



04.

**CORPORATE
SOCIAL
RESPONSIBILITY**



AS A SOCIALLY-RESPONSIBLE COMPANY, IFP ENERGIES NOUVELLES TAKES INTO ACCOUNT SOCIAL, ENVIRONMENTAL AND ECONOMIC ISSUES WHEN CONDUCTING ITS ACTIVITIES.

It is committed to carrying out efficient R&D while meeting its responsibilities to its stakeholders. This approach is reflected in its human resources policy, its actions in terms of health, safety and the environment, its quality policy and its commitment to local development.

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A DYNAMIC AND PROACTIVE HUMAN RESOURCES POLICY



Initiation day for new recruits at IFP Energies nouvelles.

Human resources policy is a key performance factor since it is this that ensures the company has access to the skills it requires to implement its strategy, particularly within a constantly evolving environment like the energy sector.

ANTICIPATION AND FLEXIBILITY

IFP Energies nouvelles' human resources policy makes the identification and anticipation of the skills required to meet the challenges of tomorrow – particularly in the field of new energy technologies – a priority. This policy has made it possible to gradually shift the focus of R&D activities towards NETs. For example, IFP Energies nouvelles first began looking at power electronics, essential for vehicle electrification, back in the early 2000s.

To facilitate this strategic steering of human resources, a forecast-based management of jobs and skills initiative was introduced and implemented on 1st January 2010. A genuine management tool serving the company's strategy, this initiative is designed to more accurately anticipate the human resources required to fulfill its public interest missions. The first step in the process, involving mapping of jobs and skills, was completed in 2010. This will provide the Human Resources Division with a clearer vision of the current situation and will help it draw up strategies for the future. It is also designed to give employees a clearer view of how they fit within IFP Energies nouvelles and guide their career path in coordination with their management. Because it is employees who are the key players in any change.

Building on traditional skills

Numerous skills acquired by IFP Energies nouvelles in its traditional fields of activity can be transposed to new energy technologies. For example, expertise developed in oil exploration and production is now being applied to CO₂ storage and monitoring. Refining skills can be used for biomass conversion. And IFP Energies nouvelles draws on its powertrain experience to work on vehicle electrification. This scientific and technical continuity facilitates the construction of career paths within the company and the development of NET-related activities.

Anticipation and flexibility are therefore fundamental to ensuring that the skills of personnel remain constantly in line with strategic objectives. This is achieved through the professional development of employees within the company and the IFP Energies nouvelles group as a whole, as well as through training (in 2010, every employee at IFP Energies nouvelles benefited from at least 3 days of training).

PROFESSIONAL INTEGRATION

CONTRIBUTING TO THE INTEGRATION OF DISABLED PEOPLE

IFP Energies nouvelles has forged a successful partnership with the Jacques Arnaud de Bouffémont professional reclassification center, in the Val d'Oise region. This center prepares people with disabilities for jobs in the chemistry sector in the context of professional reclassification. IFP Energies nouvelles contributes to this training, delivering courses free of charge and participating in the qualification-awarding jury. It also provides day-long tours of its Rueil-Malmaison site, giving students the opportunity to gain a more concrete understanding of chemical-sector professions. Finally IFP Energies nouvelles has also hosted a few placement students from the last intake: an interesting way of creating a potential recruitment pool.

3

days is the average number of training days allocated to every IFP Energies nouvelles employee in 2010.

HUMAN RESOURCES POLICY IS A KEY FACTOR FOR ANTICIPATING THE SKILLS OF THE FUTURE.

An attractive employer



In November 2010, a study conducted by Randstad France ranked IFP Energies nouvelles among the six most attractive companies in the Lyon region of France (category: intermediate goods and automotive industry). The criteria for the barometer related to job security, job interest, salary, atmosphere at work, future prospects, personal/work life balance, company health and its location.

Supporting new recruits

The main role of the induction mentor is to help new arrivals identify their various contacts within the company, to ensure each stage of integration specific to their job runs smoothly and, more generally, to make sure they integrate well during the first year. A broader mentor approach was already in place prior to 2010 to provide support to research grant holders, young employees on alternating work/study contracts, placement students and disabled staff.

