

Dear Mr or Ms:

Thank you for your letter to our Chairman in which you express your deep concern about Total's presence in Myanmar. Let me start by assuring you that we have shared, and continue to share the concerns you and others have about the political situation and the human rights issues in this country.

Feedback from many parts of the general public has encouraged us to think hard about our involvement in Myanmar. Although this process is, at times, not easy, we have learned that there are no magic answers to operating in such difficult circumstances.

We are very aware of how important it is to listen to what society expects from us. That is why we invite journalists and independent observers to visit our operations and assess our impact. We engage with international NGOs working locally to develop options which will have a positive impact on the lives of people in Myanmar. We also listen with care to our neighbours - the 50,000 people living in the 25 villages surrounding our pipeline, as well as those living in other parts of the country.

In the area around the Yadana gas pipeline, people say that they are pleased with the presence of the company. They appreciate the fact that Total provides free medical care, increased opportunities to earn a living through agricultural and micro-credit programmes and better educational opportunities than they would have if we were not there.

More significantly, people say they are grateful for the fact that all forms of forced labour in the area where Total operates have been eradicated. We regularly express our concern about this unacceptable and unlawful practice to the Myanmar authorities and we have a good record of ensuring that there is no forced labour in the villages in the pipeline area.

We also realise that our impact on society reaches beyond the direct area where we operate. That is why we decided to undertake humanitarian programmes on a national basis, including support for orphanages, surgery for glaucoma (with the Helen Keller Foundation) and a prevention and treatment programme for AIDS. The design and outcome of these programmes are observed by independent specialists as well as by humanitarian organisations working in Myanmar. International Organisations and NGOs in Burma as well as in the neighbouring countries

know the reality of the situation, talk about the merits of our programmes with respect, appreciation and consider forms of cooperation.

The people in Burma know it well too and, most frequently, urge us to stay. They tell us they are eager to improve their quality of life and they see western investment in general and our company's more specifically, as a sign of hope for their future, as one of the too few windows on the external world that they need to develop an understanding of what's going on beyond their borders.

For all these reasons, you will understand that we cannot agree with statements about the negative impact of our engagement in Myanmar; neither can we accept being blamed for absence of result of such engagement at the national level when in fact, many countries have carried out a policy of isolation and sanctions over the last decade; As a result of such policies, foreign investment in Myanmar decreased from 2.3 billion US\$ to 128 million between 1996 and 2006. It seems rather unreasonable to support those coercive measures and, while achieving such results, to ask those who favour a different approach, to accept the blame.

As a matter of fact, we believe that there is a close link between economic development and the progress of human rights. Boycotts and divestment policies simply hurt the people and delay the return of the targeted country to the international community, especially when the country in question is outside the mainstream of the global economy. This opinion is widely shared by a great number of experts worldwide, as well as of governments in Europe and in south-east Asia. Their position stems from historical analyses. Myanmar needs more openness, more dialogue and more commitment. We think the presence of western companies has a valuable contribution to make.

We are constantly trying to develop a clearer understanding of the dilemmas that we face in Myanmar. Being there brings responsibility, but a decision to leave the country would entail similar responsibilities; you are certainly aware of the fierce competition taking place between Asian countries for their energy supplies, as necessary to the continents economic development. We know that if our presence in Myanmar were ended, we would immediately be replaced by other operators who might not apply the same social or ethical standards.

There would be no real impact on the Burmese States revenues or on the political debate, but there would certainly be a negative effect on its people. As long as we believe our operations on the Yadana project can also contribute to the welfare of the people of Myanmar, we are committed to staying in the country and to demonstrating that our presence is more beneficial for the Myanmar people than our absence could be.

Although we certainly do not have all the answers, we are constantly trying to adapt our approach to address the concerns that you express in your letter. We hope that, over time, our work in Myanmar will demonstrate that more clearly to you.

Yours faithfully,

Jean-François Lassalle
E&P Vice President Public Affairs