Ladies and Gentlemen,

It gives me great pleasure to be here with you this morning, at our annual shareholders’ meeting.

I’m also very pleased to see that, once again, many of you are here in person, which I believe is important for shareholder democracy. Today’s event gives me the opportunity to deliver my “state of the union” address on what we have accomplished since our last meeting and our prospects for the future, particularly with regard to shareholder return.

At the shareholders’ meeting two years ago, I presented Total’s 20-year ambition to “become the Responsible Energy Major” – an ambition supported by the publication of our first climate report, “Integrating Climate Into Our Strategy”.

Last year, I shared with you my analysis of how we were able to come out of the 2015-2016 oil price slump stronger than before and start working toward our ambition, drawing in particular on our values in order to stay focused over the medium term.

In 2017, we further stepped up the implementation of our counter-cyclical investment strategy to take full advantage of the favorable environment. And as Patrick de la Chevardière has just shown you, we also pursued our efforts to reduce costs and maintain firm investment discipline. As a result, we are now better equipped to capture the benefits of higher oil prices and well prepared in case prices drop again.

Just in case you still need convincing that Total is doing well, I’m going to start my address this morning by reviewing the progress we continued to make in 2017 to illustrate how we’ve been implementing our strategy.

Next, in line with emerging discussions about the role and responsibilities of businesses, particularly global businesses like Total, I will share with you the real-world initiatives Total is undertaking in the area of social and
environmental responsibility, which is a core component of our ambition and our mission but also a measure of our long-term viability. Last, but certainly not least because I know it’s one of the reasons you’re here today, I will present the dynamic shareholder return policy that the Board of Directors has decided to submit for your approval.

1. Results, Environment and Strategy

I think I can safely say that Total is doing well.

As our Chief Financial Officer, Patrick de la Chevardière, has shown you, the company’s fundamentals are solid.

For the third year in a row, our annual results compare favorably with those of our main competitors, with notably:

- A return on equity of more than 10%.
- A remarkable return on average capital employed in the Downstream segment of more than 30%.
- A net-debt-to-capital ratio of 12%.

From an operational perspective, our results are also noteworthy and confirm the validity of our industrial decisions. Examples include:

- The 20% increase in our hydrocarbon production between 2014 and 2017.
- The growth in petrochemicals at our integrated complexes.
- The strength of our positions in Marketing & Services in Europe and Africa, and in lubricants.

We have worked tirelessly on the factors under our control in order to lower our breakeven point and secure our profitability regardless of circumstances. Excelling in the areas under our control, in all of our businesses, is the key to our success. We have focused all of our attention and all of our teams on these areas since 2015 and will continue to do so in the future. These areas are safety, operational excellence, cost discipline and a carefully controlled investment strategy and, of course, our human capital – the Total women and men without whom none of this would be possible.

This lower breakeven point will enable us to more effectively harness the benefits of higher oil prices as early as 2018. As a reminder, a $10 increase in
the sale price of our crude means an increase in our available cash of $2.8 billion a year.

You’re probably wondering about the extent of the current oil price increase and how long it is going to last. I’d like to take a few minutes to talk about some of the factors that explain the current oil price ($78 as of last night).

Since reaching its lowest point of under $30 per barrel in early 2016, the price of Brent has significantly recovered thanks to the combined effect of several factors:

1. Strong growth in demand, supported by low prices and an upturn in global economic growth. Demand grew by more than 5 million barrels per day over the past three years, twice as fast as during the previous three years.

2. The effective implementation of a coordinated strategy by Russia and OPEC member countries, particularly Saudi Arabia, to control and reduce production.

3. Production difficulties in two major oil-producing countries, Libya and Venezuela, where output fell sharply in 2017.

4. Renewed geopolitical tension in the Middle East due to the United States’ recent change of position on the Iran nuclear deal.

5. As a result of these factors, global oil inventories are on the decline, although still a little high in terms of the number of days of supply compared with pre-crisis levels. The greatest uncertainty in the medium term relates to the pace and extent of the increase in U.S. shale oil production, which is being boosted by the current increase in oil prices but has to contend with the constraints imposed by the country’s oil and gas transportation infrastructure.

This additional supply will, however, be partly offset by the very sharp decline in oil and gas industry investments over the past few years, which will impact output over the medium term and drive oil prices up as a consequence.

Together, these factors invite a certain level of optimism, even if recent events have taught us to be cautious. As I often say, we don’t set oil prices, the market
does. We will therefore continue our cost control and investment discipline efforts over the coming years.