The integration of new recruits and personnel moving within the company is also crucial. It is for this reason that IFP Energies nouvelles offers these employees a two year development plan, including an induction mentor system. A seminar is also organized for new recruits to familiarize them with the company and help them build up a network to facilitate their integration.

DIVERSITY, A SOURCE OF PERFORMANCE

Disability, inter-generational solidarity, sexual equality, multiculturalism, diversity of profiles and skills, etc.: for IFP Energies nouvelles, diversity in all its forms is an additional factor for individual and group performance.

As far as the integration and job security of disabled employees is concerned, the commitment made by IFP Energies nouvelles in this area is reflected by training, adaptation of workstations, professional retraining, the development of partnerships with the protected sector and the hiring of employees on permanent, fixed-term and alternating work/training contracts.

To help young people gain access to the job market, apprenticeship and professionalization contracts are offered every year in such varied businesses as chemistry, computing, secretarial services, logistics, accounts, economic research, etc.

Finally, IFP Energies nouvelles supports the integration of young people in difficulty, in partnership with the Rueil-Malmaison town council.

This young vocational technical certificate student, accompanied by his mentor, is supplementing his theoretical training with a two-year internship in IFP Energies nouvelles' Communications Division.



47

different nationalities are represented at IFP Energies nouvelles.

WHAT OUR PARTNERS HAVE TO SAY...

A TRAMPOLINE FOR YOUNG PEOPLE IN DIFFICULTY

“ We've been working closely with IFP Energies nouvelles

for a number of years as part of the *Tremplin vers l'entreprise* (Trampoline into business) professional integration system for young people in difficulty. We particularly appreciate IFP Energies nouvelles' commitment to providing support for these young people, whose confidence it restores through its educational approach and by offering them close monitoring and putting them into real-life situations, with the objective of preparing them for professional life.”

Patrick Ollier

Mayor of Rueil-Malmaison
Minister for Parliamentary Relations

IFP ENERGIES NOUVELLES IS DETERMINED TO GET EXTERNAL COMPANIES WORKING ON ITS SITES MORE INVOLVED IN ITS SAFETY PROCESSES."



Workplace first-aid course.



Cécile Sauvage
Quality, Safety and
Environment Division

REDUCING RISKS IN ALL THEIR FORMS

Raising personnel awareness

IFP Energies nouvelles organizes HSE⁶ seminars every year intended to raise employees' awareness of health and safety practices. In 2010, these seminars were dedicated to road traffic accidents between home and work.



An innovative project in the field of psycho-social risk

Between October 2009 and November 2010, Anact⁷ conducted a census of psycho-social risk prevention initiatives implemented by companies on a European scale. At the end of this study, IFP Energies nouvelles was ranked among the 40 most innovative companies in this area.

The health and safety management system (SMS) at IFP Energies nouvelles is based on OHSAS¹ standards. Results over the past ten years have been good, especially in the field of accident prevention, where the number and seriousness of work accidents has been falling (frequency rate² of around 3 and seriousness rate³ below 0.1).

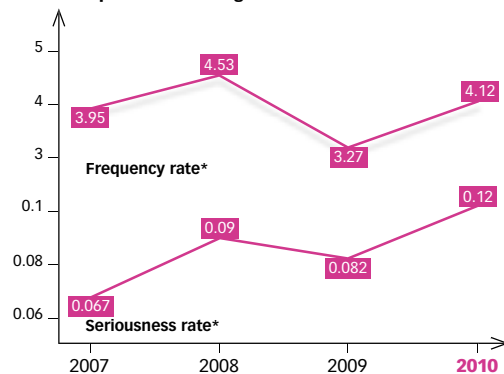
IFP Energies nouvelles is determined to extend its safety policy to include external companies working on its sites. To measure the effects of these efforts, since 2009 the monthly accident score card has included a frequency rate common to all IFP Energies nouvelles and external company employees. The target set for 2012 for all these personnel is fewer than 10 accidents resulting in time off work (frequency rate of below 3). In addition, an audit performed in 2010 specifically

took into account external companies in IFP Energies nouvelles' safety management system. This will lead to such companies being more closely involved in safety processes.

