SN#63
THE SHAREHOLDERS’ NEWSLETTER
Summer 2020

STRATEGY
Action Plan in Response to Oil Price Plunge

CLIMATE
A New Climate Ambition to Get to Net Zero by 2050

FOR YOU
2019 Final Dividend Payable in Cash or Shares

SPECIAL ISSUE
Annual Shareholders’ Meeting
Dear Shareholders,

As I made clear during our Annual Shareholders’ Meeting, which many of you – more than 1,700 – followed via our website, this is an exceptional period. In addition to the health crisis associated with the Covid-19 pandemic, we’re also facing an oil and gas market crisis and, of course, the major challenge of climate change.

First, I’d like to point out that the strategy implemented by Total since the last major oil crisis in 2015-2016 has made us more resilient during this period, thanks to our solid fundamentals. These include:

- Oil production costs that are close to $5 per barrel,
- A disciplined approach to our organic investments, which are designed to preserve $7.5 billion of our cash. To achieve this, the plunge in oil and gas prices will reduce our cash flow for 2020 by around $9 billion.
- If prices average $30 a barrel between March and December 2020, we expect to achieve a $3 billion in 2020. At the same time, certain producing countries have abandoned their commitments, which many of you – more than 1,700 – followed via our website, this is an exceptional period. In addition to the health crisis associated with the Covid-19 pandemic, we’re also facing an oil and gas market crisis and, of course, the major challenge of climate change.

In addition to meeting these short-term challenges, Total is also resolutely pursuing its medium- and long-term strategy as a major player in the energy transition. We’ve adopted a new climate policy, with the ambition of achieving net-zero emissions across all our operations by 2050 alongside the broader community. It’s a strong, demanding ambition that we won’t achieve alone, but with our customers and with the communities and governments in our host countries. We’re already putting this ambition into action by developing into a multi-energy group with an integrated strategy. We firmly believe that our low-carbon strategy gives us a competitive advantage that will create value for our shareholders over the long term.

As for the shareholder return policy, I’ll sum up our approach in four key words: confidence first; then responsibility and caution; and finally, dialogue, which is a constant. We attach great value to our long-term relationships with our shareholders, particularly our individual shareholders who form a loyal and stable group. For us, it’s a question of confidence. Our shareholders believe in us, and we don’t want them to keep believing. We therefore leverage the confidence we have in our business and financial fundamentals to maintain the confidence of our shareholders.

Confidence has led us to maintain the first interim dividend for 2020 at the same level as in 2019, at €0.66 per share. However, responsibility and caution have compelled us to abandon the mid-year share buyback objective, which was announced back in September 2019 under very different circumstances. Similarly, confidence has allowed us to maintain the 2019 dividend as planned prior to the pandemic, at €2.68 per share in total, representing a final dividend of €0.68 per share, while responsibility and caution have prompted us to offer you the option of receiving the final dividend for 2019 in new shares. The Board and I are counting on you to consider this option carefully. It’s also a way of rewarding our loyal shareholders, because those who opt for the stock dividend will benefit from a 10% discount – the maximum allowed – with the price per share at €28.80.

The Group’s employees once again confirmed their attachment to Total this year by participating massively in the annual capital increase reserved for employees. This makes me very proud. It also strengthens my conviction that, together, we’ll be able to get through this extraordinary chapter in our history.

Thank you for your loyalty,

Patrick Pouyanné,
Chairman and Chief Executive Officer of Total
Action Plan in Response to Oil Price Plunge

Global energy demand declined because of the global economic shutdown caused by the pandemic. At the same time, a supply crisis was triggered by the untimely decisions made by certain producing countries, which decided to increase their production just when demand was declining.

Total had to react quickly to adjust to the new context. In addition to the impact of lower oil and gas prices, which are expected to reduce our cash flow for 2020 by around $9 billion, based on an average price of $30 a barrel from March, the crisis also has a significant impact on our operational outlook for 2020, resulting in a loss of earnings of at least $3 billion, on top of the impact from lower prices.

Total therefore needs to react and adapt. That means excelling in the areas that we control, and more specifically in the four areas on which our industrial culture is built — safety, availability, costs and cash.

- **Safety:** The first cornerstone of our action plan has been broadened, in light of the pandemic, to include all aspects of HSE — health, safety and the environment.
- **Availability:** This is our operational excellence. We need to capitalize on our industrial assets — while giving priority in these difficult times to the continuity of our operations — so that we can improve their availability and maximize their utilization rates when demand picks up.
- **Costs:** Obviously, this is about keeping our capital expenditure and our production costs under control.
- **Cash:** Cash is king. It’s the Group’s lifeblood. That’s why generating and preserving cash is essential in these difficult times.

Total is therefore implementing an action plan that will enable us to rapidly impact the areas we control. The effort required is significant because we’re aiming to preserve $7.5 billion in cash.

