



# NOTICE OF MEETING

## 2009 Combined General Meeting

**ON FRIDAY, MAY 15, 2009**

at 10 a.m. to be held at the Palais des Congrès  
2 place de la Porte Maillot – 75017 Paris - France  
Documents covered by article R.225-81 of the French Commercial Code



**TOTAL**



“Thank you for your confidence  
and your loyalty.”

## MESSAGE FROM THE CHAIRMAN AND THE CHIEF EXECUTIVE OFFICER

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Dear Shareholders,

The Shareholders' Meeting is an important dialogue between TOTAL and its shareholders. It is your opportunity to be heard on the subjects related to the Company. It is also your opportunity, through your votes on the resolutions proposed, to be a part of the important decision making process of your Group.

This event is particularly important to us, and we are counting on your participation at the Shareholders' Meeting to be held on May 15, 2009 in Paris. If you are unable to attend, you may vote by mail using the attached form or you may give your proxy to the Chairman, your spouse or another shareholder of your choice.

Total begins 2009 confident that it can weather a major economic crisis without having to revise its capacity for investments to grow the company over the long term. Total is committed to maintain a balanced growth strategy for the benefit of its workforce, its shareholders and all of its other stakeholders.

In this context, the Shareholders' Meeting will consider a proposal to approve the payment of a dividend equal to 2.28 euros per share, including the 2008 interim dividend of 1.14 euro per share paid on November 19, 2008. The amount of this dividend represents a 10% increase compared to the 2007 dividend.

The agenda for our Shareholders' Meeting and information on the resolutions submitted for your approval are included in the pages that follow.

Thank you for your confidence and your loyalty. We are looking forward to our meeting on May 15.

**Thierry Desmarest**  
Chairman of the Board

**Christophe de Margerie**  
Chief Executive Officer

# 1

## HOW TO TAKE PART IN THE GENERAL MEETING ?



The shareholders of TOTAL S.A. are informed that a Combined General Meeting is to be convened

**at 10:00 a.m. on Friday May 15, 2009**

at the Palais des Congrès  
2 place de la Porte Maillot - 75017 Paris, France

**The registration desk opens at 8:30 a.m.**

In conformity with Article R. 225-73 of the French Commercial Code, the preliminary Notice of this Meeting has been published in the "Bulletin des Annonces Légales Obligatoires" (BALO) on February 25, 2009.

### How to obtain information

You may obtain the documents provided for in Article R. 225-83 of the French Commercial Code, by writing to:

- BNP Paribas Securities Services, G.C.T. Issuers Department, Meetings Department—Immeuble Tolbiac, 75450 Paris cedex 09, France, or to the
- Company's head office, TOTAL S.A., Legal Affairs Division, Office 33 H 61, 2 place Jean Millier—92078 Paris La Défense cedex, France.

A **document request form** is included at the end of this Notice of Meeting.

The Registration Document is available on the Internet Site of the Group: **www.total.com**

#### For more information, contact the:

- Shareholder Relations Department;  
phone +33 (0) 1 47 44 24 02  
e-mail: [actionnairesindividuels@total.com](mailto:actionnairesindividuels@total.com)
- Investor Relations Department;  
phone +33 (0) 1 47 44 58 53  
e-mail: [investor-relations@total.com](mailto:investor-relations@total.com)

**For those shareholders who will not be able to attend the Meeting in person, it will be broadcast live at [www.total.com](http://www.total.com). There will also be a replay of the event highlights.**



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**As a shareholder of TOTAL, you are entitled to participate in this General Meeting, regardless of the number of shares you hold.** You may attend in person, vote by mail, or appoint the Chairman or another person as your proxy. In the latter case, you may be represented only by another shareholder or by your spouse. **In all cases, you must use the postal voting form or the proxy form attached to this Notice.**

## 1. Evidence of your status as a shareholder must be provided in advance

### You hold bearer shares

**Your financial intermediary** (bank, stock broker or any other party who manages the share account in which your Total shares are held) will act **as your sole representative** and will be the only party entitled to mediate between the Company or coordinating bank and yourself.

Your shares must be registered in a bearer share account maintained by your financial intermediary **no later than 12:00 a.m. (Paris time), on the record date three business days prior to the General Meeting.** A **certificate of participation** (“*attestation de participation*”) issued by your financial intermediary as proof of this registration must be submitted to the following address:

**BNP Paribas Securities Services,  
G.C.T. Issuers Department  
Meetings Department  
Immeuble Tolbiac - 75450 Paris cedex 09, France.**

### Your shares are registered

You must have your shares registered in your name in the registered account maintained by the Agent of the Company, no later than 12:00 a.m. (Paris time), on the record date **three business days prior to the General Meeting.**

### Note:

If you hold registered shares in your name for **a continuous period of at least two years** as of the date of the Meeting, you carry **double voting rights** (Article 18 § 5 of the Articles of Association). The transfer of registered shares to another registered shareholder in connection with a succession, the sharing of the joint estate of a husband and wife, or a disposition inter vivos in favour of a spouse or a relative in the line of succession, shall not be deemed to represent a transfer of ownership for the purpose of determining the above qualification period or the eligibility for double voting rights (Article 18 § 6 of the Articles of Association).

## 2. You must use the postal voting form or the Proxy form

**If you have not received your Notice of Meeting documentation,** a postal voting form or a proxy form may be requested:

- by mail addressed to BNP Paribas Securities Services, G.C.T. Issuers Department, Meetings Department—Immeuble Tolbiac, 75450 Paris cedex 09, France
- by fax at n°+ 33 (0)1 55 77 95 01
- by mail at the Company's head office, TOTAL S.A., Legal Affairs Division, Office 33 H 61, 2 place Jean Millier—92078 Paris La Défense cedex, France.
- **In order to allow time for such forms to be issued,** requests must be received by the Meetings Department of BNP Paribas Securities Services or by the Company's head office, **no later than six days prior to the date of the Meeting.**
- **The duly completed voting form or proxy form** must be returned to the Meetings Department of BNP Paribas Securities Services or to the Company's head office **no later than three days prior to the date of the Meeting.**
- **If you are a holder of bearer shares,** your postal voting form or proxy form will only be accepted subject to **joint receipt of this form with the certificate of participation.**

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**Any shareholder who has cast a postal vote, given a proxy to another person, or requested an admission card will not have the right to participate in the Meeting in another way.**

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# 1

## HOW TO TAKE PART IN THE GENERAL MEETING ?

### 3. How to exercise your voting right

#### You hold bearer shares

##### You wish to attend the Meeting → tick box A

You must:

- Instruct your financial intermediary to obtain an admission card in your name. **Your request for an admission card must be received by your financial intermediary no later than May 7, 2009.**

Failing this, you may attend on the day of the General Meeting bearing a certificate of participation ("*attestation de participation*") issued by your financial intermediary. This certificate of participation **will only take into account the shares registered by 12:00 a.m. (Paris time) on the record date three business days prior to the General Meeting, on May 12, 2009 at 12:00 a.m. (Paris time).**

#### Your shares are registered

##### You wish to attend the Meeting: → simply tick box A

You must request an admission card.

Return your **dated and signed** form to the following address:

BNP Paribas Securities Services  
G.C.T. Issuers Department, Meetings Department  
Immeuble Tolbiac 75450 Paris cedex 09, France

Using the prepaid envelope attached.

An admission card in your name will be returned to you.

##### If you do not wish to attend the Meeting → tick box B

You may:

- Vote by mail or,
- Give your proxy to the Chairman, or
- Be represented by another shareholder or your spouse.

In all three cases, you must use the postal voting or proxy form and return the **duly completed and signed form** to your financial intermediary. Your financial intermediary will address it, with the certificate of participation ("*attestation de participation*"), to BNP Paribas Securities Services.

##### If you do not wish to attend the Meeting: → tick box B

You may:

- Vote by mail or,
- Give your proxy to the Chairman or,
- Be represented by another shareholder or your spouse.

In all three cases, you must use the postal voting form or proxy form attached to this Notice of Meeting and return the **duly completed and signed form** to BNP Paribas Securities Services using the prepaid envelope attached.

**Whichever option you choose, only the shares held in the registered or recorded shares account at 12:00 a.m. (Paris time) on the record date three business days prior to the General Meeting, May 12, 2009 at 12:00 a.m. (Paris time) will be taken in account.**

**If the shares are sold or transferred prior to this record date, the certificate of participation will be cancelled for the number of shares sold and votes granted to the Company for such shares will, as a result, also be cancelled.**

**If shares are sold or transferred after this record date, the certificate of participation will remain valid and votes cast or proxies granted by the seller will be taken into account.**

# How to complete the postal voting form or proxy form?

You wish to attend the meeting: tick here.

You do not wish to attend the meeting: tick here.

**IMPORTANT : avant d'exercer votre choix, veuillez prendre connaissance des instructions situées au verso / Before selecting, please see instructions on reverse side.**

**QUELLE QUE SOIT L'OPTION CHOISIE, DATER ET SIGNER AU BAS DU FORMULAIRE / WHICHEVER OPTION IS USED, DATE AND SIGN AT THE BOTTOM OF THE FORM**  
 Je désire assister à cette assemblée et demander une carte d'admission : dater et signer au bas du formulaire // I wish to attend the meeting and request an admission card : date and sign at the bottom of the form.  
 Utilisez le formulaire de vote par correspondance ou par procuration ci-dessous, selon l'une des 3 possibilités offertes // I prefer to use the postal voting form or the proxy form as specified below.

**TOTAL S.A.**  
 S A au Capital de 5.929.520.185 €  
 Siège Social :  
 2, Place Jean Millier - La Défense 6  
 92400 COURBEVOIE  
 542 051 180 RCS NANTERRE

**ASSEMBLÉE GÉNÉRALE MIXTE** convoquée le **vendredi 15 mai 2009** à 10 heures, au Palais des Congrès, 2, place de la Porte Maillot, 75017 Paris.  
**COMBINED GENERAL MEETING** to be held on **Friday May 15, 2009** at 10:00 am at Palais des Congrès, 2, place de la Porte Maillot, 75017 Paris.

**CADRE RÉSERVÉ / For Company's use only**  
 Identifiant / Account  
 Nombre d'actions / Number of shares  
 Nominatif / Registered  
 Porteur / Bearer  
 Nombre de voix / Number of voting rights  
 VS / single vote  
 VD / double vote

**JE VOTE PAR CORRESPONDANCE / I VOTE BY POST**  
 Cf. au verso renvoi (3) - See reverse (3)  
 Je vote OUI à tous les projets de résolutions présentés ou agréés par le Conseil d'Administration ou le Directoire ou la Gérance, à l'EXCEPTION de ceux que je signale en notifiant comme ceci la case correspondante et pour lesquels je vote NON ou je m'abstiens.  
 I vote FOR all the draft resolutions proposed or approved by the Board of Directors EXCEPT those indicated by a shaded box - like this ■, for which I vote against or I abstain.  
 Sur les projets de résolutions non présentés ou non agréés par le Conseil d'Administration ou le Directoire ou la Gérance, je vote en notifiant comme ceci ■ la case correspondant à mon choix.  
 On the draft resolutions not proposed or not approved by the Board of directors, I cast my vote by shading the box of my choice - like this ■.

1	2	3	4	5	6	7	8	9	Oui / Non/No	Oui / Non/No
10	11	12	13	14	15	16	17	18	A	F
19	20	21	22	23	24	25	26	27	B	G
28	29	30	31	32	33	34	35	36	C	H
37	38	39	40	41	42	43	44	45	D	J
									E	K

**Je donne amendements ou des résolutions nouvelles ébauchés en assemblée / In case amendments or new resolutions are proposed during the meeting**  
 - Je donne pouvoir au Président de l'A.G. de voter en mon nom. // I appoint the Chairman of the meeting to vote on my behalf...  
 - Je m'abstiens (l'abstention équivaut à un vote positif). // I abstain from voting (it equates to a vote against) ...  
 - Je donne procuration (cf. au verso renvoi 2) à M. Mlle ou M. M. Mlle ou Mlle // I give my proxy (see reverse 2) to Mr. Ms or Mrs. / Ms or Miss  
 - Je vote en mon nom // I appoint (see reverse 2) M. Ms or Mrs. / Ms or Miss to vote on my behalf.

