Respect Human Rights at work

Practical Guide for Suppliers
Implementing the Fundamental Principles of Purchasing

TotalEnergies
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With operations in more than 130 countries, TotalEnergies works with more than 100,000 suppliers of goods and services around the world. Our success as a responsible Company is played out along our value chain. It is therefore crucial for us to build partnerships based on strong common principles, such as respect for Human Rights in the workplace. This will strengthen our supply chain and the businesses in it.

TotalEnergies’ Fundamental Principles of Purchasing include a set of minimum requirements that all our suppliers are required to meet.

The Fundamental Principles of Purchasing were updated in 2021 to specify in more detail our requirements regarding our suppliers’ respect for Human Rights at work. We encourage our suppliers to continuously improve their practices and performance in this area.

This Practical Guide is intended to help TotalEnergies’ suppliers understand our minimum human rights requirements, why we have adopted such requirements and how they can effectively implement them.

Understanding TotalEnergies’ Fundamental Principles of Purchasing

What are the Fundamental Principles of Purchasing?

The Fundamental Principles of Purchasing set out basic principles we require our suppliers to meet. They derive from our own Code of Conduct and are part of the contractual commitments of our suppliers. Suppliers must also ensure that their own suppliers and subcontractors comply with these principles.

Which are the standards recognized in the Fundamental Principles of Purchasing?

As stated in its Code of Conduct, TotalEnergies commits to respect internationally recognized Human Rights’ standards and in particular:

- The Universal Declaration of Human Rights
- The Fundamental Conventions of the International Labour Organization: cover topics considered as fundamental rights at work such as freedom of association, right to collective bargaining, prohibition of forced labour, minimum age for working, equal remuneration and non discrimination.


The Voluntary Principles on Security and Human Rights: an initiative that provides concrete guidance on risk assessment and interactions of business units with government security forces and private security providers.

The OECD Guidelines for Multinational Enterprises: government-back recommendations addressed to multinational enterprises operating in or from adhering countries. They provide non-binding principles and standards for responsible business conduct in a global context, consistent with applicable laws and internationally recognized standards.

What is expected from suppliers with regard to Principle of the Fundamental Principles of Purchasing “Respect Human Rights at Work”?

TotalEnergies’ suppliers are expected to implement effective policies and procedures allowing them to comply with and to ensure their own suppliers and subcontractors comply with applicable laws, as well as principles equivalent to those set forth in the Universal Declaration of Human Rights, the fundamental Conventions of the International Labour Organization, the United Nations Guiding Principles on Business and Human Rights, United Nations Global Compact, the Voluntary Principles on Security and Human Rights, and the OECD Guidelines for Multinational Enterprises.

A written policy, such as a Code of Conduct, that includes Human Rights requirements can help integrate Human Rights into the activities of all business functions. While drafting or reviewing its company Code of Conduct or Human Rights Policy, suppliers should ensure that it covers at least the following topics:

1. Prohibition and prevention of child labour
2. Prohibition and prevention of forced labour
3. Working conditions, remuneration and compensation
4. Health and Safety at work
5. Prohibition and prevention of discrimination and harassment at the workplace
6. Freedom of speech, association and collective bargaining, freedom of thought, conscience and religion
7. Grievances Mechanism and Concerns

Suppliers must ensure that their policy is communicated to all staff and to recruitment agencies, suppliers and subcontractors.
Prohibition and prevention of child labour
Prohibition and prevention of child labour

What is it about?

Child labour is defined by the International Labour Conventions as being:

- the employment of a child worker: a worker under the age of 15 or older if the local law provides for a higher working age,
- a situation in which a young worker (aged 16-18 years old) is exposed to hazardous or night work.

Hazardous work is work carried out in dangerous and unhealthy conditions that may lead to harm to the health, safety or morals of young people (e.g., use of heavy machinery, work with dangerous chemicals, work in high-risk environments such as basements or work at height).

Night work is work performed during a period of seven consecutive hours between ten in the evening and seven in the morning.

Did you know?

One in four victims of modern slavery is a child. According to a report by the International Labour Organisation (ILO) and UNICEF, the number of child labourers was 152 million in 2017 and 160 million in 2021. Over half of all the child labourers are between 5 and 11 years old.

