**1,542**	**2,600**	**1,824**	**404**	**1,855**	**8,225**
Minority interest in proved developed and undeveloped reserves as of						
December 31, 2011	-	98	-	-	-	98
December 31, 2012	-	99	-	-	-	99
December 31, 2013	**-**	**159**	**-**	**-**	**-**	**159**

(in million barrels of oil equivalent)	Equity affiliates					
Proved developed and undeveloped reserves	Europe	Africa	Americas	Middle East	Asia	Total
Balance as of December 31, 2010	**-**	**107**	**486**	**1,812**	**-**	**2,405**
Revisions of previous estimates	-	(1)	(8)	(20)	-	(29)
Extensions, discoveries and other	-	-	-	-	-	-
Acquisitions of reserves in place	-	-	-	-	779	779
Sales of reserves in place	-	(24)	(4)	(11)	-	(39)
Production for the year	-	(4)	(18)	(152)	(35)	(209)
Balance as of December 31, 2011	**-**	**78**	**456**	**1,629**	**744**	**2,907**
Revisions of previous estimates	-	2	(39)	5	78	46
Extensions, discoveries and other	-	-	-	-	158	158
Acquisitions of reserves in place	-	-	-	-	118	118
Sales of reserves in place	-	-	-	-	-	-
Production for the year	-	-	(15)	(146)	(63)	(224)
Balance as of December 31, 2012	**-**	**80**	**402**	**1,488**	**1,035**	**3,005**
Revisions of previous estimates	-	(3)	(141)	(3)	33	(114)
Extensions, discoveries and other	-	-	-	14	622	636
Acquisitions of reserves in place	-	-	-	-	117	117
Sales of reserves in place	-	-	-	-	(92)	(92)
Production for the year	-	(1)	(13)	(164)	(73)	(251)
Balance as of December 31, 2013	**-**	**76**	**248**	**1,335**	**1,642**	**3,301**

(in million barrels of oil equivalent)	Consolidated subsidiaries and equity affiliates					
	Europe	Africa	Americas	Middle East	Asia	Total
As of December 31, 2011						
Proved developed and undeveloped reserves	**1,737**	**3,092**	**2,194**	**2,079**	**2,321**	**11,423**
Consolidated subsidiaries	1,737	3,014	1,738	450	1,577	8,516
Equity affiliates	-	78	456	1,629	744	2,907
Proved developed reserves	**894**	**1,660**	**647**	**1,869**	**976**	**6,046**
Consolidated subsidiaries	894	1,639	524	371	321	3,749
Equity affiliates	-	21	123	1,498	655	2,297
Proved undeveloped reserves	**843**	**1,432**	**1,547**	**210**	**1,345**	**5,377**
Consolidated subsidiaries	843	1,375	1,214	79	1,256	4,767
Equity affiliates	-	57	333	131	89	610
As of December 31, 2012						
Proved developed and undeveloped reserves	**1,706**	**3,000**	**2,172**	**1,910**	**2,580**	**11,368**
Consolidated subsidiaries	1,706	2,920	1,770	422	1,545	8,363
Equity affiliates	-	80	402	1,488	1,035	3,005
Proved developed reserves	**827**	**1,584**	**616**	**1,718**	**1,044**	**5,789**
Consolidated subsidiaries	827	1,563	475	349	313	3,527
Equity affiliates	-	21	141	1,369	731	2,262
Proved undeveloped reserves	**879**	**1,416**	**1,556**	**192**	**1,536**	**5,579**
Consolidated subsidiaries	879	1,357	1,295	73	1,232	4,836
Equity affiliates	-	59	261	119	304	743
As of December 31, 2013						
Proved developed and undeveloped reserves	**1,542**	**2,676**	**2,072**	**1,739**	**3,497**	**11,526**
Consolidated subsidiaries	1,542	2,600	1,824	404	1,855	8,225
Equity affiliates	-	76	248	1,335	1,642	3,301
Proved developed reserves	**766**	**1,469**	**540**	**1,577**	**1,322**	**5,674**
Consolidated subsidiaries	766	1,452	452	330	560	3,560
Equity affiliates	-	17	88	1,247	762	2,114
Proved undeveloped reserves	**776**	**1,207**	**1,532**	**162**	**2,175**	**5,852**
Consolidated subsidiaries	776	1,148	1,372	74	1,295	4,665
Equity affiliates	-	59	160	88	880	1,187

1.4.2. Changes in oil reserves

The oil reserves include crude oil, condensates and natural gas liquids.

(in million barrels)	Consolidated subsidiaries					
Proved developed and undeveloped reserves	Europe	Africa	Americas	Middle East	Asia	Total
Balance as of December 31, 2010	**792**	**2,350**	**79**	**239**	**554**	**4,014**
Revisions of previous estimates	49	(19)	9	(33)	(24)	(18)
Extensions, discoveries and other	17	6	-	-	58	81
Acquisitions of reserves in place	42	-	-	-	-	42
Sales of reserves in place	-	(57)	-	-	-	(57)
Production for the year	(88)	(185)	(15)	(25)	(15)	(328)
Balance as of December 31, 2011	**812**	**2,095**	**73**	**181**	**573**	**3,734**
Revisions of previous estimates	20	61	10	2	10	103
Extensions, discoveries and other	27	148	8	28	6	217
Acquisitions of reserves in place	7	-	-	-	-	7
Sales of reserves in place	(32)	(45)	(2)	-	-	(79)
Production for the year	(72)	(210)	(12)	(21)	(14)	(329)
Balance as of December 31, 2012	**762**	**2,049**	**77**	**190**	**575**	**3,653**
Revisions of previous estimates	19	50	7	7	75	158
Extensions, discoveries and other	6	19	20	2	21	68
Acquisitions of reserves in place	-	-	-	-	34	34
Sales of reserves in place	(49)	-	(6)	-	-	(55)
Production for the year	(60)	(194)	(12)	(20)	(16)	(302)
Balance as of December 31, 2013	**678**	**1,924**	**86**	**179**	**689**	**3,556**
Minority interest in proved developed and undeveloped reserves as of						
December 31, 2011	-	88	-	-	-	88
December 31, 2012	-	87	-	-	-	87
December 31, 2013	**-**	**140**	**-**	**-**	**-**	**140**

(in million barrels)	Equity affiliates					
Proved developed and undeveloped reserves	Europe	Africa	Americas	Middle East	Asia	Total
Balance as of December 31, 2010	**-**	**34**	**470**	**680**	**-**	**1,184**
Revisions of previous estimates	-	2	(6)	(12)	-	(16)
Extensions, discoveries and other	-	-	-	-	-	-
Acquisitions of reserves in place	-	-	-	-	51	51
Sales of reserves in place	-	(22)	(4)	(12)	-	(38)
Production for the year	-	(4)	(17)	(91)	(3)	(115)
Balance as of December 31, 2011	**-**	**10**	**443**	**565**	**48**	**1,066**
Revisions of previous estimates	-	5	(40)	5	9	(21)
Extensions, discoveries and other	-	-	-	-	51	51
Acquisitions of reserves in place	-	-	-	-	11	11
Sales of reserves in place	-	-	-	-	-	-
Production for the year	-	-	(15)	(93)	(5)	(113)
Balance as of December 31, 2012	**-**	**15**	**388**	**477**	**114**	**994**
Revisions of previous estimates	-	(3)	(138)	(6)	(4)	(151)
Extensions, discoveries and other	-	-	-	-	32	32
Acquisitions of reserves in place	-	-	-	-	13	13
Sales of reserves in place	-	-	-	-	-	-
Production for the year	-	-	(13)	(99)	(7)	(119)
Balance as of December 31, 2013	**-**	**12**	**237**	**372**	**148**	**769**

(in million barrels)	Consolidated subsidiaries and equity affiliates					
	Europe	Africa	Americas	Middle East	Asia	Total
As of December 31, 2011						
Proved developed and undeveloped reserves	**812**	**2,105**	**516**	**746**	**621**	**4,800**
Consolidated subsidiaries	812	2,095	73	181	573	3,734
Equity affiliates	-	10	443	565	48	1,066
Proved developed reserves	**351**	**1,206**	**165**	**565**	**91**	**2,378**
Consolidated subsidiaries	351	1,202	48	116	50	1,767
Equity affiliates	-	4	117	449	41	611
Proved undeveloped reserves	**461**	**899**	**351**	**181**	**530**	**2,422**
Consolidated subsidiaries	461	893	25	65	523	1,967
Equity affiliates	-	6	326	116	7	455
As of December 31, 2012						
Proved developed and undeveloped reserves	**761**	**2,065**	**465**	**667**	**689**	**4,647**
Consolidated subsidiaries	761	2,050	77	190	575	3,653
Equity affiliates	-	15	388	477	114	994
Proved developed reserves	**289**	**1,145**	**179**	**506**	**110**	**2,229**
Consolidated subsidiaries	289	1,139	44	133	55	1,660
Equity affiliates	-	6	135	373	55	569
Proved undeveloped reserves	**472**	**920**	**286**	**161**	**579**	**2,418**
Consolidated subsidiaries	472	911	33	57	520	1,993
Equity affiliates	-	9	253	104	59	425
As of December 31, 2013						
Proved developed and undeveloped reserves	**678**	**1,936**	**323**	**551**	**837**	**4,325**
Consolidated subsidiaries	678	1,924	86	179	689	3,556
Equity affiliates	-	12	237	372	148	769
Proved developed reserves	**274**	**1,068**	**128**	**419**	**304**	**2,193**
Consolidated subsidiaries	274	1,064	45	119	235	1,737
Equity affiliates	-	4	83	300	69	456
Proved undeveloped reserves	**404**	**868**	**195**	**132**	**533**	**2,132**
Consolidated subsidiaries	404	860	41	60	454	1,819
Equity affiliates	-	8	154	72	79	313

1.4.3. Changes in bitumen reserves

(in million barrels)	Consolidated subsidiaries					
Proved developed and undeveloped reserves	Europe	Africa	Americas	Middle East	Asia	Total
Balance as of December 31, 2010	**-**	**-**	**789**	**-**	**-**	**789**
Revisions of previous estimates	-	-	(109)	-	-	(109)
Extensions, discoveries and other	-	-	-	-	-	-
Acquisitions of reserves in place	-	-	308	-	-	308
Sales of reserves in place	-	-	-	-	-	-
Production for the year	-	-	(4)	-	-	(4)
Balance as of December 31, 2011	**-**	**-**	**984**	**-**	**-**	**984**
Revisions of previous estimates	-	-	43	-	-	43
Extensions, discoveries and other	-	-	15	-	-	15
Acquisitions of reserves in place	-	-	-	-	-	-
Sales of reserves in place	-	-	-	-	-	-
Production for the year	-	-	(4)	-	-	(4)
Balance as of December 31, 2012	**-**	**-**	**1,038**	**-**	**-**	**1,038**
Revisions of previous estimates	-	-	2	-	-	2
Extensions, discoveries and other	-	-	53	-	-	53
Acquisitions of reserves in place	-	-	-	-	-	-
Sales of reserves in place	-	-	-	-	-	-
Production for the year	-	-	(5)	-	-	(5)
Balance as of December 31, 2013	**-**	**-**	**1,088**	**-**	**-**	**1,088**
Proved developed reserves as of						
December 31, 2011	-	-	21	-	-	21
December 31, 2012	-	-	18	-	-	18
December 31, 2013	**-**	**-**	**15**	**-**	**-**	**15**
Proved undeveloped reserves as of						
December 31, 2011	-	-	963	-	-	963
December 31, 2012	-	-	1,020	-	-	1,020
December 31, 2013	**-**	**-**	**1,073**	**-**	**-**	**1,073**

There are no bitumen reserves for equity affiliates.

There are no minority interests for bitumen reserves.

1.4.4. Changes in gas reserves

(in billion cubic feet)	Consolidated subsidiaries					
Proved developed and undeveloped reserves	Europe	Africa	Americas	Middle East	Asia	Total
Balance as of December 31, 2010	**4,962**	**5,314**	**3,806**	**1,867**	**3,194**	**19,143**
Revisions of previous estimates	358	(216)	367	(180)	1	330
Extensions, discoveries and other	211	-	-	-	2,824	3,035
Acquisitions of reserves in place	11	-	7	-	13	31
Sales of reserves in place	-	(46)	-	-	-	(46)
Production for the year	(528)	(259)	(317)	(169)	(445)	(1,718)
Balance as of December 31, 2011	**5,014**	**4,793**	**3,863**	**1,518**	**5,587**	**20,775**
Revisions of previous estimates	268	31	(278)	(132)	15	(96)
Extensions, discoveries and other	216	127	478	6	195	1,022
Acquisitions of reserves in place	138	-	-	-	-	138
Sales of reserves in place	(30)	(173)	(35)	-	-	(238)
Production for the year	(462)	(257)	(337)	(75)	(433)	(1,564)
Balance as of December 31, 2012	**5,144**	**4,521**	**3,691**	**1,317**	**5,364**	**20,037**
Revisions of previous estimates	(6)	(887)	199	29	(186)	(851)
Extensions, discoveries and other	27	12	336	-	1,074	1,449
Acquisitions of reserves in place	1	-	-	-	506	507
Sales of reserves in place	(13)	-	(243)	-	-	(256)
Production for the year	(450)	(248)	(320)	(68)	(458)	(1,544)
Balance as of December 31, 2013	**4,703**	**3,398**	**3,663**	**1,278**	**6,300**	**19,342**
Minority interest in proved developed and undeveloped reserves as of						
December 31, 2011	-	62	-	-	-	62
December 31, 2012	-	57	-	-	-	57
December 31, 2013	**-**	**87**	**-**	**-**	**-**	**87**

(in billion cubic feet)	Equity affiliates					
Proved developed and undeveloped reserves	Europe	Africa	Americas	Middle East	Asia	Total
Balance as of December 31, 2010	**-**	**390**	**91**	**6,164**	**-**	**6,645**
Revisions of previous estimates	-	(16)	(10)	(31)	-	(57)
Extensions, discoveries and other	-	-	-	-	-	-
Acquisitions of reserves in place	-	-	-	-	3,865	3,865
Sales of reserves in place	-	(10)	-	-	-	(10)
Production for the year	-	(1)	(2)	(331)	(167)	(501)
Balance as of December 31, 2011	**-**	**363**	**79**	**5,802**	**3,698**	**9,942**
Revisions of previous estimates	-	(21)	5	(4)	366	346
Extensions, discoveries and other	-	-	-	-	578	578
Acquisitions of reserves in place	-	-	-	-	568	568
Sales of reserves in place	-	-	-	-	-	-
Production for the year	-	(1)	(2)	(287)	(304)	(594)
Balance as of December 31, 2012	**-**	**341**	**82**	**5,511**	**4,906**	**10,840**
Revisions of previous estimates	-	8	(18)	16	191	197
Extensions, discoveries and other	-	-	-	77	3,209	3,286
Acquisitions of reserves in place	-	-	-	-	553	553
Sales of reserves in place	-	-	-	-	(485)	(485)
Production for the year	-	(6)	(2)	(354)	(345)	(707)
Balance as of December 31, 2013	**-**	**343**	**62**	**5,250**	**8,029**	**13,684**

(in billion cubic feet)	Consolidated subsidiaries and equity affiliates					
	Europe	Africa	Americas	Middle East	Asia	Total
As of December 31, 2011						
Proved developed and undeveloped reserves	**5,014**	**5,156**	**3,942**	**7,320**	**9,285**	**30,717**
Consolidated subsidiaries	5,014	4,793	3,863	1,518	5,587	20,775
Equity affiliates	-	363	79	5,802	3,698	9,942
Proved developed reserves	**2,943**	**2,308**	**2,600**	**7,170**	**4,854**	**19,875**
Consolidated subsidiaries	2,943	2,216	2,567	1,450	1,594	10,770
Equity affiliates	-	92	33	5,720	3,260	9,105
Proved undeveloped reserves	**2,071**	**2,848**	**1,342**	**150**	**4,431**	**10,842**
Consolidated subsidiaries	2,071	2,577	1,296	68	3,993	10,005
Equity affiliates	-	271	46	82	438	837
As of December 31, 2012						
Proved developed and undeveloped reserves	**5,144**	**4,862**	**3,773**	**6,828**	**10,270**	**30,877**
Consolidated subsidiaries	5,144	4,521	3,691	1,317	5,364	20,037
Equity affiliates	-	341	82	5,511	4,906	10,840
Proved developed reserves	**2,927**	**2,192**	**2,356**	**6,656**	**5,115**	**19,246**
Consolidated subsidiaries	2,927	2,110	2,316	1,240	1,526	10,119
Equity affiliates	-	82	40	5,416	3,589	9,127
Proved undeveloped reserves	**2,217**	**2,670**	**1,417**	**172**	**5,155**	**11,631**
Consolidated subsidiaries	2,217	2,411	1,375	77	3,838	9,918
Equity affiliates	-	259	42	95	1,317	1,713
As of December 31, 2013						
Proved developed and undeveloped reserves	**4,703**	**3,741**	**3,725**	**6,528**	**14,329**	**33,026**
Consolidated subsidiaries	4,703	3,398	3,663	1,278	6,300	19,342
Equity affiliates	-	343	62	5,250	8,029	13,684
Proved developed reserves	**2,687**	**2,009**	**2,240**	**6,366**	**5,514**	**18,816**
Consolidated subsidiaries	2,687	1,937	2,210	1,210	1,834	9,878
Equity affiliates	-	72	30	5,156	3,680	8,938
Proved undeveloped reserves	**2,016**	**1,732**	**1,485**	**162**	**8,815**	**14,210**
Consolidated subsidiaries	2,016	1,461	1,453	68	4,466	9,464
Equity affiliates	-	271	32	94	4,349	4,746

1.5. Results of operations for oil and gas producing activities

The following tables do not include revenues and expenses related to oil and gas transportation activities and LNG liquefaction and transportation activities.