Pour être prise en considération, toute formule doit parvenir au plus tard :  
 In order to be considered, this completed form must be returned at the latest :  
 à la Banque / to the Bank le 12/05/2009 / on May 12, 2009

**DATE & SIGNATURE**

**JE DONNE POUVOIR AU PRÉSIDENT DE L'ASSEMBLÉE GÉNÉRALE**  
 dater et signer au bas du formulaire, sans rien remplir  
 I HEREBY GIVE MY PROXY TO THE CHAIRMAN OF THE MEETING  
 date and sign the bottom of the form without completing it  
 cf. au verso renvoi (2) - See reverse (2)

**JE DONNE POUVOIR A :** soit le conjoint, soit un autre actionnaire - Cf. renvoi (2) au verso // I HEREBY APPOINT you (or your spouse or to another shareholder - see reverse (2)) to represent me at the above mentioned meeting.  
 M, Mmes ou M. / Mr, Mrs or Miss  
 Adresse / Address

**ATTENTION :** S'il s'agit de titres au porteur, les présentes instructions ne seront valables que si elles sont directement enregistrées par votre teneur de comptes.  
**CAUTION :** If it is about bearer securities, the present instructions will be valid only if they are directly registered by your account-keepers.

Nom, Prénom, Adresse de l'actionnaire (si ces informations figurent déjà, les vérifier et les rectifier éventuellement) - Surname, first name, address of shareholder (if this information is already supplied, please verify and correct if necessary)  
 Cf. au verso renvoi (1) - See reverse (1)

You wish to vote by post: tick here and follow the instructions.

You wish to appoint the Chairman of the Meeting as your proxy: tick here.

Whatever your choice, please date and sign here.

Check your details.

You wish to appoint a named person as your proxy who will be present at the Meeting: tick here and enter the details of the person concerned.

## Agenda

### I - Resolutions for the Ordinary General Meeting

- Approval of parent Company financial statements dated December 31, 2008.
- Approval of consolidated financial statements dated December 31, 2008.
- Allocation of earnings, declaration of dividend.
- Agreements covered by Article L.225-38 of the French Commercial Code.
- Commitments under Article L.225-42-1 of the French Commercial Code, concerning Mr. Thierry Desmarest.
- Commitments under Article L.225-42-1 of the French Commercial Code, concerning Mr. Christophe de Margerie.
- Authorization for the Board of Directors to trade in shares of the Company.
- Renewal of the appointment of Mrs. Anne Lauvergeon as a Director.
- Renewal of the appointment of Mr. Daniel Bouton as a Director.
- Renewal of the appointment of Mr. Bertrand Collomb as a Director.
- Renewal of the appointment of Mr. Christophe de Margerie as a Director.
- Renewal of the appointment of Mr. Michel Pébereau as a Director.
- Appointment of Mr. Patrick Artus as a Director.

### II - Resolution for the Extraordinary General Meeting

- Amendment of the Company's Articles of Association regarding the limit on the age of the Chairman of the Board.

The Company has also received:

- From the UES Upstream Total Group Worker's Council—2 place Jean Millier—La Défense 6—92078 Paris la Défense cedex—France, new proposed resolutions:
  - one proposed resolution is to amend Article 19 of the Company's Articles of Association to add a new clause regarding the attachment, in the Report of the Board of Directors, of the individual allocation of stock options and restricted shares as provided in special reports.
  - one proposed resolution is to amend Article 11 (paragraphs 7 to 9) of the Company's Articles of Association regarding a new procedure for selecting a shareholder employee as a board member.
  - one proposed resolution regards the authorization to grant restricted shares of the Company to all of the employees of the Company under Articles L. 3332-14 and L. 3332-26 of the French Labor Code.
- From the Supervisory Board of the Total Actionnariat France Collective Investment Fund—2 place Jean Millier—La Défense 6—92078 Paris la Défense cedex—France, proposed resolutions regarding the same subjects and written in the same terms as the proposed resolutions of the UES Upstream Total Group Worker's Council.



## Summary of resolutions

# Resolutions for the Ordinary General Meeting

### Approval of the annual financial statements and allocation of earnings

The **first resolution** approves the financial statements for the 2008 fiscal year.

The **second resolution** approves the consolidated financial statements for the 2008 fiscal year.

The **third resolution** determines the distribution of earnings.

It is proposed to declare a dividend of 2.28 euros per share for the 2008 fiscal year. An interim dividend of 1.14 euro per share was paid on November 19, 2008, with the share trading ex-dividend on Euronext Paris from November 14, 2008. The balance of 1.14 euro per share would be paid in cash on May 22, 2009, with the share trading ex-dividend on Euronext Paris from May 19, 2009.

Pursuant to the provisions of Article 243 bis of the French General Tax Code, such dividends are eligible for the 40% deduction provided for by Article 158 of the French General Tax Code, available to individual taxpayers whose tax residence is in France. Moreover, pursuant to the provisions of Article 117 quator of the French General Tax Code, individual taxpayers whose tax residence is in France and who receive dividends that are eligible for the 40% deduction, can now elect for a flat tax withholding payment at a tax rate of 18% (before social contributions), discharging the payment of corresponding income tax. If this option is selected, the 40% deduction described above as well as the annual deduction provided for under Article 158, 3-5° of the French General Tax Code and the tax credit provided for under Article 200 septies of the same Code would be unavailable. These new provisions are applicable for income received since January 1, 2008.

### Approval of the auditors' special report

The **fourth resolution** approves the conclusions of the auditors in their special report under Article L. 225-38 of the French Commercial Code, which concerns agreements in place between by TOTAL S.A. and companies with which it has one or more director(s) in common.

### Approval of commitments under Article L.225-42-1 of the French Commercial Code

Pursuant to the provisions of Article L. 225-42-1 of the French Commercial Code and upon the presentation of the special report of the auditors, the **fifth and sixth resolutions** approve the

commitments related to compensation, severance benefits and other benefits to be paid during or after the term of office of the Chairman or of the Chief Executive Officer or in case of changes in their positions. Information concerning these commitments is provided in more detail on page 15.

### Share buybacks

During the year 2008, the Company acquired 27,600,000 of its own shares at an average price of 48.51 euros per share under the authorizations granted by the Shareholders' Meetings of May 11, 2007 and May 16, 2008. These shares are to be cancelled or used for restricted share grants made on October 9, 2008 pursuant to the decision of the Board of Directors on September 9, 2008.

Since the authorization granted by the Shareholders' Meeting of May 16, 2008 expires on November 16, 2009, the **seventh resolution** authorizes the Board of Directors to trade in the Company's shares, with a maximum authorized purchase price of 70 euros per share. These purchases are to be carried out pursuant to the provisions of Article L. 225-209 of the French Commercial Code and the provisions of the European Council Directive of January 28, 2003 and the related implementing regulation of December 22, 2003.

These transactions may be carried out at any time except during a public offering for the Company's shares, in accordance with the rules and regulations in force.

The maximum number of Company shares that may be repurchased under this authorization may not exceed 10% of the total number of outstanding shares, pursuant to the provisions of Article L. 225-209 of the French Commercial Code. This 10% limit may be adjusted to take into account transactions related to the Company's share capital that may occur after this shareholders' meeting. However, such repurchases may not at any time cause the Company to hold, directly or indirectly through its subsidiaries, more than 10% of its share capital.

As of December 31, 2008, the Company held, directly or indirectly, 143,082,095 of the 2,371,808,074 outstanding shares constituting its share capital. As a result, the maximum number of shares that the Company could repurchase is 94,098,712 shares, and the maximum amount that the Company could spend to acquire these shares is 6,586,909,840 euros.

This authorization to repurchase Company shares would be granted for a period of 18 months.

## Board of Directors

In the **eighth to the twelfth resolutions**, we propose that you renew the appointments of Mrs. Anne Lauvergeon and Messrs. Daniel Bouton, Bertrand Collomb, Christophe de Margerie and Michel Pébereau as members of the Board of Directors, each for an additional three-year term.

We also propose, in the **thirteenth resolution**, that you appoint Mr. Patrick Artus as a member of the Board of Directors of the Company for a three-year term, expiring at the conclusion of the shareholders' meeting called to approve the financial statements for the 2011 fiscal year.

### Mr. Artus:

Born on October 14, 1951, Mr. Artus has degrees from the *Ecole Polytechnique*, the *Ecole Nationale de la Statistique et de l'Administration de l'Economie* (ENSEA) and the *Institut d'Etudes Politiques de Paris*. He began his career at the INSEE (French National Institute for Statistics and Economic Studies) where his work included economic forecasting and modelling. 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. He is a professor at the *Ecole Polytechnique* and associate professor at the University of Paris I, Sorbonne. He has authored many articles and books. He was recognized as the "Best Economist of 1996" by the *Nouvel Economiste*. He is also a member of the council of economic advisors to the French Prime Minister, the *Cercle des Economistes*, and of the French National Economic Commission.



Mr Artus will bring his experience in the field of international economics to the Board.

## Resolution for the Extraordinary General Meeting

In 2007, the Board of Directors of the Company decided to have separate individuals serve in the positions of Chairman of the Board and Chief Executive Officer of the Company, while indicating that it reserved the possibility that one individual might be asked to hold these two functions in the future.

To give the Board sufficient flexibility to organize the leadership of the Company as it best sees fit under particular circumstances, the

**fourteenth resolution** proposes to add a provision to Article 12, paragraph 3 of the Articles of Association concerning the limit on the age of the Chairman. This provision would allow the Board to make an exception to the current age limit of 65 years, and appoint, for a maximum of two years, a Chairman chosen from among the members of the Board who is older than 65 but not yet 70.

## Resolutions presented in accordance with the provisions of Articles L. 2323-67 and R. 2323-14 of the French Labor Code and Articles L. 225-105 and R. 225-71 of the French Commercial Code.

Following the publication of the announcement notice of the Company's Shareholders' Meeting in the French *Bulletin d'Annonces Légales Obligatoires* (Bulletin of Mandatory Legal Announcements or BALO) on February 25, 2009, the Company has received new proposed resolutions:

- From the UES Upstream Total's Workers Group Council—2 place Jean Millier—La Défense 6—92078 Paris la Défense cedex—France, in accordance with the provisions of Article L. 2323-67 of the French Labor Code. The texts of the proposed resolutions are contained in resolutions A, B and C below (pages 19 to 21).
- From the Supervisory Board of the Total Actionnariat France Collective Investment Fund—2 place Jean Millier—La Défense 6—92078 Paris la Défense cedex—France, in accordance with the provisions of Article R. 225-71 of the French Commercial Code (this *Fonds Commun de Placement* or FCP is the registered shareholder of more than the minimum number of shares set forth under Article R. 225-71 mentioned above) in the same terms as the resolutions proposed by the Total's Workers Group Council.

## Resolution A, for the purpose of an amendment to the Articles of Association regarding better disclosure of the individual allocation of stock options and restricted shares as provided in the French Commercial Code.

### Reasons developed in relation to this proposal (below is a free translation into English of the reasons transmitted in the French language by the authors of the proposed resolution)

This resolution is intended to insure the disclosure in the Registration Document of reports to the Shareholders' General Meeting provided in articles L. 225-184 and L. 225-197-4 of the French Commercial Code regarding the individual allocation of stock options and restricted shares to the ten mostly highly compensated employees who are not corporate officers. In the Registration Document, these appear only in the form of an aggregated partial transcript.

Up until now the Registration Document has indicated the number of stock options and restricted shares allocated annually:

- to each of the corporate officers and directors affected;
- to the employees as a whole whether members of the Management Committee of the Group (about thirty people), Group management staff (about three hundred people) or other employees.

However, the articles in the French Commercial Code referred to above provide that a special report be communicated to the Shareholders' General Meeting that indicates among other things the number of stock options and restricted shares allocated to each of the ten mostly highly compensated employees who are not corporate officers. These public reports should in theory be available for consultation at the Shareholders' General Meeting but in practice the way the meeting is organized makes this difficult, and absolutely impossible if it is a matter of informing the entire General Meeting. These reports appear only as an aggregated partial transcript in the Registration Document. They are not issued by the Company except upon receipt of an individual request following the Shareholders' General Meeting.

