

SN#64

THE SHAREHOLDERS' NEWSLETTER

Fall 2020

TOTAL ENERGY OUTLOOK

Which energies
in 2050?

STRATEGY

Total accelerates
its transformation

Total, increasing energy
while decreasing
emissions



CHAIRMAN'S MESSAGE



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Dear Shareholders,

On our last Investors' Day on Monday, September 30, we presented Total's strategy and outlook. Growing energy demand and getting to Net Zero are the two global trends underpinning the Total Energy Outlook, and thus the development prospects of the world energy markets that Total integrates into its strategy.

Increasing energy while decreasing emissions. Total's strategy is to transform itself into a broad energy company by profitably growing energy production from liquefied natural gas (LNG), and renewables and electricity, the two fastest-growing energy markets, aiming to create long term value for its shareholders. In the next decade, Total's energy production will grow by one third, half from LNG, half from electricity, mainly from renewables. We are the second world LNG player and our ambition is to be in the top five producers of renewables. The Group will progressively scale up profitable investments in renewables and electricity, from 2 to 3 billion dollars per year, representing more than 20% of its capital investments in 2030. Total is also committing more than 1 billion dollars over the next ten years to the e-mobility revolution, by investing in battery manufacturing and EV charging. In parallel, the Group will focus on low-cost oil projects, privileging value over volume. Total will adapt refining capacity and petroleum product sales to demand, by decarbonizing part of its products by increasing the biofuels share, particularly in Europe.

Total confirms its ambition to get to Net Zero by 2050, together with society for its global business. Total will reduce the emissions related to products used by its clients in Europe by 30%, in absolute value, by 2030. This decrease in Europe allows Total to take the new commitment to reduce the absolute level of the worldwide emissions of its customers in 2030 compared to 2015. Total's sales mix will become 30% oil products, 5% biofuels, 50% gas (including biomethane and low-carbon hydrogen) and 15% electrons, essentially renewables.

In the current uncertain environment, Total remains focused on what it controls (Health Safety Environment, delivery, costs and cash) with a view to continuously improve its organic breakeven below 25 dollars per barrel oil equivalent. Discipline and flexibility will be maintained on capital investments with 13-16 billion dollars over 2022-2025 assuming an oil price between 50 - 60 dollars per barrel. Considering the short-term uncertainty and the low price environment, capital investment for 2021 should be below 12 billion dollars while maintaining investments in low carbon electricity at 2 billion dollars.

Accelerating its shift to low carbon business while growing its Upstream production by around 2% per year between 2019 and 2025, the Group confirms a cash flow growth of 5 billion dollars by 2025 and a return on equity greater than 10% in a 50 dollars per barrel environment.

"With its strategy to become a multi-energy company while offering a high-yield dividend, Total is a compelling investment case supporting stock rerating."

Based on this outlook and given the resilience shown by the Group, the Board reaffirms its confidence in the Group's fundamentals and confirms that the dividend is supported at 40 dollars per barrel.

Being a Total shareholder means being a privileged player in the energy transition. Thank you for your loyalty.

Patrick Pouyanné
Chairman and Chief Executive Officer of Total

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LATEST NEWS



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South Korea Offshore wind

In September, Total and Macquarie's Green Investment Group (GIG), concluded a 50/50 partnership to develop a portfolio of five large floating offshore wind projects in South Korea with a potential cumulated capacity of more than 2 gigawatts (GW). The partners aim to launch construction of the first project of around 500 megawatts by end 2023.



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Europe Batteries

Groupe PSA/Opel and Total/Saft signed an agreement in September for the creation of a joint venture dedicated to the manufacture of batteries in Europe: Automotive Cells Company (ACC). Total/Saft will contribute its expertise in Research & Development (R&D) and industrialization, and Groupe PSA its knowledge of the automotive market and its experience in mass production. The R&D center in Bordeaux and the pilot site in Nersac (France) have already started in order to develop the new high-performance lithium-ion cell technologies. At the end of this R&D phase, mass production could be launched in two "giga-factories", in Douvrin (France) and Kaiserslautern (Germany).