(M€)	Consolidated subsidiaries					
	Europe	Africa	Americas	Middle East	Asia	Total
2011						
Revenues Non-Group sales	3,116	3,188	776	1,159	3,201	11,440
Revenues Group sales	7,057	11,365	764	737	712	20,635
Total Revenues	**10,173**	**14,553**	**1,540**	**1,896**	**3,913**	**32,075**
Production costs	(1,235)	(1,179)	(250)	(286)	(304)	(3,254)
Exploration expenses	(343)	(323)	(48)	(11)	(294)	(1,019)
Depreciation, depletion and amortization and valuation allowances	(1,336)	(1,845)	(352)	(278)	(791)	(4,602)
Other expenses [a]	(307)	(1,181)	(274)	(276)	(95)	(2,133)
Pre-tax income from producing activities	**6,952**	**10,025**	**616**	**1,045**	**2,429**	**21,067**
Income tax	(5,059)	(6,484)	(293)	(465)	(1,302)	(13,603)
Results of oil and gas producing activities	**1,893**	**3,541**	**323**	**580**	**1,127**	**7,464**
2012						
Revenues Non-Group sales	1,986	4,388	968	723	3,509	11,574
Revenues Group sales	6,857	13,440	639	1,010	790	22,736
Total Revenues	**8,843**	**17,828**	**1,607**	**1,733**	**4,299**	**34,310**
Production costs	(1,318)	(1,442)	(297)	(340)	(395)	(3,792)
Exploration expenses	(483)	(365)	(339)	(18)	(241)	(1,446)
Depreciation, depletion and amortization and valuation allowances	(1,986)	(2,574)	(1,558)	(458)	(938)	(7,514)
Other expenses [a]	(326)	(1,356)	(386)	(159)	(128)	(2,355)
Pre-tax income from producing activities	**4,730**	**12,091**	**(973)**	**758**	**2,597**	**19,203**
Income tax	(3,478)	(7,383)	226	(386)	(1,264)	(12,285)
Results of oil and gas producing activities	**1,252**	**4,708**	**(747)**	**372**	**1,333**	**6,918**
2013						
Revenues Non-Group sales	1,634	3,445	1,003	812	3,483	10,377
Revenues Group sales	5,834	12,101	608	679	761	19,983
Total Revenues	**7,468**	**15,546**	**1,611**	**1,491**	**4,244**	**30,360**
Production costs	(1,327)	(1,486)	(313)	(375)	(440)	(3,941)
Exploration expenses	(363)	(439)	(406)	(124)	(301)	(1,633)
Depreciation, depletion and amortization and valuation allowances	(1,368)	(2,585)	(914)	(546)	(1,274)	(6,687)
Other expenses [a]	(371)	(1,188)	(327)	(80)	(137)	(2,103)
Pre-tax income from producing activities	**4,039**	**9,848**	**(349)**	**366**	**2,092**	**15,996**
Income tax	(2,726)	(6,235)	42	(316)	(1,061)	(10,296)
Results of oil and gas producing activities	**1,313**	**3,613**	**(307)**	**50**	**1,031**	**5,700**

(a) Included production taxes and accretion expense as provided for by IAS 37 (€338 million in 2011, €391 million in 2012, €426 million in 2013).

(M€)	Equity affiliates					
	Europe	Africa	Americas	Middle East	Asia	Total
2011						
Non-Group sales	-	26	15	1,080	256	1,377
Group sales	-	-	831	6,804	-	7,635
Total Revenues	**-**	**26**	**846**	**7,884**	**256**	**9,012**
Production costs	-	(7)	(48)	(250)	(28)	(333)
Exploration expenses	-	-	-	-	(4)	(4)
Depreciation, depletion and amortization and valuation allowances	-	(7)	(44)	(225)	(109)	(385)
Other expenses	-	-	(550)	(6,101)	(36)	(6,687)
Pre-tax income from producing activities	**-**	**12**	**204**	**1,308**	**79**	**1,603**
Income tax	-	-	(95)	(285)	(34)	(414)
Results of oil and gas producing activities	**-**	**12**	**109**	**1,023**	**45**	**1,189**
2012						
Non-Group sales	-	-	-	1,085	780	1,865
Group sales	-	-	1,234	7,850	(323)	8,761
Total Revenues	**-**	**-**	**1,234**	**8,935**	**457**	**10,626**
Production costs	-	-	(125)	(289)	(88)	(502)
Exploration expenses	-	-	-	-	(3)	(3)
Depreciation, depletion and amortization and valuation allowances	-	-	(60)	(299)	(227)	(586)
Other expenses	-	-	(754)	(6,924)	(54)	(7,732)
Pre-tax income from producing activities	**-**	**-**	**295**	**1,423**	**85**	**1,803**
Income tax	-	-	(63)	(303)	(51)	(417)
Results of oil and gas producing activities	**-**	**-**	**232**	**1,120**	**34**	**1,386**
2013						
Non-Group sales	-	-	-	1,521	569	2,090
Group sales	-	-	752	7,748	10	8,510
Total Revenues	**-**	**-**	**752**	**9,269**	**579**	**10,600**
Production costs	-	-	(81)	(362)	(41)	(484)
Exploration expenses	-	-	-	-	(2)	(2)
Depreciation, depletion and amortization and valuation allowances	-	-	(34)	(350)	(194)	(578)
Other expenses	-	-	(481)	(6,741)	(91)	(7,313)
Pre-tax income from producing activities	**-**	**-**	**156**	**1,816**	**251**	**2,223**
Income tax	-	-	(77)	(410)	(83)	(570)
Results of oil and gas producing activities	**-**	**-**	**79**	**1,406**	**168**	**1,653**

1.6. Cost incurred

The following tables set forth the costs incurred in the Group's oil and gas property acquisition, exploration and development activities, including both capitalized and expensed amounts. They do not include costs incurred related to oil and gas transportation and LNG liquefaction and transportation activities.

(M€)	Consolidated subsidiaries					
	Europe	Africa	Americas	Middle East	Asia	Total
2011						
Proved property acquisition	298	10	413	2	251	974
Unproved property acquisition	1	397	1,692	3	14	2,107
Exploration costs	505	384	254	17	417	1,577
Development costs [a]	2,352	3,895	1,314	329	2,823	10,713
Total cost incurred	**3,156**	**4,686**	**3,673**	**351**	**3,505**	**15,371**
2012						
Proved property acquisition	202	27	-	-	12	241
Unproved property acquisition	40	1,362	384	176	26	1,988
Exploration costs	598	578	571	35	340	2,122
Development costs [a]	3,183	4,330	1,830	307	3,331	12,981
Total cost incurred	**4,023**	**6,297**	**2,785**	**518**	**3,709**	**17,332**
2013						
Proved property acquisition	-	131	-	2	367	500
Unproved property acquisition	13	386	1,584	64	64	2,111
Exploration costs	511	669	441	174	408	2,203
Development costs [a]	3,945	6,434	2,403	349	4,212	17,343
Total cost incurred	**4,469**	**7,620**	**4,428**	**589**	**5,051**	**22,157**

(M€)	Equity affiliates					
	Europe	Africa	Americas	Middle East	Asia	Total
2011						
Proved property acquisition	-	-	-	-	2,691	2,691
Unproved property acquisition	-	-	-	-	1,116	1,116
Exploration costs	-	-	2	-	-	2
Development costs [a]	-	2	106	314	939	1,361
Total cost incurred	**-**	**2**	**108**	**314**	**4,746**	**5,170**
2012						
Proved property acquisition	-	-	-	-	238	238
Unproved property acquisition	-	-	-	-	(22)	(22)
Exploration costs	-	-	-	-	-	-
Development costs [a]	-	-	167	380	202	749
Total cost incurred	**-**	**-**	**167**	**380**	**418**	**965**
2013						
Proved property acquisition	-	-	-	-	206	206
Unproved property acquisition	-	-	-	-	106	106
Exploration costs	-	-	-	-	-	-
Development costs [a]	-	-	128	345	241	714
Total cost incurred	**-**	**-**	**128**	**345**	**553**	**1,026**

(a) Including asset retirement costs capitalized during the year and any gains or losses recognized upon settlement of asset retirement obligation during the year.

1.7. Capitalized costs related to oil and gas producing activities

Capitalized costs represent the amount of capitalized proved and unproved property costs, including support equipment and facilities, along with the related accumulated depreciation, depletion and amortization.
The following tables do not include capitalized costs related to oil and gas transportation and LNG liquefaction and transportation activities.

(M€)	Consolidated subsidiaries					
	Europe	Africa	Americas	Middle East	Asia	Total
As of December 31, 2011						
Proved properties	34,308	37,032	8,812	6,229	17,079	103,460
Unproved properties	460	1,962	4,179	62	911	7,574
Total capitalized costs	**34,768**	**38,994**	**12,991**	**6,291**	**17,990**	**111,034**
Accumulated depreciation, depletion and amortization	(24,047)	(18,642)	(2,294)	(4,274)	(5,066)	(54,323)
Net capitalized costs	**10,721**	**20,352**	**10,697**	**2,017**	**12,924**	**56,711**
As of December 31, 2012						
Proved properties	35,456	40,562	10,108	6,408	20,463	112,997
Unproved properties	543	3,184	4,324	248	612	8,911
Total capitalized costs	**35,999**	**43,746**	**14,432**	**6,656**	**21,075**	**121,908**
Accumulated depreciation, depletion and amortization	(23,660)	(20,364)	(3,219)	(4,648)	(5,872)	(57,763)
Net capitalized costs	**12,339**	**23,382**	**11,213**	**2,008**	**15,203**	**64,145**
As of December 31, 2013						
Proved properties	36,482	44,760	10,878	6,483	23,869	122,472
Unproved properties	644	3,661	5,715	349	814	11,183
Total capitalized costs	**37,126**	**48,421**	**16,593**	**6,832**	**24,683**	**133,655**
Accumulated depreciation, depletion and amortization	(23,354)	(21,955)	(3,814)	(4,961)	(6,844)	(60,928)
Net capitalized costs	**13,772**	**26,466**	**12,779**	**1,871**	**17,839**	**72,727**

(M€)	Equity affiliates					
	Europe	Africa	Americas	Middle East	Asia	Total
As of December 31, 2011						
Proved properties	-	-	731	3,496	3,973	8,200
Unproved properties	-	-	-	-	1,146	1,146
Total capitalized costs	**-**	**-**	**731**	**3,496**	**5,119**	**9,346**
Accumulated depreciation, depletion and amortization	-	-	(96)	(2,337)	(213)	(2,646)
Net capitalized costs	**-**	**-**	**635**	**1,159**	**4,906**	**6,700**
As of December 31, 2012						
Proved properties	-	-	1,049	3,637	4,074	8,760
Unproved properties	-	-	-	-	1,118	1,118
Total capitalized costs	**-**	**-**	**1,049**	**3,637**	**5,192**	**9,878**
Accumulated depreciation, depletion and amortization	-	-	(177)	(2,540)	(457)	(3,174)
Net capitalized costs	**-**	**-**	**872**	**1,097**	**4,735**	**6,704**
As of December 31, 2013						
Proved properties	-	-	891	3,939	4,567	9,397
Unproved properties	-	-	-	-	1,224	1,224
Total capitalized costs	**-**	**-**	**891**	**3,939**	**5,791**	**10,621**
Accumulated depreciation, depletion and amortization	-	-	(161)	(2,911)	(646)	(3,718)
Net capitalized costs	**-**	**-**	**730**	**1,028**	**5,145**	**6,903**

1.8. Standardized measure of discounted future net cash flows (excluding transportation)

The standardized measure of discounted future net cash flows relating to proved oil and gas reserve quantities was developed as follows:

- estimates of proved reserves and the corresponding production profiles are based on existing technical and economic conditions;
- the estimated future cash flows are determined based on prices used in estimating the Group's proved oil and gas reserves;
- the future cash flows incorporate estimated production costs (including production taxes), future development costs and asset retirement costs. All cost estimates are based on year-end technical and economic conditions;
- future income taxes are computed by applying the year-end statutory tax rate to future net cash flows after consideration of permanent differences and future income tax credits; and
- future net cash flows are discounted at a standard discount rate of 10 percent.

These principles applied are those required by ASC 932 and do not reflect the expectations of real revenues from these reserves, nor their present value; hence, they do not constitute criteria for investment decisions. An estimate of the fair value of reserves should also take into account, among other things, the recovery of reserves not presently classified as proved, anticipated future changes in prices and costs and a discount factor more representative of the time value of money and the risks inherent in reserves estimates.

(M€)	Consolidated subsidiaries					
	Europe	Africa	Americas	Middle East	Asia	Total
As of December 31, 2011						
Future cash inflows	85,919	167,367	53,578	14,297	67,868	389,029
Future production costs	(18,787)	(31,741)	(22,713)	(3,962)	(12,646)	(89,849)
Future development costs	(21,631)	(22,776)	(11,548)	(3,110)	(11,044)	(70,109)
Future income taxes	(28,075)	(71,049)	(4,361)	(2,794)	(12,963)	(119,242)
Future net cash flows, after income taxes	**17,426**	**41,801**	**14,956**	**4,431**	**31,215**	**109,829**
Discount at 10%	(9,426)	(17,789)	(12,298)	(2,186)	(20,717)	(62,416)
Standardized measure of discounted future net cash flows	8,000	24,012	2,658	2,245	10,498	47,413
As of December 31, 2012						
Future cash inflows	93,215	177,392	58,140	16,474	70,985	416,206
Future production costs	(20,337)	(39,091)	(25,824)	(5,213)	(15,218)	(105,683)
Future development costs	(24,490)	(28,896)	(12,949)	(3,807)	(10,954)	(81,096)
Future income taxes	(27,393)	(68,017)	(4,456)	(2,732)	(12,641)	(115,239)
Future net cash flows, after income taxes	**20,995**	**41,388**	**14,911**	**4,722**	**32,172**	**114,188**
Discount at 10%	(10,549)	(17,731)	(11,608)	(2,227)	(19,969)	(62,084)
Standardized measure of discounted future net cash flows	10,446	23,657	3,303	2,495	12,203	52,104
As of December 31, 2013						
Future cash inflows	80,779	155,371	59,517	14,660	72,297	382,624
Future production costs	(18,859)	(38,160)	(27,316)	(5,249)	(15,106)	(104,690)
Future development costs	(23,058)	(25,951)	(14,231)	(3,234)	(12,910)	(79,384)
Future income taxes	(20,621)	(55,303)	(3,919)	(2,288)	(11,453)	(93,584)
Future net cash flows, after income taxes	**18,241**	**35,957**	**14,051**	**3,889**	**32,828**	**104,966**
Discount at 10%	(8,166)	(14,649)	(11,557)	(1,880)	(20,932)	(57,184)
Standardized measure of discounted future net cash flows	10,075	21,308	2,494	2,009	11,896	47,782
Minority interests in future net cash flows as of (M€)						
As of December 31, 2011	-	558	-	-	-	558
As of December 31, 2012	-	501	-	-	-	501
As of December 31, 2013	-	610	-	-	-	610

(M€)	Equity affiliates					
	Europe	Africa	Americas	Middle East	Asia	Total
As of December 31, 2011						
Future cash inflows	-	210	29,887	64,977	7,116	102,190
Future production costs	-	(95)	(17,393)	(39,800)	(2,683)	(59,971)
Future development costs	-	-	(1,838)	(2,809)	(1,297)	(5,944)
Future income taxes	-	(29)	(5,152)	(3,942)	(2,280)	(11,403)
Future net cash flows, after income taxes	**-**	**86**	**5,504**	**18,426**	**856**	**24,872**
Discount at 10%	-	(36)	(3,652)	(9,757)	(196)	(13,641)
Standardized measure of discounted future net cash flows	**-**	**50**	**1,852**	**8,669**	**660**	**11,231**
As of December 31, 2012						
Future cash inflows	-	2,103	27,439	64,234	9,390	103,166
Future production costs	-	(99)	(17,250)	(35,830)	(3,265)	(56,444)
Future development costs	-	-	(2,360)	(2,967)	(3,906)	(9,233)
Future income taxes	-	(392)	(3,353)	(5,430)	(648)	(9,823)
Future net cash flows, after income taxes	**-**	**1,612**	**4,476**	**20,007**	**1,571**	**27,666**
Discount at 10%	-	(1,087)	(2,978)	(10,316)	(955)	(15,336)
Standardized measure of discounted future net cash flows	**-**	**525**	**1,498**	**9,691**	**616**	**12,330**
As of December 31, 2013						
Future cash inflows	-	1,009	14,870	56,541	28,121	100,541
Future production costs	-	(105)	(9,043)	(29,094)	(9,481)	(47,723)
Future development costs	-	-	(1,265)	(2,558)	(3,866)	(7,689)
Future income taxes	-	(262)	(2,164)	(5,076)	(1,653)	(9,155)
Future net cash flows, after income taxes	**-**	**642**	**2,398**	**19,813**	**13,121**	**35,974**
Discount at 10%	-	(480)	(1,413)	(10,121)	(12,316)	(24,330)
Standardized measure of discounted future net cash flows	**-**	**162**	**985**	**9,692**	**805**	**11,644**