The Code's provisions for disclosure of the names of allocation recipients make it possible to improve governance and, ahead of each Shareholder's General Meeting, contribute to a better understanding of the Company's compensation policy.

- Whereas the Company declares in the Registration Document the cumulative total compensation of all members of the Executive Committee (7 individuals) and the Management Committee as of 31 December each year, the allocation of stock options and restricted shares is disclosed for only the thirty or so members of the Management Committee. These differing reporting limits do not allow a correct appreciation of the relative concentration of allocations among the various management organs of the Company. Furthermore they do not contribute to transparency in the policy on allocation of stock options and restricted shares as it relates to individual goal-setting.
- As confirmed by the study by RiskMetrics and Capitalcom "*Extra-financial practices and communications in CAC 40 businesses*" (February 2009), "*the information available to shareholders on variable compensation conditions, allocation of stock options or restricted shares to management are not specific enough*" and

suffer from "*too little clarity as to goals and insufficient individual information.*" This report deplores the fact that only 24% of CAC 40 companies disclose the total number of stock options held by each of their top managers.

- Whereas since 2007 your Board has resolved that for every recipient holding more than 25,000 options, one-third of the options in excess of that number shall be subject to performance conditions relating to profitability of the equity capital of your Company, the list of names of the ten mostly highly compensated employees makes it possible to evaluate whether those ten individuals are affected by such a measure and if so, for what share of options.
- Disclosure of the names of those to whom stock options and restricted shares are allocated also makes it possible to evaluate whether some employees who do not occupy significant management positions may benefit from the allocation of significant quantities of stock options or restricted shares by reason of, for example, their stock and energy market forecasting (**traders**) or the inventions they create and the patents they obtain (**inventor-employees**). For example, in the exploration-production sector, a French inventor-employee who receives a best-case "distinguished invention" award from an internal *ad hoc* committee gets a salary bonus of between €3,000 and €15,000 gross at the discretion of that committee.

Your Chairman of the Board has often responded to those promoting this resolution that asking for disclosure of compensation and allocation of stock options is close to "*voyeurism*" (*sic*), not transparency. That opinion needs to be considered in light of the legal requirements.

Thus apart from articles L. 225-184 and L. 225-197-4 of the French Commercial Code regarding the individual allocation of stock options and restricted shares, article L. 621-18-2 of the Monetary Financial Code provides for disclosure of names of those trading in stocks (and associated financial instruments) who are members of the Executive Committee of your Company. That information is published annually in the Registration Document. The trades themselves must be declared to the French Financial Markets Authority (*Autorité des Marchés Financiers*—AMF) within five business days of their completion for publication on their website. Be it noted however that some of them are reported late.

Lastly, if your company were to argue, as it did on one of the draft resolutions submitted to the Shareholders' General Meeting in May 2008, that "*placing additional specific details in the Articles of Association could lead to an imbalance between the Articles of Association and any possible subsequent legislative change*", one need only take a cursory look at the current Articles of Association to be convinced that they quote several other articles from the French Commercial Code equally subject to changes in legislation. By the same token, this resolution is presented to you in the form of a change in the Articles of Association in order to prevent its being blocked from inclusion on the agenda by the Chairman of the Board, as he did in 2007, writing that "*the General Meeting does not have the power (... ) to require name disclosure for compensation and benefits of any kind paid to members of the Executive Committee.*"

In order to illustrate the relevance of the proposed resolution, the information disclosed in the report provided for in article L. 225-184 of the French Commercial Code may be used to create the following table of individual allocation of stock options and restricted shares to each of the members of the Executive Committee (COMEX).

# 2

## COMBINED GENERAL MEETING

### Stock options allocated to each member of the executive committee between 2005 and 2007

	2005(*)	2006	2007	Information
Thierry Desmarest	240,000	240,000	110,000	left COMEX February 2007
Christophe de Margerie	130,000	160,000	200,000	named CEO February 2007
Robert Castaigne	110,000	110,000	110,000	left COMEX May 2008
François Cornelis	102,000	102,000	105,000	
Yves-Louis Darricarrère	70,000	80,000	100,000	
Michel Benezit	34,000	70,000	80,000	returned to COMEX April 2006
Bruno Weymuller	66,000	66,000	70,000	
Jean-Jacques Guilbaud	42,000	45,000	70,000	returned to COMEX February 2007
Patrick de la Chevardière	#N/A	#N/A	40,000	returned to COMEX June 2008
Jean-Paul Vettier	98,000	36,000	#N/A	left COMEX March 2006

Sources: report provided for in article L. 225-184 of the French Commercial Code

(\*) For 2005 the number of options allocated is multiplied by four to reflect the fourfold split in TOTAL stock on May 18, 2006.

Also, the lowest number of options allocated to one of the ten most highly compensated non-management employees for the period 2005 to 2007 amounted to 34,000.

#### **Board of Directors' recommendation**

The Board of Directors believes that the content of the Registration Document, which is governed by detailed rules and regulations, complies with the rules issues pursuant to the European Prospectus Directive, the General Regulations of the French Financial Markets Authority (AMF) and the AMF's recommendations for the application of these regulations, which goes beyond the legal requirements for the content of the management report.

The special reports concerned by the proposed resolution, which are issued pursuant to the French Commercial Code, are made available to the shareholders of TOTAL S.A. at the ordinary general meeting. In addition, the Company goes beyond its legal obligation and sends copies of these reports to any shareholder who requests them (whether by telephone, e-mail, letter or other form of communication) at any point in time during the year and, more particularly in the two weeks preceding the annual shareholders meeting. As a result, this proposal is not useful.

Consequently, the Board of Directors has not approved this resolution.

**Resolution B, for the purpose of an amendment to the Articles of Association regarding a new procedure for selecting a shareholder employee as Board member with a view to improving his or her representativeness and independence.**

#### **Reasons developed in relation to this proposal**

(below is a free translation into English of the reasons transmitted in the French language by the authors of the proposed resolution)

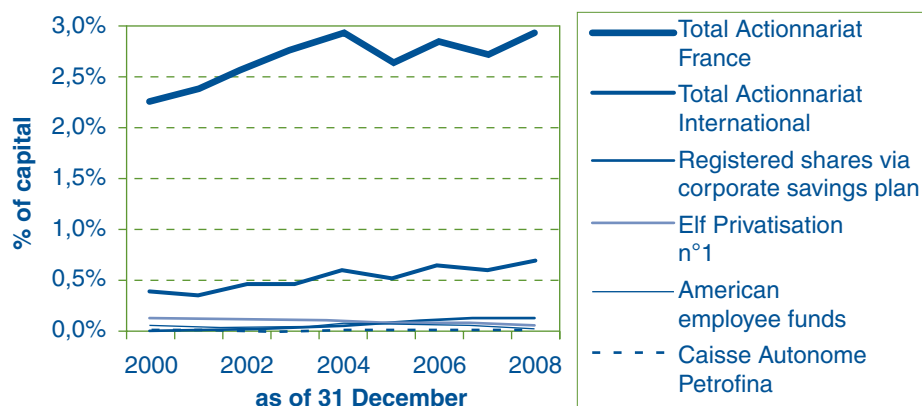
The purpose of this resolution is to amend the procedure for selecting an employee as the member of the Board representing the employee-shareholders, in order for the candidates offered for the approval of the Shareholders' General Meeting to be more representative both in terms of the capital held and that of the employee-shareholders. This is intended to be in preparation for the nomination of the next employee as Board member representing the employee-shareholders during the Ordinary General Meeting in 2010.

Law No. 2006-1770 of December 30, 2006 altered the legal methods for the designation of a Board member representing the employee-shareholders. Whereas before they were set by decree, article L. 225-23 of the French Commercial Code states that henceforth employee-shareholders shall indicate their intent by voting on the candidates to be submitted to the Shareholder' General Meeting for the appointment of a Board member representing the employee-shareholders under terms and conditions to be established in the company's Articles of Association.

The terms and conditions now in force that were added to the Articles of Association during the Shareholders' General Meeting in May 2003 in response to a regulatory requirement are unsatisfactory both from the point of view of the shareholders as a whole and that of the employee-shareholders.

The international nature and history of your Group explains why the employee-shareholders exist in the form of various entities, although some of these are insignificant in size. Thus while employee-shareholders represent 3.85% of your Company capital as of December 31, 2008, this is spread over six groups. In fact there are only two employee-shareholder groups that each holds more than 0.5% of your Company capital. The following chart (created on a constant basis by retroactively reflecting mergers of employee-shareholder groups occurring through 2003) makes it possible to evaluate these differences.

### PERCENTAGE OF CAPITAL HELD BY EMPLOYEE SHAREHOLDER GROUPS AS OF 31 DECEMBER



*Estimates as of December 31, 2008—the reduction over the period in the total number of Total SA shares had a relative effect of close to 25% on the employee-shareholders. The number of shares held by the employee-shareholders increased over the same period by only 9.2% (after allowing for the fourfold stock split), an increase that was basically concentrated in 2008, the year in which there was a capital increase restricted to employees.*

Among the four other employee-shareholder groups the largest (about 0.13% of capital as of December 31, 2008) is very unusual and specific: it is open only to employees working under a French contract of employment, who received stock options and exercised them in a favourable tax situation by using the unavailable assets in their corporate savings plan (Article L. 3332-25, paragraph 2 of the French Labor Code). They are thus held as registered shares. The small number of employee-shareholders affected and the low rate of renewals by stock option recipients does not encourage the Company to conduct the anonymous poll provided for in article 11.7.b of the current Articles of Association intended to effect the appointment of a board candidate using this background information.

Another of the employee-shareholder groups (Elf Privatization fund No. 1 now closed to subscriptions, 0.06% of capital on December 31, 2008), on the initiative of the employee-shareholder representatives (non-elected, by the way) chose to decline its right to present a candidate to the Shareholders' General Meeting of May 2006.

The threshold of 0.5% is used in article R. 225-71 of the French Commercial Code for any shareholder group that wishes to present a resolution for your vote. Is it therefore lawful from the point of view of the shareholders to limit candidacies for the post of employee-shareholders Board representative to only those employee-shareholders groups that hold at least that much of a share in your Company capital. By adopting this resolution, you would be assured that Board member is truly representative and your freedom of choice would remain intact and would not be confused by the candidacies of any very restricted employee-shareholders groups. Furthermore the criterion used until now by your Board to authorize a candidacy (Shareholders' General Meetings of 2004 and 2007) has been that of the share of capital represented by the employee-shareholder entity proposing it.

The other aspect of this resolution that is intended to insure the true representativeness of the candidates is that they are proposed by only the employee-shareholders of their elected representatives, as is indeed required by Article L. 225-23 of the French Commercial Code.

Today the Supervisory Board of the two representative Collective Investment Funds (*Total Actionnariat France* and *Total Actionnariat International*) consist of two-thirds representatives of share owners and one-third representatives of Company management.

The employee-shareholder representatives on the Supervisory Board of the fund restricted to employee-shareholders under French employment contracts (*Total Actionnariat France*) are elected by them based on an ownership vote where the number of votes of each shareholder is limited to a maximum number of shares.

The shareholder representatives on the Supervisory Board of the fund limited to virtually all of the employee-shareholders having a non-French employment contract (*Total Actonnariat International*) are covered by a complicated selection procedure: after every leading subsidiary in each country has chosen its local selection procedure for "grand electors" (a procedure that is a function of the methods that every subsidiary wishes to devote to that procedure and, as may be, any local methods for employee representation), its designation of a grand elector (having the right to record a vote on behalf of all of his or her country's employee-shareholders) and lastly the co-option of members of the Supervisory Board from among these grand electors.

Under the current arrangements, each one of these funds proposes for your consideration a candidate elected by the members of the Supervisory Board, an election participated in by the members representing Company management.



# 2

## COMBINED GENERAL MEETING

Now in order for the employee Board member to be selected in conditions capable of ensuring the independence required for the effective exercise of his or her mandate, the nomination in order to be legitimate must pass through the Shareholders' General Meeting but also by means of a vote of the employee-shareholders or, failing that, of their elected representatives alone, and not by means of any support that may be provided by your Company management.

