

Response from Total to JA! Letter 29 June 2020

English translation

Ref.: SP-2020-00616

Subject: Mozambique LNG

Madam Anabela, We acknowledge receipt of your letter dated 5/13/2020 regarding the Mozambique LNG Project, which raises issues related to (i) climate change, (ii) leadership, representation and community engagement, (iii) resettlement, including compensation and (iv) the project's management of the coronavirus pandemic (COVID-19).

As you are aware, Total acquired a 26.5% interest in the Area 1 concession and in the Mozambique LNG Project (Project) on 27 September 2019 and consequently Mozambique Area 1 Lda. ("TEPMA1") took over the status of operator of the Project from that date. Total E&P The project includes the development of the "Golfinho e Atum" fields and the construction of two liquefaction units with a total capacity of 13.1 million tons per year (Mt/y) on the Afungi peninsula, Palma District, Province of Cabo Delgado.

With reference to your letter, the Project is concerned that it includes certain speculations, inaccuracies and approximations and therefore we would like to provide reasoned answers. We have used the questions in your Annex II as a framework for our response and you will find that it will also cover many of the issues raised in your letter and its Annex I. In compiling our response, it is important to note that the Project engages regularly with organizations of civil society that make up the Palma Civil Society Platform. These engagements included visits to Vila de Quitunda and the agricultural land replacement zone. Recently, the Project received a visit from JA! at the Project site. We encourage these meetings to support the Project and other stakeholders in resolving issues as they arise. While regular engagement takes place in Palma, we would like to remind you that the Project seeks direct engagement and also provides quarterly environmental and social performance updates for civil society organizations in Maputo. We would be delighted to meet with you to discuss the issues raised in your letter and we would like to have JA! present at the quarterly environmental and social performance updates. We hope to be able to communicate more with your organization.

Annex - Answers to Questions Contained in the JHA Charter (Annex II)

1. Environment and Climate Change (i)

As you justify your insistence on exploring fuels that contribute to the climate crisis, TEPMA1 recognizes that a project of this scale requires great attention to, whenever possible, avoid, minimize or compensate for environmental and social impacts. The Environmental Impact Assessment (EIA) was completed in June 2014 and is available on the Project website (<https://www.mzlng.total.com/sustainability/environment/environmental-licensing/environment-impact-assessment>). Upon completion of the EIA, the Project carried out a variety of studies, assessments, and more. Together, the results of this additional work are presented in the Summary of the Environmental and Social Impact Study (ESHIA), completed in May 2019, available at the following address: https://www.mzlng.total.com/sites/g/files/wompnd1596/f/atoms/files/mz-000-am1-hs-rpt-00002_eshia_executive_summary_and_update-05-19-2020.pdf.

- Climate Change

JA! raises the question of the project's compatibility with Total's climate policy. As reflected in the UN Sustainable Development Goals as well as the Paris Agreement, climate action must be articulated with the aim of eradicating poverty. This dual challenge is reflected in Total's goal of becoming, in a responsible way, one of the main players in the energy sector, providing more reliable, accessible and clean energy to as many people as possible. Despite the temporary reduction in energy demand during the Covid-19 crisis, global energy consumption must continue

to increase to respond to the needs of a growing and developing population. Energy scenarios, in line with the Paris Agreement objective of keeping global temperature increases "well below 2°C", as shown by the "Sustainable Development Scenario" (SDS) published by the International Energy Agency, which shows that natural gas will continue to have a significant place in the world's energy mix in the coming decades. Gas emits half the greenhouse gas of coal in power generation. In emerging markets, which are still heavily dependent on coal, it offers an immediate and affordable solution to combating rising greenhouse gas emissions. It is also a natural complement to renewable energies, of an intermittent and seasonal nature, thus guaranteeing the consistency of the product/electricity generation. The Project has lower emissions than average LNG projects of similar size, thanks to its "subsea to land" architecture and low native CO₂ content in the gas. Since TEPMA1 became operator in 2019, and as part of Total's climate commitments, the Project has focused its efforts on further improving energy efficiency and reducing carbon emissions in its activities, through low CO₂ emission turbines. For generation and recovery units of heat produced by these turbines. These actions will help reduce Project emissions by more than the equivalent of 0.5 million tonnes of CO₂ per year, bringing total annual emissions to the equivalent of 3.4 million tonnes of CO₂. Additional actions are currently being studied as well as measures to offset Project emissions with measures developed in cooperation with Total's Nature Based Solutions Teams. Details on Grupo Total's climate aspirations can be found in the latest edition of the Total Climate Report.