1.9. Changes in the standardized measure of discounted future net cash flows

Consolidated subsidiaries

(M€)	2011	2012	2013
Beginning of year	**36,033**	**47,413**	**52,104**
Sales and transfers, net of production costs	(27,026)	(28,552)	(24,742)
Net change in sales and transfer prices and in production costs and other expenses	44,315	7,382	(7,651)
Extensions, discoveries and improved recovery	1,680	1,357	835
Changes in estimated future development costs	(4,798)	(6,503)	(8,158)
Previously estimated development costs incurred during the year	9,519	11,809	13,757
Revisions of previous quantity estimates	1,288	2,719	1,141
Accretion of discount	3,603	4,741	5,210
Net change in income taxes	(16,925)	13,992	15,238
Purchases of reserves in place	885	299	1,102
Sales of reserves in place	(1,161)	(2,553)	(1,054)
End of year	**47,413**	**52,104**	**47,782**

Equity affiliates

(M€)	2011	2012	2013
Beginning of year	**9,234**	**11,231**	**12,330**
Sales and transfers, net of production costs	(1,991)	(1,885)	(2,775)
Net change in sales and transfer prices and in production costs and other expenses	3,715	(743)	(1,196)
Extensions, discoveries and improved recovery	-	(25)	3,761
Changes in estimated future development costs	(383)	(495)	408
Previously estimated development costs incurred during the year	635	809	831
Revisions of previous quantity estimates	(749)	984	(3,792)
Accretion of discount	923	1,123	1,233
Net change in income taxes	(1,341)	1,314	836
Purchases of reserves in place	1,812	17	393
Sales of reserves in place	(624)	-	(385)
End of year	**11,231**	**12,330**	**11,644**

2. Other information

2.1. Net gas production, production prices and production costs

	Consolidated subsidiaries					
	Europe	Africa	Americas	Middle East	Asia	Total
2011						
Natural gas production available for sale (Mcf/d) [a]	**1,350**	**607**	**839**	**424**	**1,162**	**4,382**
Production prices [b]						
Oil (€/b)	74.24	74.72	55.13	73.73	68.76	73.34
Bitumen (€/b)	-	-	31.36	-	-	31.36
Natural gas (€/kcf)	6.58	1.81	2.06	0.54	7.45	4.72
Production costs per unit of production (€/boe) [c]						
Total liquids and natural gas	6.86	5.14	3.41	5.36	3.40	5.20
Bitumen	-	-	20.70	-	-	20.70

	Equity affiliates					
	Europe	Africa	Americas	Middle East	Asia	Total
2011						
Natural gas production available for sale (Mcf/d) [a]	**-**	**-**	**-**	**891**	**457**	**1,348**
Production prices [b]						
Oil (€/b)	-	66.21	61.15	77.07	30.75	73.61
Bitumen (€/b)	-	-	-	-	-	-
Natural gas (€/kcf)	-	-	-	1.29	0.95	1.23
Production costs per unit of production (€/boe) [c]						
Total liquids and natural gas	-	1.99	2.75	1.66	0.79	1.61
Bitumen	-	-	-	-	-	-

	Consolidated subsidiaries					
	Europe	Africa	Americas	Middle East	Asia	Total
2012						
Natural gas production available for sale (Mcf/d) [a]	**1,166**	**593**	**901**	**171**	**1,123**	**3,955**
Production prices [b]						
Oil (€/b)	79.82	82.65	61.85	81.05	75.49	80.84
Bitumen (€/b)	-	-	35.27	-	-	35.27
Natural gas (€/kcf)	7.10	2.19	2.23	0.90	8.35	5.31
Production costs per unit of production (€/boe) [c]						
Total liquids and natural gas	8.78	5.69	3.92	10.76	4.61	6.36
Bitumen	-	-	24.00	-	-	24.00

	Equity affiliates					
	Europe	Africa	Americas	Middle East	Asia	Total
2012						
Natural gas production available for sale (Mcf/d) [a]	**-**	**-**	**-**	**769**	**813**	**1,583**
Production prices [b]						
Oil (€/b)	-	-	105.12	83.26	28.27	83.27
Bitumen (€/b)	-	-	-	-	-	-
Natural gas (€/kcf)	-	-	-	1.35	0.95	1.23
Production costs per unit of production (€/boe) [c]						
Total liquids and natural gas	-	-	8.84	1.98	1.44	2.27
Bitumen	-	-	-	-	-	-

Consolidated subsidiaries

	Europe	Africa	Americas	Middle East	Asia	Total
2013						
Natural gas production available for sale (Mcf/d)[a]	**1,134**	**569**	**860**	**149**	**1,193**	**3,905**
Production prices[b]						
Oil (€/b)	73.60	77.30	49.65	74.22	70.22	74.80
Bitumen (€/b)	-	-	34.43	-	-	34.43
Natural gas (€/kcf)	7.17	2.00	2.66	0.85	7.64	5.28
Production costs per unit of production (€/boe)[c]						
Total liquids and natural gas	9.72	6.31	4.27	12.93	4.77	6.96
Bitumen	-	-	23.90	-	-	23.90

Equity affiliates

	Europe	Africa	Americas	Middle East	Asia	Total
2013						
Natural gas production available for sale (Mcf/d)[a]	**-**	**-**	**-**	**935**	**927**	**1,862**
Production prices[b]						
Oil (€/b)	-	-	62.10	78.62	38.88	74.57
Bitumen (€/b)	-	-	-	-	-	-
Natural gas (€/kcf)	-	-	0.00	1.78	0.81	1.47
Production costs per unit of production (€/boe)[c]						
Total liquids and natural gas	-	-	6.25	2.24	0.59	1.97
Bitumen	-	-	-	-	-	-

(a) The reported volumes are different from those shown in the reserves table due to gas consumed in operations.
(b) The volumes used for calculation of the average sales prices are the ones sold from the Group's own production.
(c) The volumes of liquids used for this computation are shown in the proved reserves tables of this report. The reported volumes for natural gas are different from those shown in the reserves table due to gas consumed in operations.

TOTAL S.A.

The Statutory Financial Statements were approved by the Board of Directors on February 11, 2014 and have not been updated with subsequent events.

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1. Statutory auditors' report on regulated agreements and commitments

This is a free translation into English of a report issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction and construed in accordance with French law and the relevant professional auditing standards applicable in France.

Shareholders' meeting on the approval of the financial statements for the year ended December 31, 2013

To the Shareholders,

In our capacity as statutory auditors of your Company, we hereby present to you our report on the regulated agreements and commitments.

We are required to inform you, on the basis of the information provided to us, of the terms and conditions of those agreements and commitments indicated to us or those that we have found in the course of our engagement. We are not required to comment as to whether they are beneficial or appropriate nor to ascertain whether any other agreements and commitments exist. It is your responsibility, in accordance with Article R.225-31 of the French Commercial Law (*Code de commerce*), to evaluate the benefits resulting from these agreements and commitments prior to their approval.

In addition, we are required, if applicable, in accordance with Article R.225-31 of the French Commercial Law (*Code de commerce*), to inform you of the agreements and commitments, which were approved during previous years and which were applicable during the period.

We performed the procedures we considered necessary in accordance with professional guidance issued by the national institute of auditors ("*Compagnie nationale des commissaires aux comptes*"), relating to this engagement. Our work consisted in verifying that the information provided to us is in agreement with the underlying documentation from which it was extracted.

1. Agreements and commitments to be approved by the Shareholders' meeting

Agreements and commitments approved during the period

We have not been advised of any agreements and commitments to be approved by the Shareholders' meeting in accordance with Article L.225-38 of the French Commercial Law (*Code de commerce*).

2. Agreements and commitments already approved by the Shareholders' meeting

Agreements and commitments already approved in previous years

a) Which were applicable during the period

In accordance with Article R.225-30 of the French Commercial Law (*Code de commerce*), we have been informed of the following agreement, which was already approved in previous years by the Shareholders' meeting, and which was applicable during the period.

Engagement concerning specific resources made available to the Honorary Chairman

- Director affected by the agreement or commitment:
  Mr. Thierry Desmarest, director and Honorary Chairman of your Company.
- Purpose of the agreement or commitment:
  Company resources made available for use by the Honorary Chairman.
- Terms and conditions of the agreement or commitment:
  In consideration of the representation missions of the Group which are entrusted to him, the following company resources are made available to the Honorary Chairman: an office, an administrative assistant, and a company vehicle with a driver.

b) Which were not applicable during the period

In addition, we have been informed of the continuance of the following commitments, regarding the retirement benefit, the supplementary pension plan and, under certain conditions, the severance benefit of Mr. Christophe de Margerie if his contract was terminated for removal from office or if his term of office was not renewed. These commitments were already approved by the Shareholders' meeting in previous years and were not applicable during the period.

Agreements concerning the pension plan

- Director affected by the agreement or commitment:
  Mr. Christophe de Margerie, Chairman and Chief Executive Officer.
- Purpose of the agreement or commitment:
  The Chairman and Chief Executive Officer is entitled to the same retirement benefit and supplementary pension plan, as the concerned employees of TOTAL S.A.
- Terms and conditions of the agreement or commitment:
  - Retirement benefit

The Chairman and Chief Executive Officer is entitled to retirement benefit equal to those available to eligible members of the Group under the French National Collective Bargaining Agreement for the Petroleum. This benefit amounts to 25% of the gross annual compensation (including both fixed and variable portions) of the twelve-month period preceding the retirement of the Chairman and Chief Executive Officer.

The payment of this benefit is subject to performance conditions. These performance conditions are deemed to be met if at least two of the three following criteria are satisfied:

- The average ROE (Return on Equity) over the three years immediately preceding the year in which the officer retires is at least 12%;
- The average ROACE (Return on Average Capital Employed) over the three years immediately preceding the year in which the officer retires is at least 10%;
- The Company's oil and gas production growth rate over the three years immediately preceding the year in which the officer retires is greater than or equal to the average production growth rate of the four following companies: ExxonMobil, Shell, BP and Chevron.

– Supplementary defined-benefit pension plan

The Chairman and Chief Executive Officer also benefits from a supplementary defined-benefit pension plan which is applicable to all employees of the TOTAL Group whose annual compensation is greater than eight times the ceiling for calculating French social security contribution. Compensation above this amount does not qualify as pensionable compensation under either government-sponsored or contractual pension schemes.

To be eligible for this supplementary pension plan, set up and financed by TOTAL S.A., participants must meet specific age and length of service (5 years) criteria. They must also still be employed by the Company upon retirement, unless they retire due to disability or had taken early retirement at the Group's initiative after the age of 55.

The plan provides participants with a pension equal to the sum of 1.8% of the portion of the reference compensation between eight and forty times the annual ceiling for calculating French social security contributions, and 1% of the reference compensation between forty and sixty times the annual ceiling for calculating French social security contributions, which is multiplied by the number of years of service (up to twenty years).The basis for calculation for this supplementary plan is indexed to changes in the French Association for Complementary Pensions Schemes (ARRCO) index.

The sum of the supplementary pension plan benefits and external pension plan benefits (other than those constituted individually and on a voluntary basis) may not exceed 45% of the last three-year average compensation. In the event this percentage is exceeded, the supplementary pension is reduced accordingly.

For the Chairman and Chief Executive Officer, the Group's pension obligations are, as of December 31, 2013, the equivalent of an annual pension of 17.96% of his 2013 gross annual compensation (fixed portion for 2013 and variable portion for fiscal year 2012).

Agreement in case the Chairman and Chief Executive Officer is removed from office or in case his term of office is not renewed

– Director affected by the agreement or commitment:
Mr. Christophe de Margerie, Chairman and Chief Executive Officer.
– Purpose of the agreement or commitment:
If the Chairman and Chief Executive Officer is removed from office or if his term of office is not renewed, he is eligible for a severance benefit.
– Terms and conditions of the agreement or commitment:
This severance benefit is equal to two year's gross compensation.

The calculation of this severance benefit will be based on the gross compensation (including both fixed and variable portions) in the twelve-month period preceding the termination date or the non renewal of the Chief Executive Officer's term.

The severance benefits that may be paid upon a change of control or a change of strategy decided by the Company are cancelled in the case of gross negligence or willful misconduct or if the Chairman and Chief Executive Officer leaves the Company of his own volition, accepts new responsibilities within the Group, or may claim full retirement benefits within a short time period.

Entitlement to this severance benefit is subject to performance conditions. These performance conditions are deemed to be met if at least two of the three following criteria are satisfied:

- The average ROE (Return on Equity) over the three years immediately preceding the year in which the Chairman and Chief Executive Officer retires is at least 12%;
- The average ROACE (Return on Average Capital Employed) over the three years immediately preceding the year in which the Chairman and Chief Executive Officer retires is at least 10%;
- The Company's oil and gas production growth rate over the three years immediately preceding the year in which the Chairman and Chief Executive Officer retires is greater than or equal to the average production growth rate of the four following companies: ExxonMobil, Shell, BP, and Chevron.

Paris La Défense, March 26, 2014

The statutory auditors

French original signed by

KPMG Audit
A division of KPMG S.A.
Jay Nirsimloo
Partner

ERNST & YOUNG Audit
Pascal Macioce
Partner
Laurent Vitse
Partner

2. Statutory auditor's report on the annual financial statements

This is a free translation into English of the statutory auditors' report on the Financial Statements issued in French and it is provided solely for the convenience of English-speaking users.
The statutory auditors' report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the audit opinion on the Financial Statements and includes an explanatory paragraph discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the Financial Statements taken as a whole and not to provide separate assurance on individual account balances, transactions or disclosures.
This report also includes information relating to the specific verification of information given in the Management Report and in the documents addressed to the shareholders.
This report should be read in conjunction with and construed in accordance with French law and professional auditing standards applicable in France.

Year ended December 31, 2013

To the Shareholders,

In compliance with the assignment entrusted to us by your annual general meeting, we hereby report to you, for the year ended December 31, 2013, on:

- the audit of the accompanying financial statements of TOTAL S.A.;
- the justification of our assessments;
- the specific verifications and information required by law.

These financial statements have been approved by the Board of Directors. Our role is to express an opinion on these financial statements based on our audit.

I. Opinion on the financial statements

We conducted our audit in accordance with professional standards applicable in France; those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at December 31, 2013 and of the results of its operations for the year then ended in accordance with French accounting principles.

II. Justification of our assessments

In accordance with the requirements of Article L. 823-9 of the French commercial code (*Code de commerce*) relating to the justification of our assessments, we bring to your attention the following matters:

We assessed the approaches used by your company to value investments in subsidiaries and affiliates as described in note 1 to the financial statements, and performed tests to verify the application of those methods. As part of our assessments and based on the information available to date, we also verified the reasonable nature of the estimates derived from these methods.

These assessments were made as part of our audit of the financial statements taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

III. Specific verifications and information

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by French law.

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the Management Report of the Board of Directors and in the documents addressed to the shareholders with respect to the financial position and the financial statements.

Concerning the information given in accordance with the requirements of Article L. 225-102-1 of the French commercial code (*Code de commerce*) relating to remunerations and benefits received by the directors and any other commitments made in their favour, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your company from companies controlling your company or controlled by it. Based on this work, we attest the accuracy and fair presentation of this information.

In accordance with French law, we have verified that the required information concerning the purchase of investments and controlling interests and the identity of the shareholders and holders of the voting rights has been properly disclosed in the Management Report.

