

<p style="text-align: center;"><b>TOTALFINAELF EUROPEAN WORKS COUNCIL CONSTITUTIVE AGREEMENT</b></p>
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Between:

**TOTALFINAELF S.A.**, represented by Mr. Jean-Jacques GUILBAUD, Senior Vice President  
Human Resources and Corporate Communications

party of the first part,

**And the European union organisations:**

For the ETUC – EMCEF : Mr Reinhard REIBSCH

For the CEC – FECCIA : Mr François VINCENT / FECER : Mr Jean CONAN

**And the French union organisations:**

For the CFDT : Mr Guy PRAXELLE

For the CFTC : Mr Denis ROUALET

For the C.F.E-CGC : Mr Jean CONAN

For the CGT: Mr Michel GOGAIL

For the CGT / FO : Mr Christian CARRERAS

said “Trade union organisations”, party of the second part,

Hereby agree as follows:

## **PREAMBLE**

With an eye on guaranteeing employees' rights at European level, community Directive 94/45/EC of 22 September 1994 and the French law of 12 November 1996 transposing it established a European Works Council in every Community-scale undertaking and group of undertakings..

The Management of TOTALFINAELF Group and the French and European unions have decided, pursuant to article 13 of the Directive, to create, by the present agreement, because of TOTAL Group's involvement in Europe and in order to allow constructive labour dialogue based on information and consultation in the meaning of the Directive (article 2-1 f) at European level, a "TOTALFINAELF EWC".

This agreement is the line with the earlier agreements concluded in the Elf Aquitaine Group (Agreement of 19 July 1991 and amendment agreements of 7 July 1994, and 2 February 1999) and in the TotalFina Group (Agreement of 6 September 1999).

The procedures regarding the installation, operation and means of TOTALFINAELF EWC are the object of the present agreement, drawn up in accordance with article 6 of the directive of 22 September 1994.

## **ARTICLE 1 - SCOPE OF APPLICATION**

The scope of application of the agreement is the one provided for in section 4 of article one of the European Directive of 22 September 1994. The Group companies concerned by the agreement ( All Group companies located within the Member States EU and EEA) are listed in Appendix 1.

## **ARTICLE 2 - FUNCTIONS**

THE TOTALFINAELF EWC has the purpose of making information and an exchange of views possible, in good time, between representatives of Management and the staff representatives, concerning, at European level,

- TOTALFINAELF Group's strategy and its competitive position,
- its labour, economic and financial situation, job changes, transfers of activities, possible changes of structures,
- questions concerning environmental protection and Community-policies in matters pertaining to safety.

and questions considered by agreement between the Secretary and the Management.

Its jurisdiction is limited to the questions relating either to TOTALFINAELF Group as a whole, in its community dimension, or to at least two companies in the Group located in different member States (cf. the appendix to the Directive concerning subsidiary requirements - clause 1a).

## TOTALFINAELF

The Committee is a body for a social dialogue supplementing the work of the national institutions for staff representation already installed. It may not detract from their prerogatives, nor may it replace those institutions, nor overlap with their prerogatives.

This Committee shall not affect the prerogatives of the Management of the TOTALFINAELF Group companies.

Generally speaking, the TOTALFINAELF EWC will not concern itself with questions concerning the national level alone, and a fortiori one company or one establishment of the Group.

### **ARTICLE 3 - CONSTITUTION OF THE TOTALFINAELF EWC AND DISTRIBUTION OF THE SEATS AMONG THE VARIOUS COUNTRIES**

The composition of the European Works Council shall be as follows :

- On the one hand, the representatives of Management, namely :

TOTALFINAELF's Chairman and CEO, and/or a member of the Executive Committee (Comex) on the basis of a proper delegation, assisted by the Group's Human Resources and Corporate Communications Senior Vice President, and, if necessary, by any manager in charge of a subject on the agenda.

The TOTALFINAELF EWC is chaired by TOTALFINAELF's Chairman, or by its representative.

- On the other hand, the personnel representatives within a limit of 50 members, in accordance with the rules regarding the breakdown among the countries set forth below.

The number of seats allocated to staff representatives from European companies outside France is 28. The allocation of the seats is based on the following double rule:

- 1 seat for each of the countries in which the Group employs at least 150 employees, and in which at least 100 employees are employed by one of the three Group activities.
- a further allocation in proportion of employees working in each country, pursuant to the table in Appendix 2.

The number of seats allocated to staff representatives from French companies is 22. The rule for the allocation of these seats is in Appendix 3.

This number of seats allocated like this meet requirements for a transitional period resulting from the formation of the Group. To date it is to be considered as a maximum. On expiry of this agreement provided for in article 11, Group Management and Trade union organisations will agree on a new allocations of seats, whose number will be to review for taking the new situation into a consideration.