Furthermore, Mase⁴ certification is required of sub-contractors present on the Lyon site for more than 2,000 hours per year and carrying out risky activities or working in high-risk zones. This standard was created on the initiative of the petrochemicals and chemicals sectors. A member of the Mase Rhône-Alpes steering committee since 2006, IFP Energies nouvelles is also part of the Île-de-France steering committee for Mase Normandie created in 2010.

Aware of the consequences of psycho-social risks in the field of occupational health, IFP Energies nouvelles has been implementing a dual strategy of prevention and treatment of alerts for the last two years, as an integral part of its health and safety policy. The objective is to enhance group performance by improving well-being at work. The intervention process makes managers central to the system and provides for a true support unit composed of representatives from the Human Resources Division, the Occupational Health service and the CHSCT⁵. In addition, all the players involved have been trained in the detection of alerts and the implementation of the process.

Accident frequency and seriousness rates now take into account all personnel working on the site.



* IFP Energies nouvelles personnel + external companies

- Occupational Health and Safety Assessment Series, international specification in the field of occupational risk prevention
- The number of accidents resulting in time off work per million hours worked
- The number of days off work per thousand hours worked
- Manuel d'amélioration sécurité des entreprises (Company safety improvement manual)
- Health and Safety at Work Committee
- Health, Safety, Environment
- Agence nationale pour l'amélioration des conditions de travail (French National Agency for the Improvement of Working Conditions)

9.6%

of products on offer in IFP Energies nouvelles canteens are produced by organic agriculture. The target set by the *Grenelle de l'environnement* is 20% by 2012.

24

waste collection networks have been set up by IFP Energies nouvelles.

95%

of cleaning services in IFP Energies nouvelles premises are completed during the day to improve the working conditions of subcontractors. The target set by the State as part of the Exemplary Administration Plan is 40%.

AN ECO-FRIENDLY COMPANY

IFP Energies nouvelles' environmental policy fits squarely with the commitments of the *Grenelle de l'environnement* (France's environment round table). It aims to reduce the company's environmental footprint through proactive initiatives, related to saving natural resources, waste management, the implementation of a personnel mobility plan or the renovation and construction of buildings using an HEQ⁸ approach. Awareness-raising actions also ensure personnel are informed about these issues. Finally, suppliers and external companies operating on IFP Energies nouvelles sites are involved in this eco-friendly approach, which is taken into account in call for bids processes.

Where natural resources are concerned, IFP Energies nouvelles has set up a system for measuring and analyzing its gas, electricity and water consumption (divisional meters, centralized technical management of buildings). In 2010, an energy diagnosis was made of all tertiary buildings and this will lead to the development of a facility and building modernization plan (boilers, improved insulation, etc.). Another focus of attention is waste sorting: 24 different collection networks are in place (chemical products, batteries and accumulators, aerosols, paper and cardboard boxes, green waste, etc.).

IFP Energies nouvelles' commitments and good practices in the field of sustainable development also apply to property management at its Rueil-Malmaison and Lyon sites. For example, the property master plan revised in 2010 stipulates that all new or renovated buildings must anticipate thermal regulation RT 2012, take into account low-energy building specifications and make use of renewable energies, in particular photovoltaic cells.

With respect to personnel mobility, a proportion of the company's vehicle fleet was replaced by low-carbon vehicles in 2010 (bringing the fleet's CO₂ emissions to an average of 130 g/km in anticipation of the official standard that will come into force in 2012). Electric vehicles are also used by the maintenance and catering services. Finally, the increased availability of teleconferencing systems makes it possible to reduce traveling between sites.

In addition, IFP Energies nouvelles' powertrain R&D activities at the Rueil-Malmaison site is ISO 14001-certified.

8. HEQ: High Environmental Quality

Responsible purchasing

IFP Energies nouvelles has applied a responsible purchasing policy for a number of years, hinged around an ethics code shared with its partners and formalized in a charter.

Less water!



Between 2006 and 2010, water consumption was reduced by 45% at all IFP Energies nouvelles sites.