Find all our press releases on total.com under the heading 'Media'.

France Biofuels and bioplastics

In September, Total announced the conversion of its Grandpuits refinery into a zero-crude platform. By 2024, following an investment totaling more than €500 million, the platform will focus on four new industrial activities: production of renewable diesel primarily intended for the aviation industry, production of bioplastics, plastic recycling, operation of two photovoltaic solar power plants. Crude oil refining at the plant will be discontinued in the first quarter 2021 and storage of petroleum products will end in late 2023. Operations at service stations and airports in the Greater Paris region will not be affected: they will be supplied by the refineries at Donges and Normandy. Total will carry out this industrial redeployment with no layoffs, with early retirements and internal mobility within the Group's sites, providing each employee with an appropriate solution.



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Spain Renewables

In September, Total strengthened its presence in the Spanish electricity market through an agreement with the Spanish developer Ignis to develop 3.3 gigawatts (GW) of solar projects close to Madrid and in Andalusia. The first projects in the Ignis portfolio are scheduled to start in 2022, with the ambition of bringing them all into production by 2025. This operation brings to more than 5 GW Total's portfolio of solar projects under development in Spain by 2025. This solar power portfolio will enable the Group to cover all the electricity consumption of its industrial sites in Europe by 2025.

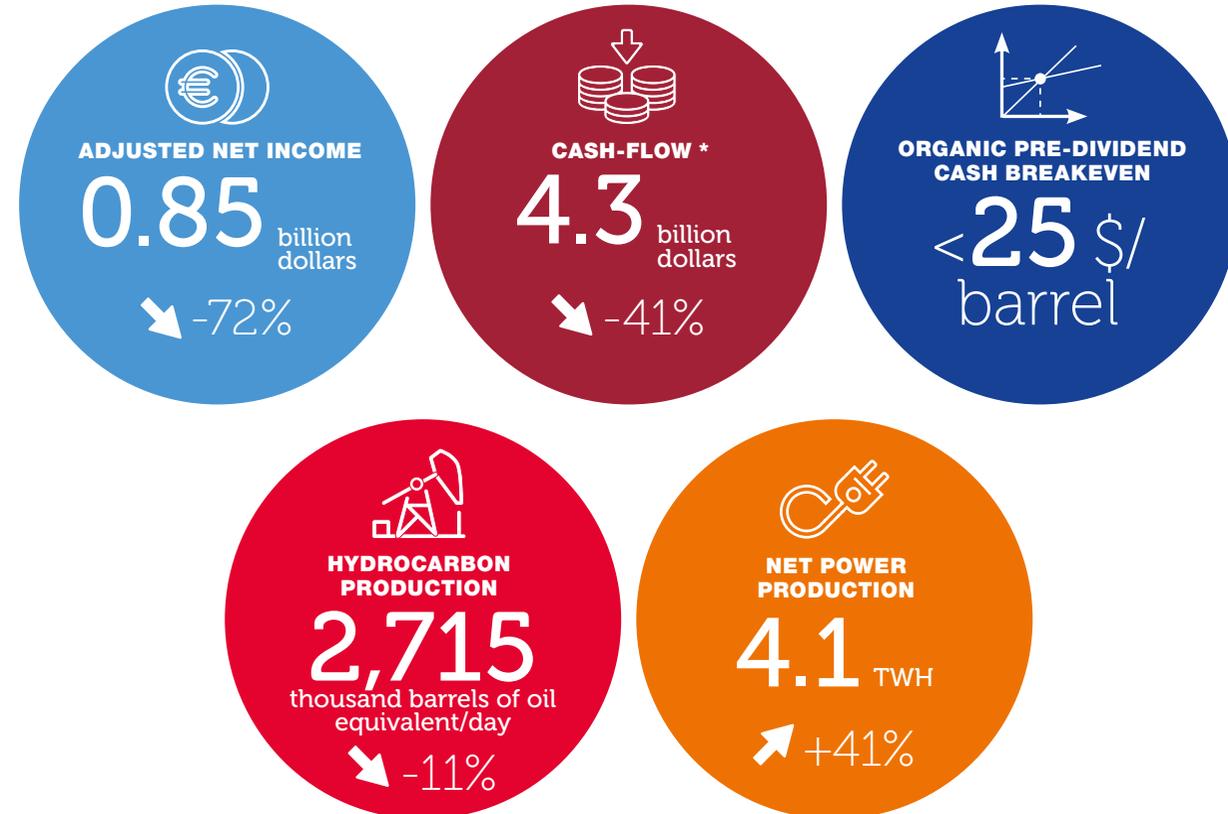
United Kingdom Electrical Vehicle charge points