In case of an enlargement of the European Union to take in other countries or a change in the structure of the TOTALFINAELF Group, the consequences thereof will be considered at the time of the following term.

If a country cease to be represented during the current period, Trade union organisations shall be informed. The Liaison Office shall propose to the TOTALFINAELF EWC at the next ordinary meeting, the allocation of the seat (or seats) that has (or have) become vacant. If the said proposal is approved by 2/3 of the members present at the meeting, the staff representatives appointed like this attend the meeting. Failing this, the seats shall remain vacant.

## **ARTICLE 4 - APPOINTMENT OF THE PERSONNEL REPRESENTATIVES**

### **4.1. General case**

The general conditions for being a staff representative on TOTALFINAELF EWC are as follows: he must be a salaried employee of a TOTALFINAELF Group company, in principle, he must hold a mandate as elected staff representative or a trade union mandate in his (or her) company, and he must have at least one year's service with the Group.

The status of staff representative is incompatible with the role of chief executive or with the exercise by him of such role, by way of delegation, on behalf of employees.

The staff representatives on the TOTALFINAELF EWC are designated in accordance with the rules or customs in effect in each country.

Whithin any given country, managers of companies shall be represented by a "coordinator" who may be from amongst them or any executive appointed to represent them. The coordinators' names will be communicated to the Trade union organisations.

The "coordinator" shall meet, in accordance with local procedures, either the representatives of trade union organisations, or staff representatives from subsidiaries with more than 100 employees, with in view to inviting them to appoint staff representatives to the Committee. The names of candidates shall be communicated to the "coordinator".

If the number of candidates is greater than the number of seats available, the trade union organisations shall be informed, with in view to seek a concerted solution. In case of inability to agree, the "coordinator" are to organize a voting of all staff from subsidiaries concerned by the previous paragraph.

The "coordinators" are to inform the Group's Department of Human Resources and Communication of the names and addresses of the members of the TOTALFINAELF EWC two months, at the latest, before the date of the first plenary meeting during each term.

### **4.2. Deputy representatives**

One deputy representatives for each full member holding a mandate on the TOTALFINAELF EWC is designated at the same time as the full member, so that there are 50 deputies.

The procedures for designation of the deputy representatives are the same as the ones existing for the full members.

The deputy representatives do not attend the plenary and preparatory meetings unless they are called upon to do so to replace the full member they represent, when the latter is prevented from attending or has definitively lost his mandate.

#### **4.3. Duration of the mandate – Loss of a mandate**

The duration of the mandate as member of the TOTALFINAELF EWC in principle is for years from the constitutive meeting provided for in article 6.1.

Loss of a mandate as staff representative or trade union representative within the group normally entails loss of the mandate as a member of the Committee and replacement of the person in question by a deputy as full member. In this case, a new deputy representative is designated for the remaining duration.

### **ARTICLE 5 - LIAISON OFFICE**

The Liaison Office consists of 12 members, including 1 Secretary and 1 assistant Secretary.

Besides the Secretary, the Liaison Office in principle is composed of 6 members from the 6 most important countries – excepted France – by reference to the size of the workforce, and of the 5 french “coordinateurs syndicaux” or another Committee member appointed by them. The Secretary and the assistant Secretary should be of different nationalities.

The Secretary is elected by the titular members by a relative majority of the TOTALFINAELF EWC. The appointment of the other members shall be approved by the Committee.

The Liaison Office’s task is to establish links between the TOTALFINAELF EWC members and necessary relationship with the Group Management, and thus to ensure the continuity of the Committee.

In particular, to that end :

- it prepares the agenda and makes sure the committee’s field of competence is respected,
- it proposes if necessary extraordinary meetings of the TOTALFINAELF EWC,
- it checks the minutes and prepares the final report of the meetings,
- it prepares the negotiation for renewal of the body every four years.

To carry out its assignment, the Liaison Office meets at least twice a year. The Liaison Office may ask the Management, through the TOTALFINAELF EWC Secretary, to arrange additional meetings of the Liaison Office in connection with a specific agenda.

In such a case, the Liaison Office may seek assistance from a European committee member not belonging to the said office, but who is part of the activity concerned.

## **ARTICLE 6 - MEETINGS OF THE TOTALFINA EWC**

### **6.1. Ordinary meeting**

The TOTALFINAELF EWC meets once a year in the form of an ordinary meeting, upon notice given by its Chairman.

Each ordinary meeting, lasting for one day, is preceded by a preparatory meeting the previous day, which also lasts for one day..

In the year of constitution or renewal of the body, a constitutive meeting, chaired by the Group's Human Resources and Corporate Communications Senior Vice President, will be added to the ordinary meeting. That meeting, marking the start of the term, will last for half a day.