Paris-La Défense, March 6, 2014

The statutory auditors

French original signed by

KPMG Audit
A division of KPMG S.A.
Jay Nirsimloo

ERNST & YOUNG Audit
Pascal Macioce
Laurent Vitse

3. Statutory Financial Statements of TOTAL S.A. as parent company

3.1. Statement of income

As of December 31, (K€)		2013	2012	2011
Sales	*(Note 12)*	16,749,337	16,446,200	14,246,392
Net operating expenses	*(Note 13)*	(13,001,765)	(13,012,996)	(10,907,658)
Operating depreciation, amortization and allowances	*(Note 14)*	(137,490)	(43,328)	(260,650)
Operating income		**3,610,082**	**3,389,876**	**3,078,084**
Financial expenses and income	*(Note 15)*	(238,685)	(434,272)	(428,098)
Dividends	*(Note 16)*	7,355,028	8,083,928	10,599,281
Net depletion		(1,084,247)	(954,020)	(839,231)
Other financial expenses and income	*(Note 17)*	(4,097)	10,956	(8,656)
Financial income		**6,027,999**	**6,706,592**	**9,323,296**
Current income		**9,638,081**	**10,096,468**	**12,401,380**
Gains (Losses) on sales of marketable securities and loans		(29,092)	(695)	435,924
Gains (Losses) on sales of fixed assets		68	8,647	43
Non-recurring items		(7,813)	(294,985)	31,866
Non-recurring income	*(Note 18)*	**(36,837)**	**(287,033)**	**467,833**
Employee profit-sharing plan		(65,301)	(58,002)	(52,073)
Taxes	*(Note 19)*	(3,504,476)	(3,231,651)	(3,050,856)
Net income		**6,031,467**	**6,519,782**	**9,766,284**

3.2. Balance sheet

As of December 31,
(K€)

ASSETS		2013	2012	2011
Non-current assets				
Intangible assets		957,956	943,112	864,554
Depreciation, depletion and amortization and valuation allowances		(452,175)	(381,620)	(310,388)
Intangible assets, net	*(Note 2)*	**505,781**	**561,492**	**554,166**
Property, plant and equipment		647,628	650,563	585,783
Depreciation, depletion and amortization and valuation allowances		(463,549)	(450,118)	(406,249)
Property, plant and equipment, net	*(Note 2)*	**184,079**	**200,445**	**179,534**
Subsidiaries and affiliates: investments and loans	*(Note 3)*	94,094,092	89,228,333	87,744,158
Depreciation, depletion and amortization and valuation allowances	*(Note 3)*	(828,041)	(699,995)	(574,296)
Other non-current assets	*(Note 4)*	45,120	45,084	63,008
Investments and other non-current assets, net		**93,311,171**	**88,573,422**	**87,232,870**
Total non-current assets		**94,001,031**	**89,335,359**	**87,966,570**
Current assets				
Inventories		12,792	12,832	9,137
Operating receivables	*(Note 5)*	3,329,771	2,356,568	3,495,789
Marketable securities		352,637	315,697	363,533
Cash/cash equivalents and short-term deposits		11,390	12,498	38,047
Total current assets		**3,706,590**	**2,697,595**	**3,906,506**
Prepaid expenses		8,998	9,950	15,649
Currency translation adjustments	*(Note 11)*	273,523	5	4
Total assets		**97,990,142**	**92,042,909**	**91,888,729**

As of December 31,
(K€)

LIABILITIES		2013	2012	2011
Shareholders' equity	*(Note 6)*			
Share capital		5,944,195	5,914,833	5,909,418
Paid-in surplus		28,019,864	27,684,290	27,655,005
Reserves	*(Note 6 B)*	3,950,632	3,958,588	3,986,875
Retained earnings		10,291,083	9,314,000	4,916,078
Net income		6,031,467	6,519,782	9,766,284
Interim dividends		(4,213,343)	(4,161,373)	(4,058,442)
Total shareholders' equity		**50,023,898**	**49,230,120**	**48,175,218**
Contingency reserves	*(Notes 7 and 8)*	6,485,225	5,812,262	4,736,302
Debts				
Long-term loans	*(Note 9)*	27,188,369	25,588,764	28,296,453
Short-term loans	*(Note 9)*	9,779,762	7,375,394	6,541,883
Operating liabilities	*(Note 10)*	4,512,809	3,923,987	3,839,704
Total debts		**41,480,940**	**36,888,145**	**38,678,040**
Accrued income		-	806	250
Currency translation adjustments	*(Note 11)*	79	111,576	298,919
Total liabilities and Shareholders' equity		**97,990,142**	**92,042,909**	**91,888,729**

3.3. Statement of cash flow

As of December 31, (M€)	2013	2012	2011
Cash flow from operating activities			
Net income	6,031	6,520	9,766
Depreciation, depletion and amortization	127	122	110
Accrued expenses of investments	138	140	7
Other provisions	675	1,076	965
Funds generated from operations	**6,971**	**7,858**	**10,848**
(Gains) Losses on disposal of assets	29	(15)	(436)
(Increase) Decrease in working capital	(996)	782	(789)
Other, net	11	(18)	(4)
Cash flow from operating activities	**6,015**	**8,607**	**9,619**
Cash flow used in investing activities			
Purchase of property, plant and equipment and intangible assets	(77)	(160)	(82)
Purchase of investments and long-term loans	(5,156)	(1,875)	(4,361)
Investments	**(5,233)**	**(2,035)**	**(4,443)**
Proceeds from disposal of marketable securities and loans	448	662	2,419
Total divestitures	**448**	**662**	**2,419**
Cash flow used in investing activities	**(4,785)**	**(1,373)**	**(2,024)**
Cash flow from financing activities			
Capital increase	367	31	482
Share buybacks	-	-	-
Balance of cash dividends paid	(2,807)	(2,684)	(2,685)
Cash interim dividends paid	(2,795)	(2,735)	(2,684)
Repayment of long-term debt	(127)	-	-
Increase (Decrease) in short-term borrowings and bank overdrafts	**4,131**	**(1,872)**	**(2,811)**
Cash flow from financing activities	**(1,231)**	**(7,260)**	**(7,698)**
Increase (Decrease) in cash and cash equivalents	**(1)**	**(26)**	**(103)**
Cash and cash equivalents at beginning of year	**12**	**38**	**141**
Cash and cash equivalents at year-end	**11**	**12**	**38**

3.4. Statement of changes in shareholders' equity

(M€)	Common shares issued			General reserves and retained earnings	Revaluation reserve	Total
	Number	Amount	Issue premiums			
As of January 1, 2011	**2,349,640,931**	**5,874**	**27,208**	**11,540**	**48**	**44,670**
Balance of cash dividends paid [a]	-	-	-	(2,685)	-	(2,685)
Net income 2011	-	-	-	9,766	-	9,766
Cash interim dividends paid for 2011 [b] [b']	-	-	-	(4,058)	-	(4,058)
Issuance of common shares	5,223,665	13	160	-	-	173
Capital increase reserved for Group Employees	8,902,717	22	288	-	-	310
Changes in revaluation differences	-	-	-	-	-	-
Expenses related to the capital increase reserved for employees	-	-	(1)	-	-	(1)
As of December 31, 2011	**2,363,767,313**	**5,909**	**27,655**	**14,563**	**48**	**48,175**
Balance of cash dividends paid [c]	-	-	-	(1,311)	-	(1,311)
Net income 2012	-	-	-	6,520	-	6,520
Cash interim dividends paid for 2012 [d] [d']	-	-	-	(4,161)	-	(4,161)
Issuance of common shares	798,883	2	29	-	-	31
Capital increase reserved for Group Employees	1,366,950	4	-	(4)	-	-
Changes in revaluation differences	-	-	-	-	(24)	(24)
Expenses related to the capital increase reserved for employees	-	-	-	-	-	-
As of December 31, 2012	**2,365,933,146**	**5,915**	**27,684**	**15,607**	**24**	**49,230**
Balance of cash dividends paid [e]	-	-	-	(1,381)	-	(1,381)
Net income 2013	-	-	-	6,031	-	6,031
Cash interim dividends paid for 2013 [f] [f']	-	-	-	(4,213)	-	(4,213)
Issuance of common shares	942,799	2	33	-	-	35
Capital increase reserved for Group Employees	10,802,215	27	305	-	-	332
Changes in revaluation differences	-	-	-	-	(8)	(8)
Expenses related to the capital increase reserved for employees	-	-	(2)	-	-	(2)
As of December 31, 2013	**2,377,678,160**	**5,944**	**28,020**	**16,044**	**16**	**50,024**

(a) Balance of the 2010 dividend paid in 2011: €2,685 million (€1.14 per share).
(b) Interim dividend paid in 2011 for the 1st and 2nd quarters 2011: €2,684 million (€0.57 per share).
(b') Interim dividend not paid in 2011 for the 3rd quarter 2011: €1,374 million (€0.57 per share).
(c) Balance of the 2011 dividend paid in 2012: €1,342 million (€0.57 per share) reduced by €31 million for accounting adjustment, according to the Shareholders' Meeting on May 11, 2012.
(d) Interim dividend paid in 2012 for the 1st and 2nd quarters 2012: €2,735 million (€0.57 and €0.59 per share respectively).
(d') Interim dividend not paid in 2012 for the 3rd quarter 2012: €1,426 million (€0.59 per share).
(e) Balance of the 2012 dividend paid in 2013: €1,398 million (€0.59 per share) reduced by €17 million for accounting adjustment, according to the Shareholders' Meeting on May 17, 2013.
(f) Interim dividend paid in 2013 for the 1st and 2nd quarters 2013: €2,795 million (€0.59 per share).
(f') Interim dividend not paid in 2013 for the 3rd quarter 2013: €1,418 million (€0.59 per share).

4. Notes

1) Accounting policies

The 2013 financial statements have been prepared in accordance with French Generally Accepted Accounting Principles ("French GAAP").

Property, plant and equipment

Property, plant and equipment are carried at cost with the exception of assets that were acquired before 1976 for which the basis has been revalued pursuant to French regulations.They are depreciated by the straight-line method over their estimated useful life, as follows:

Buildings	20 - 30 years
Furniture and fixtures	5 - 10 years
Transportation equipment	2 - 5 years
Office equipment and furniture	5 - 10 years
Computer equipment	3 - 5 years

Investments and loans to consolidated subsidiaries and equity affiliates

Investments in consolidated subsidiaries and equity affiliates are accounted for at the acquisition cost, or the appraised value for investments affected by the 1976 legal revaluation.

Loans to consolidated subsidiaries and equity affiliates are stated at their nominal value.

In the Upstream segment, in the absence of a development decision, allowances are recorded against investments and loans for an amount corresponding to the exploration costs incurred. When the existence of proved reserves is established, the value of the investments and loans is limited to the subsidiary expected pay-back evaluated at year-end.

For other segments, allowances for impairment in value are calculated by reference to the Company's equity in the underlying net assets, the fair value and usefulness of the investment.

Inventories

Inventories are valued at either the historical cost or the market value, whichever is lower. Cost for crude oil and refined product inventories is determined according to the First-In, First-Out (FIFO) method.

Receivables and payables

Receivables and payables are stated at nominal value. Allowances for doubtful debts are recorded when the actual value is inferior to the book value.

Foreign currency transactions

Receivables and payables denominated in foreign currencies are translated into euros at the year-end exchange rate. Translation differences for non-hedged items are recorded under "Currency Translation adjustment" on the assets or liabilities side of the balance sheet. Unrealized exchange losses are recorded as provisions.

Translation differences related to other foreign receivables and payables are recorded in the Statement of Income and offset by unrealized gains or losses from off-balance sheet hedging.

Financial instruments

TOTAL S.A. uses financial instruments for hedging purposes only in order to manage its exposure to changes in interest rates and foreign exchange rates.

As part of this policy, the Company enters into interest rate swap agreements and forward transactions. The difference between interest to be paid and interest to be received on these swaps or premiums and discounts on these forward transactions is recognized as interest expense or interest income on a prorated basis, over the life of the instruments.

2) Intangible assets and property, plant and equipment

As of December 31, (M€)	2013			2012
	Cost	Depreciation, depletion and amortization and valuation allowances	Net	Net
Headquarters [a]	499	(348)	151	167
Branch (A.D.G.I.L.) [b]	459	(104)	355	394
Total intangible assets	**958**	**(452)**	**506**	**561**
Land	36	-	36	36
Buildings	95	(59)	36	41
Other	517	(405)	112	124
Total property, plant and equipment	**648**	**(464)**	**184**	**201**
Total [c]	**1,606**	**(916)**	**690**	**762**

(a) Including ongoing DD&A for €25 million in 2013 and €15 million in 2012, software for a gross amount of €306 million in 2013 and €284 million in 2012, and other for a gross amount of €168 million in 2013 and €164 million in 2012.
(b) The subsidiaries' depreciation, depletion and amortization related to commercial activity are accounted for as purchase cost of goods sold.
(c) As of December 31, 2012, aggregate cost, depreciation and valuation allowance amounted respectively to €1,594 million and €832 million.

3) Subsidiaries and affiliates: investments and loans

A) Changes in investments and loans

As of December 31, (M€)	2013						
	Gross amount at beginning of year	Increases		Decreases		Currency translation adjustment	Gross amount at year-end
		Monetary	Non monetary	Monetary	Non monetary		
Investments [a]	77,991	2,987	1,645	(57)	(1,643)	-	80,923
Receivables [b]	11,237	2,719	-	(387)	(2)	(396)	13,171
Total	**89,228**	**5,706**	**1,645**	**(444)**	**(1,645)**	**(396)**	**94,094**
Analysis by segment							
Upstream	5,875	178	-	(205)	-	(10)	5,838
Marketing & Services	4,736	2,975	10	(5)	(1,645)	-	6,071
Refining & Chemicals	13,823	274	1,635	(16)	-	-	15,716
Corporate	64,794	2,279	-	(218)	-	(386)	66,469
Total	**89,228**	**5,706**	**1,645**	**(444)**	**(1,645)**	**(396)**	**94,094**

(a) The main changes in investments pertain to the acquisition of Total Marketing & Services securities and the contribution of Total Raffinage France securities.
(b) Changes in receivables mainly result from flows of funds with Total Finance and Total Treasury.

B) Allowances for investments and loans

As of December 31, (M€)	2013			2012
	Cost	Valuation allowance	Net	Net
Investments	80,923	(520)	80,403	77,486
Receivables [a] [b]	13,171	(308)	12,863	11,042
Total [c]	**94,094**	**(828)**	**93,266**	**88,528**
Analysis by segment				
Upstream	5,838	(494)	5,344	5,515
Marketing & Services	6,071	(99)	5,972	4,654
Refining & Chemicals	15,716	(224)	15,492	13,591
Corporate	66,469	(11)	66,458	64,768
Total	**94,094**	**(828)**	**93,266**	**88,528**

(a) As of December 31, 2013, the gross amount included €12,741 million related to affiliates.
(b) As of December 31, 2013, the net amount was split into €3,273 million due in 12 months or less and €9,898 million due in more than 12 months.
(c) As of December 31, 2012, aggregate cost and valuation allowance amounted respectively to €89,228 million and €700 million.

4) Other non-current assets

A) Changes in other non-current assets

As of December 31, (M€)	2013						
	Gross amount at beginning of year	Increases		Decreases		Currency translation adjustment	Gross amount at year-end
		Monetary	Non monetary	Monetary	Non monetary		
Investment portfolio	4	-	-	-	-	-	4
Other non-current assets	24	32	-	(24)	-	-	32
Deposits and guarantees	17	1	-	(9)	-	-	9
Total	**45**	**33**	**-**	**(33)**	**-**	**-**	**45**

B) Allowances for non-current assets

As of December 31 (M€)	2013			2012
	Cost	Valuation allowance	Net	Net
Investment portfolio	4	-	4	4
Other non-current assets [a]	32	-	32	24
Deposits and guarantees	9	-	9	17
Total [b]	**45**	**-**	**45**	**45**

(a) As of December 31, 2013, the net amount is due in 12 months or less.
(b) As of December 31, 2012, aggregate cost and net amounts were equivalent.

5) Accounts receivable

As of December 31, (M€)	2013			2012
	Cost	Valuation allowance	Net	Net
Accounts receivable	1,418	-	1,418	1,270
Other operating receivables	1,914	(2)	1,912	1,087
Total [a] [b]	**3,332**	**(2)**	**3,330**	**2,357**

(a) Including €2,669 million related to affiliates as of December 31, 2013.
(b) Due in 12 months or less.

6) Shareholders' equity

A) Common shares

Share capital transactions are detailed as follows:

	Variation of the share capital
As of December 31, 2010	**2,349,640,931**
Shares issued in connection with: Capital increase reserved for Group Employees	8,902,717
Exercise of TOTAL share subscription options	5,223,665
As of December 31, 2011	**2,363,767,313**
Shares issued in connection with: Capital increase as part of a global free share plan intended for the Group Employees	1,366,950
Exercise of TOTAL share subscription options	798,883
As of December 31, 2012	**2,365,933,146**
Shares issued in connection with: Capital increase reserved for Group Employees	10,802,215
Exercise of TOTAL share subscription options	942,799
As of December 31, 2013 (a)	**2,377,678,160**

(a) Including 109,214,448 treasury shares deducted from consolidated shareholders' equity.

Capital increase reserved for Group Employees

The Combined General Meeting of May 11, 2012, in its seventeenth resolution, delegated to the Board of Directors the authority to carry out in one or more occasions within a maximum period of twenty-six months, a capital increase reserved for employees belonging to an employee savings plan.

The Combined General Meeting of May 11, 2012, in its eighteenth resolution, also delegated to the Board of Directors the powers necessary to accomplish in one or more occasions within a maximum period of eighteen months, a capital increase with the objective of providing employees with their registered office located outside France with benefits comparable to those granted to the employees included in the seventeenth resolution of the Combined General Meeting of May 11, 2012.

Pursuant to these delegations, the Board of Directors, during its September 18, 2012, meeting, decided to proceed with a capital increase reserved for employees that included a classic offering and a leverage offering depending on the employees' choice, within the limit of 18 million shares with dividend rights as of January 1, 2012. This capital increase resulted in the subscription of 10,802,215 shares with a par value of €2.5 at a unit price of €30.70. The issuance of the shares was acknowledged on April 25, 2013.