Total is taking over the management and operation of the largest electric vehicle charging network in London, which includes over 1,600 on-street charge points. Already active in the installation and operation of charge point networks in the Metropolitan Region Amsterdam (Netherlands) and the Brussels-Capital Region (Belgium), this acquisition reinforces Total's position as a key player in electric mobility in Europe. Total is continuing its development in major European cities, in line with its ambition of operating more than 150,000 electric vehicle charge points by 2025.

KEY FIGURES for 3rd quarter 2020

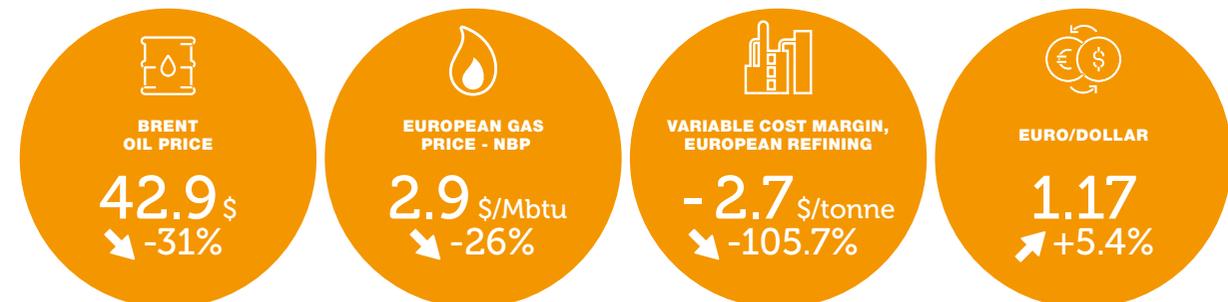
Find the main results for the 3rd quarter 2020 published on October 30 and consult the main indicators for the same period. The variations are expressed relative to the 3rd quarter 2019.

Our results



*Debt-adjusted cash flow (DACF)

Indicators



ANALYSIS

“Total confirms resilience at 40 dollars per barrel and maintains dividend.”

By Jean-Pierre Sbraire
Group Chief Financial Officer



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After a second quarter in which the Group faced exceptional circumstances with oil prices falling below \$20 per barrel and a very strong slowdown of global activity linked to the health crisis, the Group benefited in the third quarter from a more favorable environment, with oil prices above \$40 per barrel thanks to strong OPEC+ discipline as well as the demand recovery for petroleum products for road transportation. However, the environment was mixed, with low natural gas prices and severely depressed refining margins due to excess production capacity relative to demand and high inventories.

In this context, the Group is once again demonstrating its resilience thanks to its integrated model by generating cash flow (DACF) of more than \$4 billion, conforming to forecasts with a \$40 per barrel crude price, and reducing gearing by 22% given its investment and cost discipline. Adjusted net income was close to \$850 million and the organic cash breakeven remained below \$25 per barrel.

Upstream carries the Group's results with adjusted net operating income of \$1.1 billion, notably thanks to low production costs of \$5 per barrel oil equivalent, despite lower LNG prices and a decrease in production. Given the strict discipline with which OPEC+ countries have applied quotas and the lack of production

in Libya until October 2020, the Group now anticipates full-year 2020 production below 2.9 millions of barrels of oil equivalent per day.

