



**Integrating climate  
into strategy**

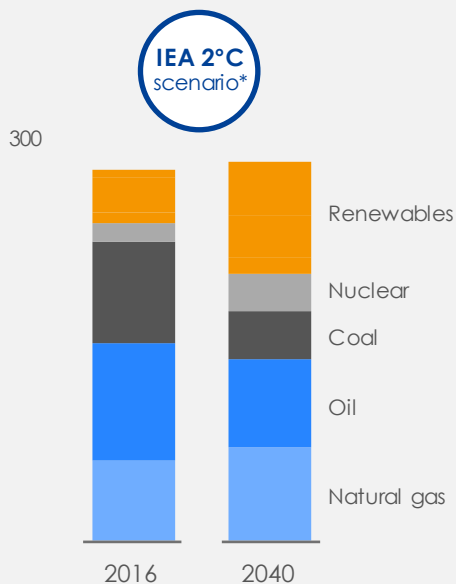
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President Gas, Renewables & Power  
President Strategy-Innovation

# Integrating climate into strategy

## Taking into account anticipated market trends

Global energy demand  
Mboe/d



\* IEA Sustainable Development Scenario

Focusing on  
**oil** projects  
with **low  
breakeven**



Expanding  
along the  
**gas value  
chain**



Developing  
profitable &  
sizeable  
**low carbon  
electricity  
business**



# Improving our operations

30% reduction of GHG emissions since 2010 on operated production



## Energy Efficiency improvement

- Objective: -1% /year  
2010-17: 10% reduction achieved
- Reducing E&P Flaring: zero routine flaring by 2030 2010-17: > 80% reduction achieved
- R&C: 300 M\$ capex investment plan to improve energy efficiency

## Methane

- 2017 Upstream emission intensity < 0.3%
- Reducing sustainably this intensity below 0.2%

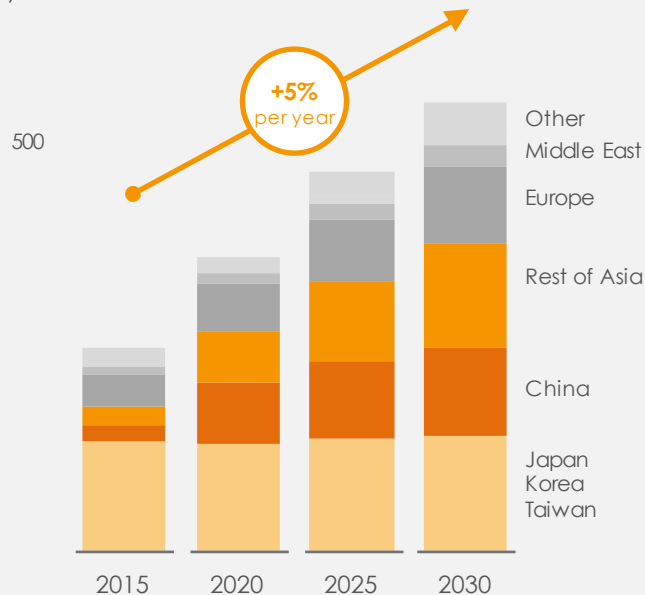
## Carbon price

- CO<sub>2</sub> price embedded in investment decisions

# Integrating along the gas value chain

Market leader in a growing gas market

2015-30 LNG demand  
Mt/y



## 2<sup>nd</sup> LNG player

- 40 Mt/y managed in 2020
- 10% market share
- Well positioned on key producing areas

## Creating new LNG markets

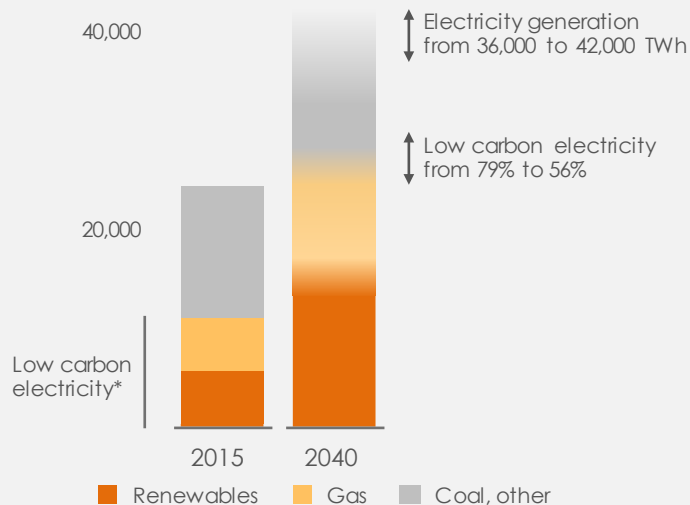
- Developing LNG to Power through FSRU in emerging countries
- Pioneer in LNG for transportation
  - Bunkering: CMA-CGM
  - Road transportation: Clean Energy