The prior capital increase reserved for employees of the Group was decided by the Board of Directors on October 28, 2010, under the terms of the authorization of the Combined General Meeting of May 21, 2010, and resulted in the subscription of 8,902,717 shares with a par value of €2.5 at a unit price of €34.80. The issuance of the shares was acknowledged on April 28, 2011.

Capital increase as part of a global free share plan intended for Group Employees

The Shareholders' Meeting held on May 16, 2008, in its seventeenth resolution, delegated to the Board of Directors the authority to grant, in one or more occasions within a maximum period of thirty-eight months, restricted shares to employees and executive officers of the Company or companies outside France affiliated with the Company, within a limit of 0.8% of the outstanding share capital of the Company as of the date of the decision of the Board of Directors to grant such shares. Pursuant to this delegation, the Board of Directors, during its May 21, 2010 meeting, determined the terms of a global free share plan intended for Group Employees and granted the Chairman and Chief Executive Officer all powers necessary to implement this plan.

As a result, on July 2, 2012, the Chairman and Chief Executive Officer of the Group acknowledged the issuance and the final allocation of 1,366,950 ordinary shares with a nominal value of €2.50 to beneficiaries designated by the terms defined by the Board of Directors meeting held on May 21, 2010.

On December 31, 2013, 873,475 additional shares may be issued as part of this plan.

Share cancellation

The Company did not proceed with a reduction of capital by cancellation of shares held by the Company during the fiscal years 2011, 2012 and 2013.

Treasury shares (TOTAL shares held by TOTAL S.A.)

As of December 31, 2013, TOTAL S.A. holds 8,883,180 of its own shares, representing 0.37% of its share capital, detailed as follows:

- 8,764,020 shares allocated to TOTAL free share grant plans for Group Employees; and
- 119,160 shares intended to be allocated to new TOTAL share purchase option plans or to new share grant plans.

These shares are deducted from the consolidated shareholders' equity.

As of December 31, 2012, TOTAL S.A. held 8,060,371 of its own shares, representing 0.34% of its share capital, detailed as follows:

- 7,994,470 shares allocated to TOTAL free share grant plans for Group Employees; and

– 65,901 shares intended to be allocated to new TOTAL share purchase option plans or to new share grant plans.

These shares were deducted from the consolidated shareholders' equity.

As of December 31, 2011, TOTAL S.A. held 9,222,905 of its own shares, representing 0.39% of its share capital, detailed as follows:

– 6,712,528 shares allocated to TOTAL free share grant plans for Group Employees; and

– 2,510,377 shares intended to be allocated to new TOTAL share purchase option plans or to new share grant plans.

These shares were deducted from the consolidated shareholders' equity.

TOTAL shares held by the Group subsidiaries

As of December 31, 2013, 2012 and 2011, TOTAL S.A. held indirectly through its subsidiaries 100,331,268 of its own shares, representing 4.22% of its share capital as of December 31, 2013, 4.24% of its share capital as of December 31, 2012 and 4.24% of its share capital as of December 31, 2011 detailed as follows:

– 2,023,672 shares held by a consolidated subsidiary, Total Nucléaire, 100% indirectly controlled by TOTAL S.A.; and

– 98,307,596 shares held by subsidiaries of Elf Aquitaine (Financière Valorgest, Sogapar and Fingestval), 100% indirectly controlled by TOTAL S.A.

These shares are deducted from the consolidated shareholders' equity.

B) Reserves

As of December 31, (M€)	2013	2012	2011
Revaluation reserves	16	24	48
Legal reserves	740	740	740
Untaxed reserves	2,808	2,808	2,808
Reserves	387	387	390
Total	**3,951**	**3,959**	**3,986**

7) Contingency reserves

As of December 31, (M€)	2013				
	Gross amount at beginning of year	Increases	Decreases		Gross amount at year-end
			Used	Unused	
Provisions for financial risks	5,128	961	(13)	(1)	6,075 [(a)]
Provisions for operating risks (including note 8) and compensation expense	382	146	(118)	-	410 [(b)]
Provisions for non-recurring items [(c)]	302	-	(302)	-	-
Total	**5,812**	**1,107**	**(433)**	**(1)**	**6,485**

(a) Provisions for financial risks are mainly comprised of a guarantee granted to an Upstream financing subsidiary for €5,655 million.
(b) Provisions for operating risks are primarily comprised of:
€248 million for retirement benefits, pension plans and special termination plans, €10 million for long-service awards; and
€146 million for restricted share grants. The calculation is based on the value of the shares bought to cover the plan and prorated over the vesting period, *i.e.,* two years for the 2012 plan and three years for the 2013 plan, at the end of which the grant of the shares to their beneficiary becomes definitive, provided the performance and continuous employment conditions are met (see Note 23).
(c) The provision of €302 million related to the investigation by the Securities and Exchange Commission (SEC) and the U.S. Department of Justice (DoJ) was fully released following an agreement, through payment of this same amount in 2013.

8) Employee benefits obligations

TOTAL S.A. participates in death-disability, pension, early retirement and severance pay plans. Expenses for defined contribution and multi-employer plans correspond to the contributions paid.

Provisions as of December 31, are as follows:

(M€)	2013	2012
Pension benefits and other benefits	248	237
Restructuring reserves	-	-
Provisions as of December 31,	**248**	**237**

For defined benefit plans, commitments are determined using a prospective methodology called “projected unit credit method”. The commitment actuarial value depends on various parameters such as length of service, life expectancy, employee turnover rate and salary revaluation and discounting assumptions.

The actuarial assumptions used as of December 31, are the following:

	2013	2012
Discount rate	3.23%	2.96%
Average expected rate of salary increase	4.63%	4.61%
Average expected rate of return on plan assets	4.04%	3.79%
Average residual life expectancy of operations	10-20 years	10-20 years

TOTAL S.A. records a provision in its accounts for the net actuarial liability of the plan assets and the deferred gains and losses to be amortized when this sum represents a pension liability.

Actuarial gains and losses resulting from changes in actuarial assumptions are amortized using the straight-line method over the estimated remaining length of service of employees involved.

The reconciliation between the total commitment for pension plans not covered through insurance companies and the provision booked is as follows:

(M€)	2013	2012
Actuarial liability as of December 31,	366	394
Deferred gains and losses to be amortized	(118)	(157)
Provision for pension benefits and other benefits as of December 31,	**248**	**237**

The Company’s commitment for pension plans covered through insurance companies amounts to:

(M€)	2013	2012
Actuarial liability as of December 31,	569	561
Plan assets	(494)	(518)
Net commitment as of December 31,	**75**	**43**
Provision for pension benefits and other benefits as of December 31,	**0**	**0**

9) Loans

Due date as of December 31, (M€)	2013	Within one year	1 to 5 years	More than 5 years	2012
Debenture loans					
5% Bonds 1998(2013 (FRF 1,000 million) [a]	-	-	-	-	127
Accrued interest	-	-	-	-	-
Total debenture loans	**-**	**-**	**-**	**-**	**127**
Other loans [b]	27,616	428	26,282	906	26,205
Current accounts [c]	9,352	9,352	-	-	6,632
Total	**36,968**	**9,780**	**26,282**	**906**	**32,964**

(a) Through the use of issue swaps, this debenture loan becomes equivalent to a dollar floating rate debt. It was repaid in full in 2013.
(b) Including €27,612 million related to affiliates.
(c) Including €9,352 million related to affiliates.

10) Liabilities

As of December 31, (M€)	2013	2012
Suppliers	1,665 [a]	1,310 [b]
Other operating liabilities	2,848	2,614
Total [c] [d]	**4,513**	**3,924**

(a) Excluding invoices not yet received (€676 million), the outstanding liability amounts to €989 million, of which:
- €791 million for invoices of foreign suppliers to foreign branches for which the payment schedule is as follows:
  €423 million within 30 days and €368 million payable no later than 180 days;
- €4 million non-Group for which the payment schedule is as follows:
  €1 million paid on December 31, 2013 and €3 million payable no later than January 31, 2014;
- €194 million to the Group for which the payment schedule is as follows: €4 million paid on December 31, 2013 and €190 million payable no later than January 31, 2014.

(b) Excluding invoices not yet received (€602 million), the outstanding liability amounted to €708 million, of which:
- €670 million for invoices of foreign suppliers to foreign branches for which the payment schedule was as follows:
  €437 million within 30 days and €233 million payable no later than 180 days;
- 36 million non-Group for which the payment schedule was as follows: €1 million paid on December 31, 2012 and €35 million payable no later than January 31, 2013;
- €2 million paid for invoices outstanding to the Group on December 31, 2012.

(c) Including €807 million in 2013 and €263 million in 2012 related to affiliates.
(d) Due in 12 months or less.

11) Currency translation adjustments

The application of the foreign currency translation method outlined in Note 1 resulted in a net currency translation adjustment of €273 million as of December 31, 2013, mainly due to dollar-denominated loans.

12) Sales

(M€)	France	Rest of Europe	North America	Africa	Middle East & Rest of world	Total
Fiscal year ended December 31, 2013	**352**	**14,366**	**139**	**1,143**	**749**	**16,749**
Hydrocarbon and oil products	-	14,173	-	-	123	14,296
Technical support fees	352	193	139	1,143	626	2,453
Fiscal year ended December 31, 2012	**340**	**14,172**	**138**	**971**	**825**	**16,446**
Hydrocarbon and oil products	-	13,984	-	-	143	14,127
Technical support fees	340	188	138	971	682	2,319

13) Net operating expenses

(M€)	2013	2012
Purchase cost of goods sold	(9,934)	(9,690)
Other purchases and external expenses	(1,658)	(1,952)
Taxes	(43)	(40)
Personnel expenses	(1,367)	(1,331)
Total	**(13,002)**	**(13,013)**

14) Operating depreciation, amortization and allowances

(M€)	2013	2012
Depreciation, valuation allowance and amortization on		
- Property, plant and equipment and intangible assets	(107)	(98)
- Employee benefits	(146)	(140)
- Current assets	(2)	-
Subtotal 1	**(255)**	**(238)**
Reversals		
- Property, plant and equipment and intangible assets	-	-
- Employee benefits	118	195
Subtotal 2	**118**	**195**
Total (1+2)	(137)	(43)

15) Financial expenses and income

(M€)	2013	2012
Financial expenses [a]		
Interest expenses and other	(284)	(461)
Depreciation on investments and loans to subsidiaries and affiliates	-	-
Subtotal 1	**(284)**	**(461)**
Financial income [b]		
Net gain on sales of marketable securities and interest on loans to subsidiaries and affiliates	-	1
Interest on short-term deposits and other	45	26
Subtotal 2	**45**	**27**
Total (1+2)	(239)	(434)
(a) Including, related to affiliates:	262	450
(b) Including, related to affiliates:	45	27

16) Dividends

(M€)	2013	2012
Upstream	1,583	116
Marketing & Services	7	81
Refining & Chemicals	11	24
Corporate	5,754	7,863
Total	7,355	8,084

17) Other financial income and expenses

This net loss of €4 million is comprised entirely of foreign exchange losses.

18) Non-recurring income

Non-recurring income is a loss of €37 million. It is detailed as follows:

– loss on disposal of investments in the amount of €29 million;
– grant payments amounting to €16 million;
– reversal of reserve for €8 million following the revaluation of Total Nigeria plc shares as part of its disposal.

19) Basis of taxation

TOTAL S.A. is subject to French corporation tax according to the ordinary rules of law, *i.e.,* based on the principle of territoriality of tax stipulated in the French Tax Code (Article 209-I). It is also taxed outside France on income from its direct operations abroad.

Moreover, since January 1, 1992, TOTAL S.A. has elected the 95%-owned French subsidiaries tax regime provided for by Articles 223 A et seq. of the French Tax Code (*Régime de l'intégration fiscale*). In accordance with the integration agreement signed between TOTAL S.A. and its consolidated subsidiaries, the losses realized by these subsidiaries during the consolidation period are definitively acquired by the parent company.

The tax Group consists of 171 95%-owned subsidiaries whose main contributors to consolidated taxable income at December 31, 2013 are:

– TOTAL S.A.;
– Total Holding Europe;
– Total Marketing & Services;
– Total Raffinage France;
– Total E&P Holding;
– Elf Aquitaine;
– Total Treasury;
– Total E&P France.

The French tax rate consists of the standard corporation tax rate (33.33%), plus additional contributions in effect in 2013, which brings the overall income tax rate to 38%.

An additional corporation tax contribution of 3% payable on dividends distributed by French or foreign companies and organizations subject to corporation tax in France was created by the amending finance law for 2012. This new contribution is payable for dividends paid on or after August 17, 2012, the date on which the law came into force.

The impact of the additional contribution to corporation tax is an expense of €161 million.

For fiscal year 2013, TOTAL S.A. recorded a net tax expense of €3,504 million, which is broken down into net tax income of €838 million received primarily from the subsidiaries under the tax consolidation scheme, a tax expense of €4,181 million paid by the foreign branches and the additional tax contribution of €161 million.

TOTAL S.A. does not record deferred tax in its parent company financial statements; however, the main temporary differences are as follows:

As of December 31, (M€)	2013	2012
Pension benefits and other benefits	248	237
Net currency translation adjustment	(273)	112
Foreign exchange loss	273	-
Other, net	47	40
TOTAL NET ASSETS	295	389

20) Foreign exchange and counterparty risk

The commercial foreign exchange positions are systematically covered by the purchase or sale of the corresponding currencies, mainly with cash transactions and sometimes on forward market. Regarding long-term assets in foreign currencies, the Company tries to reduce the corresponding exchange risk by associating them, as far as possible, with financing in the same currency.

In terms of interest rates, most of the long-term debt is brought back to a variable rate through the use of issue swaps (long-term interest rate and foreign currency swaps). Day-to-day treasury management operates on the basis of the daily rates, for instance by using short-term interest rate swaps.

An independent department monitors the status of the financial instruments, especially through marked-to-market valuations and sensitivity estimations. Counterparty risk is monitored on a regular basis against limits set by the Group's senior management.

21) Commitments

As of December 31, (M€)	2013	2012
Commitments given		
Guarantees on custom duties	921	1,021
Bank guarantees [a]	7,402	5,679
Guarantees given on other commitments [b]	9,926	9,441
Guarantees related to confirmed lines of credit	55	126
Short-term financing plan [c]	17,202	17,739
Bond issue plan [c]	38,208	35,227
Total commitments given	**73,714**	**69,233**
Commitments received		
Guarantees related to confirmed lines of credit	7,999	8,973
Guarantees on confirmed authorized bank overdrafts	8,556	7,071
Other commitments received	209	998
Total of commitments received	**16,764**	**17,042**

(a) The variation is due primarily to our operations in Australia.
(b) This item mainly includes the following commitments: shareholder agreements, financing guarantees, payment guarantees, and reservation of oil and gas transport and storage capacity guarantees.
(c) Guarantees of bond issues and short-term financing plans incurred by Total Capital, Total Capital International and Total Capital Canada Ltd. On the overall plan amount of €55,410 million, €27,136 million were incurred as of December 31, 2013 compared with €26,112 million as of December 31, 2012.

Portfolio of financial derivative instruments

The off-balance sheet commitments related to financial derivative instruments are set forth below.

As of December 31, (M€)	2013	2012
Issue swaps		
Notional value, accrued coupon interest [a]	-	127
Market value, accrued coupon interest [b]	-	30
Short-term swaps		
Lender at fixed rate [a]	-	947
Market value, accrued coupon interest [b]	-	-
Forward contract of currencies		
Notional value [a]	14	34
Market value [b]	(1)	(1)

(a) These amounts set the levels of notional commitment and are not indicative of a contingent gain or loss.
(b) This value was determined by estimating future cash flows on a borrowing-by-borrowing basis and discounting these future cash flows using the zero coupon interest rate curves at year-end and taking into account a spread that corresponds to the average risk classification of the Company.