In order to guarantee the consistency of each Supervisory Board choice of Board candidates with their vote at the Shareholders' General Meeting, it is desirable that the shareholder representatives alone be able to vote in support of the candidates and indicate their chosen appointee during the Shareholders' General Meeting (Article L. 225-106 of the French Commercial Code). However, this commonsense arrangement is not contained in this proposed amendment to the Articles of Association in order to avoid risking an argument by the Chairman of the Board of a conflict of legal authority, so as to refuse to include this item on the Shareholders' General Meeting agenda.

In practice, adoption of this resolution would lead to the presentation at the Shareholders' General Meeting of 2010 of only two candidates by the two employee-shareholder funds that hold more than 0.5% of your Company capital. The membership of both Supervisory Boards is to be renewed shortly, and the procedure being proposed to you may be swiftly put into effect, most especially if the elective system used to choose the "grand electors" is made universal, as it will then be up to those electors to designate both the candidate for employee-representative Board member (thanks to this resolution) and the representative of the *Total Actionnariat International* shareholders Fund.

A resolution in this same spirit was submitted to the Shareholders' General Meeting in May 2007. While it was not approved by the Board, it still collected more than 43.3% votes in its favor (admittedly, without the double voting right of the shares held by the Bruxelles Lambert Group) whereas, paradoxically, the employee-shareholders trusts (about 12% of the votes at that Meeting) voted against it, thus revealing that there is no guarantee that there will be good governance of the employee-shareholders, and indirectly of your Company. By voting in favor of this resolution, you will be contributing to improvement in that area.

Lastly, in order to make the shareholders' choice clearer, the resolution calls for information to be provided, for every candidate submitted to your vote, on the share of capital in the Company held by the employee-shareholder group that is proposing that candidate, as well as the type of electoral college and the result of the process leading to his or her candidacy.

### **Board of Directors' recommendation**

*The Board of Directors has noted that the terms of the proposal would be difficult to reconcile with the applicable legal provisions:*

*1) Although under the law the articles of associations are the appropriate instrument for setting the conditions under which employee shareholders may designate their candidates for a directorship, legally, the right to propose these candidates is open to employees who are shareholders through holdings in an employee investment trust (FCPE) or to employees who directly hold shares that are subject to restrictions on transfers. Excluding certain categories of employees from the process for nominating candidates by increasing*

*the percentage of shareholding required to nominate a candidate would limit the choices of the shareholders meeting and otherwise raises questions regarding the legality of such a measure.*

*2) Contrary to the statement introducing the proposed resolution, the proposed resolution provides that members representing companies may be excluded from the vote taken by the Supervisory Board of employee investment trust to nominate candidates for the employee shareholder directorship.*

*However, each FCPE's internal charter should determine its rules of procedure. There is no legal provision that limits the rights of representatives of companies on this point (as is the case, for example, for the appointment of the Chairman of the Supervisory Board). The vote to nominate candidates for the employee shareholder directorship is legitimately exercised by all of the Supervisory Board and not only by the representatives of the beneficiaries of the investment trust. If such a resolution to modify the Articles of Association were approved, it would not have an impact on and would be in conflict with the provisions of the internal charters of the FCPEs, which are created and amended pursuant to independent provisions.*

*Consequently, the Board of Directors has not approved this resolution.*

### **Resolution C, for the purpose of authorizing the allocation of restricted shares to all Group employees.**

#### **Reasons developed in relation to this proposal**

*(below is a free translation into English of the reasons transmitted in the French language by the authors of the proposed resolution)*

The purpose of this resolution is to allow distribution of restricted shares to every group employee worldwide under the provisions of articles L. 3332-14 and L. 3332-26 of the French Labor Code. Such distribution is limited to 0.2% of the Company's share capital over 26 months. This resolution proposes the cancellation, up to the total of the unused amounts, of the seventeenth resolution of the Combined General Meeting of May 16, 2008 allowing distribution of restricted shares up to 0.8% of the share capital over 38 months. This resolution was used by the Board of Directors up to about 0.12% of the share capital.

The grant of restricted shares is to complement the other methods of support for employee stock ownership, who as of today are reaching their limits.

■ Awards of share subscription options are concentrated on 2,600 employees throughout the world (out of a total of more than 112,300 employees in 2007 under the management area) with low annual renewal of the beneficiaries (about which your Company has issued no information).

■ Since 2005, the year in which the distribution of restricted shares was introduced, 16,500 employees (including the aforementioned 2,600 stock options beneficiaries) have restricted shares grants (up to about 0.42% of the share capital), as permitted by the authorization of the Shareholders' Meeting on May 17, 2005 and May 16, 2008, while at the same time the renewal of the beneficiary population has been falling since the allocation of restricted shares was introduced, as indicated by the following table.

## Cumulative number of recipients of restricted share allocation since its introduction (2005)

	2005	2006	2007	2008
Number of individual beneficiaries of restricted shares, cumulative over time (*)	7,300	10,655	13,400	16,500
Number of new beneficiaries who had never received restricted shares	7,300	3,355	2,745	3,100
Annual renewal rate on cumulative total		46%	26%	23%
Annualised renewal rate over 4 years				31%
Total Group employees (perimeter: more than 50% owned subsidiaries) (**)	129,307	111,311	112,303	not available
Number of restricted shares allocated compared to shares issued as of 31/12/2008	0.10%	0.10%	0.10%	0.12% (***)

(\*) Sources: Total press releases (data excluding Arkema employees for all years)

(\*\*) Sources: annual Environment and Company reports for each fiscal year – including Arkema employees for 2005

(\*\*\*) Estimate in 2008

Furthermore, because of its concern to produce a report showing a higher renewal rate, your Company has limited itself hereafter to announcing the rate of renewal of beneficiaries from one year to the next, which is of course higher.

The last capital increase reserved to employees, which was agreed on in March 2008, had a subscription rate of 28% worldwide (as opposed to 50% in the same area on the occasion of the last prior increase in 2006) and only 26% outside France (as against 38% in 2006). The number of shares subscribed produced 0.20% of capital as of December 31, 2007 (against 0.40% in 2006). These reductions which appear to be part of a long-term trend (despite opening up subscription in countries where the company was newly established) were exacerbated by the less attractive conditions of the 2008 subscription. The number of shares held by employee-shareholders—after allowing for the fourfold stock split—increased by only about 9% between December 31, 2000 and 2008. Thus the increase in participation by employee-shareholders (3.85% at the end of 2008) in shareholding in your Company is mainly linked to the relative effect of large capital reductions that occurred during this period.

A grant of restricted shares to all group employees, which would be allowed under this proposed resolution, would enable all employees (and not just some of them) to create a savings fund allowing them to pursue and increase their participation in the Company as shareholders, for example on the occasion of a capital increase reserved to employees which would take place at the close of the time limits for purchase and conservation of restricted shares. This would be all the more relevant for employees who are limited by insufficient inability to save, especially those located in certain parts of the world (Africa, Latin America and Asia-Oceania) where savings capacity may be the weakest and the desire to participate in Company share ownership is strong.

The authorization proposed in this resolution is substituted for the seventeenth resolution of the Combined General Assembly of May 16, 2008 and is distinguished from it by the following items:

- the maximum amount of restricted shares grants is limited to 0.2% of capital over a period of twenty-six months whereas, as far as its residual share is concerned, the seventeenth resolution of May 16, 2008 affects about 0.68% of capital over the same period, in other words a reduction in the number of restricted shares to be granted compared to the current situation;

- restricted shares are granted to the Group's entire workforce (or approximately 112,000 employees), bearing in mind that:
  - individual allocation is limited by law to 7.5% of the annual social security limit (or about €2,575);
  - distribution among employees may be uniform, or proportional to the employee's seniority with the company, or proportional to salaries, or by using these different criteria together (in France, distribution of restricted share grant among employees is set forth by a labor agreement and, in the absence of such an agreement, by a decision of your Board of Directors—paragraph 2 of article L. 3332-14 of the French Labor Code).
  - if there is a share capital increase, a choice left to the Board of Directors, the amount of capital stock issued under this resolution is charged against the aggregate ceiling for increases of share capital authorized by the thirteenth resolution of the Combined General Meeting of May 16, 2008;
  - you are assured to receive information on the detailed conditions for the vesting of restricted shares grants are provided;
  - employer companies in France have the benefit of a tax deduction for the charges associated with allocation of restricted shares to the extent that they apply to employees (art. 217 quinquies of the General Tax Code);
  - the impact on the social and consolidated accounts of TOTAL S.A. of the transactions in bonus shares shall be communicated to the shareholders in the Registration Document;
  - for employees covered by French law, restricted shares are eligible upon the expiration of their acquisition period for deposit into a company savings plan (on condition that they be blocked for three more years) and thus to be managed on a collective basis through the employee-shareholders investment funds. This then allows unitary management costs to the Company that are lower than those for individual management (and outside of any savings plan), which is only permitted for restricted shares attributed to some employees.

This resolution must also be evaluated in a general socio-economic context that French legislation, among others, has tried to take into account. Thus Law No. 2008-1258 of December 3, 2008 made any allocation by publicly traded companies of stock options to its executive officers conditional upon respecting some conditions covering the distribution of restricted shares, of stock options or of an agreement for participation and profit-sharing covering all company employees and at least 90% of all employees of subsidiaries under French law. The fact that some subsidiaries under French law own branch operations in various foreign countries limits the *de facto* choice of the Company to an allocation of restricted shares to all employees affected by the law. Because of this, any such allocation must apply to subsidiaries under French law but to all group employees.

From a strictly legal viewpoint, the legal conditions mentioned above are definitely not applicable until the expiration of the sixteenth resolution of the Combined General Meeting of May 11, 2007 (i.e. in July 2010) authorizing allocation of stock options to executive officers and some other staff members.

Following the example of prior years, the Company will probably not fail to make use of this lack of legal constraint in order to oppose adoption of this resolution, in addition to the arguments it has put forth in the past:

- *“Employees enjoy a generous profit-sharing and participation agreement”*: this comment by the Company fails to point out that this agreement benefits less than 20,000 French employees (median individual annual allocation of less than €6,400 and maximum €8,870), or less than 18% of the group’s worldwide employee total (112,300 in 2007), and 45% of French staff (43,300 in 2007), staff figures provided by management (subsidiaries 50% owned or higher).

- *“This proposal is pointless because the arrangements proposed in the resolution can be implemented within the context of the seventeenth resolution adopted by the Shareholders’ General Meeting on May 16, 2008”*: this so-called pointlessness should be evaluated
  - as much in relation to the repeated decisions made by your Board of Directors, as expressed on numerous occasions to the employee representatives, not to allocate restricted shares to every single employee, a decision that is evidence of blind conformity with the letter of the law,
  - as in relation to cancel as far as the unused portion is concerned, of the seventeenth resolution referred to above, as proposed under this new resolution.
  - *“This proposal reduces the Company’s freedom to determine the compensation of its employees on an individual basis”*: the sixteenth resolution adopted at the Shareholders’ General Meeting of May 11, 2007 allowed your Board of Directors to allocate stock options up to 1.5% of capital until July 2010 to executive officers and some employees. Now, that authorization was used in 2007 and 2008 only up to about 0.44%, which still leaves your Board with very broad latitude in the allocation of stock options for financial year 2009 and even 2010.

#### **Board of Directors’ recommendation**

*The Board of Directors has noted that the provisions of this resolution may already be applied pursuant to the 17th resolution adopted by the Shareholders Meeting on May 16, 2008 which continues to be effective. As a result, this proposed resolution is not useful.*

*To the extent that the proposed resolution would replace the unused portion of the 2008 resolution, it would create legal uncertainty by putting in question a resolution adopted by a strong majority (96%) of the Shareholders Meeting. The proposed resolution would limit the Board’s rights to determine, based on individual performance, which individuals would receive restricted share grants and the number of restricted share grants each beneficiary would receive. In addition, it would limit the number of shares likely to be granted to an individual to a level well below that which the Company has used in practice in recent years.*

*Consequently, the Board of Directors has not approved this resolution.*

## APPENDIX

### Pensions and other commitments under article L. 225-42-1 of the French Commercial Code concerning Messrs. Thierry Desmarest and Christophe de Margerie (5<sup>th</sup> and 6<sup>th</sup> resolutions).