Against this backdrop, we are resolutely pursuing our ambition to “become the Responsible Energy Major” and fulfill our mission of providing affordable, reliable and clean energy to the world’s growing population.

The issue of climate change is indeed integrated into Total’s strategy because we want to anticipate its impact on the energy markets and manage our business portfolio accordingly over the long term.

In light of how energy markets are expected to evolve between now and 2040 according to the various scenarios published by the International Energy Agency, and particularly the 2°C Scenario, we have defined three key strategic objectives that will shape the company’s future:

1. Focus our efforts in the oil projects on investments with a low breakeven point, so that we can withstand a potential stagnation or even decline in demand while benefiting from higher oil prices.

2. Expand our operations right along the value chain for natural gas, the only fossil fuel predicted to grow over the next 20 years, in all scenarios, particularly in the area of liquefied natural gas but also in the marketing of natural gas in all its forms.

3. Significantly strengthen our presence in low-carbon energies (downstream gas, renewables) to capitalize on the strong growth in electricity demand driven by digitization and developments in energy storage technologies.

We intend to implement this strategy by drawing on our strengths in the oil and gas business first of all, because we firmly believe that leveraging our strengths is the best way to create value for our shareholders.

Our strengths are the three regions where we have a long-standing presence – Europe, the Middle East and Africa – and the four business/technology segments that form the key components of our expertise – offshore, LNG, petrochemicals, retail networks and lubricants.
To illustrate how we are implementing our strategy, I’d like to present a few tangible examples from 2017 and early 2018 that are going to help drive growth in the coming years.

The first example is the acquisition of Maersk Oil, Total’s largest acquisition since the merger with Elf. This transaction strengthens our presence in the North Sea and makes Total the second-largest operator in this strategic region. It represents one billion barrels in reserves, production of 160,000 barrels per day in 2018 – expected to increase to 200,000 barrels by the early 2020s – and $500 million in expected synergies.

The second example relates to our development in the liquefied natural gas market, which grew by 10% in 2017 and promises future growth of more than 5% per year, notably in Asia and more particularly in China. Natural gas is starting to replace coal in power generation. At Total, we’re deploying an integrated strategy to capture value right along the natural gas value chain. We have operations in natural gas exploration and production, liquefaction, trading, shipping and regasification, as well as in marketing, both as natural gas and after its conversion into electricity. This strategy is particularly well illustrated by two major events in 2017: the acquisition of Engie’s liquefied natural gas assets and the first shipments from the Yamal LNG project in Russia, a project you are now familiar with thanks to the magnificent images presented earlier. Total has established strong positions in LNG and the acquisition of Engie’s LNG business makes us the second-largest global player in this segment, with a market share of around 10%.

Other projects are scheduled to start up in 2018, such as Ichthys in Australia, and we’ve just announced our entry in new LNG projects led by our Russian partner Novatek.

The acquisition of a 25% stake in Clean Energy, the leading distributor of natural gas fuel for trucks in the United States, demonstrates our determination to contribute to the development of new natural gas applications, as does the agreement we’ve signed with CMA-CGM, the first shipping company to equip its transcontinental container ships with LNG-powered engines. Total believes in the future of natural gas as a transportation fuel and is therefore investing in this area.

The third example pertains to the Middle East, where Total is recognized as the partner of choice. In fact, thanks to our recent successes, we’ve become the
leading international company in this strategic region. We’ve been very active in the Middle East, acquiring a number of interests in projects with low operating costs, such as ADCO in the United Arab Emirates, Al-Shaheen in Qatar, some more offshore concessions in Abu Dhabi and the Waha concession in Libya. We have also signed a memorandum of understanding with Saudi Aramco to build a giant petrochemical complex at the Jubail site in order to capture the synergies generated by an integrated facility.

Alongside these developments in our oil and gas operations, we are also preparing for the future by strengthening our involvement in low-carbon energies – an area where we need to acquire assets and skills from outside the Group.

The acquisition of SunPower in 2011 was the first step in this process, which has picked up pace since 2016. After the acquisition in 2016 of energy storage leader Saft, the Group consolidated its position in 2017 by acquiring 23% stakes in EREN RE, since renamed Total Eren, which produces wind and solar power, and in Greenflex, which specializes in energy efficiency.

Following the acquisition of Belgium-based Lampiris, the launch of Total Spring on the residential gas and power market in France marked another step forward in the Group’s strategy in 2017.

And in April 2018, we announced our intention to acquire Direct Energie to accelerate our ambition in the gas and power markets in France and Belgium. This was a major milestone in our drive to achieve integration along the gas and power value chain. Total does not intend to become a utility, but we are establishing a presence in power generation fueled by natural gas and renewable energies, such as solar and wind, and in marketing to end customers. This will enable us to capture value right along the value chain, in a fast-growing and increasingly decentralized and digitized market that is set to evolve over time.