22) Average number of employees

As of December 31,	2013	2012
Managers	5,267	5,203
Supervisors	1,444	1,420
Technical and administrative staff	482	453
Total	**7,193**	**7,076**

23) Stock option, restricted share and free share plans

A) TOTAL share subscription option plans

	2003 Plan	2004 Plan	2005 Plan	2006 Plan	2007 Plan	2008 Plan	2009 Plan	2010 Plan	2011 Plan	Total	Weighted average exercise price (€)
Date of the shareholders' meeting	05/17/2001	05/14/2004	05/14/2004	05/14/2004	05/11/2007	05/11/2007	05/11/2007	05/21/2010	05/21/2010		
Date of the award[a]	07/16/2003	07/20/2004	07/19/2005	07/18/2006	07/17/2007	10/09/2008	09/15/2009	09/14/2010	09/14/2011		
Exercise price until May 23, 2006 included (€)[b]	33.30	39.85	49.73	-	-	-	-	-	-	-	-
Exercise price since May 24, 2006 (€)[b]	32.84	39.30	49.04	50.60	60.10	42.90	39.90	38.20	33.00	-	-
Expiry date	07/16/2011	07/20/2012	07/19/2013	07/18/2014	07/17/2015	10/09/2016	09/15/2017	09/14/2018	09/14/2019	-	
Number of options[b]											
Existing options as of January 1, 2011	**5,734,444**	**12,338,847**	**6,178,856**	**5,640,886**	**5,866,445**	**4,349,158**	**4,371,890**	**4,787,300**	**-**	**49,267,826**	**43.80**
Granted	-	-	-	-	-	-	-	-	1,518,840	1,518,840	33.00
Canceled[c]	(738,534)	(28,208)	(16,320)	(17,380)	(16,080)	(13,260)	(14,090)	(85,217)	(1,000)	(930,089)	34.86
Exercised	(4,995,910)	(216,115)	-	-	-	(200)	-	(2,040)	(9,400)	(5,223,665)	33.11
Existing options as of January 1, 2012	**-**	**12,094,524**	**6,162,536**	**5,623,506**	**5,850,365**	**4,335,698**	**4,357,800**	**4,700,043**	**1,508,440**	**44,632,912**	**44.87**
Granted	-	-	-	-	-	-	-	-	-	-	-
Canceled[c]	-	(11,351,931)	(2,516)	(1,980)	(1,380)	(3,600)	(2,700)	(4,140)	(3,400)	(11,371,647)	39.31
Exercised	-	(742,593)	-	-	-	(1,630)	(20,200)	(34,460)	-	(798,883)	39.28
Existing options as of January 1, 2013	**-**	**-**	**6,160,020**	**5,621,526**	**5,848,985**	**4,330,468**	**4,334,900**	**4,661,443**	**1,505,040**	**32,462,382**	**46.96**
Granted	-	-	-	-	-	-	-	-	-	-	-
Canceled[c]	-	-	(6,159,390)	(900)	(1,020)	(360)	(1,080)	(720)	-	(6,163,470)	49.04
Exercised	-	-	(630)	-	-	(110,910)	(344,442)	(122,871)	(363,946)	(942,799)	37.37
Existing options as of December 31, 2013	**-**	**-**	**-**	**5,620,626**	**5,847,965**	**4,219,198**	**3,989,378**	**4,537,852**	**1,141,094**	**25,356,113**	**46.82**

(a) The grant date is the date of the Board meeting awarding the share subscription options, except for the grant of October 9, 2008, decided by the Board on September 9, 2008.
(b) In order to take into account the four-for-one stock split on May 18, 2006, the exercise prices of TOTAL subscription shares of the plans in force at that date were multiplied by 0.25 and the number of options awarded, outstanding, canceled or exercised before May 23, 2006 included was multiplied by four. Moreover, following the spin-off of Arkema, the exercise prices of TOTAL subscription shares of these plans were multiplied by an adjustment factor equal to 0.986147 effective as of May 24, 2006.
(c) Out of the options canceled in 2011, 2012 and 2013, 738,534 options that were not exercised expired on July 16, 2011 due to the expiry of the 2003 Plan, 11,351,931 options that were not exercised expired on July 20, 2012 due to the expiry of the 2004 Plan and 6,158,662 options that were not exercised expired on July 19, 2013 due to the expiry of the 2005 Plan.

Options are exercisable, subject to a continuous employment condition, after a two-year period from the date of the Board meeting awarding the options and expire eight years after this date.The underlying shares may not be transferred during four years from the date of grant. For the 2007 to 2011 Plans, the four-year transfer restriction period does not apply to employees of non-French subsidiaries as of the date of the grant, who may transfer the underlying shares after a two-year period from the date of grant.

Since the 2011 plan, no new TOTAL share subscription option plan or TOTAL share purchase plan was decided.

2011 Plan

For the 2011 plan, the Board of Directors decided that, for each grantee other than the Chairman and Chief Executive Officer, the options will be definitively granted to their beneficiary provided that a performance condition is fulfilled.

The performance condition states that the number of options finally granted is based on the average of the Return on Equity (ROE) of the Group, as published by the Group according to its Consolidated Balance Sheet and Statement of Income for fiscal years 2011 and 2012.

The acquisition rate:

- is equal to zero if the average ROE is less than or equal to 7%;
- varies on straight-line basis between 0% and 100% if the average ROE is greater than 7% and less than 18%; and
- is equal to 100% if the average ROE is greater than or equal to 18%.

In addition, as part of the 2011 plan, the Board of Directors decided that, the number of share subscription options finally awarded to the Chairman and Chief Executive Officer will be subject to two performance conditions:

- For 50% of the share subscription options granted, the performance condition states that the number of options finally

granted is based on the average ROE of the Group,as published by the Group according to its Consolidated Balance Sheet and Statement of Income for fiscal years 2011 and 2012. The acquisition rate is equal to zero if the average ROE is less than or equal to 7%, varies on a straight-line basis between 0% and 100% if the average ROE is more than 7% and less than 18%, and is equal to 100% if the average ROE is more than or equal to 18%.

– For 50% of the share subscription options granted, the performance condition states that the final number of options finally granted is based on the average of the Return on Average Capital Employed (ROACE) of the Group, as published by the Group according to from its Consolidated Balance Sheet and Statement of Income for fiscal years 2011 and 2012. The acquisition rate is equal to zero if the average ROACE is less than or equal to 6%, varies on a straight-line basis between 0% and 100% if the average ROACE is more than 6% and less than 15%, and is equal to 100% if the average ROACE is more than or equal to 15%.

Due to the application of the performance condition, the acquisition rate was 100% for the 2011 plan. As a reminder, the acquisition rates were 100% for the 2009 and 2010 plans.

B) TOTAL performance shares grants

	2009 Plan	2010 Plan	2011 Plan	2012 Plan	2013 Plan	Total
Date of the Shareholders' Meeting	05/16/2008	05/16/2008	05/13/2011	05/13/2011	05/13/2011	
Date of the award	09/15/2009	09/14/2010	09/14/2011	07/26/2012	07/25/2013	
Date of the final award (end of the vesting period)	09/16/2011	09/15/2012	09/15/2013	07/27/2014	07/26/2016	
Transfer authorized as from	09/16/2013	09/15/2014	09/15/2015	07/27/2016	07/26/2018	
Number of performance shares						
Outstanding as of January 1, 2011	**2,954,336**	**3,000,637**	**-**	**-**	**-**	**5,954,973**
Notified	-	-	3,649,770	-	-	3,649,770
Canceled	(26,214)	(10,750)	(19,579)	-	-	(56,543)
Finally granted	(2,928,122)	(1,836)	-	-	-	(2,929,958)
Outstanding as of January 1, 2012	**-**	**2,988,051**	**3,630,191**	**-**	**-**	**6,618,242**
Notified	-	-	-	4,295,930	-	4,295,930
Canceled	832	(32,650)	(18,855)	-	-	(50,673)
Finally granted	(832)	(2,955,401)	(5,530)	-	-	(2,961,763)
Outstanding as of January 1, 2013	**-**	**-**	**3,605,806**	**4,295,930**	**-**	**7,901,736**
Notified	-	-	-	-	4,464,200	4,464,200
Canceled	-	-	(14,970)	(17,340)	(3,810)	(36,120)
Finally granted	-	-	(3,590,836)	(180)	-	(3,591,016)
Outstanding as of December 31, 2013	**-**	**-**	**-**	**4,278,410**	**4,460,390**	**8,738,800**

The performance shares, which are bought back by the Company on the market, are finally granted to their beneficiaries after a three-year vesting period for the 2013 plan and a two-year vesting period for previous plans, from the date of the grant. The final grant is subject to a continued employment condition and a performance condition. Moreover, the transfer of the performance shares finally granted will not be permitted until the end of a two-year holding period from the date of the final grant

2013 Plan

For the 2013 plan, the Board of Directors decided that for senior executives (other than the Chairman and Chief Executive Officer), the final grant of all shares will be subject to a continued employment condition and a performance condition. The performance condition states that the number of shares finally granted is based on the average ROE of the Group as published by the Group according to its Consolidated Balance Sheet and Statement of Income for fiscal years 2013, 2014 and 2015. The acquisition rate:

– is equal to zero if the average ROE is less than or equal to 8%;

– varies on a straight-line basis between 0% and 100% if the average ROE is greater than 8% and less than 16%; and

– is equal to 100% if the average ROE is greater than or equal to 16%.

The Board of Directors also decided that, for each beneficiary (other than the Chairman and Chief Executive Officer and the senior executives) of more than 100 shares, the shares in excess of this number will be finally granted subject to the performance condition mentioned before.

In addition, as part of the 2013 plan, the Board of Directors decided that, subject to a continuous employment condition, the number of performance shares finally granted to the Chairman and Chief Executive Officer will be subject to two performance conditions:

– For 50% of the shares granted, the performance condition states that the number of shares finally granted is based on the average ROE of the Group, as published by the Group according to its Consolidated Balance Sheet and Statement of Income for fiscal years 2013, 2014 and 2015. The acquisition rate is equal to zero if the average ROE is less than or equal to 8%, varies on a straight-line basis between 0% and 100% if the average ROE is more than 8% and less than 16%, and is equal to 100% if the average ROE is more than or equal to 16%.

– For 50% of the shares granted, the performance condition states that the final number of shares finally granted is based on the average ROACE of the Group, as published by the Group

according to its Consolidated Balance Sheet and Statement of Income for fiscal years 2013, 2014 and 2015. The acquisition rate is equal to zero if the average ROACE is less than or equal to 7%, varies on a straight-line basis between 0% and 100% if the average ROACE is more than 7% and less than 15%, and is equal to 100% if the average ROACE is more than or equal to 15%.

2012 Plan

For the 2012 plan, the Board of Directors decided that for executive officers (other than the Chairman and Chief Executive Officer), the final grant of all shares will be subject to a continued employment condition and a performance condition. The performance condition states that the number of shares finally granted is based on the average ROE of the Group, as published by the Group according to its Consolidated Balance Sheet and Statement of Income for fiscal years 2012 and 2013. The acquisition rate:

- is equal to zero if the average ROE is less than or equal to 8%;
- varies on a straight-line basis between 0% and 100% if the average ROE is greater than 8% and less than 16%; and
- is equal to 100% if the average ROE is greater than or equal to 16%.

The Board of Directors also decided that, for each beneficiary (other than the Chairman and Chief Executive Officer and the executive officers) of more than 100 shares, the shares in excess of that number will be finally granted subject to the performance condition mentioned before.

In addition, as part of the 2012 plan, the Board of Directors decided that, subject to a continuous employment condition, the number of performance shares finally granted to the Chairman and Chief Executive Officer will be subject to two performance conditions:

- For 50% of the shares granted, the performance condition states that the number of shares finally granted is based on the average ROE of the Group, as published by the Group according to its Consolidated Balance Sheet and Statement of Income for fiscal years 2012 and 2013. The acquisition rate is equal to zero if the average ROE is less than or equal to 8%, varies on a straight-line basis between 0% and 100% if the average ROE is more than 8% and less than 16%, and is equal to 100% if the average ROE is more than or equal to 16%.
- For 50% of the share granted, the performance condition states that the number of shares finally granted is based on the average ROACE of the Group as published by the Group according to its Consolidated Balance Sheet and Statement of Income for fiscal years 2012 and 2013. The acquisition rate is equal to zero if the average ROACE is less than or equal to 7%, varies on a straight-line basis between 0% and 100% if the average ROACE is more than 7% and less than 15%, and is equal to 100% if the average ROACE is more than or equal to 15%.

2011 Plan

For the 2011 plan, the Board of Directors decided that for senior executive (other than the Chairman and Chief Executive Officer), the final grant of all shares will be subject to a continued employment condition and a performance condition. The performance condition states that the number of shares finally granted is based on the average ROE of the Group, as published by the Group according to its Consolidated Balance Sheet and Statement of Income for fiscal years 2011 and 2012. The acquisition rate:

- is equal to zero if the average ROE is less than or equal to 7%;
- varies on a straight-line basis between 0% and 100% if the average ROE is greater than 7% and less than 18%; and
- is equal to 100% if the average ROE is greater than or equal to 18%.

The Board of Directors also decided that, for each beneficiary (other than the Chairman and Chief Executive Officer and the senior executives) of more than 100 shares, the shares in excess of this number will be finally granted subject to the performance condition mentioned before .

In addition, as part of the 2011 plan, the Board of Directors decided that, subject to a continuous employment condition, the number of shares finally granted to the Chairman and Chief Executive Officer will be subject to two performance conditions:

- For 50% of the shares granted, the performance condition states that the number of shares finally granted is based on the average ROE of the Group, as published by the Group according to its Consolidated Balance Sheet and Statement of Income for fiscal years 2011 and 2012. The acquisition rate is equal to zero if the average ROE is less than or equal to 7%, varies on a straight-line basis between 0% and 100% if the average ROE is more than 7% and less than 18%, and is equal to 100% if the average ROE is more than or equal to 18%.
- For 50% of the shares granted, the performance condition states that the number of shares finally granted is based on the average ROACE of the Group, as published by the Group according to its Consolidated Balance Sheet and Statement of Income for fiscal years 2011 and 2012. The acquisition rate is equal to zero if the average ROACE is less than or equal to 6%, varies on a straight-line basis between 0% and 100% if the average ROACE is more than 6% and less than 15%, and is equal to 100% if the average ROACE is more than or equal to 15%.

Due to the application of the performance condition, the acquisition rate was 100% for the 2011 plan. As a reminder, the acquisition rates were 100% for the 2009 and 2010 plans.

C) Global free TOTAL share plan

The Board of Directors approved at its meeting on May 21, 2010, the implementation and conditions of a global free share plan intended for the Group's employees (employees of TOTAL S.A. or companies in which TOTAL S.A. holds directly or indirectly an interest of more than 50%). On June 30, 2010, entitlement rights to 25 free shares were granted to every employee.

The final grant is subject to a continued employment condition during the plan's vesting period. Depending on the country in which the companies of the Group are located, the acquisition period is either two years followed by a conservation period of two-year (for the countries with a 2+2 structure), or four years without any conservation period (for the countries with a 4+0 structure).

Following the vesting period, the shares awarded will be new shares issued from an increase of capital of TOTAL S.A. by incorporation of paid-in surplus or retained earnings.

The Chairman and Chief Executive Officer acknowledged on July 2, 2012 the issuance and the award of 1,366,950 shares to the beneficiaries designated at the end of the two-year acquisition period.

	2010 Plan (2 + 2)	2010 Plan (4 + 0)	Total
Date of the Shareholders' Meeting	05/16/2008	05/16/2008	
Date of the award [a]	06/30/2010	06/30/2010	
Date of the final award	07/01/2012	07/01/2014	
Transfer authorized as from	07/01/2014	07/01/2014	
Number of free shares			
Outstanding as of January 1, 2011	**1,508,650**	**1,070,575**	**2,579,225**
Notified	-	-	-
Canceled	(29,175)	(54,625)	(83,800)
Finally granted	(475)	(425)	(900)
Outstanding as of January 1, 2012	**1,479,000**	**1,015,525**	**2,494,525**
Notified	-	-	-
Canceled	(111,725)	(40,275)	(152,000)
Finally granted [b]	(1,367,275)	(350)	(1,367,625)
Outstanding as of January 1, 2013	**-**	**974,900**	**974,900**
Notified	-	-	-
Canceled	100	(101,150)	(101,050)
Finally granted	(100)	(275)	(375)
Outstanding as of December 31, 2013	**-**	**873,475**	**873,475**

(a) The June 30, 2010, grant was decided by the Board of Directors on May 21, 2010.
(b) Final grant of 1,366,950 shares to the designated beneficiaries at the end of the acquisition period.

24) Others

Compensation for the administration and management bodies

The aggregate amount of direct and indirect compensation paid by the French and foreign affiliates of the Company to the executive officers of TOTAL (the members of the Management Committee and the Treasurer) and to members of the Board of Directors who are employees of the Group was €22.1 million in 2013 (€21.3 million in 2012).

The compensation paid to members of the Board of Directors for directors' fees totaled €1.25 million in 2013 (€1.10 million in 2012).

Pension benefits for the Group's executive officers and some members of the Board of Directors, employees and former employees of the Group totaled €188.7 million as of December 31, 2013 (compared with €181.3 million as of December 31, 2012). They include severance to be paid on retirement, supplementary pension schemes and death-disability plans.

Legal proceedings

All legal proceedings involving TOTAL S.A. are included in Note 32 – Other risks and commitments – to the Consolidated Financial Statements attached to the Registration Document.