- The Chairman and the Chief Executive Officer, pursuant to applicable law, are eligible for social security benefits, ARRCO (French Association for Complementary Pension Schemes) and AGIRC (French executive pension scheme federation) complementary pensions, defined benefit pension plans (RECO SUP) and the supplementary pension plan created by the Company. This supplementary pension plan, which is not limited to the Chairman and the Chief Executive Officer, is described in more detail below.
- The Chairman and the Chief Executive Officer are eligible for a supplementary pension plan open to all employees of the Group whose annual compensation is greater than the annual social security threshold multiplied by eight. There are no French legal or collective bargaining provisions that apply to remuneration above this social security ceiling.

This supplementary pension plan is financed and managed by TOTAL S.A. to award a pension that is based on the period of employment (up to a limit of 20 years) and the portion of annual gross compensation (including fixed and variable portions) that exceeds by at least eight times the annual social security threshold. This pension is indexed to the French Association for Complementary Pensions Schemes (ARRCO) index.

As of December 31, 2008, the Group's supplementary pension obligations related to the Chairman are the equivalent of an annual pension of 23.8% of the Chairman's 2008 compensation.

For the Chief Executive Officer, the Group's pension obligations are, as of December 31, 2008, the equivalent of an annual pension of 18.9% of his 2008 compensation.

- The Company also funds a life insurance policy which guarantees a payment, upon death, equal to two years' compensation (both fixed and variable), increased to three years upon accidental death, as well as, in case of disability, a payment proportional to the degree of disability.
- The Chairman and the Chief Executive Officer are also entitled to retirement benefits equal to those available to eligible members of the Group under the French National Collective Bargaining Agreement for the Petroleum Industry, amounting to 25% of the annual gross compensation (including fixed and variable portions) paid in the 12-month period preceding the retirement of the Chairman or the Chief Executive Officer as the case may be.

- If the Chairman or the Chief Executive Officer's employment is terminated or his term of office is not renewed, he is eligible for severance benefits equal to two times an individual's annual pay, based upon the gross compensation (both fixed and variable) paid in the 12-month period preceding termination of employment or term of office.

The severance benefits to be paid upon a change of control or a change of strategy of the Company are cancelled in the case of gross negligence or wilful misconduct or if the Chairman or the 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.

Since Mr. Desmarest is eligible to claim his full retirement benefits, these provisions are only relevant to Mr. de Margerie.

- The commitments related to the supplementary pension plan, retirement benefits and severance benefits upon termination of employment or term of office will be subject to the procedure for regulated agreements set forth in article L. 225-38 of the French Commercial Code.
- Pursuant to the provisions to the French law of August 21, 2007, which modifies article L. 225-42-1 of the French Commercial Code, the commitments described above related to retirement benefits and severance benefits upon termination of employment or term of office are 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 over the three years immediately preceding the year in which the officer retires is greater than or equal to the average production growth of the four following companies: ExxonMobil, Shell, BP and Chevron.

Proposed resolutions**Resolutions for the Ordinary General Meeting**  
(resolutions 1 through 13)**First resolution****→ (Approval of parent Company financial statements)**

Upon presentation of the reports by the Board of Directors and the auditors, and voting under the conditions of quorum and majority required for Ordinary General Meetings, the shareholders hereby approve the financial statements for the fiscal year ended December 31, 2008.

**Second resolution****→ (Approval of consolidated financial statements)**

Upon presentation of the reports by the Board of Directors and by the auditors, and voting under the conditions of quorum and majority required for Ordinary General Meetings, the shareholders hereby approve the consolidated financial statements of TOTAL S.A. for the fiscal year ended December 31, 2008.

**Third resolution****→ (Allocation of earnings, declaration of dividend)**

Voting under the conditions of quorum and majority required for Ordinary General Meetings, the shareholders note that earnings for the 2008 fiscal year amount to 6,007,608,945.33 euros.

After taking into account available retained earnings of 3,416,997,499.76 euros, the amount of earnings available for distribution totals 9,424,606,445.09 euros.

The shareholders, acting on the recommendation of the Board of Directors, hereby resolve to allocate this amount as follows:

Dividend	5,407,722,408.72 euros
Retained earnings	4,016,884,036.37 euros
	9,424,606,445.09 euros

A total of 2,371,808,074 shares have rights to the dividend for fiscal year 2008, corresponding to shares outstanding at December 31, 2008 with dividend rights as of January 1, 2008.

Accordingly, the amount of the dividend declared is 2.28 euros per share. An interim dividend of 1.14 euro per share was detached from the share listed on Euronext Paris on November 14 and paid on November 19, 2008. The remaining balance of 1.14 euro per share shall be detached from the share listed on Euronext Paris on May 19, 2009 and paid in cash on May 22, 2009.

In accordance with Article 243 bis of the French General Tax Code, it is noted that the interim dividend of 1.14 euro per share paid on November 19, 2008 as well as the remaining balance of 1.14 euro per

share are eligible for the 40% deduction provided for by Article 158 of the French General Tax Code, available to individual taxpayers whose tax residence is in France.

For reference, the dividends declared for the last three fiscal years were as follows:

	2007	2006	2005
Total dividend (in millions of euros)	4,858.8	4,426.3	3,930.9
Interim dividend (in euro per share, par value 2.50 euros per share)	1.00 (b)	0.87 (b)	0.75 (c)
Number of shares, par value 2.50 euros per share, on which the interim dividend was paid (a)	2,354,873,665	2,375,603,979	2,441,261,560
Remaining balance of dividend (a) (in euro per share, par value of 2.50 euros per share)	1.07 (b)	1.00 (b)	0.87 (b)
Number of shares, par value 2.50 euros per share, on which the remaining balance of the dividend was paid (a)	2,340,121,125	2,359,546,563	2,413,692,924

(a) The information in this table for the amounts of the interim dividend and the remaining balance of the dividend, as well as for the number of shares, has been adjusted to take into account the four-for-one stock split which took place on May 18, 2006, immediately after payment of the remaining balance of the dividend for the 2005 fiscal year, pursuant to the fifteenth resolution of the May 12, 2006 General Meeting.

(b) Amounts eligible for the 40% deduction provided for by Article 158 of the French General Tax Code, available to individual taxpayers whose tax residence is in France.

(c) Amounts eligible for the 50% deduction then current provided for by Article 158 of the French General Tax Code, available to individual taxpayers whose tax residence is in France.

If at the time of the payment of the interim dividend or of the remaining balance of the dividend the Company holds any of its own shares, then the net amount corresponding to unpaid interim dividends or the remaining balance of the dividends for those shares shall be allocated to retained earnings.

**Fourth resolution****→ (Agreements covered by Article L. 225-38 of the French Commercial Code)**

Upon the presentation of the special report of the auditors concerning the agreements covered by Article L. 225-38 of the French Commercial Code, and voting under the conditions of quorum and majority required for Ordinary General Meetings, the shareholders hereby approve such report, which describes regulated agreements that have been previously approved.

**Fifth resolution****→ (Commitments under Article L. 225-42-1 of the French Commercial Code concerning Mr. Thierry Desmarest)**

Upon the presentation of the special report of the auditors concerning the commitments covered by Article L. 225-42-1 of the French Commercial Code, and voting under the conditions of quorum and majority required for Ordinary General Meetings, the shareholders hereby note the conclusions of such report and approve the commitments mentioned therein concerning Mr. Thierry Desmarest.



## Sixth resolution

### → (Commitments under Article L. 225-42-1 of the French Commercial Code concerning Mr. Christophe de Margerie)

Upon the presentation of the special report of the auditors concerning the commitments covered by Article L. 225-42-1 of the French Commercial Code, and voting under the conditions of quorum and majority required for Ordinary General Meetings, the shareholders hereby note the conclusions of such report and approve the commitments mentioned therein concerning Mr. Christophe de Margerie.

## Seventh resolution

### → (Authorization for the Board of Directors to trade in shares of the Company)

Upon presentation of the report by the Board of Directors and of certain information appearing in the description of the program prepared pursuant to Articles 241-1 and thereafter 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 and to Council Regulation n°2273/2003 dated December 22, 2003 concerning the application of Council Directive n°2003/6/CE dated January 28, 2003, and voting under the conditions of quorum and majority required for Ordinary General Meetings, the shareholders hereby authorize the Board of Directors to buy or sell shares of the Company within the framework of a share buyback program.

The purchase of such shares may be transacted by any means on the market or over the counter, including by block-trades, in accordance with the regulations of the relevant market authorities. Such transactions may include the use of any derivative financial instruments, whether traded on a regulated exchange or over the counter, as well as the use of hedging strategies.

These transactions may be carried out at any time, except during a public offer for the Company's shares, pursuant to the applicable rules and regulations.

The maximum purchase price is set at 70 euros per share.

In case of a capital increase by incorporation of reserves or restricted stock grants and in the 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.

The maximum number of shares that may be purchased under this authorization may not exceed 10% of the total number of shares outstanding pursuant to the provisions of Article L.225-209 of the French Commercial Code. This limit of 10% applies to a number of shares outstanding that may be adjusted from time to time as a result of transactions after the date of the present Meeting, and under no circumstances may the Company hold, either directly or indirectly through subsidiaries, more than 10% of its own share capital.

As of December 31, 2008, of the 2,371,808,074 shares outstanding, the Company held 42,750,827 shares directly, and 100,331,268 shares indirectly through its subsidiaries, for a total of 143,082,095

shares. Under these circumstances, the maximum number of shares that the Company could repurchase is 94,098,712 shares and the maximum amount that the Company might spend to acquire such shares is 6,586,909,840 euros.

The purpose of this share buyback program is to reduce the number of shares outstanding or to permit the Company to fulfill its commitments related to:

- convertible or exchangeable securities that may give holders rights to receive shares upon conversion or exchange,
- stock options to purchase shares of the Company, employee share plans or Company savings plans; or other share attribution programs for management or employees of the Company or of other companies in the Group (notably restricted stock grant programs or the exchange guarantee put in place by the Company for beneficiaries of Elf Aquitaine stock option plans, the terms of which are specified in the prospectus for the public exchange offer of TotalFina for Elf Aquitaine dated September 22, 1999 (COB visa no. 99-1179) and which expires on September 12, 2009.

Depending on the relevant reason for the buyback, shares that are acquired by the Company through this program may, in particular, be:

- cancelled, up to the maximum legal limit of 10% of the total number of shares outstanding on the date of the operation per each 24-month period,
- granted to the employees of the Group and to the management of the Company or of other companies in the Group,
- delivered to the holders of options to purchase the Company's shares having exercised such options,
- delivered to the holders of Elf Aquitaine subscription options having exercised options that are covered by the Company's exchange guarantee,
- sold to employees, either directly or through the intermediary of Company savings plans, or
- 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.

This program may also be used by the Company to trade in its own shares, either on or off the market, for any other purpose that is authorized or any allowable market practice, or any other purpose that may be authorized or any other market practice that may be allowable by applicable law or regulation. The Company will inform its shareholders, by way of a press release, when the program is to be used for such purposes or market practices.

While they are held by the Company, such shares will not have voting rights or dividend rights.

This authorization is granted for a period of eighteen months from the date of this Meeting or until the date such authorization is renewed at an Ordinary General Shareholders' Meeting prior to the expiration of such eighteen-month period.

The Board of Directors is hereby granted all authority, with the right to delegate such authority, to undertake all actions that are necessary or useful to carry out the program or programs authorized by this resolution. This resolution replaces and, as regards any unused portion of the previous authorization, cancels the seventh resolution of the Combined Meeting held on May 16, 2008.

### Eighth resolution

#### → (Renewal of the appointment of Mrs. Anne Lauvergeon as a Director)

Voting under the conditions of quorum and majority required for Ordinary General Meetings, the shareholders hereby renew the appointment of Mrs. Anne Lauvergeon as a Director for a term of three years expiring at the conclusion of the shareholders' meeting called to approve the financial statements for the 2011 fiscal year.

### Ninth resolution

#### → (Renewal of the appointment of Mr. Daniel Bouton as a Director)

Voting under the conditions of quorum and majority required for Ordinary General Meetings, the shareholders hereby renew the appointment of Mr. Daniel Bouton as a Director for a term of three years expiring at the conclusion of the shareholders' meeting called to approve the financial statements for the 2011 fiscal year.