So as you can see, Total has been energetically implementing its strategy since the 2017 shareholders’ meeting, with projects such as Maersk Oil, Engie LNG, Total Eren, Total Spring, Direct Energie, Petrobras, offshore Abu Dhabi, the Total-Borealis joint venture in the U.S., the petrochemicals complex in Saudi Arabia, and Clean Energy. All of these successes achieved thanks to the Group’s teams give us confidence in our future growth.
2. Social and Environmental Responsibility

Having shared with you our excellent results and our transparent, clearly defined strategy, I would now like to talk about Total’s initiatives in the area of social and environmental responsibility, which is also a core component of our ambition and our mission or, as some would say today, our “purpose”, as well as being a measure of our long-term viability.

A business is first and foremost about people; it is a collective experience intended to fulfill a mission that is useful to society. It is simply wrong to say that a company’s objective is limited to generating a profit. Making a profit is a means to an end; it gives us the resources necessary to be able to invest and grow sustainably in our chosen industry – energy – in order to contribute to the social and economic development of the society in which we operate.

As I’ve said before, our ambition is to become the Responsible Energy Major. Our mission – or our “purpose” to use the more fashionable term – is to provide the most affordable, reliable, safe and clean energy possible to as many people as possible.

So yes, our company contributes to the collective good and is a stakeholder and active player in society – and we must live up to society’s expectations of us.

None of this is news to Total. We’ve been taking into account the expectations of our host communities and regions for many, many years. But now we need to make this clear, to communicate more openly about our efforts in this area.

As a business, meeting these expectations is also important from a human resources perspective so that we can attract talent, because our employees, particularly the younger generation, are increasingly looking for a sense of purpose.

And because we believe that businesses are part of the solution to the world’s social and environmental challenges, Total is also determined to act as a responsible leader so that our positive impact can make a difference.

I shall explain what I mean by this by telling you about some of our policies.

First, we promote transparency with the society around us. In the case of climate change, for example, Total was the first oil and gas major to voluntarily
publish a climate report in 2016 and, in 2017, we supported the Task Force on Climate-related Financial Disclosures chaired by Michael Bloomberg. We also strive for a responsible approach in the area of fiscal policy, where we advocate transparency and encourage producing countries to let the contents of our agreements be made public, as recognized recently by non-profit organization Oxfam.

We also believe in the benefits of diversity within the company. Two of Total’s values are respect for each other and the need to stand together, and we make sure that all of our employees enjoy the same opportunities to succeed, regardless of such factors as origin, gender, age or disability. Diversity – particularly cultural and gender diversity – is critical to the Group’s competitiveness and our ability to innovate. That’s why we’ve set ambitious objectives in this area, with targets for 2020 of 25% women and 40% non-French nationals among the Group’s executives. And that’s why, in 2010, we introduced a proactive policy of correcting the pay gap between men and women wherever necessary.

We also want to be of service to the women and men in the communities to whom we are particularly indebted, the communities that have hosted our operations, past and present. They’ve helped make us what we are today, and we therefore want to contribute to their well-being, both now and in the future.

To make the Group’s community engagement initiatives more effective and more visible, we have decided to organize them under a common banner, the Total Foundation, and to focus on helping our neighboring and host communities in four priority areas that are in line with our ambition, our history and our values: road safety, forests and climate, youth inclusion and education, and cultural dialogue and heritage. Each Total affiliate and site around the world is going to take action in these areas under the Total Foundation umbrella.

And thanks to the volunteer opportunities that will be offered as part of these initiatives, employees throughout the Group will now be able to become a committed local player as part of their day-to-day work by spending up to three days a year of their working time serving the community.

Basically, the idea is to create shared value wherever we are. This isn’t philanthropy. It’s a genuine imperative for our business – to defend our
business model – and for our continued viability. It’s about building constructive, sustainable relationships with all of our stakeholders over the long term. Good relationships are essential to the smooth running of our operations, particularly in our industry, where the social and economic challenges are considerable. Respecting local stakeholders often contributes to the development of local markets for our products too – and it also helps to strengthen our brand.

But the value we create must also be shared with those who have chosen to invest in Total, our shareholders, you.

3. Shareholder Return Policy

That brings me to the third part of my speech – the one you’ve no doubt been waiting for – about the shareholder return policy that your Board of Directors has decided to recommend and implement.