In Downstream, Refining faced losses while Petrochemicals resisted and Marketing & Services generated net operating income of more than \$400 million, better than in the third quarter 2019. Following the announcement of the sale of the Lindsey refinery in the United Kingdom in July, the Group continued to adapt its European refining with the conversion of Grandpuits in France to a zero-oil platform that will produce biofuels and bioplastics.

During the quarter, the Group accelerated the implementation of its renewable energy strategy, notably by acquiring a 3.3 GW solar portfolio in Spain and taking positions in floating offshore wind in South Korea and France. In addition to the gross renewable installed capacity of 5.1 GW at the end of the third quarter, the Group is developing a portfolio of 19 GW of projects, of which 9 GW already benefit from long-term power purchase agreements.

Confident in the fundamentals of the Group, the Board of Directors confirmed the third interim dividend payment maintained at €0.66 per share and reaffirmed that the dividend is supported in a context of \$40 per barrel, particularly in view of the results this quarter.

ADJUSTED INCOME
Result adjusted for exceptional items to establish a better comparison with previous periods.

Total Energy Outlook: which energies in 2050?

What kind of energy mix could meet growing energy demands while reducing carbon emissions to achieve the aims of the Paris agreement? To answer this question, Total has developed the *Total Energy Outlook 2020 (TEO)*, a vision of world energy demand in 2050.

To anticipate the possible developments in the global energy mix by 2050, Total has created the *Total Energy Outlook 2020*. The Group has modeled two scenarios – Momentum and Rupture – based on seven drivers of the energy shift: strong electrification of end-use, deep decarbonization of power supply, production of greener gas, sustainable mobility (in particular sustainable aviation fuels (SAF) and electric vehicles), optimization of plastics demand, CO₂ capture and storage and finally, energy efficiency.

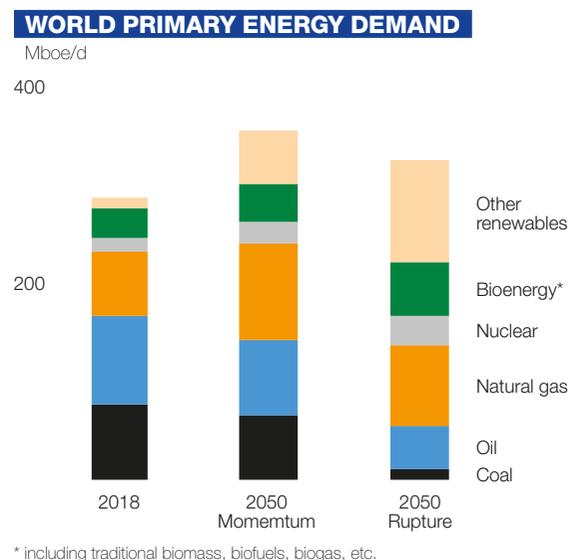
Momentum scenario: not enough to meet global warming targets at 2°C

The Momentum scenario is based on current and future energy policies being upheld (including the European Green Deal), as well as the massive deployment of proven technologies such as solar, wind and biofuels, aggressive deployment of electric vehicles, etc. In this scenario, in 2050, the primary energy demand will be up by 25% (i.e. +0.6% per year). Natural gas and renewable energies represent 28% and 26% respectively of world primary energy demand. Even if coal has gone in Europe, the leading continent in sustainable development and net zero, it is proving hard to phase out worldwide. The Momentum scenario leads to an increase in the average temperature between 2.5 - 3°C by 2100. To meet climate change requirements, even more ambitious hypotheses are therefore needed.