### Tenth resolution

#### → (Renewal of the appointment of Mr. Bertrand Collomb as a Director)

Voting under the conditions of quorum and majority required for Ordinary General Meetings, the shareholders hereby renew the appointment of Mr. Bertrand Collomb as a Director for a term of three

years expiring at the conclusion of the shareholders' meeting called to approve the financial statements for the 2011 fiscal year.

### Eleventh resolution

#### → (Renewal of the appointment of Mr. Christophe de Margerie as a Director)

Voting under the conditions of quorum and majority required for Ordinary General Meetings, the shareholders hereby renew the appointment of Mr. Christophe de Margerie as a Director for a term of three years expiring at the conclusion of the shareholders' meeting called to approve the financial statements for the 2011 fiscal year.

### Twelfth resolution

#### → (Renewal of the appointment of Mr. Michel Pébereau as a Director)

Voting under the conditions of quorum and majority required for Ordinary General Meetings, the shareholders hereby renew the appointment of Mr. Michel Pébereau as a Director for a term of three years expiring at the conclusion of the shareholders' meeting called to approve the financial statements for the 2011 fiscal year.

### Thirteenth resolution

#### → (Appointment of Mr. Patrick Artus as a Director)

Voting under the conditions of quorum and majority required for Ordinary General Meetings, the shareholders hereby appoint Mr. Patrick Artus as a Director for a term of three years expiring at the conclusion of the shareholders' meeting called to approve the financial statements for the 2011 fiscal year.

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## Resolution for the Extraordinary General Meeting (Resolution 14)

### Fourteenth resolution

#### → (Amendment to Article 12 of the Company's Articles of Association regarding the limit on the age of the Chairman of the Board)

Voting under the conditions of quorum and majority required for Extraordinary General Meetings, and upon presentation of the report of the Board of Directors, the shareholders hereby approve an exception to the limit on the age of the Chairman of the Board.

Consequently, the shareholders resolve to amend Article 12, paragraph 3 of the Articles of Association to include the following provision:

"Notwithstanding the preceding provision, the Board may appoint, for a term of office not to exceed two years, an individual, from among its members, who is older than 65 years old but younger than 70 years old as the Chairman of the Board of Directors".

(the rest of the Article to remain unchanged)

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## Resolutions presented in accordance with the provisions of Articles L. 2323-67 and R. 2323-14 of the French Labor Code and Articles L. 225-105 and R. 225-71 of the French Commercial Code

### Resolution A (*not approved by the Board of Directors*)

#### → (Amendment to the Company's Articles of Association with the intent of disclosing individual allocations of stock options and restricted shares as provided by law)

Voting under the conditions of quorum and majority required for Extraordinary General Meetings, the shareholders hereby decide to add a new clause at the end of item 19 of the Articles of Association the text of which clause shall be as follows:

"The entire set of reports provided for in articles L. 225-184 and L. 225-197-4 of the French Commercial Code shall be attached to the report referred to in article L. 225-100 of the French Commercial Code."

**Resolution B (not approved by the Board of Directors)****→ (for the purpose of amending to the Articles of Association regarding a new procedure for selecting a shareholder-employee as board member with a view to improving his or her representativeness and independence)**

Voting under the conditions of quorum and majority required for Extraordinary General Meetings, upon consideration of the reports by the Board of Directors, the shareholders hereby decide to amend as follows paragraphs 7) to 9) of article 11 of the Articles of Association:

**Current text**

*Presentation of points 7a) and 7b) has been reversed in order to facilitate comparison with the amended version*

7) Candidates for appointment to the office of employee shareholder Director are selected on the following basis:

b) When voting rights linked to shares held by employees (or by investment trusts of which they are beneficiaries) are exercised directly by such employees, candidates shall be appointed further to a vote as per Article L.225-106 of the Commercial Code, either by employee shareholders in a meeting convened specifically for such purpose, or by a vote in writing. Only candidates put forward by a group of shareholders representing at least 5% of the shares held by employees exercising their individual voting rights shall be admissible.

a) When voting rights linked to shares held by employees or by investment trusts of which they are beneficiaries are exercised by members of the Board of Trustees of such investment trusts, candidates are selected by such Board among its members.

8) Procedures for appointing candidates when such provisions are not laid down in law and regulations in force, or by these Articles of Incorporation, shall be determined by the Chairman of the Board of Directors, in particular with respect to the timing of the appointment of such candidates.

9) A list of all validly appointed candidates shall be prepared. This list shall comprise at least two names. The list of candidates shall be appended to the notice convening the Shareholders Meeting called to appoint the Director representing employee shareholders.

**Amended text**

7) Candidates for appointment to the office of employee shareholder Director are selected on the following basis:

a) The employees whose voting rights linked to shares held by them, or by investment trusts of which they are beneficiaries, are exercised directly, shall elect a candidate based upon the number of shares (or trusts shares) held by means of a poll that guarantees the anonymity of individual votes. Such candidacy shall be admissible only if

a1) the employees hold either directly or through investment trusts of which they are beneficiaries at least 0.5% of Company capital as of the close of the financial year preceding the Ordinary General Meeting, and

a2) the candidacy has gathered (the votes of) at least 5% of the shares held by employees exercising their individual voting right.

b) The employees whose voting rights linked to shares held by them, or by investment trusts of which they are beneficiaries, are exercised by members of the Board of Trustees of such investment trusts, may put candidates forward under the following conditions:

Every investment trust may put forward a candidate as long as it holds at least 0.5% of Company capital at the close of the financial year preceding the Ordinary General Meeting.

b1) If the representatives of holders of share units are directly elected by the employees in a poll that guarantees the anonymity of individual votes, the trust's candidate is designated among the elected representatives of the owners of share units on the Board of Trustees by the said representatives alone.

b2) In every other case, the candidate of every eligible Trust is elected among the employee members of the Board of Trustees of the investment trust either directly by the employees (or holders of share units) according to a procedure and under conditions identical to a), or by a college of grand electors elected directly by the employees (or holders of share units) by means of a written poll that guarantees the anonymity of individual votes.

8) Procedures for appointing candidates when such provisions are not laid down in law and regulations in force, or by these Articles of Incorporation, shall be determined by the Chairman of the Board of Directors, in particular with respect to the timing of the appointment of such candidates.

9) A list of all validly appointed candidates shall be prepared. This list shall comprise at least two names.

a) In the event that more than three employee-shareholder groups have the right to put candidates forward, only the three holding the largest number of Company shares shall be admissible for nomination of candidates.

b) The list of candidates shall be attached to the notice to shareholders of the Ordinary General Meeting at which the employee-shareholders Board of Directors representative is to be appointed. In addition to legal information, this list shall include for every candidate the Company capital share held by the employee-shareholder group as defined in paragraph 7, the type and composition of the electoral college that selected her or him and the detailed results of the selection process.

## Resolution C (not approved by the Board of Directors)

### → (Authorization to grant restricted shares of the Company to all employees of the Group)

Upon presentation of the report of the Board of Directors and the auditors' special report, and voting under the conditions of quorum and majority required for Extraordinary General Meetings, in accordance with the provisions of Articles L. 225-129-1 and L. 225-197-1 and following, of the French Commercial Code, the shareholders hereby:

- authorize the Board of Directors to proceed in favor of all members of the employees of the company or of related companies within the meaning of Article L. 225-197-2 of the French Commercial Code with restricted grants of existing shares or shares to be issued from the Company, according to the terms and conditions of articles L. 3332-14 and L. 3332-26 of the French Labor Code;
- decide that the Board of Directors shall determine the allocation of restricted shares among employees according to the same terms and conditions of the French Labor Code;
- decide that the maximum total number of restricted shares granted may not represent more than 0.2% of the Company's existing share capital on the day the Board of Directors decides on the grant restricted shares;
- decide that the grant of restricted shares to their beneficiaries shall be final, for all or a portion of the shares awarded, either at the end of a minimum two-year acquisition period or at the end of a minimum four-year acquisition period;
- decide that the beneficiaries' obligation to hold the restricted shares shall be established at two years, with the exception of the restricted shares having a four-year acquisition period and for which the obligation to hold such shares is removed;
- decide that the impact on the Company's individual and consolidated financial statements as well as the conditions of the final award shall be communicated in the report referenced in Article L. 225-100 of the French Commercial Code;
- authorize the Board of Directors to provide for the final grant of the shares before the end of the acquisition period in the event of the beneficiary's disability corresponding to classification in the second

or third categories provided for in Article L. 341-4 of the French Social Security Code;

- authorize the Board of Directors to increase capital on one or more occasions by incorporating premiums, reserves or surplus in order to grant restricted shares under the conditions set out in this resolution and take formal note, with the specification that:
  - the amount of the share capital that is issued shall be applied against the aggregate ceiling for increasing the share capital authorized by the thirteenth resolution of the Shareholders' Meeting of May 16, 2008; and
  - this authorization automatically implies the shareholders' waiver of their preferential subscription rights in favor of the beneficiaries of the shares that are granted, since the corresponding share capital increase is definitively achieved solely as a result of the final award of the shares to the beneficiaries.

The Shareholders hereby delegate to the Board of Directors all authority, with the option to sub-delegate such authority under conditions provided for by law, to carry out this authorization and in particular in order to:

- determine whether the restricted shares that have been granted are shares to be issued or existing shares;
- if applicable, to increase share capital by capitalizing reserves or share premiums in order to grant restricted shares;
- proceed during the acquisition period, if it deems such action necessary, with adjusting the number of restricted shares that have been granted to preserve the rights of the beneficiaries, depending on any financial transactions involving the Company's shareholders' equity, with the specification that the shares that were granted in applying these adjustments shall be deemed to have been granted on the same day as that corresponding to the shares that were initially granted;
- and generally, to do whatever is advisable or necessary and in particular to complete all necessary formalities to effect the related capital increase or increases resulting from granted restricted shares and to amend the Articles of Association accordingly.

This authorization is granted for a twenty-six months period from the day of this Shareholders' Meeting and shall cancel any unused amounts otherwise available under the seventeenth resolution of the Combined General Meeting of May 16, 2008.



## Membership of the Board of Directors of TOTAL S.A. during 2008 <sup>(1)</sup>

### Thierry Desmarest

63 years old. ► Chairman of TOTAL S.A.. ► Director of Sanofi-Aventis, of Air Liquide, of Renault SA. Member of the Supervisory Board of Areva. ► Director of TOTAL S.A. since 1995 and until 2010. ► Holds 385,576 shares.



### Christophe de Margerie

57 years old. ► Chief Executive Officer of TOTAL S.A.. ► Appointed Chairman and Chief Executive Officer of Elf Aquitaine. ► Director of TOTAL S.A. since 2006 and until 2009. ► Holds 85,230 TOTAL shares and 39,330 shares of the "TOTAL ACTIONNARIAT FRANCE" collective investment fund.



### Patricia Barbizet

53 years old. ► Independent Director <sup>(2)</sup>. ► Chief Executive Officer of Artemis, Vice-Chairman of the PPR Board of Directors, Director of Air France—KLM, of Bouygues, of TF1. ► Director of TOTAL S.A. since May 2008 and until 2011. ► Holds 1,000 shares



### Daniel Boeuf

60 years old. ► Director representing employee shareholders. ► Training and skills management—Refining & Marketing division. ► Elected member of the Supervisory Board of the TOTAL ACTIONNARIAT FRANCE collective investment fund. ► Director of TOTAL S.A. since 2004 and until 2010. ► Holds 3,964 TOTAL shares and 3,842 shares of the TOTAL ACTIONNARIAT FRANCE collective investment fund.



### Daniel Bouton

58 years old. ► Independent Director <sup>(2)</sup>. Chairman of Société Générale. ► Director of Veolia Environnement. ► Director of TOTAL S.A. since 1997 and until 2009. ► Holds 3,200 shares.



### Bertrand Collomb

66 years old. ► Independent Director <sup>(2)</sup>. ► Director of Lafarge, of DuPont (United States). ► Director of TOTAL S.A. since 2000 and until 2009. ► Holds 4,712 shares.