## Gas Marketing

- Develop B2B and B2C gas marketing

# Developing a profitable low carbon electricity business

2015-40 electricity generation  
TWh



## Solar, wind and gas: x 2.5 over 2015-40

Solar: +9-13%/y Wind: +6-9 %/y Gas: +2-3%/y

\* Gas and renewables. Source: IEA scenarios - SDS, NPS, CPS

## Low carbon power generation

- Early positioning with Sunpower
- Over 10 GW within 5 years from CCGT and renewables

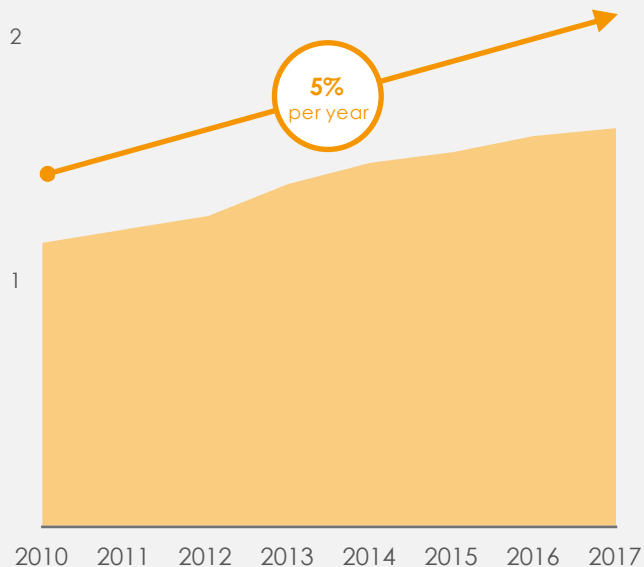
**Batteries** to support renewables, developing **Saft in Energy Storage Systems**

## Marketing electricity

- 15% market share B2C in France and Belgium by 2023 (vs. 6% and 9% in 2017)

# Further decarbonating our hydrocarbon products

Biofuels world consumption  
Mboed



**Supportive government policies**

**#1 European biofuel distributor** in 2017  
with 2.4 Mt/y

**Starting-up HVO production** in La Mède  
(500 kt/y, 12% of HVO market share in Europe)

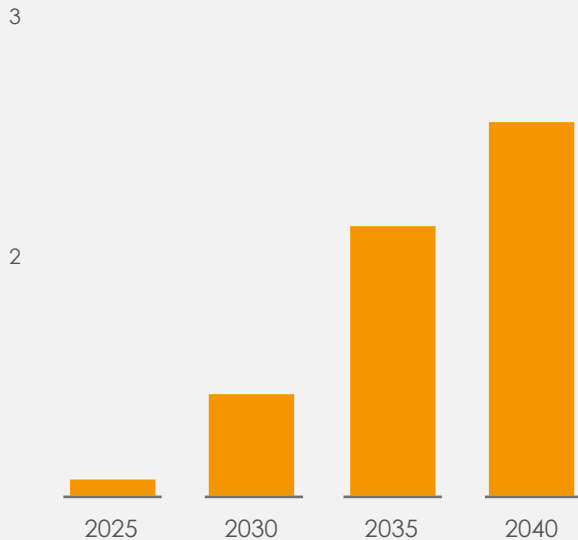
Exploring **biogas** opportunities

Strong **R&D efforts**

- Next generation biofuels (BioTfuel)
- Open innovation through start-ups (TEV)