### **6.2. Extraordinary meeting**

In case of exceptional circumstances, in connection with the functions defined in article 2, .significantly affecting the general operation or structure of the Group, a meeting of the liaison Office shall be convened within 8 days following the meeting of the Executive Management Committee. All relevant information relating to the situation shall be provided to the liaison Office by the Management of the Group.

After consideration of the situation with the Liaison Office, and as may be required in the light of the circumstances then prevailing, a further extraordinary meeting of the Committee may be convened during the same year, either at the Liaison Office's request, or at the request of a majority of the members, who address themselves directly to Management, or at the Management's request.

Such meeting may not take place prior to the commencement of consultations on a national level and may not have any bearing on such consultations. It may not constitute a precondition to the issuance of notices provided for under national procedures.

### **6.3. Meetings organization**

The place and date of the meetings (ordinary, constitutive or extraordinary) are to be determined by the Chairman or his representative, in liaison with the Secretary.

The discussions in plenary and preparatory meetings and in Liaison Office meetings are in French and in English, and in all other languages required for the participants' proper understanding.

### **6.4. Agenda**

The agenda for the meetings is prepared by the Liaison Office in accordance with the field of competence laid down in article 1, and it is finalised by the Secretary and the Chairman.

In case of disagreement between the Secretary and the Chairman, a provisional agenda listing the points on which agreement has been reached is sent on the Chairman's responsibility.

The agenda is translated into French and English, and is communicated one month before the meeting to the full members and the deputy members of the TOTALFINAELF EWC.

### **6.5. Minutes of the meetings**

A draft report of the meetings is drawn up by the Secretary and/or the assistant Secretary, if necessary on the basis of the minutes prepared by an outside entity as far as possible within a month period.

The draft is considered by the Liaison Office and is then transmitted to the Chairman. The final report is co-signed by the Secretary and the Chairman and is sent (in French and in English) to all the members of the European Committee.

## **ARTICLE 7 - OPERATING MEANS**

### **7.1. Operating expenses**

The members of the TOTALFINAELF EWC continue to have of their salaries paid by the company to which they belong for the times of the meetings (preparatory, plenary). This time is considered as work-time. The same shall apply to the time spent in meetings by the Liaison Office members.

Travel and per diem expenses are also to be paid by the Company to which the member belongs, in accordance with the practices and scales in effect in the Company in question.

TOTALFINAELF Group's Management pays the expenses relating to holding meetings (preparatory, plenary, liaison office), particularly the simultaneous translation expenses.

For the TOTALFINAELF EWC's operating needs, the Secretary or the assistant Secretary will be able to use means of secretariat at the Group's Human Resources and Corporate Communication Department.

### **7.2. Time granted to members of the TOTALFINAELF EWC**

The Secretary is granted a credit of 12 days a year, with the possibility of making 4 trips per year to the countries represented on the TOTALFINAELF EWC.

The other Liaison Office members are granted a credit of 4 days per year, with the possibility of making 2 trips per year to the countries represented on the TOTALFINAELF EWC.

The other full members of the TOTALFINAELF EWC are granted a credit of one day per year. This credit may be used in the form of entire days or by half-days.

Such one day period may be used to attend a meeting in Paris or Brussels organised by one of the trade union organisations which signed the agreement.

If necessary, in case of exceptional circumstances, a second meeting may be granted by the Management subject the same requirements.

This credit is to be understood as excluding the preparatory and plenary meetings and as excluding the meetings of the Liaison Office provided for in article 5.

### **7.3. Expert assistance**

Staff representative at the TOTALFINAELF EWC may be assisted at preparatory meetings by the (French) "Comité de groupe" accountant, or an expert of their choice, remunerated by the Management, in so far as that is necessary for carrying out their tasks.

If appropriate, the expert may attend the plenary meeting, with the Management's approval.

### **7.4. Training of full members**

If they wish, the full members of the TOTALFINAELF EWC may benefit from legal, economic and social training, aimed in particular at giving them better knowledge of TOTALFINAELF Group and at supplying them with information concerning the different types of employee representation in the countries represented on the body.

The said training will be organised by the TOTALFINAELF Group Management at the start of each term.

Titular members may also receive training in French or English if they wish to do so and are willing to make a personal effort.

## **ARTICLE 8 - CONFIDENTIALITY**

The members of the TOTALFINAELF EWC are bound by an obligation not to disclose confidential information pursuant to article 8 of the directive of 22 September 1994. Therefore they are bound to observe discretion with any confidential information declared to be confidential by the management.

Experts are bound to keep strictly confidential any information made available to them.

## **ARTICLE 9 - PROTECTION**

During exercise of their office, the members of the TOTALFINAELF EWC shall enjoy the same protections and guarantees provided for employee's representatives by the legislation or the rules in force in their company of employment.

#### **ARTICLE 10 - DURATION OF THE BODY**

The TOTALFINAELF EWC is constituted for a duration of 4 years, starting with the date of the constitutive meeting provided for in article 6.1.