2. Leadership, Representation and Community Involvement (ii)

Considering the existing conflicts over the representation of leaders in the community of Senga, what are the concrete measures that the company is taking to ensure that the situation does not continue to follow a path of social rupture and exacerbated conflict?

- Community Dialogue

Inclusive, transparent and comprehensive stakeholder engagement is the foundation for building trust-based relationships with project stakeholders and for ensuring that project-affected parties are aware of and understand the project development process (including management of environmental and social impacts and risks) and are able to participate in and benefit from project development. In this sense, the development of good relationships with local communities is the basis for the construction and operations phases of the project. From the beginning, the Project sought to communicate with all community stakeholders and civil society organizations. This approach is defined in the Project's Stakeholder Engagement Plan, which complies with the requirements of Mozambican legislation and relevant international standards, including the International Finance Corporation (IFC) Policy on Environmental and Social Sustainability. The Community Stakeholder Engagement team has 48 employees, who work on a rotating basis, including 30 Community Liaison Officers and four Complaints Officers. In addition, the Project involves 40 Community Facilitators and has also worked with Resettlement Affected Communities to establish Community Resettlement Committees (70 residents from 5 communities) to ensure ongoing involvement regarding the implementation of the Resettlement Plan. Community Liaison Officers (CLOS) and Community Facilitators are assigned to specific communities as the main channel of engagement for village leaders, religious leaders, families, men, women and youth. Individuals, families and community groups are encouraged to raise concerns, questions and grievances through their CLOS or through a dedicated helpline. On average, there are 500 meetings with community members every month. Key issues addressed by communities include:

- Planning and content development
- Development of an ongoing quarterly project activity plan to ensure visibility of activities and inform planning activities and stakeholder engagement.
- Identification and promotion of various means of engagement, including community stakeholder engagement team development, Information, Education and Communication (IEC) materials, community radio and theater productions.
- Development of IEC materials on all project activities - including construction, environmental and social plans - to support all engagement activities.
- Establish and maintain community bulletin boards and nkutano (community meeting spaces)

Furthermore, an open dialogue is ensured with civil society organizations (CSOs) and non-governmental organizations (NGOs) at national, provincial and district. Individual meetings are organized with CSOs/NGOs, in addition to regular updating meetings. In Palma, the project partners seek to have monthly meetings with the Civil Society Platform of Palma. These commitments reflect the importance of civil society and NGOs as stakeholders in the project. The ongoing dialogue demonstrates the will to ensure transparency in the development of the project.

- Community Grievance Mechanism:

The Project has established a Community Grievance Mechanism through which local communities can raise their grievances and concerns. Complaints received to date focus on compensation issues and, in particular, verification of farm assets (i.e. annual and perennial crop counts), delays in payment of compensation compared to the date of signature of households; and damage claims.

- Communities of Senga

We assume that your reference to social disturbances and conflicts associated with the representation of Senga leaders refers to the long-standing dispute between the leader recognized by the government and another individual who, we understand, seeks to assume leadership and, therefore, the community representation. The Project engages with all community stakeholders, regardless of position, as set out in the Project's Stakeholder Engagement Plan. However, it is also recognized that, for certain activities, the Project must engage with officially recognized community leaders.

3. Resettlement, Compensation and Socio-Economic Development

None of the resettled families, to date, have received land for the practice of agriculture and (II) food production. What is the reason for this delay?

Is Total aware that the current situation imposed on these families makes their survival and subsistence unfeasible? (iv)

Negotiations to acquire compensation lands in the communities of Senga, Monjane and Macala are still ongoing (as of 2018). How long will it take to complete these negotiations?