Rupture scenario: a radical change

The Rupture scenario shows the drastic changes required to curb temperature increase to 1.5 - 1.7°C by 2100: all countries committed to net zero, major technology breakthroughs with new industries at scale (hydrogen, synthetic fuels, carbon capture, etc.) and a primary energy demand up by only 0.4% per year. In this scenario, in 2050, electricity, hydrogen, biogas and biofuels represent over 50% of end use. Deeply decarbonized thanks to renewable

energies (solar and wind), electricity is the energy of the 21st century and also used to produce low-carbon hydrogen (or “green” hydrogen). World oil demand declines but is still significant in 2050 (~ 45 Mb/d) and coal almost totally disappears from the global energy mix. The natural gas demand continues to rise, in particular to ensure the stability and versatility of electricity grids. Biomethane and low-carbon hydrogen represent up to 25% of gas supplies in 2050. CO₂ capture and storage enables the decarbonization of fossil fuel emissions by 50%. Residual emissions will be processed using future technologies such as Direct Air Capture.



To learn more, take a look at the presentation *Total Energy Outlook 2020* on total.com > Investors > Results and investor presentations > Investor presentations.

Total, increasing energy while decreasing emissions

In anticipation of the evolutions expected and detailed in the Total Energy Outlook scenarios, the Group is accelerating the shift toward a Net Zero society.

Total's aim is to meet the growing world energy demand while developing an increasingly decarbonized energy mix, and ensuring ever greener operations.

Total is transforming itself into a broad energy company as part of an integrated strategy based on 4 pillars:



NATURAL GAS:

- Grow Liquefied Natural Gas production (world no.2) and develop biogas and clean H₂.
- Promote natural gas for power and mobility.



ELECTRICITY:

- Accelerate investments in electricity, primarily from renewables.
- Integrate along the value chain (production, storage, trading, supply).



OIL PRODUCTS:

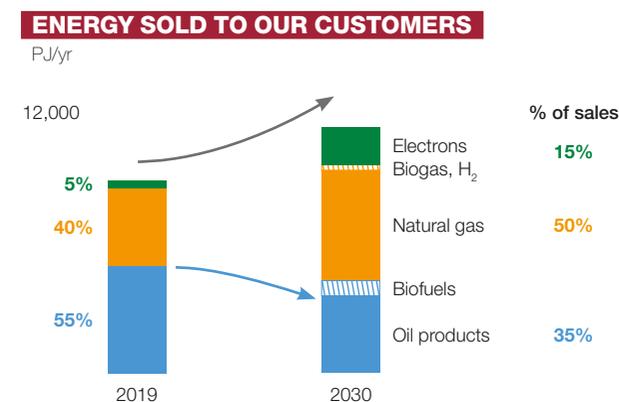
- Focus investments on low cost oil and biofuels.
- Adapt refining capacities and sales to demand in Europe.



CARBON NEUTRALITY:

- Invest in carbon sinks (forests, wetlands, etc.) and in CCUS (CO₂ capture, storage and use).

Implementing this strategy will lead to a diversification of the energy mix in the products Total sells to its customers:



In the next decade, oil products sales from Total will diminish by almost 30% and Total's sales mix will become 30% oil products, 5% biofuels, 50% gases and 15% electrons, essentially renewable.



Natural gas is one of the key factors in the energy transition.

Growing in gas...

Available, affordable and complementary to renewables, natural gas is one of the key elements in the energy transition. Total is currently the second world player in LNG and will continue to expand its business by developing biogas and low-carbon hydrogen, and by encouraging the use of LNG and electricity in mobility.

...and electrons primarily from renewables

For Total, electricity is the energy of the 21st century. The Group aims to accelerate investments in electricity, primarily from renewables. Developing an integrated business model from production to sales through storage and trading, Total is targeting 9 million customers by 2025.

Building on the strong impetus gained in 2020, Total will grow as a world leader in renewables, raising its objective to 35 GW gross capacity in 2025 (70% already in portfolio). The Group is a pioneer in floating offshore wind, with two major projects already under way: Erebus in the United Kingdom and Bada in South Korea

Privileging value over volume in oil

Total will focus on low-cost oil projects and biofuels. The latter will represent 10 to 15% of its fuel sales by 2030. The Group privileges value over volume and is growing its portfolio of oil projects, which all have a profitability of more than 15% in a \$50 per barrel context. The cash-flow generated by the Group's baseline activities will notably serve to finance investments in renewables.