5. Other financial information concerning the parent company

5.1. Subsidiaries and affiliates

As of December 31, 2013 (M€)	% of share capital owned by the company	Share capital	Other shareholders' equity	Book value of investments		Loans & avances	Sales	Net income	Dividends paid	Commitments & contingencies
				gross	net					
Subsidiaries										
Elf Aquitaine	100.0	2,166	27,125	45,787	45,787	-	-	6,793	2,176	-
Omnium Reinsurance CIE	100.0	29	585	114	114	-	308	177	-	-
Total China Investment Ltd	100.0	155	83	140	140	-	517	49	-	-
Total E&P Golfe Holdings Ltd	100.0	-	172	2,855	2,855	-	-	(1)	-	-
Total E&P Holdings	65.8	6	9,236	1,118	1,118	-	-	3,326	1,340	-
Total E&P Holdings Ichthys	100.0	84	(3)	84	84	-	-	(2)	-	-
Total E&P Ichthys	100.0	298	(3)	298	298	-	-	(1)	-	-
Total E&P Iraq	100.0	13	(17)	67	67	-	258	(5)	-	-
Total Energie Développement	100.0	84	(76)	100	9	-	12	(4)	-	-
Total Gaz & Power Actifs Industriels	100.0	330	103	330	330	-	-	29	8	-
Total Gasandes S.A.	100.0	2	44	150	8	-	-	5	18	-
Total Gestion USA	100.0	3,969	-	3,969	3,969	-	-	-	-	-
Total Holdings Europe	53.2	65	8,616	4,446	4,446	-	-	1,838	2,105	-
Total Marketing & Services	99.6	324	3,612	5,815	5,815	-	20,914	832	-	700
Total Raffinage Chimie	100.0	934	12,215	13,171	13,171	-	-	104	-	-
Total Raffinage France	95.2	414	(798)	1,635	1,635	-	30,694	(293)	-	200
Total Refining Saudi Arabia S.A.S	100.0	80	11	80	80	444	-	(3)	-	-
Other	-	-	-	768	481	12,727 [(a)]	-	-	1,708	62,888 [(b)]
Total	**-**	**-**	**-**	**80,927**	**80,407**	**13,171**	**-**	**-**	**7,355**	**63,788**

(a) Including Total Finance for €8,729 million and Total Treasury for €3,271 million.
(b) Including €55,410 million concerning Total Capital, Total Capital International and Total Capital Canada Ltd. for bond issue and short-term financing plans.

5.2. Five-year financial data

Share capital at year-end

(K€)	2013	2012	2011	2010	2009
Share capital	5,944,195	5,914,833	5,909,418	5,874,102	5,871,057
Number of common shares outstanding [a]	2,377,678,160	2,365,933,146	2,363,767,313	2,349,640,931	2,348,422,884
Number of future shares to issue:					
- share subscription options [a]	25,356,113	32,462,382	44,632,912	49,267,826	45,828,769
- Elf Aquitaine options and shares covered by the exchange guarantee [a]	-	-	-	-	-
- global free share plan	873,475	974,900	2,494,525	2,579,225	-

Operation and income for the year

(K€)	2013	2012	2011	2010	2009
Net commercial sales	14,295,556	14,127,247	12,102,415	8,347,108	6,246,165
Employee profit sharing	61,000	55,000	51,000	48,000	35,000
Net income	6,031,467	6,519,782	9,766,284	5,840,088	5,633,681
Retained earnings before appropriation	10,291,083	9,314,000	4,916,078	4,425,753	4,114,277
Income available for appropriation	16,322,550	15,833,782	14,682,362	10,265,841	9,747,958
Dividends (including interim dividends)	5,661,590	5,581,925	5,392,829	5,384,541	5,354,404
Retained earnings	10,660,960	10,251,857	9,289,533	4,881,300	4,393,554

Earnings per share

(€)	2013	2012	2011	2010	2009
Income after tax, before depreciation, amortization and provisions [a] [b]	3.06	3.44	4.80	2.90	2.68
Income after tax and depreciation, amortization and provisions [a] [b]	2.66	2.88	4.33	2.60	2.52
Net dividend per share [a]	2.38	2.34	2.28	2.28	2.28

Employees

(K€)	2013	2012	2011	2010	2009
Average number of employees during the year [c]	7,193	7,076	7,001	6,809	6,595
Total payroll for the year	1,007,778	954,487	910,707	815,269	881,515
Social security and other staff benefits	374,378	383,844	331,248	311,114	312,973

(a) On May 18, 2006, the share par value was divided by four.
(b) Earnings per share are calculated based on the fully-diluted weighted-average number of common shares outstanding during the year, excluding treasury shares and shares held by subsidiaries.
(c) Including employees on end-of-career leave or taking early retirement (Dispensations from work: 74 people in 2009, 79 people in 2010, 89 people in 2011, 96 people in 2012 and 89 people in 2013).

5.3. Proposed allocation of 2013 income

(Net dividend proposed: €2.38 per share)

(€)	
Income for the year	6,031,467,364.58
Retained earnings before appropriation	10,291,082,595.98
Total available for allocation	**16,322,549,960.56**
2013 dividends: €2.38 per share [a]	5,661,589,824.52
Retained earnings	10,660,960,136.04
Total allocated	**16,322,549,960.56**

(a) The total dividend amount would be €5,661,589,824.52 based on a maximum number of shares entitled to a dividend for fiscal year 2013, *i.e.*, 2,378,819,254.

5.4. Statement of changes in share capital for the past five years

For the year ended (K€)		Cash contributions		Successive amounts of nominal capital	Cumulative number of common shares of the Company
		Par value	Issue/ conversion premium		
2009	**Changes in capital**				
	Options covered by the exchange guarantee	1,200	17,179	5,930,720	2,372,288,104
	Exercise of share subscription options	2,337	29,996	5,933,057	2,373,222,884
	Capital decrease	(62,000)	(1,160,212)	5,871,057	2,348,422,884
2010	**Changes in capital**				
	Exercise of share subscription options	3,045	37,875	5,874,102	2,349,640,931
2011	**Changes in capital**				
	Exercise of share subscription options	13,059	159,896	5,887,161	2,354,864,596
	Capital increase reserved for Group Employees	22,257	287,558	5,909,418	2,363,767,313
2012	**Changes in capital**				
	Exercise of share subscription options	1,997	29,284	5,911,415	2,364,566,196
	Capital increase reserved for Group Employees	3,418	-	5,914,833	2,365,933,146
2013	**Changes in capital**				
	Exercise of share subscription options	2,357	32,879	5,917,190	2,366,875,945
	Capital increase reserved for Group employees [(a)]	27,005	302,694	5,944,195	2,377,678,160

(a) See Note 6.

Glossary

A

Acreage
Areas in which mining rights are exercised.

API degrees
Scale established by the American Petroleum Institute (API) to measure oil density. A high API degree indicates light oil from which a high yield of gasoline can be refined.

Appraisal (delineation)
Work performed after a discovery for the purpose of determining the boundaries or extent of an oil or gas field or assessing its reserves and production potential.

Associated gas
Gas released during oil production.

Association/consortium/joint venture
Terms used to generally describe a project in which two or more entities participate. For the principles and methods of consolidation applicable to different types of joint arrangements according to IFRS, refer to the Notes to the Consolidated Financial Statements (Chapter 10, point 7, note 1).

B

Barrel
Unit of measurement of volume of crude oil equal to 42 U.S. gallons or 158.9 liters. Quantities of liquid hydrocarbons in barrels are expressed at 60°F.

Barrel of Oil Equivalent (BOE)
Conventional unit for measuring the energy released by a quantity of fuel by relating it to the energy released by the combustion of a barrel of oil.

Biochemical conversion
Conversion of energy sources (usually biomass) through biological transformation (reactions in living organisms). Examples include fermentation (in the presence of enzymes).

Biofuel
Liquid or gaseous fuel used for transport and produced from biomass.

Biomass
Biodegradable fraction of products, waste and residues of biological origin from agriculture (including plant and animal substances), forestry and related industries, including fisheries and aquaculture which, through chemical transformation, can become beneficial molecules (carbon molecules) for the production of fuels and specialty chemicals.

Brent
Quality of crude (38° API) produced in the North Sea, at the Brent fields.

Buyback
Risk services agreement (the investments and risks are undertaken by the contractor) combined with an offset mechanism that allows the contractor to receive a portion of the production equivalent to the monetary value, with interest, of its investments and a return on its investment.

C

Capacity of treatment
Annual crude oil treatment capacity of the atmospheric distillation units of a refinery.

Carbon capture and storage (CCS)
Technology designed to reduce greenhouse gas emissions in the atmosphere during the combustion of fossil materials by capturing, compressing, transporting and injecting carbon dioxide (CO_2) into deep geological formations for permanent storage. The use of oxygen instead of air in CO_2 production is called oxy-combustion.

Catalysts
Substances that facilitate chemical reactions during the refining process used in conversion units (reformer, hydrocracker, catalytic cracker) and desulphurization units.

Principal catalysts are precious metals (platinum) or other metals such as nickel and cobalt. There are some catalysts that regenerate themselves and others that are consumable.

Coal bed methane
Natural gas present in coal beds.

Cogeneration
Simultaneous generation of electrical and thermal energies from a combustible source (gas, fuel oil or coal).

Concentrating solar power plant
The most advanced form of solar steam plant which concentrates sunlight using mirrors to heat a liquid and produce electricity. This technology consists mainly of tower power plants and cylindrical-parabolic plants.

Concession contract
Exploration and production contract under which a host country grants to an oil & gas company (or joint venture) the right to explore a geographic area and develop and produce potential reserves. The oil and gas company (or joint venture) undertakes the execution and financing, at its own risk, of all operations. In return, it is entitled to the entire production.

Condensate
Light hydrocarbon substances produced with natural gas that exist – either in a gaseous phase or in solution – in the crude oil under the initial pressure and temperature conditions in the reservoir, and which are recovered in a liquid state in separators, on-site facilities or gas treatment units.

Conversion
Refining operation aimed at transforming heavy products (heavy fuel oil) into lighter or less viscous products (gasoline, jet fuels, etc.)

Cost oil/gas
In a production sharing contract, portion of the oil and gas production made available to the contractor (contractor group) and contractually reserved for reimbursement of exploration, development, operation and site reclamation costs (“recoverable” costs).

Cracking
Refining process that entails converting the molecules of large, complex, heavy hydrocarbons into simpler, lighter molecules using heat, pressure and, in some cases, a catalyst. A distinction is made between catalytic cracking and steam cracking, which uses heat instead of a catalyst. Cracking then produces ethylene and propylene, in particular.

D

Dated Brent
Dated Brent is a market term representing the minimum value of physical cargoes of Brent, Forties, Oseberg, or Ekofisk crude oil, loading between the 10th and the 25th day forward.
Dated Brent prices are used, directly and indirectly, as a benchmark for a large proportion of the crude oil that is traded internationally.

Debottlenecking
Change made to a facility to increase its production capacity.

Deep conversion unit (coker)
Unit that produces light products (gas, gasoline, diesel) and coke through the cracking of distillation residues.

Desulphurization unit
Unit in which sulphur and sulphur compounds are eliminated from mixtures of gaseous or liquid hydrocarbons.

Developed Reserves
Reserves that are expected to be recovered from existing wells and installations or for which the cost of the required equipment is relatively minor. This applies to both proved reserves and proved plus probable reserves.

Development
Operations carried out to bring an oil or gas field on stream, including in particular construction of the necessary infrastructures for oil and gas production.

Distillates
Products obtained through the atmospheric distillation of crude oil or through vacuum distillation. Includes medium distillate such as aviation fuel, diesel fuel and heating oil.

E

Energy mix
The various energy sources used to meet the demand for energy.

Ethane
A colorless, odorless combustible gas found in natural gas and petroleum gas.

Ethanol
Also commonly called ethyl alcohol or alcohol, ethanol is obtained through the fermentation of sugar (beetroot, sugarcane) or starch (grains, etc.). Ethanol has numerous food, chemical and energy (biofuel) applications.

Ethylene/Propylene
Petrochemical products derived from cracking and essential to the production of polyethylene and polypropylene, two plastics frequently used in packaging, the automotive industry, household appliances, healthcare and textiles.

Ex situ oil shale production technology (Red Leaf: EcoShaleTM In-Capsule Technology)
Ex-situ production technology is used for shallow oil shale formations. Shale is extracted using a mining method and then heated in large sealed capsules. Heating triggers a pyrolysis reaction that produces high-quality liquid hydrocarbons and gas.

F

Farnesane
Farnesane is obtained through the hydrogenation of farnesene, a saturated hydrocarbon (alkane) that can be added to diesel fuel.

Farnesene
A hydrocarbon molecule (iso-olefin containing 15 carbon atoms), farnesene is a molecule that is very similar to fossil hydrocarbons and can therefore be used to produce fuel or chemical compounds. The Amyris company has developed a process to produce it through the fermentation of sugar.

FEED studies (Front-End Engineering Design)
Studies aimed at defining the project and preparing for its execution. In the TOTAL process, this covers the pre-project and basic engineering phases.

Fossil energies
Energies produced from oil, natural gas and coal.

FPSO (Floating production, storage and offloading)
Floating integrated offshore unit comprising the equipment used to produce, process and store hydrocarbons and offload them directly to an offshore oil tanker.

H

Hydraulic fracturing
Technique that involves fracturing rock to improve its permeability.

Hydrocarbons
Molecules composed principally of carbon and hydrogen atoms. They can be solid such as asphalt, liquid such as crude oil or gaseous such as natural gas. They may also include compounds with sulphur, nitrogen, metals, etc.

Hydrocracking
Catalytic refining process that uses hydrogen to convert heavy oils into lighter fractions.

I

In situ oil shale production technology (American Shale Oil, LLC (AMSO) Technology)
In an *in situ* process, oil shale is heated in place underground in order to trigger an *in situ* pyrolysis reaction. The very high-quality liquid and gaseous hydrocarbons produced through this reaction are then extracted from the reservoir by gas lift and/or pumping, which are traditional production techniques.

L

Lignocellulose
Lignocellulose makes up the wall of plant cells. In the biofuel sector, this term is used to designate wood and straw, two resources that can be used for biofuel production. Lignocellulose can be gasified (thermochemical conversion) or split into its basic components (sugars from cellulose and lignin) in order to transform them through biochemical conversion.

Liquefied Natural Gas (LNG)
Natural gas, primarily methane, that has been liquefied by cooling in order to transport it.

Liquefied Petroleum Gas (LPG)
Light hydrocarbons (comprised principally of butane and propane) that are gaseous under normal temperature and pressure conditions and that are kept in liquid state by increasing the pressure or reducing the temperature. LPG is included in NGL.

M

Mineral interests
Rights to explore for and/or produce oil and gas in a specific area for a fixed period. Covers the concepts of “permit”, “license”, “title”, etc.

MTO/OCP
MTO (Methanols to Olefins) involves the conversion of methanol into olefins. OCP (olefin cracking process) is then used to convert these olefins into plastics.

N

Naphta
Heavy gasoline used as a base in petrochemicals.

Natural gas
Mixture of gaseous hydrocarbons, composed mainly of methane.

Natural Gas Liquids (NGL)
Natural gas liquids are a mixture of light hydrocarbons that exist in the gaseous phase at atmospheric pressure and are recovered as liquid in gas processing plants. NGL include very light hydrocarbons (ethane, propane and butane).

O

Oil and gas exploration
All operations carried out to reveal the existence of oil and gas fields.

Olefins
Products (gas) obtained after cracking of petroleum streams. Olefins are ethylene, propylene and butadiene. These products are used in the production of large plastics (polyethylene, polypropylene, PVC, etc.), elastomers (polybutadiene, etc.) and large chemical intermediates.

Operated production
Total quantity of oil and gas produced on fields operated by an oil company.

Operator
Partner of an oil and gas joint venture in charge of carrying out the operations on a specific area on behalf of the joint venture. A refinery is also said to be operated by a specific partner when the operations are carried out by the partner on behalf of all the partners of the joint venture that owns the refinery.

P

Permit
Area contractually granted to an oil and gas company (or a joint venture) by the host country for a defined period. The permit grants the oil and gas company (or joint venture) the exclusive right to carry out exploration work (“exploration” permit) or to exploit a field (“exploitation” permit).

Petcoke (or petroleum coke)
Residual product remaining after the improvement of very heavy petroleum cuts. This solid black product consists mainly of carbon and can be used as fuel in a manner similar to steam coal.

Polymers
Molecule composed of monomers bonded together by covalent bonds, such as starch and proteins. They are generally organic (DNA), artificial or synthetic (such as polystyrene). Polyolefins represent the largest family of polymers.

Production plateau
Expected average stabilized level of production for a field following the production build-up.

Production Sharing Contract (PSA, PSC)
Exploration and production contract under which a host country or, more frequently, its national company, transfers to an oil & gas company (the contractor) or a joint venture (the contractor group) the right to explore a geographic area and develop and produce the reserves of the fields discovered. The contractor (or contractor group) undertakes the execution and financing, as its own risk, of all operations. In return, it is entitled to a portion of the production, called cost oil/gas, to recover its costs and investment. The remaining production, called profit oil/gas, is then shared between the contractor (contractor group), on the one hand, and the national company and/or host country, on the other hand.

Project
As used in this report, “project” may encompass different meanings, such as properties, agreements, investments, developments, phases, activities or components, each of which may also informally be described as a “project”. Such use is for convenience only and is not intended as a precise description of the term “project” as it relates to any specific governmental law or regulation.

Proved and probable reserves (2P reserves)
Sum of proved reserves and probable reserves. 2P reserves are the median quantities of oil and gas recoverable from fields that have already been drilled, covered by E&P contracts and for which technical studies have demonstrated economic development in a long-term price environment. They include projects developed by mining.

Proved permit
Permit for which there are proved reserves.