In line with our Fundamental Principles of Purchasing, suppliers must respect the most stringent standards regarding minimum age for admission to employment between local law and international standards.

Suppliers should take appropriate measures to ensure that no child labour occurs on their premises or on the premises of their suppliers and subcontractors, including in countries where these ILO standards have not been transposed into national legislation.
In practice

Prevent child labour

☑ Suppliers must be aware of the minimum legal working age in their countries of operation and comply with the most stringent standard between local law and international standard. This means that suppliers must not employ any person below the age of 15, or more if the local law provides for a higher working age.

☑ Suppliers must ensure that employment agencies and other recruitment brokers comply with these standards stated above on minimum working age.

☑ Suppliers must have robust hiring policies and procedures to verify the age of workers when hiring. A system must be implemented allowing suppliers to verify official documents that prove a worker's age (ID card, birth certificate, etc.). Copies of these documents must be kept for audit purposes and the original documents must be returned to the workers.

If, despite the implementation of the measures listed above, underaged workers are found working directly or indirectly for a supplier (through audit for instance), the supplier must implement an immediate, strong and fair remediation system to end the situation without putting the child at risk.

What is a Remediation System?

If underaged workers are found to be involved in a supplier's operations or supply chain, the supplier must immediately take measures to ensure the protection and safety of the children while seeking solutions for his return to school. The remediation system seeks to avoid putting the child at risk when ending its working status.

Examples of remediation measures:

Contact the child and his family with the help of a competent local NGO to build trust, understand the background and the needs of the child and family, and to explain the process. It is key that they all agree on the process whereby the supplier and/or the competent local NGO will facilitate the enrolment of the child in a school, and monitor attendance until the child reaches working age.
Prevent young workers from hazardous work

 Suppliers must assess the tasks/areas that may be hazardous in its operations and must provide ongoing supervision of young workers to ensure that:

- The tasks they are assigned to are not hazardous;
- They are not working in a risk area;
- Their working hours respect legal restrictions and do not take place at night.

 Where required by local laws or where applicable, all young workers are registered with the local authority.

Key Questions suppliers should be able to answer

**Preventing child labour**

- What is the minimum legal working age in my country?
- Has my broker/recruitment agency (if any) been instructed to respect the minimum working age of 15 years old or the minimum working age of the country where my company operates if more than 15 years old (even if the agency is in another country/region)?
- Is respect of the minimum working age stated in my contract with my broker/recruitment agency (if any)?
- What processes are in place in my company allowing to verify the age of workers when hiring? Do we keep copies of documents proving the age of the workers?

**Preventing young workers from hazardous work**

- How old are the youngest workers in my company?
- What are the procedures ensuring that young workers are not performing hazardous or night tasks?
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Prohibition and prevention of forced labour
Prohibition and prevention of forced labour

What is it about?

Forced labour designates all work or service exacted from a person under the threat of penalty and for which that person has not offered him or herself voluntarily.

ILO Forced Labour Convention, 1930 (No. 29)

This definition has four key elements:

1. “All work or service” refers to all types of work performed in any activity, industry or sector.

2. “Any person” refers to all persons, nationals or no. To be noted: (migrants in irregular situations and workers in low-skilled or low-paid jobs are groups of people most likely to be subjected to forced labour).

3. “The threat of a penalty” refers to a wide range of coercive means to impose work on a person against his or her will. The means of coercion can be physical (physical violence and abuse) or psychological (the threat of retaliation, the threat of reporting an illegal worker to the authorities, the threat of suppression of rights, etc).

4. “Not offered him or herself voluntarily” refers to work undertaken involuntarily due to a worker’s lack of free and informed consent to accept employment, withholding of wages to repay loans, or withholding of identity documents, held so that the individual is not free to leave for example.

Did you know?