But before I present this policy, I would first like to remind you that the Total dividend has either remained stable or increased every year for more than 35 years, offering an attractive return.

More specifically, the gross dividend yield has stood at 5.5% on average per year for ten years and has remained very steady. I’ll let you make the comparison with the rates offered on the markets. Shortly, you will be asked to approve a dividend of €2.48 per share in respect of 2017, which would put the 2017 dividend at this level once again.

But looking beyond the 2017 financial year, the Board has decided to share the Group’s confidence in the growth of our future cash flows by providing visibility over the shareholder return policy for the next three years. To do this, it has defined the priorities for cash-flow allocation for the 2018-2020 period.

We actually have very good visibility over how our free cash flow generation is going to increase. For example, the Maersk Oil acquisition and the strategic alliance with Petrobras are going to generate additional cash flow of $2 billion per year, and the start-up of Ichthys, Egina and Kaombo around $2.5 billion per year. This is strengthened by the Brent price, which has been hovering between $60 and $75 per barrel since the beginning of 2018. And we have a solid balance sheet that would enable us to weather a potential drop in oil prices.
Our priorities for cash-flow allocation over the next three years are therefore as follows:

1. Obviously, the first priority will be to implement our industrial strategy and our investments ($15-17 billion per year), because this is the only way we can be sure to secure future growth.

2. Next, the Board of Directors has decided to give priority to increasing the dividend – the most readily measurable form of shareholder return – through dividend growth of 10% between 2018 and 2020 and an end to the dilution associated with the scrip dividend option. Announcing dividend growth three years in advance is a strong commitment in light of the policy I mentioned earlier – no decline in 35 years. This means that when your Board commits to a 10% increase, it is really committing to a period that is much longer than three years.

3. The next priority is to strengthen the balance sheet, with the objective of keeping gearing under 20% and maintaining the Group’s grade A credit rating. A solid balance sheet provides the means necessary not only to withstand the volatility of the oil and gas markets but also to take advantage of the bottom of the cycle and implement a counter-cyclical strategy.

4. Lastly, the final component of this capital allocation policy involves sharing the benefits of higher oil prices with shareholders through a share buyback program, for up to $5 billion over the 2018-2020 period. In a commodities business with volatile prices, and in the same way that we’ve asked our shareholders to accept scrip dividends since 2015, it is only natural that our shareholders should benefit from the additional cash flows generated by higher-than-anticipated oil prices. It is also, in a way, a means of maintaining our disciplined approach to investments, rather than allowing ourselves to take the easy option and invest in less-profitable projects just because we have more money. We have learned lessons from the past.

But we’re not just announcing this policy; we’re also putting it into action.

The first interim dividend for 2018 has therefore taken this new policy into account, resulting in a 3.2% increase to €0.64 per share (versus €0.62 per share in 2017). The aim is to propose a 2018 dividend of €2.56 per share at the next shareholders’ meeting and to reach €2.72 per share in 2020.
In relation to the buyback of shares, during the first quarter, we bought back 5.2 million shares for around $300 million. This was in addition to the 7.1 million shares issued in January 2018 as part of the second 2017 interim dividend, which we bought back to cancel out their dilutive impact.

We are currently buying back the 15.6 million shares issued in April 2018 as part of the share-based payment of the third 2017 interim dividend, a process that will be completed by the end of July 2018. And given the high price of crude oil, we also continue to buy back additional shares, with 2.3 million shares bought back so far during the second quarter, for around $143 million.

We are able to offer this attractive shareholder return policy because Total has come out of the oil price slump stronger than before. As you’ve seen, both our financial results and future prospects are solid, and they’ve been hailed by the financial community.

The share price currently reflects this confidence. On May 18, it reached a ten-year high of €54.95. Since the beginning of the year, Total’s share price has risen by 13% (May 31 figures), versus an average increase of 4% for our four main competitors.

This is further proof that you were right to put your confidence in Total!

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This, ladies and gentlemen, is what I wanted to say to you at our annual shareholders’ meeting this morning. The challenging economic environment that we have been faced with over the past three years – and which remains volatile despite the strong recovery in oil prices since the beginning of 2018 – has made us stronger and more agile, because your company managed to react to the situation effectively. We successfully met the short-term challenges, while continuing to take a dynamic approach to implementing our strategy for the medium and long term.

Yes, your company is doing well. We’re ready to meet the challenges of tomorrow, ready to continue leveraging opportunities for growth and selecting investments that are aligned with our ambition.
The Board of Directors, the Executive Committee, the Group’s employees and I are all determined to secure your loyalty by ensuring that the Total share remains particularly attractive. Thank you for your attention.