Proved reserves (1P reserves)
Estimated quantities of crude oil and natural gas that geological and engineering data show, with reasonable certainty (90%), to be recoverable in the coming years from known reservoirs and under existing contractual, economic and operating conditions:
- developed proved reserves are those that can be recovered from existing facilities and without significant additional investment;
- undeveloped proved reserves are those that are expected to be recovered with new investments (surface facilities, wells, etc.).

R

Refining
The various processes used to produce petroleum products from crude oil (distillation, reforming, desulphurization, cracking, etc.).

Renewable energies
An energy source whose inventories can be renewed or are inexhaustible, such as solar, wind, hydraulic, biomass and geothermal energy.

Reserve life
Ratio of reserves at the end of the year to the production sold during the past year.

Reserves
Estimated remaining quantities of oil and gas and related substances expected to be economically producible, as of a given date, by application of development projects to known accumulations.

Reservoirs
Porous, permeable underground rock formation that contains oil or natural gas.

Resources
Sum of proved and probable reserves and contingent resources (average quantities potentially recoverable from known accumulations) - Society of Petroleum Engineers – 03/07.

S

Seismic
Method of exploring the subsoil that entails methodically sending vibration or sound waves and recording their reflections to assess the type, size, shape and depth of subsurface layers.

Shale gas
Natural gas trapped in very compact, low-permeable rock.

Sidetrack
Well drilled from a portion of an existing well (and not by starting from the surface). It is used to get around an obstruction in the original well or resume drilling in a new direction or to explore a nearby geological area.

Silicon
The most abundant element in the earth's crust after oxygen. It does not exist in a free state but in the form of compounds such as silica, which has long been used as an essential element of glass. Polysilicon (or crystalline silicon), which is obtained by purifying silicon and consists of metal-like crystals, is used in the construction of photovoltaic solar panels.

Site abandonment
Oil companies may have to incur expenses related to the abandonment of production sites at the end of exploitation of a deposit. This definitive shutdown of the production on a field or part of sites production capacity (a well, a group of wells, etc.) generally involves the dismantling of production, transport and storage facilities and the restoration of the sites.

Steam Assisted Gravity Drainage (SAGD)
Technique used in *in situ* production of bitumen from oil sands which entails injecting water vapor to increase the temperature of the bitumen and reduce its viscosity, making it easier to extract.

T

Thermochemical conversion
Conversion of energy sources (gas, coal, biomass) through thermal transformation (chemical reactions from heat). Examples include gasification, combustion and photosynthesis (solar energy).

Tower/cylindrical-parabolic collector power plant
Type of solar steam plant consisting of a field of solar mirrors – heliostats – which concentrate sunlight toward a boiler located at the top of a tower. At a cylindrical-parabolic collector plant (a reference to its shape), the mirrors follow the sun automatically as it rises.

U

Unconventional hydrocarbons
Hydrocarbons, oil and gas that cannot be produced or extracted using conventional methods. These hydrocarbons generally include shale gas, coal bed methane, gas located in very low-permeable reservoirs, methane hydrates, extra heavy oil, bitumen and liquid or gaseous hydrocarbons generated during pyrolysis of oil shale.

Unitization
Creation of a new joint venture and appointment of a single operator for the development and production as single unit of an oil or gas field involving several permits/licenses or countries.

Unproved permit
Permit for which there are no proved reserves.

Upgrader
Refining unit where petroleum products, such as heavy oils, are upgraded through cracking and hydrogenation.

Cross reference lists

Registration Document concordance tables, for use in identifying the information required by Annex 1 of Regulation 809/2004/EC of 29 April 2004

Information required by Annex 1 of Regulation 809/2004/EC		Registration Document 2013 Relevant chapters	Relevant paragraphs
1.	Persons responsible	p i	p i
2.	Statutory auditors	5	4.1. to 4.3.
3.	Selected financial information	1	2.
4.	Risk factors	4	1. to 5.
5.	Information about the issuer		
5.1.	**History and development**	**2**	**1.1.**
5.1.1.	Legal and commercial name	2	1.1.
		9	2.1.
5.1.2.	Place of registration and registration number	2	1.1.
		9	2.1.
5.1.3.	Date of incorporation and length of life	2	1.1.
		9	2.1.
5.1.4.	Domicile, legal form, applicable legislation, country of incorporation	2	1.1.
	address and telephone number of registered office	9	2.1.
5.1.5.	Important events in the development of the business	2	2. to 5.
		3	1.
5.2.	**Investments**	**2**	**5.1. and 5.2.**
5.2.1.	Principal investments over the last three fiscal years	2	5.1.
5.2.2.	Principal investments in progress	2	5.1.
5.2.3.	Principal future investments	2	5.2.
6.	Business overview		
6.1.	**Principal activities**	**1**	**2.**
		2	**2. to 5.**
6.2.	**Principal markets**	**1**	**2.**
		2	**2. to 5.**
6.3.	**Exceptional factors that have influenced**	**2**	**2. to 5.**
	the principal activities or principal markets	**3**	**1.1. to 1.5.**
6.4.	**Dependence on certain contracts**	**4**	**3.3.**
6.5.	**Competitive position**	**2**	**1.1., 2., 3., 4.**
		4	**3.10.**
7.	Organizational structure	2	6.
7.1.	**Issuer's position within the Group**	**2**	**6.1.**
7.2.	**Significant subsidiaries**	**2**	**6.2.**
		10	**7. (note 35)**
8.	Property, plant and equipment		
8.1.	**Most significant tangible fixed assets**	**2**	**1. to 4., 7.**
		10	**7. (note 11)**
8.2.	**Environmental issues affecting the most significant**	**4**	**2.**
	tangible fixed assets	**7**	**2.**

9. Operating and financial review

9.1.	**Financial condition**	**1**	**2.**
		3	**1.1. to 1.6.**
9.2.	**Operating results**	**3**	**1.1. to 1.6.**
9.2.1.	Significant factors materially affecting income from operations	3	1.1. to 1.6. and 4.
9.2.2.	Narrative description of changes in net sales or revenues	3	1.1. to 1.6.
9.2.3.	External factors that have materially affected, or could materially affect. operations	3	1.1. to 1.6. and 4.

10. Capital resources

10.1.	**Information concerning capital resources (both short and long term)**	**3**	**2.1.**
10.2.	**Source, amounts and narrative description of cash flows**	**3**	**2.2.**
		10	**5.**
10.3.	**Borrowing requirements and funding structure**	**3**	**2.3.**
		4	**1.**
10.4.	**Restrictions on the use of capital resources that have materially affected, or could materially affect, operations**	**n/a**	**n/a**
10.5.	**Anticipated sources of funds needed for the principal future investments and major encumbrances on the most significant tangible fixed assets**	**2**	**5.2.**
		3	**2.5.**
		10	**5.**
		10	**7. (note 11)**

11. Research and development, patents and licenses — 3 — 3.

12. Trend information

12.1.	**Most significant trends in production, sales and inventory, and costs and selling prices since the end of the last fiscal year**	**3**	**4.3.**
		3	**5.**
12.2.	**Known trends, uncertainties, demands, commitments or events that are likely to have a material effect on prospects for the current fiscal year**	**2**	**5.2.**
		3	**4. and 5.**
		4	**1. to 3.**

13. Profit forecasts or estimates — n/a — n/a

14. Administrative, management and supervisory bodies and Senior Management

14.1.	**Information about members of the administrative and management bodies**	**5**	**1.1. and 3.**
14.2.	**Conflicts of interests, understandings relating to nominations, restrictions on the disposal of holdings in the issuer's securities**	**5**	**1.9.**
		5	**5.2.**

15. Remuneration and benefits

15.1.	**Remuneration paid and benefits in kind granted by the issuer and its subsidiaries**	**6**	**1 to 3 and 5.**
15.2.	**Amounts set aside or accrued to provide pension, retirement or similar benefits**	**6**	**2.2., 4 and 5.**
		10	**7. (notes 24 and 25)**

16. Board practices

16.1.	**Date of expiration of the current term of office, and. date of commencement in office**	**5**	**1.1.**
16.2.	**Contracts with the issuer or any of its subsidiaries providing for. benefits upon termination of such contracts**	**6**	**2.2.**
16.3.	**Information about the issuer's audit committee**	**5**	**1.5.1. and 1.5.2.**
	and remuneration committee	**5**	**1.6.1. and 1.6.2.**
16.4.	**Compliance with the corporate governance regime in force in France**	**5**	**1.3.**

17. Employees

17.1.	**Number of employees at the end of the last 3 fiscal years;**	**1**	**2.**
	breakdown by geographic location and category of activity	**7**	**1.**
17.2.	**Shareholdings and stock options**	**1**	**2.**
		5	**5.1.**
		6	**4.**
17.3.	**Arrangements for involving employees**	**5**	**5.1.**
	in the capital of the issuer	**6**	**4.**

18. Major shareholders

18.1.	**Interests held above the threshold for notification (known interests)**	**8**	**4.4.**
18.2.	**Major shareholders' voting rights in excess**	**8**	**4.4.**
	of their share in the share capital	**9**	**2.4.**
18.3.	**Control of the issuer by one or more shareholders**	**n/a**	**n/a**
18.4.	**Arrangements, known to the issuer, the operation of which may**		
	at a subsequent date result in a change in control of the issuer	**n/a**	**n/a**

19.	Related party transactions	8	4.9.
		10	7. (note 24)

20. Financial information concerning the issuer's assets and liabilities, financial position and profits and losses

20.1.	**Historical financial information**	**9**	**3.**
20.2.	**Pro forma financial information**	**n/a**	**n/a**
20.3.	**Consolidated annual financial statements**	**10**	**2. to 7.**
20.4.	**Auditing of historical annual financial information**		
20.4.1.	Auditing of the historical financial information	9	3.3.
		10	1.
		12	2.
20.4.2.	Other information in the Registration Document	5	2.
	that has been audited by the auditors	12	1.
20.4.3.	Financial data in the Registration Document that is not extracted	11	1.5. to 1.9.
	from the issuer's audited financial statements	11	2.
		9	3.4.
20.5.	**Age of latest audited financial information**		**December 31, 2013**
20.6.	**Interim and other financial information**		
20.6.1.	Quarterly or half yearly financial information published		
	since the date of the last audited financial statements	n/a	n/a
20.6.2.	Interim financial information covering the first six months		
	of the fiscal year after the end of the last audited fiscal year	n/a	n/a
20.7.	**Dividend policy**	**8**	**2.**
20.8.	**Legal and arbitration proceedings**	**4**	**4.**
20.9.	**Significant change in the issuer's financial or commercial position**	**3**	**5.**

21. Additional information

21.1.	**Share capital**		
21.1.1.	Issued capital and authorized capital	9	1.1. to 1.4.
		12	4. (note 6. A)
		10	7. (note 17)
21.1.2.	Shares not representing capital	n/a	n/a
21.1.3.	Shares held by the issuer or its subsidiaries	8	3.2.2., 3.2.7.
		8	4.4.1., 4.5.
		9	1.5.
		10	7. (note 17)
		12	4. (note 6)
21.1.4.	Securities granting future access to the issuer's share capital	9	1.3. and 1.4.
21.1.5.	Terms of any acquisition rights and/or obligations over capital issued but not paid, or any capital increase	5	5.1.3 and 5.1.4
21.1.6.	Capital of any member of the Group which is under option	n/a	n/a
21.1.7.	History of the issuer's share capital over the last 3 fiscal years	9	1.6.
		10	7. (note 17)
		12	4. (note 6.A)
21.2.	**Memorandum and Articles of Association**		
21.2.1.	Issuer's objects and purposes	9	2.2.
21.2.2.	Provisions of statutes and charters with respect to the members of the administrative, management and supervisory bodies	5	1.4. and 1.5.
		9	2.3.
21.2.3.	Rights, preferences and restrictions attaching to each class of. the existing shares	9	2.4.
21.2.4.	Action necessary to change the rights of shareholders	9	2.5.
21.2.5.	Manner in which annual general meetings of shareholders are called including the conditions of admission	9	2.6.
		8	4.4.3. and 4.4.4.
21.2.6.	Provisions of the issuer's statutes, charter or bylaws that would have the effect of delaying, deferring or preventing a change in control of the issuer	9	2.4.
		5	1.12
21.2.7.	Provisions of the statutes governing the ownership threshold above which share ownership must be disclosed	9	2.7.
21.2.8.	Conditions governing changes in the capital that are more stringent than is required by law	n/a	n/a

22.	Material contracts (other than contracts entered into in the ordinary course of business)	n/a	n/a
23.	Third party information and statement by experts and declarations of any interest	n/a	n/a
24.	Documents on display	9	4.
25.	Information on holdings	9	5.
		10	7. (note 35)
		12	5.1

Registration Document concordance table, for use in identifying the information contained in the Annual Financial Report

The concordance table below is used to identify the information in this Registration Document contained in the Annual Financial Report pursuant to Article L. 451-1-2 of the French Financial and Monetary Code and Article 222-3 of the General Regulation of the French Financial Markets Authority.

Annual Financial Report	Registration Document 2013 Relevant chapters	Relevant paragraphs
Annual Financial Statements	12	3. to 4.
Consolidated Financial Statements	10	2. to 7.
Management Report (pursuant to the French Financial and Monetary Code)		
Information mentioned in Articles L. 225-100 and L.225-100-2 of the French Commercial Code		
Analysis of profit and loss, changes in business, financial position and debt position	2	2. to 4.
	3	1. to 2.
Use of financial instruments by the Company	4	4.1.
Key financial and non-financial performance indicators	1	1. and 2.
	7	1. to 3.
Principal risks and uncertainties facing the Company and all of the entities	3	4.1. to 4.3. and 5
taken as a whole included in the consolidation	4	1. to 5.
Summary table of valid delegations with respect to capital increases	9	1.3.
Information mentioned in Article L. 225-100-3 of the French Commercial Code: factors likely to have an impact in the event of a public offering	**5**	**1.12.**
Information mentioned in Article L. 225-211 of the French Commercial Code: buybacks of its own shares by the Company	**8**	**3.**
Declaration of persons responsible for the Annual Financial Report		p i
Reports of the statutory auditors on the parent company financial statements and consolidated financial statements	10 12	1. 2.
Statutory auditors' fees	5	4.4.
Report of the Chairman of the Board of Directors (Article L. 225-37 of the French Commercial Code)	5	1.
Auditors' Report on the Report of the Chairman of the Board of Directors (Article L. 225-235 of the French Commercial Code)	5	2.

Registration Document concordance table, for use in identifying the information contained in the Management Report pursuant to the French Commercial Code

Board of Directors' Management Report pursuant to the French Commercial Code	Registration Document 2013 Relevant chapters	Relevant paragraphs
Position and activities of the Company and Group during the fiscal year	2	2. to 4.
Analysis of changes in the business, results and financial position of the Company and Group	3	1. to 2.
Key financial and non-financial performance indicators	1	1. and 2.
	7	1. to 3.
Foreseeable change in the position of the Company and Group, outlook	3	4.
Significant changes since the end of the fiscal year	3	5.
Research and development activities	3	3.
Significant acquisitions of shares in or takeovers of companies with registered offices in France	n/a	n/a
Amount of dividends distributed in the last 3 fiscal years and amount of distributed income	8	2.
Injunctions or penalties for antitrust practices	4	4.1.
Information about payment terms of suppliers or customers of the Company	10	7. (note 23)
Description of the principal risks and uncertainties faced by the Company and Group companies	3	4.1. to 4.3.and 5
	4	1. to 5.
Information about the use of financial instruments by the Company and Group	4	4.1.
Company's exposure to price, credit, liquidity and cash flow risks	4	4.1.
Social and environmental consequences of activities; social commitments to promote sustainable development	7	1. to 4.
Polluting or high-risk activities	4	2.
(upper threshold in accordance with the Seveso II directive)	7	2.
Terms of office and duties performed in the Company as a whole by each of the directors during the last fiscal year	5	1.1.
Form of management of the Company	5	1.7.1. and 3.1.
Remuneration and other benefits granted to each of the directors	6	1. to 5.
Mandatory share holding period applicable to directors	5	5.2
	6	4.2.1. and 4.2.2
Summary of transactions in the Company's stock carried out by the directors	5	5.2.1.
Information about share capital distribution	8	4.4.
TOTAL shares held by Group companies	8	3.2. and 4.5.
	9	1.5.
Information mentioned in Article L. 225-211 of the French Commercial Code relating to buybacks of its own shares by the Company	8	3.
Disposals of shares to adjust reciprocal shareholdings	n/a	n/a
Statement of employee involvement in the share capital on the last day of the fiscal year	5	5.1.6.
	8	4.4.
Translation adjustments and adjustments to terms of issue or exercise of stock options or securities granting access to the share capital	n/a	n/a
Changes made to the method of presentation of the annual financial statements	10	7., Introduction
	12	4.1.
Observations made by the French Financial Markets Authority on proposed appointments and renewals	n/a	n/a
Table of results for each of the last five fiscal years	12	5.2.
Table and report on delegations with respect to capital increases	9	1.3.
Information mentioned in Article L. 225-100-3 of the French Commercial Code relating to factors likely to have an impact in the event of a public offering	5	1.12.
Report of the Chairman of the Board of Directors L. 225-37 of the French Commercial Code	5	1.

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