# Towards carbon compensation for the long run

CO<sub>2</sub> volume capture as per IEA SDS scenario  
Gt/y



**Carbon sinks mandatory** to reach zero net emissions by second half of the century

**CCUS:** looking for profitable business model

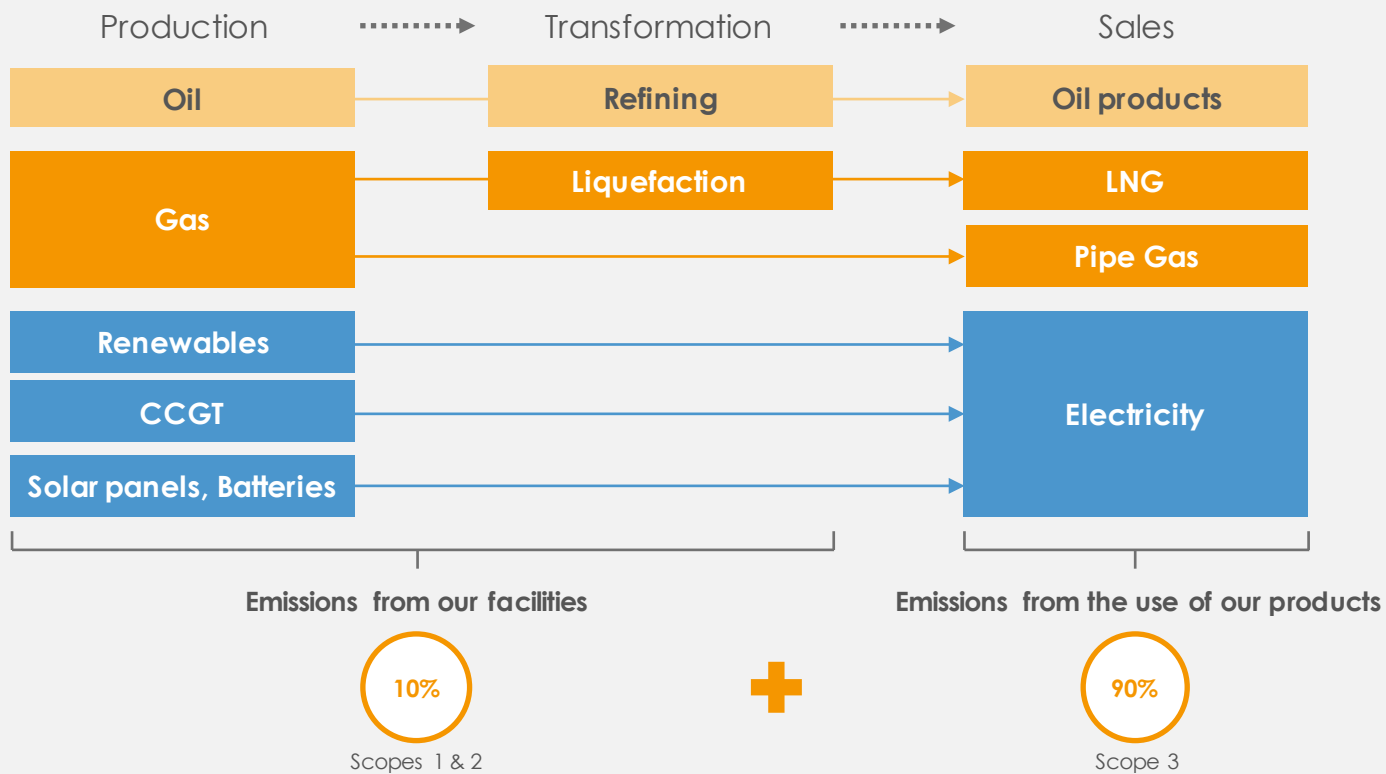
- 10% of R&D program
- Successful pilot in Lacq
- Investing in Northern Lights project, Norway
- Contributing to OGCI climate fund

**Forests**

- Investing in preservation of forests, mangrove and humid zones (Total Foundation)

# Carbon Intensity indicator of our energy sales

Weighted average of scope 1+2+3 emissions of all energy products sold



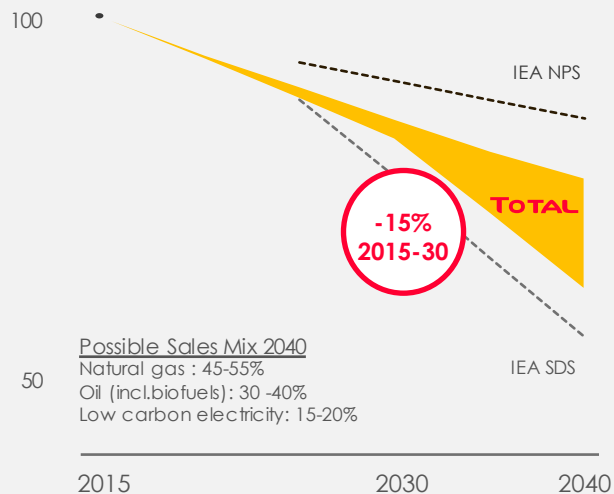


# Reducing carbon intensity of our energy sales

## Responsible contribution to tackle climate challenge

### Carbon intensity

Base 100 in 2015 (75 gCO<sub>2</sub>/kbtu)