### Paul Desmarais Jr.

54 years old. ► Independent Director <sup>(2)</sup>. ► Chairman and Co-Chief Executive Officer of Power Corporation of Canada. Vice-Chairman and Deputy Managing Director of Pargesa Holding. Director and member of the Executive Committee of Great-West, Bruxelles Lambert Group, London Insurance Group Inc. Director of GDF-Suez, of Lafarge. ► Director of TOTAL S.A. since 2002 and until 2011. ► Holds 2,000 ADRs (corresponding to 2,000 shares)



### Bertrand Jacquillat

64 years old. ► Independent Director <sup>(2)</sup>. ► University Professor (France and the United States). Co-founder and Chairman and Chief Executive Officer of Associés en Finance. Member of the Supervisory Board of Klépierre, Presses Universitaires de France (PUF). ► Director of TOTAL S.A. since 1996 and until 2011. ► Holds 3,600 shares.





### Antoine Jeancourt-Galignani

71 years old. ► Independent Director <sup>(2)</sup>. ► Former Chairman of Assurances Générales de France. Chairman of the Supervisory Board of Euro Disney SCA. ► Director of Gecina, Kaufman & Broad. Director of TOTAL S.A. since 1994 and until 2009. ► Holds 5,440 shares.



### Anne Lauvergeon

49 years old. ► Chairman of the Management Board of Areva. Director of GDF-Suez, Vice-President of the Supervisory Board of Safran. ► Director of TOTAL S.A. since 2000 and until 2009. ► Holds 2,000 shares.



### Lord Peter Levene of Portsoken

67 years old. ► Independent Director <sup>(2)</sup>. ► Chairman of Lloyd's, International Financial Services, General Dynamics UK Ltd. ► Director of TOTAL S.A. since 2005 and until 2011. ► Holds 2,000 shares.



### Claude Mandil

66 years old. ► Independent Director <sup>(2)</sup>. ► Former Chairman of the Institut Français du Pétrole. Former Executive Director of the International Energy Agency (IEA). ► Director of TOTAL S.A. since May 2008 and until 2011. ► Holds 1,000 shares.



### Michel Pébereau

66 years old. ► Independent Director <sup>(2)</sup>. Chairman of BNP Paribas. ► Director of Lafarge, Saint Gobain, EADS N.V. Member of the Supervisory Board of AXA. ► Director of TOTAL S.A. since 2000 and until 2009. ► Holds 2,356 shares.



### Thierry de Rudder

59 years old. ► Independent Director <sup>(2)</sup>. ► Managing Director of Bruxelles Lambert Group. Director of GDF-Suez, Lafarge, Imerys. ► Director of TOTAL S.A. since 1999 and until 2010. ► Holds 3,956 shares.



### Serge Tchuruk

71 years old. ► Independent Director <sup>(2)</sup>. ► Director of Thales. ► Director of TOTAL S.A. since 1989 and until 2010. ► Holds 61,060 shares.



### Pierre Vaillaud

73 years old. ► Independent Director <sup>(2)</sup>. ► Former Chairman and Chief Executive Officer of Elf Aquitaine and Technip. Member of the Supervisory Board of Oddo et Cie. ► Director of TOTAL S.A. since 2000 and until 2009. ► Holds 2,000 shares.

Directors are elected for a three-year term of office (Article 11 of the Company's Articles of Association)

(1) Information at December 31, 2008.

(2) The independence of the members of the Board of Directors is reviewed every year by the Board itself, with the most recent review having occurred on February 11, 2009. Upon the proposal of the Nominating & Governance Committee, the Board notes that the Directors complied with the criteria of independence contained in the AFEP-MEDEF Corporate Governance Code of Listed Corporations, with the exception of one director who has been a director of the Company for a period exceeding the twelve years recommended by this Code. The Board, taking into account the nature of the Company's industry, with the associated long-term investments and activities, considered that service as a director over a long period corresponds to certain experience and authority that reinforces the independence of a director.

The Board also considered the business dealings between Group companies and the banking institutions where the directors are members of the Board of TOTAL. The Board deemed that the level of activity between Group companies and the banks concerned, which is less than 0.1% of their banking income and less than 5% of the Group's overall external financing (including confirmed but undrawn credit lines) represent neither a material portion of the overall activity of these banks nor a material portion of the Group's external financing. The Board concluded that both directors should be considered as independent directors.

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## BRIEF SUMMARY

### Brief review of the company's position during the 2008 financial year

<b>Group results</b> (in millions of euros)	2008	2007	%
Sales	179,976	158,752	+13%
Adjusted operating income from business segments <sup>(a)</sup>	28,114	23,956	+17%
Adjusted net operating income from business segments <sup>(a)</sup>	13,961	12,231	+14%
Net income (Group share)	10,590	13,181	-20%
Adjusted net income (Group share) <sup>(a)</sup>	13,920	12,203	+14%
Adjusted fully-diluted earnings per share (euros) <sup>(a) (b)</sup>	6.20	5.37	+15%
Dividend (euros/share)	2.28 <sup>(c)</sup>	2.07	+10%
Cash flow from operating activities	18,669	17,686	+6%
Investments	13,640	11,722	+16%
Divestments at selling price	2,585	1,556	+66%

(a) Adjusted income is defined as income using replacement cost, adjusted for special items and excluding TOTAL's equity share of amortization of intangibles related to the Sanofi-Aventis merger.

(b) Based on the fully-diluted weighted-average number of common shares outstanding during the period.

(c) Subject to the approval by the Shareholders' Meeting on May 15, 2009.

<b>Number of shares</b> (in millions)	2008	2007	%
Fully-diluted weighted-average shares	2,246.7	2,274.4	-1%

<b>Market environment</b>	2008	2007	%
Exchange rate (\$/€)	1.47	1.37	-7%
Brent (\$/b)	97.3	72.4	+34%
European refining margins TRCV (\$/t)	37.8	32.5	+16%

## Full-year 2008 result

Consolidated sales increased by 13% to 179,976 million euros (M€) in 2008 from 158,752 M€ in 2007.

### Operating income

Compared to 2007, the oil market environment in 2008 was marked by a 34% increase in the average Brent crude price to 97.3 \$/b. The TRCV European refining margin indicator increased by 16% to 37.8 \$/t. The environment for Chemicals segment turned sharply negative at year end with a sudden fall-off in demand that resulted from the global economic slowdown. The average euro-dollar exchange rate was 1.47 \$/€ in 2008 compared to 1.37 \$/€ in 2007.

In this context, adjusted operating income from the business segments was 28,114 M€, an increase of 17% compared to 2007.

Adjusted net operating income from the business segments was 13,961 M€ compared to 12,231 M€ in 2007, an increase of 14%. The smaller increase, compared to the percentage increase in adjusted operating income, is essentially due to the increase in the effective tax rate between the two periods.

### Net income (Group share)

Adjusted net income increased by 14% to 13,920 M€ in 2008 compared to 12,203 M€ in 2007. This excludes the after-tax inventory effect, special items, and the Group's equity share of the amortization of intangibles related to the Sanofi-Aventis merger.

The after-tax inventory effect had a negative impact on net income of 2,452 M€ in 2008 compared to a positive impact of 1,285 M€ in 2007, reflecting essentially the impact of the sharp decline in oil prices during the fourth quarter.

Special items had a negative impact on net income of 485 M€ in 2008 compared to a positive impact of 11 M€ in 2007. The Group's share of the amortization of intangibles related to the Sanofi-Aventis merger had a negative impact on net income of 393 M€ in 2008 and a negative impact of 318 M€ in 2007.

Net income (Group share) was 10,590 M€ in 2008 compared to 13,181 M€ in 2007.

In 2008, the Group bought back 27.6 million of its shares (including 2.8 million shares purchased to cover the program of restricted share grants for employees per the Board of Directors decision of September 9, 2008) for 1,339 M€. There were 2,235.3 million fully-diluted shares outstanding on December 31, 2008 compared to 2,265.2 outstanding on December 31, 2007.

Adjusted fully-diluted earnings per share, based on 2,246.7 million fully-diluted weighted-average shares, rose to 6.20 euros compared to 5.37 euros in 2007, an increase of 15%.

### Cash flow

Cash flow from operating activities was 18,669 M€ in 2008, an increase of 6% compared to 2007.

Net cash flow <sup>(1)</sup> for the Group was 7,614 M€ in 2008 compared to 7,520 M€ in 2007.

The net-debt-to-equity ratio was 22.5% on December 31, 2008 compared to 27.3% on December 31, 2007.

### Investments—divestments

Investments, including net investments in equity affiliates and non-consolidated subsidiaries and acquisitions, were 12,444 M€ in 2008 compared to 11,371 M€ in 2007. Acquisitions were 1,022 M€ in 2008, reflecting mainly the acquisitions of Synenco in Canada and Goal in The Netherlands, the acquisition of a 60% stake in the Bemolanga permit in Madagascar and payments of new permits and contract extensions in Nigeria and Libya.

Assets sales in 2008 were 1,451 M€, consisting mainly of Sanofi-Aventis shares.

### Profitability

The return on average capital employed (ROACE <sup>(2)</sup>) for the Group was 26% in 2008 (28% for the business segments), compared to 24% and 27% respectively in 2007.

Return on equity was 32% in 2008 compared to 31% in 2007.

<sup>(1)</sup> Net cash flow = cash flow from operating activities + divestments - investments.

<sup>(2)</sup> Based on adjusted net operating income and average capital employed at replacement cost.

# 4

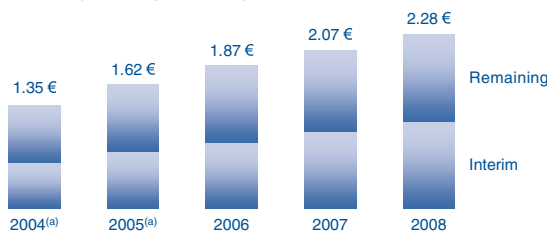
## BRIEF SUMMARY

### TOTAL S.A. parent Company results and proposed dividend

Net income for TOTAL S.A., the parent Company, was 6,008 M€ in 2008 compared to 5,779 M€ in 2007.

After reviewing the accounts, the Board of Directors has decided to propose that the Shareholders' Meeting on May 15, 2009 approve a dividend of 2.28 euros per share for 2008, an increase of 10% compared to the previous year.

Net dividend\* (in euro per share)



(a) adjusted to take into account that on May 18, 2006, the nominal value of the shares was divided by four

Based on the Group's adjusted net income for 2008, TOTAL's pay-out ratio would be 37%.

After taking into account the interim dividend of 1.14 euro per share paid on November 19, 2008, the remaining 1.14 euro per share would be paid on May 22, 2009.

In accordance with the calendar established for stock-related events by Euronext Paris, the ex-dividend date for the remainder of the 2008 dividend is May 19, 2009.

### Overview of the 2008 fiscal year for TOTAL

The Group's three business segments are:

- the **Upstream segment**, which includes exploration, hydrocarbon production, gas & power marketing, and other forms of energy;
- the **Downstream segment**, which includes refining, petroleum product marketing and distribution, specialty products, and the trading and shipping of crude oil and products;
- the **Chemicals segment**, which includes Base chemicals, petrochemicals and fertilizers, and Specialties which includes rubber processing, resins, adhesives and electroplating activities.

Unprecedented volatility marked the 2008 oil market environment. In the first part of the year, the price of Brent crude climbed rapidly toward 150 dollars per barrel (\$/b) in July. In the second part of the year, the global economy suffered a sharp slowdown which drove Brent down to a new low for the year of 35 \$/b in December. On average, Brent was 97 \$/b for the year and 55 \$/b for the fourth quarter.

European refining margins were good on average for the year, supported by steady demand for diesel. Petrochemicals, at the end of the petroleum chain, were hurt in the first half of the year by the rapid increase in oil prices. In the second half of the year, petrochemicals benefited from a rebound in margins, but suffered from falling demand linked to the worldwide economic downturn.

Strong volatility also affected the dollar; it depreciated by 7% relative to the euro over the year but rose by 14% during the fourth quarter 2008.

In this environment, adjusted net income <sup>(3)</sup> for 2008 rose to a record high of more than \$20 billion <sup>(4)</sup>, an increase of 22%. This performance was possible despite the 16% decline in the fourth quarter adjusted net income to \$3.8 billion. Nevertheless, TOTAL demonstrated in the fourth quarter its strong resistance to a weaker environment and the benefit of its integrated strategy.