Out of the 24.9 million people trapped in forced labour, 16 million are exploited in the private sector. Half of the victims of forced labour in the private sector are affected by debt bondage.¹

¹ Forced labour, modern slavery and human trafficking (Forced labour, modern slavery and human trafficking) (ilo.org) 19/09/2017

Suppliers must ensure that no workers are coerced to work against their will or through the use of violence, intimidation, financial coercion or threat of penalty or sanction.
Prohibition and prevention of forced labour

In practice

Prevent and prohibit illegal migration for employment purposes

☑ Suppliers and their broker/recruitment agency must have valid documentation from local authorities to employ foreign workers.

Prevent deceptive recruitment

☑ Suppliers and their broker/recruitment agencies must not make false promises during the hiring process.

Contracts must:

☑ Comply with local labor legislation and must be valid (not expired);
☑ Clearly state all terms and conditions of employment;
☑ Be written in a language understood by the worker, and signed by him.

Prohibit debt bondage or financial penalties

Suppliers and their broker/recruitment agencies:

☑ Must not charge recruitment fees to workers and ensure that workers do not have to pay any fees (e.g., by using the ‘Employer Pays Principle’);
☑ Must not collect advance payments from workers;
☑ Must not use the withholding of part of workers’ wages or other promised benefits to repay a loan or as a disciplinary measure;
☑ Must establish procedures to verify compliance with the above principles.

What is “Debt Bondage”?

Debt bondage is a form of human trafficking in which an individual is forced to work to pay off a debt. For example, many migrant workers pay large recruitment fees to agencies and other intermediaries to get an employment abroad. They end up in debt bondage if they are forced to work to pay off their debt.
What is the “Employer Pays Principle”?  
The Employer Pays Principle requires that no worker pays for employment. The costs of hiring are not borne by the worker but by the employer.

Prevent and prohibit movement restrictions

✓ All workers must be in possession of their government-issued identity documents, passports or work permits. Only copies may be retained at the time of hiring and the originals returned to the workers.

✓ All contracts must include the freedom to terminate employment after reasonable notice or as required by applicable law, without administrative or financial penalties.

✓ All workers must be allowed to leave the work premises outside of working hours and have freedom of movement during work.

Prevent and prohibit psychological violence

✓ No threat of denunciation to the authorities (such as the police or immigration department) or deportation.

✓ No threat of removal of basic necessities (deprivation of food, shelter or other necessities) or threat of removal of benefits to which workers are entitled.

Prevention and prohibition of any form of violence

✓ No threats of sexual abuse, physical violence or coercion, death threats.

✓ Suppliers must have clear policies and procedures to prohibit and prevent coercion.

✓ Suppliers must have a grievance mechanism in place to identify any abuse.
Key Questions suppliers should be able to answer

Illegal migration for employment purposes
- How does my company ensure that its broker/recruitment agency is a registered legal entity?

Deceptive recruitment
- Has each worker signed a valid contract of employment which clearly states all the terms and conditions of employment in a language understood by the signing worker (even with the broker/recruitment agency, if any)?

Debt bondage or financial penalties
- How does my company ensure that its broker/recruitment agency does not accept financial deposits or original identity documents from workers?
- Do workers have to pay a fee to be recruited?

Restrictions on movement
- Are all workers in possession of their original government-issued identity documents, passports or work permits?
- Is the notice period for termination of employment in accordance with applicable law? Are administrative and financial penalties for termination prohibited?

Psychological abuse through retaliation and/or physical or sexual violence
- What mechanism is in place in my company to identify any abuse?
Working conditions, remuneration and compensation
The working week shall not exceed 48 normal working hours and 8 hours in a day excluding exceptions and overtime hours (paid at premium rate) - it may be a different limitation if national law, collective agreement or industry standards so provide.

Workers are entitled to at least 24 consecutive hours of rest per 7-day period, or more if national legislation, collective agreement or industry standards so provide.

Workers on annual leave must receive at least their normal/average pay for the entire period of leave.

Where these ILO guidelines are not appropriate, for example due to particular working conditions at the site (e.g., offshore work, rotational systems, etc), suppliers should ensure compliance with applicable laws.

Paying attention to working hours, wages and benefits is good for business. Excessive overtime can lead to reduced mental and physical capacity to work, with the risk of increased quality errors, slower work, reduced productivity and increased accident rates. Reasonable working hours limit the risk of accidents at work.