<table>
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<tr>
<th>Net investments</th>
<th>25% reduction</th>
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<tr>
<td>- $4bn</td>
<td>Organic capex: leverage the flexibility of short-cycle projects (Agipak, etc.)</td>
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<td>Low-carbon electricity maintained at $1.5-2bn</td>
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<th>Operating expenses savings</th>
<th>2020 objective: $1bn</th>
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<td>- $1bn</td>
<td>+ $1bn in energy savings</td>
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<td>Freezing recruitments except in key areas for the future: new energies, digital, etc.</td>
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<th>Shareholder return</th>
<th>Stop Buyback: $550m instead of $250m</th>
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<td>- $2.5bn</td>
<td>Scrip option on 2019 final dividend only</td>
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With a net-debt-to-capital ratio excluding leases of 17% at end-2019, Total has a solid balance sheet and the flexibility necessary to get through the crisis.

Thanks to these measures, Total is confident in its ability to stand firm in this newly deteriorated environment.
Reykjavik at the Annual Shareholders’ Meeting on May 29, 2020.

The terms of office as Directors of Patricia Barbizet, Marie-Christine Cosine-Roquette and Mark Cutifani were renewed for three years at the Annual Shareholders’ Meeting. Marie-Christine Cosine-Roquette also took over the role of Lead Independent Director from Jérôme Contamine, who no longer qualified as an independent director after serving on the Board for 12 years.

Article of Association of Total S.A.

The shareholders at the Annual Meeting of May 29, 2020 declared a dividend of €2.68 per share for the financial year 2019, up nearly 5% from the previous year, with the option of receiving payment of the final dividend in cash or in new shares at a discounted price. Given the amounts already paid out in the form of interim dividends, the final dividend comes to €0.68 per share. The share price of the new shares to be issued as payment of the final dividend has been set at €28.80.

Payment schedule for 2019 final dividend

<table>
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<tr>
<th>Shareholders</th>
<th>ADS holders</th>
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<tbody>
<tr>
<td>Ex-dividend date</td>
<td>June 29, 2020</td>
</tr>
<tr>
<td>Payment in cash or new shares</td>
<td>July 16, 2020</td>
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*For information on when and how to opt for the payment in new shares, please contact your financial intermediary.*

Conversion to a European company

Shareholders at the Annual Meeting of May 29, 2020 approved the conversion of Total S.A. to a European company corporate form and the corresponding amendments of its Articles of Association to adapt them to its new legal form.

The change in the company’s legal form better reflects Total’s European dimension. Its new status as a European company will ensure that Total’s benefits, in the eyes of its stakeholders, from the image that Europe enjoys worldwide as an economic power, a vast pool of talent, a center of excellence in technology and a leader in sustainable development. It also better reflects Total’s reality as a resolutely international group with operations in more than 130 countries and a strong European base. As of December 31, 2019, more than 70% of Total’s revenue came from Europe, and more than 60% of its workforce is located in Europe.

Thanks to this conversion, the company will have a legal form common to all countries in the European Union. The legal form has been adopted by numerous European businesses, including companies listed on the Paris stock exchange.

The company’s registered office will remain unchanged.

2020 DIVIDEND

First Interim Dividend of €0.66 Per Share

Set at the same amount of the 2019 first interim dividend, the first interim dividend for 2020 will be paid, in cash only, according to the following schedule:

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<th>Shareholders</th>
<th>ADS holders</th>
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<tr>
<td>Ex-dividend date</td>
<td>September 25, 2020</td>
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<tr>
<td>Payment in cash</td>
<td>October 2, 2020</td>
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Contact us

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Other countries: +33 (0)1 47 44 24 02

Key Figures from the 2020 Annual Shareholders’ Meeting

Quorum: 63.03%

All resolutions approved by the Board were adopted with more than 90% of the votes cast in favor. The shareholder resolution proposing an amendment of Article 19 of the Articles of Association (Financial Year - Financial Statements), which was not approved by the Board, was rejected by shareholders (83.5%) against.

A detailed breakdown of the resolution voting results can be found on www.total.com.
Upcoming Events

June 29, 2020
Ex-dividend date for the 2019 final dividend

July 30, 2020
Results for second-quarter and first-half 2020

September 19, 2020
VFB online investor fair (Belgium)

September 25, 2020
Ex-dividend date for the first interim dividend for 2020

September 30, 2020
Total Investor Day

October 12, 2020
Shareholders meeting in Annecy (France)(1)

October 15, 2020
Shareholders meeting in Clermont-Ferrand (France)(1)

October 30, 2020
Results for third-quarter 2020

November 5, 2020
Euronext Conference in Lyon (France)(1)

November 19, 2020
Shareholders meeting in Rennes (France)(1)

December 5, 2020
Master Investor Show in London(1)

(1) If sanitary rules in force at the time of the event allow it.