Adapting energy sales to market evolution

As recently demonstrated with the Lindsey refinery divestment in the United Kingdom and the conversion of Grandpuits in France into a zero oil platform, Total will adapt refining capacity and sales of oil products to demand, particularly in Europe.

Alongside that, the Group will increase its biofuels production and sales. Renewable diesel production is expected to reach more than 2 Mt per year by 2025.

The Group is also committing more than 1 billion dollars over the next 10 years to the e-mobility revolution, by investing in battery manufacturing and EV charging, with a target of 150,000 charge points by 2025.

Investing in carbon sinks

Natural carbon sinks are effective means of capturing CO₂. In June 2019, the Group created a new Business Unit, Total Nature Based Solutions (NBS), dedicated to this activity. The Business Unit finances, develops and manages CCUS and decarbonization operations. The NBS Business Unit has benefited from a budget of \$100 million per year since 2020.

Total is also pursuing its commitment to the development of the CO₂ capture, use and storage (CCUS) business, a crucial element in its strategy. The Group allocates 10% of its Research & Development budget to CCUS.

The Group is thereby accelerating its shift toward a carbon neutral society by 2050.



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Total will invest more than 1 billion dollars over the next 10 years in the e-mobility revolution.

 To learn more, take a look at the presentation "From Net Zero ambition to Total strategy" on total.com > Investors > Results and investor presentations > Investor presentations.

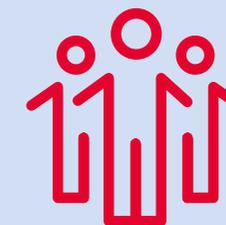
At Total, our priority is to keep you informed through listening and dialog on a daily basis. These questions are your questions.

Could the growing pressure on fossil energy producers impact Total share price?



Climate change is a major challenge for society as a whole. Total has therefore set itself a new ambition to get to Net Zero by 2050, together with society, for its global business. Total's mission is to satisfy growing energy demand while decreasing emissions by diversifying its energy mix. With a clear-cut and transparent strategy to become a broad energy company while offering a high-yield dividend, Total is a compelling investment case supporting stock rerating.

What proactive measures is Total taking for young people entering the labor market?



Total is committed to fostering the professional and social integration of young people in all locations where the Group is present, with assistance from educational and social players. In France for example, Total Foundation is creating Industreet, a campus specialized in the industry professions of tomorrow, located in Stains, Seine-Saint-Denis. The site is due to open in 2021 and will provide free tuition to 400 young people aged 18 - 25, with or without qualifications, to train them in fast-changing industrial professions experiencing shortages, and ultimately, help them enter the workforce. Total is also taking proactive initiatives as regards learning for young people, and has pledged to take on 1,600 young people on work/study contracts again this year. Another example: Total Foundation pledged a significant €60 million in financial support over 10 years to the French National Federation of Production Schools (FNEP). The aim is to have 100 Production Schools across France, providing professional training and qualifications to 4,000 young people aged 15 to 18 by 2028.

To learn more, visit the Total Foundation website <https://www.foundation.total/en>

Is the dividend likely to be paid in shares again?

A resolution must be voted and approved at the Annual Shareholders' Meeting if the dividend is to be paid in new shares. At the Annual Shareholders' Meeting on May 29, 2020, it was decided that only the remainder of the dividend for 2019 was to be paid in new shares. This means that all the quarterly interim dividends for 2020, paid up to the next Annual Shareholders' Meeting in 2021, will be paid in cash only. Remember that the purpose of paying the dividend in shares is to limit cash outflow when the context does not lend itself to the payment of the dividend in cash. Given the resilience

shown by the Group, the Board of Directors confirmed that the dividend is supported in a \$40 per barrel environment.