Suppliers must determine the maximum working hours and ensure that they do not exceed the limits permitted by law or the applicable agreement.

Suppliers must ensure that they operate in full compliance with applicable laws on wages, working hours, overtime and benefits.
In practice

Guarantee reasonable working time

☑ Total working hours (normal & overtime hours) must not exceed allowable limits under applicable law or agreement.

☑ Workers must be provided with adequate time off.

☑ Suppliers must implement processes to record workers’ hours accurately and maintain complete and accurate working hours records which must be stored as proof to demonstrate compliance.

Guarantee living wages & benefits

What is a living wage?

A living wage is the remuneration that is required to cover the basic costs of living.

Other non-wage compensation such as paid holidays, health insurance, pension plans, and food vouchers, may be provided to workers in addition to their normal wages.

Wages

☑ All workers’ regular work (including permanent, temporary, full time, part time, agency and casual workers) must be paid at least the legal minimum wage/agreed hourly rate.

☑ Wage calculation must be correct and all workers receive their agreed wages as well as all benefits to which they are entitled to in accordance with contractual arrangements. Frequency of payment must strictly comply with the legal requirement.

Related records must be maintained to demonstrate compliance (e.g., complete payroll records, bank transfer statements etc).

☑ All workers must be provided with payslips (in the language they understand) for each pay period, clearly indicating the components of the compensation (including exact amounts for wages, benefits, incentives/bonuses, etc).
Working conditions and remuneration and compensation

- Suppliers must maintain complete payroll records and other relevant records must be kept (including pay journal/payroll, timecards, production records, piece rate records for all workers, etc).

Benefits

- All legal benefits must be provided to workers (e.g., annual leave, holiday pay, maternity leave, and medical leave).

Deduction

- There must be no illegal deductions from wages.
- All legal deductions (such as taxes, social security, pensions, healthcare, etc) are paid by the employer and are deposited each pay period to the legally stipulated accounts or agencies as required by law.

Key Questions suppliers should be able to answer

- Does my company record workers’ hours accurately and maintain complete and accurate working hours records?

Reasonable working time

- Are workers provided with legally required maternity / sick leave?
- Does the rest period provided to workers comply with local law?
- Does my company pay workers’ salaries on a regular basis? Does this frequency comply with the law?
- Are workers aware of their benefits and deductions? Are they paid in full?

Living wages & benefits

- Are all my workers paid at least the legal minimum wage / agreed hourly rate? Is overtime compensated at premium rate?
Health and Safety at work
What is it about?

ILOs conventions state employers shall be required:

➔ To ensure that, so far as reasonably practicable, the workplaces, machinery, equipment, and processes under their control are safe and without risk to health.

➔ To promote and advance, at all relevant levels, the rights of the workers to a safe and healthy working environment.

Did you know?

The ILO estimates that some 2.3 million women and men around the world die due to work-related accidents or diseases every year. This represents over 6 000 deaths every single day.

Suppliers must provide safe, healthy and secure workplaces and accommodation, in compliance with applicable laws. In addition to the requirements in the Fundamental Principles of Purchasing, TotalEnergies’ contracts usually contain detailed provisions with respect to health and safety at work.

In practice

- Suppliers must be familiar with HSE regulations, stay abreast of regulatory changes and verify their compliance at regular intervals.

- Equipment, installations and production machines must be compliant with the HSE regulations and regularly inspected by a qualified inspector as required by law.

- The workplace facilities (and dormitories and living space, if any) must be safe, clean and adequate with:
  
  ➔ Acceptable level for temperature, noise, lighting and ventilation.
  
  ➔ Sufficient quantity of potable drinking water.
  
  ➔ Sufficient number of clean toilets properly stocked with hygienic supplies.
  
  ➔ No unprotected exposure to hazardous products (for example, chemical products - carcinogenic, mutagenic, reprotoxic products).
☑ Suppliers must have valid permits as per local law, if involved in the collection, storage, use and disposal of hazardous products.

☑ Workplace facilities (and dormitories and living space, if any) must be provided with adequate installation/equipment to manage emergency preparedness. For example:

• **Fire detection equipment** (such as fire alarms, fire detection system, etc) must be adequately installed throughout the facility and regularly maintained as required by law.

