

PRESS RELEASE

5th May 2020

Total commits to net zero emissions through Climate Action 100+ investor engagement

- Total sets net zero target covering production and operational emissions worldwide (scope 1 & 2) and use of its products by customers across Europe (scope 3).
- All European oil & gas majors now working towards net zero following Climate Action 100+ engagement.

Leading investors welcome a commitment secured with global energy company Total to achieve net zero emissions by 2050, or sooner. This is the outcome of collaborative investor engagement with the company through [Climate Action 100+](#), an investor initiative launched in 2017 to ensure the world's largest corporate greenhouse gas emitters take necessary action on climate change. More than 450 investors and stewardship providers, with more than \$40 trillion in assets, participate in Climate Action 100+ globally.

Engagement with the oil and gas sector across Europe through Climate Action 100+ is led by investors with the [Institutional Investors Group on Climate Change \(IIGCC\)](#). BNP Paribas Asset Management and EOS at Federated Hermes¹ are the lead institutions undertaking engagement with Total as signatories to the initiative.

The longstanding focus of discussion with the company leading up to today's announcement has been on three key themes: achieving net-zero emissions across operations and products by 2050, setting targets aligned to this goal and ensuring oil and gas capital expenditure (capex) is consistent with the goals of the Paris Agreement.

In a joint statement agreed with investors, Total today announces its ambition to achieve 2050 net zero emissions across its operations and products (covering scopes 1, 2 & 3 emissions). This includes:

- 60% or more reduction in the average carbon intensity of energy products used worldwide by Total customers by 2050 (to less than 27.5 gCO₂/MJ).
- Achieving net zero emissions across Total's worldwide operations and production (scope 1 & 2) and energy products used by its customers in Europe (scope 3) by 2050 or sooner.
- Oil and gas capex allocation to be assessed for consistency with the goals of the Paris Agreement, together with annual reporting.
- To actively advocate for policies that support delivery of net zero emissions, together with mobilisation of its capabilities to deliver not only its own ambitions but also to help countries and other corporations to achieve net zero.

Total's targets will be revised at least every five years in tandem with policy changes and market and technological developments.

Total's commitment to net zero emissions is the latest following Climate Action 100+ investor engagement with Shell, BP and Repsol over the last 6 months². Today's joint statement with Total means all of Europe's oil and gas majors are now working towards achieving net zero ambitions.

"This is a welcome commitment from Total and shows how rapidly the sector is changing. Investors have secured progress on climate change from leading oil majors that would have been

*unimaginable only two years ago,” explains **Stephanie Pfeifer, a member of the global Climate Action 100+ Steering Committee and CEO, Institutional Investors Group on Climate Change (IIGCC).** “There is still much more to be achieved, but with Europe’s oil majors now working to net zero ambitions, a new standard has been set for the rest of the sector. Acting on climate change and contributing to the energy transition remain just as imperative in the wake of the coronavirus pandemic, and investors will expect to see continued progress.”*

The organisations leading engagement with Total also endorsed the steps the company is taking:

*“This agreement is one of the most significant achievements in the oil and gas industry so far”, explains **Helena Viñes Fiestas, Global Head of Stewardship and Policy, BNP Paribas Asset Management.** “We have had a long relationship with Total and our dialogue over time has resulted in mutual trust and understanding, enabling us to work together towards a carbon neutral, or net zero, future. The global energy system is under significant structural pressure from long-term forces such as decarbonisation and the deflationary impact of renewables, and how companies respond to the challenge of climate change will be key in determining their competitiveness in the longer-term. Total’s commitment shows that it understands the scale of this challenge and its ambition on renewables and plan for reducing its carbon footprint by 2050 position it at the forefront of its peer group of European majors.”*

*“We welcome Total’s 2050 net zero ambition and the further steps to achieve this, which follows constructive engagement over a number of years,” adds **Bruce Duguid, Head of Stewardship, EOS at Federated Hermes.** “This significantly advances the company’s long-term commitments on climate change, complemented by the important commitment to assess all new capex for consistency with the Paris goals. We look forward to supporting Total on the major task of successfully delivering this strategy. We will also urgently seek ways for Total and other oil and gas companies to make further commitments to deliver net zero emissions by 2050, which is critical to limiting climate change to 1.5C.”*

Engagement will continue with Total to support the company and ensure delivery of the commitments made, while continuing to build on existing ambition.

The goal of Climate Action 100+ is to ensure the world’s largest emitting companies take greater action on climate change and put in place business strategies to achieve net zero emissions by 2050 at the latest³. This applies to emissions across the entire corporate value chain (scopes 1,2 and 3), including end use of products, with the outcome of helping limit global emissions to 1.5°C in line with the goals of the Paris Agreement.