DIVIDENDS

Total maintains its dividend

The Board of Directors met on October 29, 2020, and declared the distribution of the third 2020 interim dividend at €0.66 per share, stable compared to the first and second 2020 interim dividends. This interim dividend will be paid in cash exclusively, according to the following timetable:

	Shareholders	ADS holders
Ex-dividend date	March 25, 2021	March 23, 2021
Payment in cash	April 1, 2021	April 19, 2021

SHAREHOLDER MEETINGS

Keep up to date

In view of the current health crisis, we are obliged to cancel the usual shareholder meetings. Dialog with shareholders must continue regardless, so we have diversified our presence in a variety of digital formats: VFB online Investor Fair in Belgium, Master Investor Show in the United Kingdom and Investir Day in France. You can watch the replays of the webconference by Jean-Pierre Sbraire, Group Chief Financial Officer, on Total Strategy & Outlook, and the presentation by Helle Kristoffersen, President, Strategy-Innovation, on our Renewables strategy on the investirday.fr website. You can also attend the webconference live on December 10, or the replay, by Ladislav Paszkiewicz, Senior Vice President, Investor Relations, on lerevenu.com. We will be pleased to meet you again in person as soon as the situation permits.



ANNUAL SHAREHOLDERS' MEETING

Total rewarded for its close ties with shareholders

For its 2020 Annual Shareholders' Meeting, Total received the Award for Shareholder dialog, from the Institute for Responsible Capitalism (IRC). The Jury praised the time dedicated to discussions with shareholders (60 minutes for questions & answers compared with 11 minutes on average in the CAC 40), and the specific platform for questions. The Jury gave the Award for a practice that demonstrates a tailored response to shareholder dialog at Annual Shareholders' Meetings in the unusual context of remote Annual Shareholders' Meetings.

ANNUAL SATISFACTION SURVEY

Thank you for your loyalty

This year, almost 6,000 of you answered our annual satisfaction survey, sent to shareholders who subscribe to our financial communications. Over 92% of those who answered declared that they were satisfied or extremely satisfied with Individual Shareholder Relations. More than 97% praised the JDA; we extend you our thanks. All your answers and comments contribute to the continuous improvement approach adopted by the Individual Shareholder Relations Department, constantly aiming to provide answers that meet your expectations.

SHAREHOLDERS' CLUB

Events adapted to the current health crisis

During the epidemic period, it is impossible for the shareholders' Club to run as usual. Guided tours have had to be canceled. Some of them will be postponed until 2021 if the situation permits. We have tailored our offer to ensure that you can still choose from a range of events. As we are unable to prepare a program over several months, we will send you e-mails when new events are put online on the shareholders' Club. Visit your website <https://e-cercle.total.com> which has just been modernized. We hope that the situation will return to normal as soon as possible so that we can meet you in person again next year.

A much-appreciated webconference

Over 230 of you attended our webconference on the Total strategy & outlook presented by Laurent Toutain, Head of Individual Shareholder Relations, on October 14, 2020. Many of you praised the initiative and requested further webconferences in the future. We will therefore be informing you of similar events in the coming months.

Upcoming events

December 05, 2020

Virtual Master Investor Show (UK)

December 09, 2020

Interactive webconference on Group Strategy & Outlook with Le Revenu

January 04, 2021

Ex-dividend date for the 2nd interim dividend for 2020

March 25, 2021

Ex-dividend date for the 3rd interim dividend for 2020

May 28, 2021

Total Annual Shareholders' Meeting

June 24, 2021

Ex-dividend date for remaining 2020 dividend



Contact us

Individual Shareholder Relations Department

2, place Jean Millier
Arche Nord - Coupole/Regnault
92078 Paris La Défense cedex

Send us a message through the website total.com >

Investors heading > Investor contacts

Toll free from France

0 800 039 039 Service & appel gratuits

From outside France:

Germany: +49 30 2027 7700

Belgium: +32 (0)2 288 3309

United States: +1 713 483 5070

United Kingdom: +44 (0)20 7719 6084

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

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