• **Fire-fighting equipment** (fire extinguishers, fire hose reels, fire hydrants, etc) adequate for the nature of the supplier’s operations must be available and regularly maintained as required by law.

• **Emergency exit doors must be:**
  
  ➔ **Installed** in sufficient number and designed in compliance with local law (e.g., to open outwards).
  ➔ **Unlocked** during hours of occupancy.
  ➔ **Clearly indicated** (i.e., evacuation plans posted, emergency lighting throughout all emergency exits and routes, etc).
  ➔ **Accessible** with access kept clear and safe (e.g. stairways equipped with handrails).

☑ Appropriate personal protective equipment (such as face masks, safety gloves, earplugs, etc.) must be provided to workers free of charge, with instructions in language they understand, and their use monitored.
Health and Safety at work

Key Questions suppliers should be able to answer

- Does my company have valid building permits and fire safety permits as per local law?

- Do the workplace facilities and dormitory (if any) have adequate installation/equipment to manage emergency preparedness? How frequently are they inspected by a qualified inspector?

- Is the personal protective equipment provided free of charge with instructions in language workers understand, and their use monitored?

- Do the workplace facilities and dormitory (if any) have acceptable environment conditions (acceptable level of temperature, noise, lighting, ventilation, potable drinking water, toilets etc)?
Prohibition and prevention of discrimination and harassment at work
What is it about?

The ILO Conventions define discrimination as any distinction, exclusion or preference made on the basis of (among other characteristics) race, color, sex, religion, sexual orientation, disability, political opinion, marital status etc. For example:

→ **Racial discrimination** may be based on physical characteristics associated with race and/or discrimination based on cultural practices or characteristics that are associated with a particular race.

→ **Sexual discrimination** includes sexual harassment (sexual abuse, insults or inappropriate remarks) and/or distinction made based on biological characteristics. Sexual orientation discrimination is discrimination against same-sex sexual orientation and transgender people.

Harassment includes unwelcome verbal or physical conduct such as intimidation, hostile, or abusive behavior, or behavior that is intended to create fear. Harassment adversely affects people by creating an unsafe or stressful work environment.

Did you know?

Preventing discrimination and harassment is also good for business: divided teams do not function effectively. Workers need to feel safe and respected to participate effectively in the work. Cohesion, respect and good communication in a team will improve workers’ motivation, as well as work productivity and quality.
Prohibition and prevention of discrimination and harassment at work

In practice

- Workplaces must be free from discrimination (due to race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership, disease, pregnancy or political affiliation).
- Workplaces must be free from harassment, intimidation, bullying or abuse of any worker.
- Workers should not fear reprisal, intimidation or harassment.
- Policies and practices must not include any inappropriate or unacceptable practices and/or punishments or penalties. In particular:
  - The hiring policy is uniform with merit-based selection criteria for recruitment.
  - Employment contracts and pay slips must demonstrate equal pay for roles of equal value.
  - Supplier must not impose monetary fines as a disciplinary practice, threat of punishment, corporal punishment or abusive disciplinary practices.
- An effective grievance mechanism must be implemented to identify and resolve any discrimination or harassment situation at the workplace.

Key Questions suppliers should be able to answer

- Are there measures in place to prevent discrimination and harassment in my company (i.e., policies, training, awareness raising, etc)?
- Are any discriminatory questions, other than those related to the candidate’s education, work experience, integrity and general cognitive skills asked during the recruitment process?
- Are there any advantages provided to some workers and not to others? If yes, is it based on any characteristic related to nationality, color, sex, religion, sexual orientation, disability, political opinion, marital status?
Freedom of speech, association and collective bargaining, freedom of thought, conscience and religion
What is it about?

- **Freedom of speech and thought** means that no one should be discriminated against due to his/her opinions.

- **Freedom of conscience and religion** is the right to believe and practice one’s religion without being discriminated against.

- **Freedom of association and collective bargaining** ensures fair and equitable negotiation between employers and workers for addressing working conditions and terms of employment.

