

TOTAL- LY IRRESPONSIBLE: AN ILLUSION OF CLIMATE STRATEGY

EXECUTIVE SUMMARY

Total is facing pressure from some of its investors who are demanding that the company clarify its strategy for dealing with the climate issue. During the 2016 annual general meeting, the chairman at Total published a document presenting the key features of this climate strategy. Entitled "**Integrating Climate Into our Strategy**", this is meant to show how Total intends to respect and implement the international objective, established by the Paris Agreement, to keep current global warming temperatures below 2°C. At the same time, the company's chairman announced several acquisitions (Saft, Lampiris) which are meant to reflect their commitment to the energy transition.

This report consists of an analysis of the climate strategy announced by Total, for the purposes of assessing the reality and ambitions of the measures implemented by the chairman of the group, in the wake of his announcements.

It especially shows that **Total's climate strategy:**

- **is not developed enough to confront the demands of the climate crisis,**
- **does not address the strategy's significant redirection which the company has been pursuing for many years,**
- **and is characterised by a large number of omissions or misrepresentations of the issues which shed doubt on the sincerity of the exercise.**

Notably the following:

- Total's climate strategy legitimises the large continued investments to develop new gas and oil deposits in the years to come, whereas fossil fuels are by far the main causes of the climate crisis. This approach is only compatible with the 2°C target if we rely heavily on costly and controversial technology whose effectiveness has yet to be proven, especially carbon capture and sequestration. These technologies, however, remain coupled with an intensive use of nuclear power. **Without these hazardous solutions, the conclusion should be the complete opposite: freeze the development of new gas and oil deposits, and start planning the anticipated end of the existing deposits.**
- The few precise commitments announced by Total's chairman on the subject of

energy transition appear to be very modest, in both terms of ambition and finance. The amount of money dedicated to R&D is marginal in comparison to the billions of euros invested in the exploitation of gas and oil. In addition, **these commitments almost exclusively target gas, agrofuels or even carbon capture and sequestration, in contrast to renewable energy and energy efficiency which should be at the forefront of a real transition.** There appears to be deliberate confusion in this strategy on the part of the company's directors.

- Like the majority of other energy and oil giants, **Total's CEOs insist that gas plays a key role** in the energy transition, without specifying that this would largely be **unconventional** gas and that its real benefits for the climate, in comparison to coal, are very debatable. The management at Total is sidestepping this debate by presenting, in a particularly cavalier way, the results of a study on this issue which they had commissioned.
- Alongside this, **Total continues to invest in sensitive areas** (the Arctic) **or in very risky and polluting practices** (oil sands, shale gas, extreme offshore drilling).

Overall, the climate strategy published by Total's management appears to be an exercise in communication aimed at reassuring their employees, investors and other external stakeholders as well as the public authorities, in which they put forward measures with an extremely low impact.

The public position adopted by Total's chairman on the climate issue certainly distinguishes them positively from their North American counterparts (but not necessarily their European counterparts), but the actual content of the climate strategy does not shield the company from accusations of duplicity, which they have previously faced. We especially do not see how this concretely modifies the company's strategy. **The document written by Total's chairman rather suggests that he is attempting to circumvent the debate at little cost, to continue in the same direction all the while appeasing most of the criticism.**

FOREWORD

The Paris Agreement, adopted on 12 December 2015 at the end of the COP21, came into force at the beginning of November 2016. It marks a strong commitment in the international community to keep global warming "well below" the 2°C target and "continue efforts" to stay as close to 1.5°C as possible – this latter objective being communally considered the "climate danger threshold".

The urgency is all too present: 2016 was the hottest year ever recorded, just ahead of 2015 and 2014... We are already experiencing the dramatic consequences of global warming on a daily basis, even though we have currently "only" reached an average increase of 1°C. It is, therefore, clear that the difference between an increase of 1°C, 1.5°C and 2°C is not merely a mathematical one. **It is not a matter of abstractly debating a maximum amount of CO2 concentration in the atmosphere, but rather a matter of the hundreds of millions of lives at stake.**

In this sense, the Paris Agreement does not set out an ambitious objective: keeping global warming as close to 1.5°C as possible – the only reasonable objective. The industrial choices of States, companies' investments and the support of banks and other investors should be subjected to this aim, at the risk of damning us to climate chaos. There is no condemnation here: on the contrary, these objectives give us the perfect opportunities to build a fair and truly sustainable future.

In order to do this, we must turn over certain pages of our recent history and put an end to a chapter: that of development being founded on the extraction and combustion of coal, gas and oil.

Just as Oil Change International has shown in its most recent report, the currently exploited gas and oil deposits are so large that they would be enough to get us off the path to an increase of 1.5°C. By adding the currently exploited coal mines, we would no longer be headed towards an increase of 2°C.

Moving away from fossil fuels – otherwise known as organising the "programmed senescence" of the fossil fuel industry – is therefore an essential prerequisite for any ambitious climate policy.

Time is pressing. We cannot afford to simply wait for States to act – especially when the fossil fuel industry is mobilising all of its resources to fool the public powers (nearly) all over the world and convince them that it is possible to reconcile the extraction of combustible fossil fuel and the fight against global warming.

The Paris Agreement has just put an end to a nearly 20-year long series of international negotiations on the reduction of greenhouse gas emissions. Over this same period, these emissions have increased by more than 60%. The inability of governments to match their words with actions, which can be largely attributed to pressure from the fossil fuel industry, has meant we have lost precious time: the equivalent of a generation.

We cannot afford to allow ourselves to lose another. We must act now – on all levels.

Such is the aim of this report, dealing with the actions of Total, which shows to what extent the dialogue of the oil and gas corporation has strayed from its strategy. **Total's activities bring us closer to climate chaos every day.**

This report is, therefore, the basis for a citizen's mobilisation campaign. Campaigning for public powers to stop granting Total subsidies and tax breaks. For banks to stop funding Total's harmful activities to the climate. For institutional investors to no longer support Total's exploitation and exploration of gas and oil deposits and to deinvest. For universities to refuse financial aid from Total. For museums to renounce their sponsorships from Total.

For us to finally turn the page on combustible fossil fuels and for each and every one of us to write the next chapter on a new era: on a future of 100% renewable energy.

Nicolas Haeringer, Campaign Coordinator of 350.org in France

The full report can be downloaded in French here:

<http://gofossilfree.org/fr/total>