NPS: New Policy scenario ~2.7°C by 2100

SDS: Sustainable Development scenario ~2°C by 2100

Further improving our **operations efficiency**

Growing in **natural gas**

Developing **low carbon electricity**

Increasing **biofuels**

Investing in **carbon sinks** (CCUS & forests)  
post-2030

# Disclaimer

This document may contain forward-looking information on the Group (including objectives and trends), as well as forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, notably with respect to the financial condition, results of operations, business, strategy and plans of TOTAL. These data do not represent forecasts within the meaning of European Regulation No. 809/2004.

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Financial information by business segment is reported in accordance with the internal reporting system and shows internal segment information that is used to manage and measure the performance of TOTAL. In addition to IFRS measures, certain alternative performance indicators are presented, such as performance indicators excluding the adjustment items described below (adjusted operating income, adjusted net operating income, adjusted net income), return on equity (ROE), return on average capital employed (ROACE) and gearing ratio. These indicators are meant to facilitate the analysis of the financial performance of TOTAL and the comparison of income between periods. They allow investors to track the measures used internally to manage and measure the performance of the Group. These adjustment items include:

## (i) Special items

Due to their unusual nature or particular significance, certain transactions qualified as "special items" are excluded from the business segment figures. In general, special items relate to transactions that are significant, infrequent or unusual. However, in certain instances, transactions such as restructuring costs or asset disposals, which are not considered to be representative of the normal course of business, may be qualified as special items although they may have occurred within prior years or are likely to occur again within the coming years.

## (ii) Inventory valuation effect

The adjusted results of the Refining & Chemicals and Marketing & Services segments are presented according to the replacement cost method. This method is used to assess the segments' performance and facilitate the comparability of the segments' performance with those of its competitors.

In the replacement cost method, which approximates the LIFO (Last-In, First-Out) method, the variation of inventory values in the statement of income is, depending on the nature of the inventory, determined using either the month-end price differentials between one period and another or the average prices of the period rather than the historical value. The inventory valuation effect is the difference between the results according to the FIFO (First-In, First-Out) and the replacement cost.

## (iii) Effect of changes in fair value

The effect of changes in fair value presented as an adjustment item reflects for some transactions differences between internal measures of performance used by TOTAL's management and the accounting for these transactions under IFRS.

IFRS requires that trading inventories be recorded at their fair value using period-end spot prices. In order to best reflect the management of economic exposure through derivative transactions, internal indicators used to measure performance include valuations of trading inventories based on forward prices.

Furthermore, TOTAL, in its trading activities, enters into storage contracts, which future effects are recorded at fair value in Group's internal economic performance. IFRS precludes recognition of this fair value effect.

The adjusted results (adjusted operating income, adjusted net operating income, adjusted net income) are defined as replacement cost results, adjusted for special items, excluding the effect of changes in fair value.

Euro amounts presented herein represent dollar amounts converted at the average euro-dollar (€-\$) exchange rate for the applicable period and are not the result of financial statements prepared in euros.

This document also contains extra-financial performance indicators, including a carbon intensity indicator for TOTAL energy sales that measures the weighted average greenhouse gas emissions of energy products sold by TOTAL, from their production in TOTAL facilities to their end use by TOTAL customers. This carbon intensity indicator covers, besides direct GHG emissions of TOTAL (scope 1), indirect GHG emissions (scopes 2 and 3) that TOTAL does not control (for the definitions of scopes 1, 2 and 3, refer to Total's Registration Document).

Cautionary Note to U.S. Investors – The SEC permits oil and gas companies, in their filings with the SEC, to separately disclose proved, probable and possible reserves that a company has determined in accordance with SEC rules. We may use certain terms in this presentation, such as resources, that the SEC's guidelines strictly prohibit us from including in filings with the SEC. U.S. investors are urged to consider closely the disclosure in our Form 20-F, File N° 1-10888, available from us at 2, Place Jean Millier – Arche Nord Coupole/Regnaulf - 92078 Paris-La Défense Cedex, France, or at our website: [total.com](http://total.com). You can also obtain this form from the SEC by calling 1-800-SEC-0330 or on the SEC's website: [sec.gov](http://sec.gov).