Resettlement Land security for the construction and operation of the Project and the Mozambique LNG Project involves the physical displacement of the Quitupo community, as well as the economic displacement of families who farm land within the project area. In addition to the construction of nearshore and offshore infrastructure, project operations will involve the economic displacement of collectors between tides and commercial fishing activities. The reallocation takes place only when the consultation process is completed and the payment of compensation is made. The Resettlement Plan, dated 27 May 2016, was approved by the Government of Mozambique in November 2016 and is available online and at:

(<http://www.mzlng.com/Responsibility/Resettlement/Resettlement-Plan/>). The construction of the replacement village(Quitunda) started in 2018. Handover of the village and first resettlement took place in July 2019 and Phase 1 of the resettlement is completed. The project's resettlement process is conducted in accordance with IFC Performance Standard 5, which is one of the most stringent in this field. The main objective of resettlement is to improve or restore the livelihoods and living standards of displaced people. This is done through a combination of traditional activities and new livelihoods suited to the family context. It is noteworthy that most households practice diversified livelihoods, including a combination of agriculture, livestock, intertidal collection, fishing, business and, more recently, project employment. With regard to agriculture, most affected households practice short fallow seedling cultivation systems, involving the cultivation of several areas in various stages of reversion to secondary vegetation. With regard to the issue of delays in the provision of replacement agricultural land, it should be noted that the District Government is legally responsible for the provision of Replacement Agricultural Land. TEPMA1, as operator, has actively supported the District Government to identify, protect, research and allocate Replacement Agricultural Lands since the fourth quarter of 2017. Two areas involving the communities of Mondlane, Senga and Macala were identified. There were delays in the distribution of replacement farmland to affected households by accessing and relocating Phase 1 land, attributable to

situations beyond the Project's control: insurgent attack in Mondlane in the fourth quarter of 2017, which led to temporary interruption of activities;

- in 2018, the Project started the implementation of mechanized land clearing, but was interrupted in the fourth quarter of 2018 due to compensation requirements related to land use;
- in the first quarter of 2019, the project sought to restart these activities by facilitating meetings between applicants, communities and the district government, but insurgent attacks prevented the participation of relevant district government authorities; and work stoppage in March 2020 due to COVID-19. Given the delays in allocating replacement farmland, TEPMA1, as operator, provided physically displaced families with transitional staples to ensure that the potential impacts of reduced access to farmland are mitigated. Finally, the process of allocating land to host families and relocated households in Quitunda is now complete.

- Compensation

The process to identify potential areas to serve as replacement agricultural land involved several criteria, including proximity, land use and suitability of agricultural land. After the identification of potential areas, the communities whose territory these lands were located participate in processes to define territorial boundaries and assign land for use as replacement agricultural land for families affected by resettlement. While such land was given away as unused land, several community members subsequently claimed compensation for existing and/or past cultivation. It was agreed that existing users of the ceded lands will be compensated using the same structure used for families with machambas within the Project scope. To support compensation for existing land users, a land users survey has been implemented and an Agricola Replacement Land Offset Agreement has been drawn up. The process of signing agreements and compensation will occur as replacement agricultural land areas are developed. Other Issues From time to time, specific issues arise and we seek to resolve them promptly. As an example, JA! raises the issue of the Macala community that sent a letter to the Ombudsman on February 18, 2019, expressing dissatisfaction with the placement of landmarks in their agricultural fields/machambas. Although the letter was sent to the Government with the aim of raising an issue that is not directly related to the company, we understand that our approach of providing machambas compensation to land users in areas designated for development as replacement agricultural land has resolved this concern. Equally, JA! raises certain questions in relation to fishing communities. It is important to note that families relocated from coastal villages practice diversified livelihoods, as described above. Although the move has affected families' immediate access to the intertidal areas and fishing grounds, new community roads are being built to facilitate alternative access to the coast and the project has provided transport to facilitate movement from Quitunda to the coast. TEPMA1 is aware of the time it takes for individuals, families and communities to adapt to new circumstances and is supporting them to make this transition. It is important to note that on the Afungi Peninsula, there are also many examples of families located inland (eg Quitupo and Senga) that traditionally have access to the coast on foot to practice collecting and fishing between tides.

(v) What are the measures adopted by the company to, on the one hand, reduce existing social tensions and, on the other hand, prevent the project from deteriorating the living conditions of local families?