- Ends -

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Notes to Editor:

1. On behalf of its stewardship clients.
2. Specific commitments referenced include:

- Shell in April [announced](#) an ambition to achieve net zero emissions for all the emissions from the manufacture (scope 1 and 2) of all our products by 2050 at the latest, supported by the goal to reduce the carbon intensity of the net carbon footprint for use its products (scope 3) by 65% below its 2016 figure of 79g/MJ, or 27.65gCO₂e/MJ by 2050. This was an outcome of ongoing engagement with the company following the [joint statement](#) agreed with Climate Action 100+ investor signatories in December 2018.

- BP in February made a [commitment](#) to become a net zero company by 2050 or sooner, supported by ten aims, including to cut the carbon intensity of the products it sells by 50% by 2050 or sooner. This was supported through ongoing engagement with BP by Climate Action 100+ investors. In accordance with the requirements of the [shareholder resolution](#) from Climate Action 100+ investor signatories at BP's 2019 AGM, the company also assess capex for consistency with the goals of the Paris Agreement.

- Repsol in December 2019 [announced](#) an ambition to achieve net zero emissions by 2050, making it the first oil and gas company in the world to do so. This was the direct outcome of engagement with Climate Action 100+ investor signatories.

- European Climate Action 100+ investors have also secured [increased ambition](#) on climate change from Equinor, leading to new commitments [announced](#) by the company including the ambition to reduce net carbon intensity by at least 50% by 2050 across scope 1, 2 and 3 emissions.

3. See [here](#) and [here](#) for more detail on the objectives referenced.

About Climate Action 100+: [Climate Action 100+](#) is an investor initiative to ensure the world's largest corporate greenhouse gas emitters take necessary action on climate change. More than 450 investors with more than \$40 trillion in assets collectively under management are engaging companies on improving governance, curbing emissions and strengthening climate-related financial disclosures. The companies include 100 'systemically important emitters', accounting for two-thirds of annual global industrial emissions, alongside more than 60 others with significant opportunity to drive the clean energy transition.

Launched in December 2017, Climate Action 100+ is coordinated by five partner organisations: Asia Investor Group on Climate Change ([AIGCC](#)); Ceres ([Ceres](#)); Investor Group on Climate Change ([IGCC](#)); Institutional Investors Group on Climate Change ([IIGCC](#)) and Principles for Responsible Investment ([PRI](#)). These organisations, along with five investor representatives from AustralianSuper, California Public Employees' Retirement System (CalPERS), HSBC Global Asset Management, Ircantec and Manulife Asset Management, form the global Steering Committee for the initiative. Follow us on Twitter: [@ActOnClimate100](#).

About IIGCC: The [Institutional Investors Group on Climate Change](#) (IIGCC) is the European forum for investor collaboration on climate change and the voice of investors taking action for a prosperous, low-carbon future. IIGCC has over 230 members, mainly pension funds and asset managers, across 15 countries, with over €30 trillion assets under management. IIGCC's mission is to mobilise capital for the low carbon transition and to ensure resilience to the impacts of a changing climate by collaborating with business, policy makers and fellow investors.

About BNP Paribas Asset Management: BNP Paribas Asset Management is the asset management arm of BNP Paribas, one of the world's foremost financial institutions, and offers high value-added solutions to individual savers, companies, and institutional investors. It has a broad range of skills in four investment divisions: Equities, Fixed Income, Private Debt & Real Assets and Multi-Asset,

Quantitative and Solutions (MAQS). Sustainability is at the heart of BNP Paribas Asset Management's strategy and investment decision-making process, making an active contribution to energy transition, environmental protection and the promotion of equality and inclusive growth. Its aim is to achieve long-term sustainable investment returns for its clients. BNP Paribas Asset Management has assets under management of EUR 440 billion* (as at 31 December 2019), with more than 520 investment professionals and almost 500 client servicing specialists, serving individual, corporate and institutional clients in 72 countries.

* EUR 594 billion of assets under management and advisory as at 31 December 2019

About Federated Hermes

Federated Hermes is a leading global investment manager with \$575.9 billion in assets under management as of Dec. 31, 2019. Guided by our conviction that responsible investing is the best way to create wealth over the long term, our investment solutions span 135 equity, fixed-income, alternative/private markets, multi-asset and liquidity management strategies and a range of separately managed account strategies. Providing world-class active investment management and engagement services to more than 11,000 institutions and intermediaries, our clients include corporations, government entities, insurance companies, foundations and endowments, banks and broker/dealers. Headquartered in Pittsburgh, Federated Hermes' over 1,800 employees include those in London, New York, Boston and several other offices worldwide. For more information, visit FederatedHermes.com.