QUALITY SERVING EFFICIENCY

The IFP Energies nouvelles quality policy is designed to meet the needs of its customers and partners. It is also guided by a quest for efficiency, in terms of both costs and resources. In addition, it is based on the structured management of innovation. Set up in 2010, the objective of this system is to more accurately target societal expectations and optimize R&D project portfolios in order to remain in tune with the requirements of industry.

Broader certification

In 2010, certification of R&D activities in the fields of resources, processes and transport was renewed in accordance with ISO 9001:2008 standards and extended to cover exploratory research. It now covers 100% of R&D activities.



All IFP Energies nouvelles' research activities are ISO 9001-certified.

SUPPORTING THE LOCAL ECONOMIC FABRIC



“Chemistry Valley” in the Rhône-Alpes region of France.

Inter-company travel program



The *Association pour le développement durable de la Vallée de la chimie* (Association for the sustainable development of Chemistry Valley), chaired by Pierre-Henri Bigeard, Director of the IFP Energies nouvelles Lyon site, set up an inter-company travel program in 2010 encouraging car-pooling, which has increased significantly within a year. Consultation with regional urban transport organizers has also led to a greater frequency of buses and trains in the area concerned.

IFP Energies nouvelles’ social responsibility is also reflected by the support it gives to development in the regions where it operates or with which it interacts. By bringing together research, training and industry, IFP Energies nouvelles contributes to both local innovation and appeal. This approach coincides with the growing importance given by public authorities to regions in terms of research, particularly through competitiveness clusters.

IFP Energies nouvelles’ Rhône-Alpes site is the leading research center in the Lyon urban community, with almost 700 employees. Its commitment to the region is illustrated by its involvement in the Axelera¹ and LUTB² competitiveness clusters, of which it is a founding member, and in Tenerrdis³ in which it is a participant. It is also coordinating the collaborative platform project based in the Rhône-Alpes region led by Axelera, known as Axel’One. It will be able to use this to reinforce and increase its partnerships with players in the region. IFP Energies nouvelles is also a member of the Lyon higher education and research cluster (PRES), in partnership with Inrets⁴ and Cemagref. Finally, as part of the Investment for the Future government-backed spending program, IFP Energies nouvelles has submitted a themed excellence institute project in the field of low-carbon energies⁵, dubbed Indeed⁶. The aim of this project is to create a technological innovation campus on low-carbon industrial processes in “Chemistry Valley”.

In the Aquitaine region, IFP Energies nouvelles supports local players – especially SMEs – in their economic development. It chairs the Avenia competitiveness cluster, dedicated to the geosciences sector in Aquitaine (responsible development of fossil energies, geological CO₂ storage, underground energy storage, industrial geothermal science). Awarded the “eco-technologies” label in May 2010, the cluster brings together over one hundred companies specializing in geosciences and energy, research centers and training bodies. In addition, in order to set up industrial biomass energy conversion processes, IFP Energies nouvelles is conducting research on a pilot torrefaction unit inaugurated in January 2010 in Pau, as part of the Prebiom project.

In the Île-de-France region, where it has its main site, IFP Energies nouvelles is a founding member of the global competitiveness clusters, System@tic and Mov’eo, and also participates in the Astech Paris Région cluster. As part of the Mov’eo cluster, it is involved in the creation of an innovation platform for the development of hybrid vehicles, dubbed Mov’eo-Dege. It is also leading a themed excellence institute on communicating low-carbon vehicles (VeDeCoM) as part of the Investment for the Future program.

In addition to actions linked to its regional location, IFP Energies nouvelles is also involved in joint projects led by the regions. This is the case with Futurol, in particular, a research and development project focusing on the biological production of 2nd-generation bioethanol, labeled by the Industrie and Agro-Ressources cluster (Champagne-Ardenne region). Another example is the BioTfuel project, supported by the Picardie region, which is exploring thermochemical processes.

Finally, on a national scale, IFP Energies nouvelles is involved in the regional implementation of Ademe and Oseo initiatives, contributing to expert assessment of applications and participating in regional juries granting awards and prizes to companies and innovative projects.