TEPMA1 is committed to supporting and contributing to socio-economic development at local, regional and national levels. The development of the project will catalyze socio-economic development in a large demographic and geographic space. Various management plans, including the regional development/project-induced migration management plan, the community health management and monitoring plan, the community malaria control plan, the local content and social investment plans, describe various contributions that impact management and development. Additionally, TEPMA1 was also involved in mitigating the impacts of substantial challenges faced in the province of Cabo Delgado and especially in the north of the country in the last two years. In 2019, TEPMA1 actively supported humanitarian relief efforts associated with Cyclone Kenneth. In 2020, after heavy rains and the collapse of bridges and the loss of supply routes to the northern districts, TEPMA1 provided the provincial government with a vessel for 5 months to facilitate the transport of basic products (food, fuel) from Pemba to Mocimboa da Praia and onwards to the

populations in the northern districts of the province, actively contributing to humanitarian assistance and to the vulnerability of the population in general.

(vi) What measures is the company taking to protect the rights and interests of the most vulnerable social groups?

Regarding vulnerability, the implementation of the Resettlement Plan includes the development and implementation of the Vulnerable Persons Support Program (VPP) that aims to identify and help these families. In addition, a Resettlement Monitoring and Evaluation team was created to track the implementation of resettlement programs (including livelihood restoration and development and VPP) and confirm that they have achieved the intended results. Such monitoring will also assess changes in the socio-economic context; changes in the family situation; the effectiveness of proposed livelihood restoration plans and thereby enable the ongoing evolution and adaptation of livelihood restoration programs to achieve stated objectives. As part of this process, the resettlement monitoring and evaluation team is also developing the database to track the well-being of resettlement-affected families. Safety and Social Tension TEPMA1, as an operator, works in collaboration with the government and all stakeholders to promote a safe working environment for its workers and local communities. As far as we know, social or security tensions are not related to the gas projects. A community-based security plan was developed, aligned with IFC principles. TEPMA1 applies the United Nations Voluntary Principles on Security and Human Rights (VPSHR). Since taking over the operation of the Project, TEPMA 1 has maintained the security organization created by the previous operator (Anadarko), adapting it to the increase in construction works and the start of maritime activities. Relations with the Mozambican public security forces are governed by a framework agreement dated 1 March 2019, between the Government of Mozambique and the companies operating the MozLNG Project and the Rovuma LNG project (whose operations are managed by Exxon Mobil onshore and by ENI offshore). Public security forces are deployed, under the command of the Mozambican Ministry of Defense, on the Afungi Peninsula to ensure the safety of project operations, workers and population. Systematic training in VPSHR is provided to members of the public security forces involved in protecting the project site.

4. Social Change Management

(vii) What is Total's action plan, together with the other parties involved (local government, resettlement committees, civil society), to effectively reduce the occurrence of the various problems raised here?

(viii) How can Total be "committed to respecting Human Rights, wherever it operates", considering the worsening social conditions caused by its projects, especially for the most vulnerable and unprotected populations?

TEPMA1, as an operator, has developed and is in the process of implementing a set of social management plans aimed at ensuring that possible impacts are managed. These include: - stakeholder engagement, resettlement, - project-induced migration management, - community health management and monitoring, - community malaria control plan, - social investment strategy focusing on health, education and economic diversification.

While the substantive details of these plans and their contribution to the management of social change are not detailed in this letter, the Induced Migration Management Plan The project includes, as an example:

- promoting multi-stakeholder structures,
- designing spatial and urban planning,
- promoting awareness of accelerating rates of socio-economic change,
- strengthening the community to promote the management and ownership of such changes,
- community health program, natural resource assessment and management, etc.