#### **ARTICLE 11 - DURATION AND RENEWAL OF THE AGREEMENT**

This agreement has been entered into a duration of four years starting with the date of its signature by TOTALFINAELF Group Management and by the French and European trade union organisations. It shall then be renewed by successive periods of four years by tacit extension, in the absence of termination notice served by one of the signatory parties three months before the expiration of the current period.

The allocation of seats and the appointment of the members of the TOTALFINAELF EWC at the end of each four-year period is carried out in accordance with the provisions laid down by articles 3 and 5 above, on the basis of the last published workforce figures.

The said updating shall be the object of a rider drafted every four years (updating of appendices 1 and 2 of the present agreement) between the signatory parties.

#### **ARTICLE 12 - COMPETENT JURISDICTIONS AND GOVERNING LAW**

Any dispute concerning construction or performance of the present agreement shall be subject to the jurisdiction of the competent French and European courts.

The French version of the present agreement shall prevail over any version that might exist in another language.

The legislation applicable to the present agreement as well as to its appendices and riders, if any, is French law.

#### **ARTICLE 13 – THIRD PARTY NOTICE**

This agreement shall be registered at the “Direction Départementale du Travail et de l’Emploi” ( Departmental Agency of Labour) under which the TOTALFINAELF SA Registered Office comes, as well as at the clerk's office of the “Conseil des Prud’hommes” of NANTERRE and at the European Commission in Brussels.

Courbevoie La Défense, (date)

TOTALFINAELF

**APPENDIX 1**

**APPENDIX ARTICLE 1**

**TOTALFINAELF GROUP COMPANIES CONCERNED BY THE AGREEMENT**

(7 pages)

In case of any dispute relating to the interpretation of the provisions, set forth herein,  
only the French version of the agreement shall be binding.

**APPENDIX 2****APPENDIX ARTICLE 3****ALLOCATION OF THE SEATS PER COUNTRY****1. Allocation of the seats of the European companies outside France**

One seat is allocated for each of the countries in which the Group employs at least 150 employees, and in which at least 100 employees are employed by one of the three Group activities.

In proportion of employees working in the country a further allocation is determined according to the following table, on condition there is at least one establishment with more than 100 employees.

- + 1 seat for each country in which are employing 1 to 2 %
- + 2 seat for each country in which are employing 2 to 5 %
- + 3 seat for each country in which are employing 5 to 8 %
- + 4 seat for each country in which are employing 8 to 11 %
- + 5 seat for each country in which are employing more than 11 %

**2. Number of seats of French companies : 22**

<b>3. Allocation of the seats per country</b>	<b>%</b>	<b>Seats</b>
Allemagne / Germany :	6093	6,37
Autriche / Austria :	47	0,05
Belgique / Belgium :	5546	5,80
Danemark / Denmark :	152	0,16
Eire / Ireland :	110	0,12
Espagne / Spain :	4717	4,93 (*)
Finlande / Finland :	19	0,02
France / France :	57621	60,38
Grèce / Greece :	49	0,05
Italie / Italy :	2616	2,73
Luxembourg :	27	0,03
Norvège / Norway :	390	0,41
Pays Bas / Netherlands :	3881	4,06
Portugal / Portugal :	672	0,70
Royaume-Uni / UK :	13428	14,04
Suède / Sweden :	148(**)	0,15

**UE + EEE : 95 516**

(\*) round up to 5% (\*\*) round up to 150 employees

In case of any dispute relating to the interpretation of the provisions, set forth herein, only the French version of the agreement shall be binding.

### APPENDIX 3

#### APPENDIX ARTICLE 3

#### ALLOCATION OF SEATS OF FRENCH SUBSIDIARIES

The allocation of seats of French subsidiaries on TOTALFINAELF EWC shall be determined in accordance with the following rules and in the following order :

- one seat for each “Coordinateurs syndicaux” from the five French representative Trade union organisations,
- the other seats are allocated by college in accordance with the calculation rules applicable to the renewal of the French “ comité de groupe” Group Committee, on the basis of the respective number of elected members on the “comités d’entreprise” or “comités d’établissements”.

It is agreed that there will be three colleges :

- the college of workmen, clerical staff and similar employees (first college)
- the college of foremen, technicians and similar staff (second college)
- the college of engineers, executives and similar staff (third college).

Each of these colleges is obtained by regrouping of the colleges existing for the above-mentioned elections.

The appointment of the members from French subsidiaries is to be made by the French representative Trade union organisations, in principle in accordance with the above-defined colleges.

According to the article 4.1, a member appointed like this must be a salaried employee of a TOTALFINAELF Group French company, in principle he must hold a mandate as elected staff representative or a trade union mandate in his (or her) company, and he must have at least one year’s service with the Group.

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