1. *Chimie-Environnement Lyon et Rhône-Alpes* (Chemistry-Environment in Lyon and the Rhône-Alpes region)

2. *Lyon Urban Truck & Bus*

3. *Technologies énergies nouvelles énergies renouvelables Rhône-Alpes, Drôme, Isère, Savoie* (Technology, new energies, renewable energies in the Rhône-Alpes, Drôme, Isère, Savoie regions)

4. *Institut national de recherche sur les transports et leur sécurité* (French National Institute for Transport Research and Safety)

5. *IEED*

6. *Institut national pour le développement des éco-technologies et des énergies décarbonées* (French National Institute for the Development of eco-technologies and low-carbon energies)

FOCUS ON...

NEW PROJECTS FOR THE RHÔNE-ALPES CLUSTERS

WHAT OUR PARTNERS HAVE TO SAY...

AN ACTIVE PARTNER TO BOOST THE VITALITY OF "CHEMISTRY VALLEY"

IFP Energies nouvelles is an essential player in the approach we are implementing in "Chemistry Valley"

both in terms of its role within the Axelera competitiveness cluster and as a partner in the development of new R&D platforms, such as Axel'One and Indeed. Eco-technologies and environmental chemistry are important factors in terms of attractiveness and we feel that these projects – through the Investment for the Future program in particular – will have a lasting effect on regions in the next 20 years. We also appreciate the quality of our relationship with IFP Energies nouvelles, which is one of proximity and exchange."

David Kimelfeld
Vice-President of Grand Lyon responsible for economic development

INDUSTRY Controlling the environmental impact of industry: that is the main objective of two new projects launched in 2010 in the fields of chemistry and transport for the Axelera and LUTB competitiveness clusters.



Axelera

Controlling the environmental impact of chemistry

Launched in 2010, the Metisse⁷ project is aimed at better controlling the impact of chemical products and processes on the environment. To do this, it will involve the two key groups of players: chemical product manufacturers and finished product manufacturers. The former want to take into account societal and environmental issues when launching new products. The latter are also affected by the issue of sustainable development, from a societal, business and regulatory point of view.

Ensuring better control of processes

Developing new analytical tools to control industrial processes: such is the objective of the InnovAL project launched in 2010. Coordinated by IFP Energies nouvelles and Arkema, it brings together 13 partners. It will be extended by the creation of a Master's program dedicated to industrial analysis, bringing together the Claude Bernard Lyon 1 University and the University of Seattle (USA).

Lyon Urban Truck & Bus

Environmentally-friendly trucks

Coordinated by Renault Trucks with the assistance of IFP Energies nouvelles and PVI, the MelodyS⁸,



Testing system to study process intensification.

project, partially funded by Ademe as part of the demonstrator fund, plans to produce three demonstrator trucks weighing 12 to 15 tons for urban deliveries. The powertrain will consist of either an electric motor fed by rechargeable batteries on an electric network or a range extender (IC engine) and rechargeable batteries. The vehicle will offer an all-electric mode enabling it to make urban trips without any local CO₂ emissions and with low noise levels. IFP Energies nouvelles will contribute to the definition of the energy storage systems, simulation of the rechargeable hybrid vehicle in real-use conditions and, finally, powertrain control and optimization.



Lyon bus running on very low-sulfur gas oil.

Cleaner buses

The ELiSUP⁹ project, launched in 2010 as part of the Ademe's demonstrator fund, aims to test two types of demonstrators: a hybrid bus fitted with batteries that are adapted for recharging at the end of each route, and an all-electric bus with associated running costs similar to those of a diesel vehicle. The latter will have an innovative architecture with an enhanced charge capacity, fitted with wheel motors and energy storage in the form of lithium batteries and supercapacitors. It also plans to study and test a rapid recharge system at the end of bus routes. Coordinated by Iveco-Irisbus, the project brings together nine partners, including IFP Energies nouvelles, which contributes to the study and modeling of battery pack thermal properties and control of the hybrid powertrain through the provision of real-time platforms.

7. Maîtrise environnementale de technologies et indicateurs standards d'éco-conception (Environmental control of technologies and standard eco-design indicators)
8. MEdium duty & LOw emission for DYStribution
9. Autobus Électrique à batteries au Lithium et SUPercapacités (Electric bus with lithium batteries and supercapacitors)