In addition to managing issues directly raised by Project activities, our aim is to establish a foundation for the long-term development of communities. For that reason, through the social investment strategy, the project also acts in activities within the community in general to promote

social development, such as health, education and economic diversification. For example, Technoserve was contracted to develop and implement the five-year Catalisa program that promotes agribusiness (poultry, eggs and horticulture) in selected districts of Cabo Delgado province. Similarly, Pathfinder International was contracted to implement a 5-year integrated community health program in the district of Palma and Vila de Mocimboa da Praia. These programs are aligned with the development priorities identified in the Action Plan for the Reduction of Absolute Poverty approved by the Government of Mozambique. In summary, TEPMA1 and its partners are strongly committed to supporting broad socio-economic development at the local, regional and national levels. Far from having a negative socio-economic impact, the development of the project is expected to catalyze socio-economic development in a large demographic and geographic space. Human Rights TEPMA1 is committed to respecting Human Rights and complies with the Universal Declaration of Human Rights, the principles set out in the ILO's fundamental conventions, the United Nations Guiding Principles on Business and Human Rights and the Voluntary Principles on Security and Human rights. As early as 2015, a specific Human Rights Impact Assessment (HRIA) was carried out. In early 2020, a review of these studies was launched with the aim of evaluating the measures in place and updating the HRIA.

5. Pandemic of Coronavirus and COVID-19 in the Project Operations Area

(ix) What steps were taken within the company's premises to prevent the spread of the disease?

(x) Considering the vulnerability of local communities to the COVID-19 pandemic, what steps were taken a priori (prior to confirmation of the first case of COVID-19)?

(xi) When will Total extend the massive COVID-19 testing effort to local communities that have been exposed to this disease by Total workers?

(xii) What concrete measures is the company taking to prevent its cleaning workers, cooks and other basic service providers, who move between the company and its communities, from being infected by the virus?

(xiii) We are aware that on April 8th, that is, 6 days after the discovery of the first cases of COVID-19 in workers at Afungi the company decided to close down part of its activities, although others remained. Regarding this semi-stop, we would like to request the following clarifications:

• Which sectors of the company are in operation during the state of emergency? • Why can't these activities be stopped?

• What are the protection and hygiene measures implemented and what is the level of protection for workers involved in these activities?

The health and safety of workers and contractors is our priority. All necessary measures are implemented to ensure the safety of personnel working in the respective areas. As of February 2020, 3,800 people were working at the project site in Afungi. Part of the team was housed in the camp at the project site, while another part was housed in neighboring villages. Since the beginning of March 2020, TEPMA1 teams were actively following the development of the global crisis and preparing for the appropriate response. On March 11, Mozambique announced the mandatory 14-day quarantine in countries from countries affected by the epidemic. for incoming travelers After the first cases of Covid-19 in Mozambique on 22 March, and after the first case at the Afungi project site, TEPMA1 significantly reduced staff at the project site. On 11 May, there were only 420 people at the project site, in charge of ensuring the security and maintenance of the camp and equipment, against 3,800 in February 2020. On 1 April, TEPMA1 identified and immediately declared to the competent authorities the first case of Covid-19 at the Project site. Upon detection of this case, TEPMA1 immediately cordoned off the site and stopped all engagement activities with local communities in order to avoid risks of virus transmission in the area. Additionally, in contact with the health authorities, TEPMA1 carried out an identification of all cases of close contact, implemented a plan to reduce staff and activities at the project site, and carried out disinfection campaigns and systematic PCR tests of the staff who remained in the camp. On 28 May, the National Institute of Health declared that the project's camp in Afungi was "under control" for Covid-19 and did not present any risk of transmission to the outside. On June 7, at a press conference, the Ministry of Health announced that TEPMA1 was authorized to resume its operations, and must apply all health protocols in force. TEPMA1 implemented, in conjunction with the Mozambican health authorities, strict measures for all categories of workers, in order to be able to remobilize and resume construction activities in the health and safety conditions necessary for its workers, subcontractors and neighboring communities. Finally, TEPMA1 supported and

continues to support the Mozambican authorities, in addition to its own operations, to help them manage the epidemic (for example, donation of: masks and other protective equipment; kits and reagents for PCR samples; rehabilitation of part of the Provincial Hospital of Pemba (50 beds) to serve as an isolation ward; assembly of a PCR laboratory in Pemba; purchase of 5 fans and infrared thermometers for health centers in the Province of Cabo Delgado; donation of a tent isolation for the health center in Palma). In addition to the above, several implementing partners worked in the communities of Palma and Afungi to sensitize communities about the coronavirus and the use of appropriate measures to prevent and mitigate the transmission of the virus

Signed:
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