TOTAL invested more than \$18 billion in 2008, a substantial increase compared to 2007, to further prepare the company for the long term.

Medium-term oil market environment	2008	2007	%
<b>Dollar-Euro exchange rate</b>	1.47	1.37	-7%
<b>Brent price (dollar per barrel)</b>	97.3	72.4	+34%
<b>European refining margins (dollar per tonne)</b>	37.8	32.5	+16%

(3) Adjusted income is defined as income using replacement cost, adjusted for special items and excluding TOTAL's equity share of amortization of intangibles related to the Sanofi-Aventis merger.

(4) Dollar amounts represent euro amounts converted at the average €-\$ exchange rate for the period (1.4708 in 2008, 1.3704 in 2007).



## Upstream

### Results

For the full-year 2008, adjusted net operating income from the Upstream segment was 10,724 M€ compared to 8,849 M€ in 2007, an increase of 21%. This increase was mainly due to the positive impacts of the price of hydrocarbons partially offset by the negative impacts of the weaker dollar, higher production costs and decreased production.

### Profitability

The return on average capital employed (ROACE) for the Upstream segment was 35.9% in 2008 compared to 33.6% in 2007.

### Hydrocarbon production

For the full-year 2008, hydrocarbon production was 2,341 thousand equivalent barrels per day (kboe/d) compared to 2,391 kboe/d in 2007 a decrease of 2%, mainly as a result of:

- +3.5% of growth, from start-ups and ramp-ups of new major projects, including Dolphin, Rosa, Jura and Dalia, net of the normal decline on existing fields,
- -2.5% for unscheduled shutdowns, mainly on the Elgin Franklin field, the Bruce and Alwyn fields, and the Al Jurf field,
- -2% from the price effect (impact of changing hydrocarbon prices on entitlement volumes), and
- -1% from changes in portfolio.

### Year-end 2008 hydrocarbon reserves

Proved reserves <sup>(5)</sup>, based on Securities & Exchange Commission (SEC) rules (Brent at 36.55 \$/b), were 10,458 Mboe at December 31, 2008. At the 2008 average rate of production, the reserve life is more than 12 years.

The 2008 reserve replacement rate <sup>(6)</sup> based on the SEC proved reserves was 112% excluding acquisitions and divestments. Including acquisitions and divestments, it was 101%.

At year-end 2008, TOTAL had a solid and diversified portfolio of proved and probable reserves <sup>(7)</sup> representing 20 Bboe, or more than a 20-year reserve life based on the 2008 average production rate, and resources representing more than a 40 year reserve life <sup>(8)</sup>.

## Downstream

### Results

For the full-year 2008, adjusted net operating income from the Downstream segment was 2,569 M€ compared to 2,535 M€ in 2007, an increase of 1%. This result reflects the generally satisfactory environment, with the impact from the generally positive Downstream environment in Europe in 2008 being offset the negative impacts from refining in North America stemming from the negative environment and from hurricanes, as well as the negative impact of the weaker dollar and the impact of losses incurred through TOTAL's participation in Wepec, its Chinese refining affiliate.

### Profitability

Return on average capital employed (ROACE) for the Downstream segment was 19.9% in 2008 compared to 20.6% in 2007.

### Refinery throughput—product sales

For the full-year 2008, refinery throughput decreased by 2% to 2,362 kb/d from 2,413 kb/d in 2007. The utilization rate based on crude was 88% in 2008, compared to 87% in 2007. There were six refinery turnarounds in 2008 compared to ten in 2007. The level of refinery turnarounds in 2009 is expected to be comparable to the 2008 level.

Refined product sales were 3,658 kb/d in 2008.

## Chemicals

### Results

For the full-year 2008, adjusted net operating income from the Chemicals segment was 668 M€, compared to 847 M€ in 2007, a decrease of 21%. This decrease reflects essentially the negative impact of the environment.

### Profitability

Chemicals return on average capital employed (ROACE) was 9.2% in 2008 compared to 12.1% in 2007.

(5) TOTAL's proved reserves include fully-consolidated subsidiaries proved reserves and its equity share in equity affiliates proved reserves as well as proved reserves from two non-consolidated subsidiaries.

(6) Change in reserves excluding production (i.e. revisions + discoveries, extensions + acquisitions – divestments) / production for the period. The 2008 reserve replacement rate was 99% in a constant 93.72 \$/b Brent environment excluding acquisitions and divestments.

(7) Limited to proved and probable reserves covered by E&P contracts on fields that have been drilled and for which technical studies have demonstrated economic development in a 60 \$/b Brent environment, including projects developed by mining.

(8) Proved and probable reserves plus potential median recoverable reserves from known accumulations (Society of Petroleum Engineers – 03/07).

# 4

## BRIEF SUMMARY

### Outlook

**In the Upstream**, TOTAL benefits from the high-quality of its portfolio. Production start-ups for several major projects planned for 2009 include Akpo in Nigeria, Yemen LNG and then Qatargas II. In addition, engineering studies for the next wave of major projects which are expected to be launched between 2009 and 2010 are ongoing, notably for Egina in Nigeria, Laggan Tormore in the UK North Sea, Shtokman in Russia, Ichthys in Australia and certain heavy oil projects in Canada. The Group intends to maintain technical costs at the lowest level among the majors, thus preserving an important competitive advantage in a weaker oil market environment. Also, TOTAL is continuing with its efforts to improve the reliability of its facilities and to emphasize safety throughout its operations.

**In Downstream and Petrochemicals**, the Group will define the necessary changes needed to adapt its industrial assets to new trends in market demand. At the same time, major construction projects are continuing, notably for the modernization of the Port Arthur refinery in the United States, the Jubail refinery project in Saudi Arabia and the start-up of the Qatofin cracker in Qatar.

The 2009 Capex budget is approximately 18 B\$<sup>(9)</sup>, comparable to the 2008 budget. 75% of it being for the Upstream segment. TOTAL is determined to reduce the cost of its projects by reviewing contractual terms, technical plans and timing.

On another front, the Group has already begun to implement company-wide productivity plans to reduce costs and to lower breakeven points for its operations.

In an environment marked by significant weakness for the short term, the management of TOTAL relies on strict financial discipline and is committed to taking the actions necessary to adapt and rebalance its industrial assets. A solid financial base should allow the company to pursue a sustained investment program to prepare for the long term, while also maintaining good profitability, its dividend policy and a net-debt-to-equity ratio around 25 – 30%. In addition, the Group plans to continue to progressively divest its Sanofi-Aventis shares.

### 2009 Sensitivities to the market environment

Market parameters	Scenario	Change	Estimated impact on adjusted operating income	Estimated impact on adjusted net operating income
Dollar (\$)	1.30 \$/€	+0.1 \$ per €	-1.3 B€	-0.7 B€
Brent	60 \$/b	+1 \$/b	+0.32 B€ +0.42 B\$	+0.15 B€ +0.20 B\$
European refining margins TRCV	30 \$/t	+1 \$/t	+0.08 B€ +0.11 B\$	+0.06 B€ +0.07 B\$

B€ = billion euros  
B\$ = billion dollars

(9) Including net investments in equity affiliates and non consolidated companies, excluding acquisitions and based on 1€ = 1.30 \$ for 2009

## Five year financial summary and income allocation

	2008	2007	2006	2005	2004
<b>I – CAPITAL AT YEAR END</b>					
Common stock ( <i>thousands of euros</i> )	<b>5,929,520</b>	5,988,830	6,064,420	6,151,163	6,350,151
Number of shares of common stock outstanding <sup>(a)</sup>	<b>2,371,808,074</b>	2,395,532,097	2,425,767,953	615,116,296	635,015,108
Potential number of shares for issue					
• share subscription options <sup>(a)</sup>	<b>42,965,666</b>	39,440,217	36,044,355	7,675,549	6,285,886
• Elf Aquitaine options and shares covered by the exchange guarantee <sup>(a)</sup>	<b>610,086</b>	841,776	1,158,900	361,742	1,442,634
<b>II – OPERATIONS AND INCOME FOR THE YEAR</b>					
<i>(thousands of euros)</i>					
Net commercial sales	<b>9,970,955</b>	7,904,504	8,549,605	7,009,551	4,775,056
Employee profit sharing	<b>42,000</b>	38,000	30,000	25,000	26,000
Net Income	<b>6,007,609</b>	5,778,925	5,252,106	4,142,954	3,443,252
Retained earnings brought forward	<b>3,416,997</b>	2,496,875	1,671,091	1,458,996	1,355,571
Income available for appropriation	<b>9,424,606</b>	8,275,800	6,923,197	5,601,950	4,798,823
• Dividends (including interim dividends)	<b>5,407,722</b>	4,983,591	4,503,181	4,005,394	3,429,082
• Retained earnings	<b>4,016,884</b>	3,292,209	2,420,016	1,596,556	1,369,741
<b>III – EARNINGS PER SHARE</b>					
<i>(euros)</i>					
Income after tax, before depreciation, amortization and provisions <sup>(a) (b)</sup>	<b>2.87</b>	3.06	2.38	7.29	5.74
Net income <sup>(a) (b)</sup>	<b>2.67</b>	2.54	2.27	7.02	5.59
Net dividend per share <sup>(a)</sup>	<b>2.28</b>	2.07	1.87	6.48	5.40
<b>IV – PERSONNEL</b>					
<i>(thousands of euros except for the number of employees)</i>					
Average number of employees during the year <sup>(c)</sup>	<b>6,311</b>	6,027	5,731	5,459	5,240
Total payroll for the year	<b>666,686</b>	605,374	561,524	511,775	472,189
Social security and other staff benefits	<b>282,040</b>	258,875	245,755	236,352	222,903

(a) On May 18, 2006, the nominal value of shares was divided by 4.

(b) Earnings per share are calculated on the basis of the weighted average number of common shares and common share equivalents outstanding during the year, excluding treasury shares and shares held by subsidiaries.

(c) Including employees in end-of-career holiday or early retirement (5 persons in 2005 – Exemption from activity: 6 persons in 2006, 29 persons in 2007 and 50 persons in 2008).



## REQUEST FOR COPIES OF DOCUMENTS AND INFORMATION

Let us reduce CO<sub>2</sub> emissions ....

Documents indicated by the French Commercial Code are accessible  
on the Group website [www.total.com](http://www.total.com) (Investor Relations / Annual Shareholders' Meetings / 2009)

It is however possible for you to receive these documents by mail before the General Meeting,  
with the request below addressed to BNP Paribas Securities Services

✂-----

## REQUEST FOR COPIES OF DOCUMENTS AND INFORMATION

(as indicated in Article R. 225-83 of the French Commercial Code)

**Mail to:**

**BNP Paribas Securities Services**

G.C.T. Issuers Department

Meetings Department

Immeuble Tolbiac

75450 Paris cedex 09

France

Fax number : 33(0)1 55 77 95 01

I the undersigned,

Last Name, First Name:

Mailing address:

in my capacity as shareholder of **TOTAL S.A.**

hereby acknowledge having received the documents relating to the Combined General Meeting (Ordinary and Extraordinary) of May 15, 2009, as indicated in Article R. 225-81 of the French Commercial Code, namely, the agenda, the proposed resolutions, the summary presentation of the Company's position during the year just ended (including the attached table showing results for the previous five years), and request said Company to send me, at no charge to me and prior to the Combined General Meeting <sup>(1)</sup>, the documents and information indicated in Article R. 225-83 of the French Commercial Code.

Signed at \_\_\_\_\_, on \_\_\_\_\_ 2009

Signature :

(1) In accordance with the provisions of Articles R. 225-81 and R. 225-88 of the French Commercial Code, any shareholder in possession of registered shares may, by a single request, obtain from the Company the documents and information referred to under Articles R. 225-81 and R. 225-88 of the French Commercial Code on the occasion of each Meeting held subsequently to the Meeting designated above (depending upon the type of Meeting, Article R. 225-83 refers specifically to information about Directors, General Managers and, where applicable, candidates for the Board of Directors, the annual report, the balance sheet, the profit and loss account, the schedule, the Auditors' report and the reports of the Auditors and of the Board of Directors to be presented at the Extraordinary General Meeting in the cases provided by law).  
If the shareholder wishes to take advantage of this service, he/she must so specify on the present request.







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