**Suppliers must allow workers to choose whether to be member of a collective bargaining organization. In countries where such right is restricted, suppliers must ensure workers have the right to influence their work situation.**

Any restrictions on cultural or religious practices in the workplace must be applied in a non-discriminatory manner. It must also be reasonable (e.g., necessary for the safety of workers or the operations of the company) and must not be used to attempt to restrict certain beliefs or viewpoints over others.

TotalEnergies published practical guide named "Practical Guide to dealing with religious questions" to encourage tolerance for the beliefs of all within a framework of respect for differences.
In practice

 Suppliers must ensure respect for diversity, including religious beliefs, and reject any behaviour involving discrimination, proselytizing, any other behaviour which could undermine the proper functioning of the business.

Right to form or join a trade union / collective bargaining

 Suppliers must respect workers’ right to form or join a trade union / collective bargaining by not refusing any genuine opportunity to associate or bargain collectively and by not doing anything that would have the effect of discouraging workers from exercising this right.

 Management adheres and complies with all clauses of collective bargaining agreements (where applicable).

 When the right to freedom of association and collective bargaining is prohibited under the law, the supplier must provide alternative forms of independent and free worker representation and negotiation. For example, employers can:

 ➔ Create formal or informal mechanisms to hear workers’ concerns.
 ➔ Create workers committees that have a mandate to collect workers’ requests for management action.
 ➔ Implement a policy ensuring that workers can freely share information about wages and working conditions with one another, without fear of retaliation.

 In countries and/or situations where the legal system prohibits or severely restricts the right of freedom of association, suppliers should support, within the framework of applicable laws and regulations, the establishment of alternative means to facilitate the representation of workers, interests and communication between workers and management.
Key Questions suppliers should be able to answer

- Do my employees have the right to join a trade union?
- Do my employees have an adequate space to exercise/join a trade union?
- Does my company adhere to the terms of a collective bargaining agreement?
- How does my company ensure that its workers know they are free to form and join a trade union?
- How does my company guarantee respect for diversity, including religious beliefs, and rejection of any behaviour involving discrimination, proselytism?
Grievance mechanism and Concerns
What is it about?

Grievance Mechanisms are internal procedures allowing workers to raise concerns and grievances related to any condition of their employment which can help to resolve grievances and concerns in a timely manner and as fairly as possible.

Suppliers are expected to provide Grievance Mechanisms for workers to express any grievances without fear of reprisal. They must be accessible, impartial and confidential.

In practice

☑ Suppliers must provide an accessible, impartial and confidential mechanism for workers to express any grievances and concerns without fear of reprisal. Grievances and concerns must be appropriately addressed in a timely manner. The supplier should provide one or more channel that workers can use to raise grievances and concerns. Possible examples of channels include:

- A supervisor and a second alternative if the complaint relates to the supervisor;
- A workers’ representative;
- A union representative;
- Workers’ committee;
- A confidential hotline (especially for large businesses):
  
  ➤ Provide a confidential hotline number publicized among workers through verbal briefings, flyers, posters in public areas.
  ➤ Ensure confidentiality and anonymity if requested
  ➤ Provide information and training on how to use the line
  ➤ Implement a procedure to investigate and solve the issues raised
  ➤ Ensure that resolved issues are communicated to workers when pertinent

☑ Training and clear explanation are provided to all workers (and repeated at regular intervals) to ensure all workers know how to use the system and that they understand the process for handling any issues that are raised.
Key Questions suppliers should be able to answer

- How does my company ensure that workers can complain without fear for reprisals?
- How does my company ensure that a complaint is handled without risk of compromising the integrity, working conditions and professional relationships of workers?
- How does my company ensure the remediation found has been agreed by all the parties involved? How can my company prove the remediation has been effectively implemented?
TotalEnergies is a global multi-energy company that produces and markets energies: oil and biofuels, natural gas and green gases, renewables and electricity.

Our 105,000 employees are committed to energy that is ever more affordable, cleaner, more reliable and accessible to as many people as possible.

Active in more than 130 countries, TotalEnergies puts sustainable development in all its dimensions at the heart of its projects and operations to contribute to the well-being of people.