



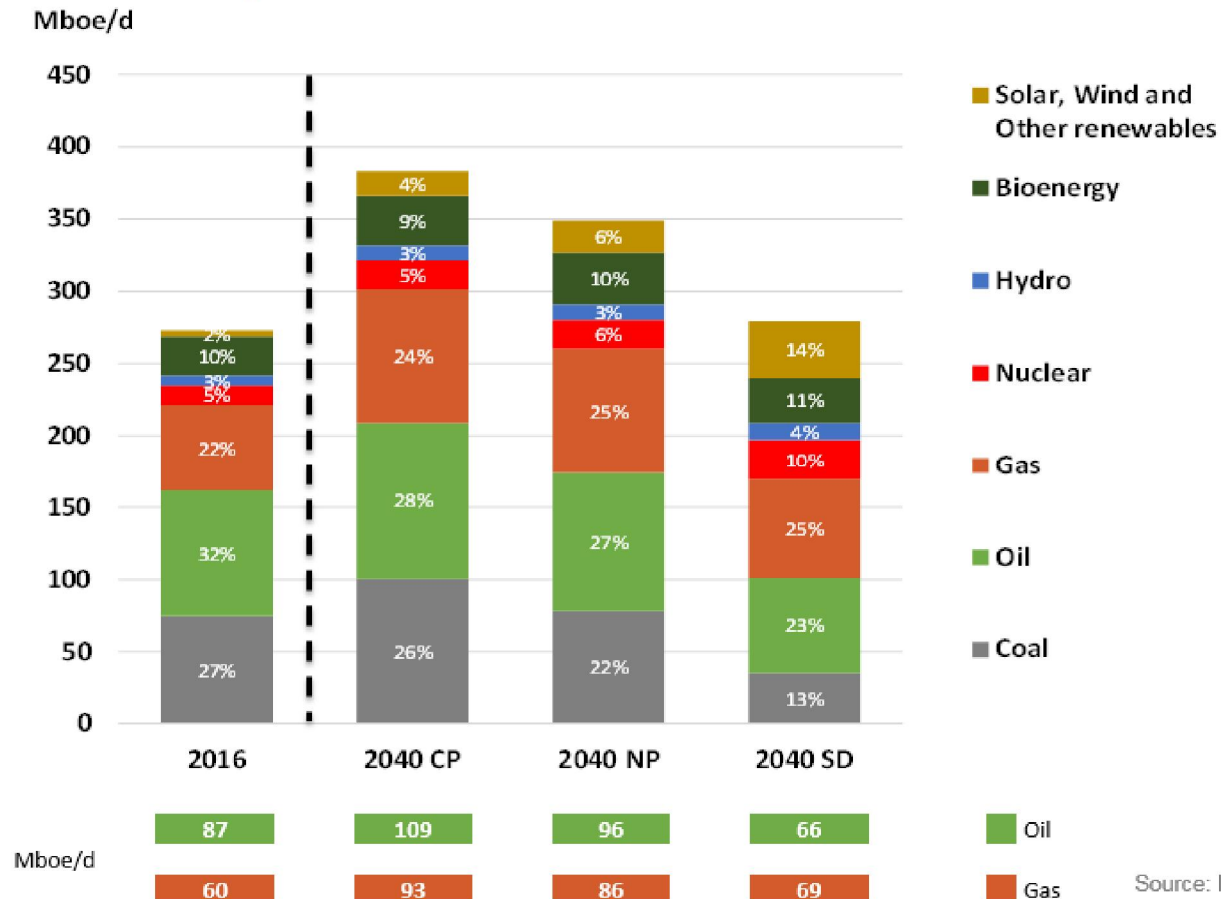
THE NIGERIAN OIL INDUSTRY IN A WORLD OF CHANGING ENERGY SUPPLY

The IOC Perspective



GLOBAL PRIMARY ENERGY DEMAND

IEA Current, New Policies & Sustainable Dev Scenarios for 2040



- ✓ Overall global energy demand increases even in the most carbon-constrained case
- ✓ Fossil Fuels still account for at least up to above 60% of the global energy demand
- ✓ Environmental target (Paris climate agreement) & energy accessibility have pushed diversification of energy mix towards renewables.

MAIN DRIVERS OF CHANGE

➤ Electricity

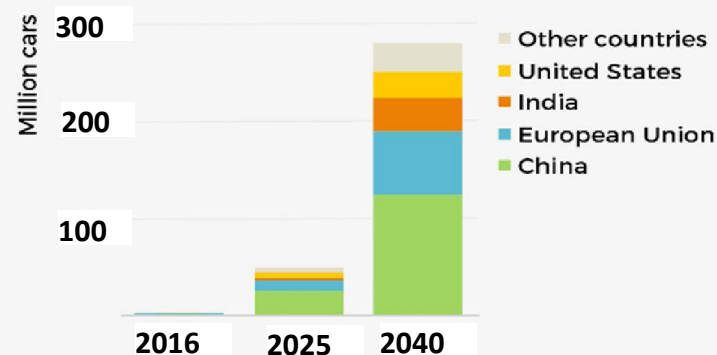
- Renewables & natural gas: increase use to generate electricity.
- TOTAL invested in Sunpower: efficient solar panels

➤ Automotive

- Growing demand for electrical powered vehicles:
- TOTAL invested in SAFT: reliable energy storage

Electric car fleet. 2016-2040

World Energy Outlook 2017



➤ Some countries have set long term targets to achieve within the Paris Climate Agreement.

- Germany to end sales of Petrol and diesel vehicles by 2030. UK, France 2040
- Volvo to manufacture only fully electric or hybrids cars from 2019 onwards.

➤ Demand for oil even in most pessimistic case is still sustained at a reasonable level by 2035-2040

- Use in Petrochemicals
- Use in heavy duty transportation (aviation, freight, shipping.....)

➤ Gas still grows in all cases even in the most carbon-constrained case: competing with renewables

IOC'S MOVING INTO RENEWABLES SPACE

- **Largest Oil Companies still committed to Oil & Gas Exploration, Development & Production; these companies have also announced series of “green” investments :**
 - Wind farms, electric battery storage systems and CCS (Carbon Capture and Storage).
- **Total invested in Sunpower (\$1.5B - 2011), Saft (\$1B - 2016) and Eren (\$0.3B – 2017).**
 - Manufacturers of Solar panels, electric storage solutions (batteries), wind power solutions respectively.
 - Investing \$500M yearly on renewables.
 - New division created – New Energies for low carbon technologies.
- **Other IOCs also active in moving into this space**
 - Most now have a “New Energies” Division
 - Increased activities in windfarms
 - And also energy storage solutions
 - Significant investments already made
 - Future investments also announced



TOTAL IN NIGERIA: A STRATEGIC AND RELIABLE PARTNER



2000
employees

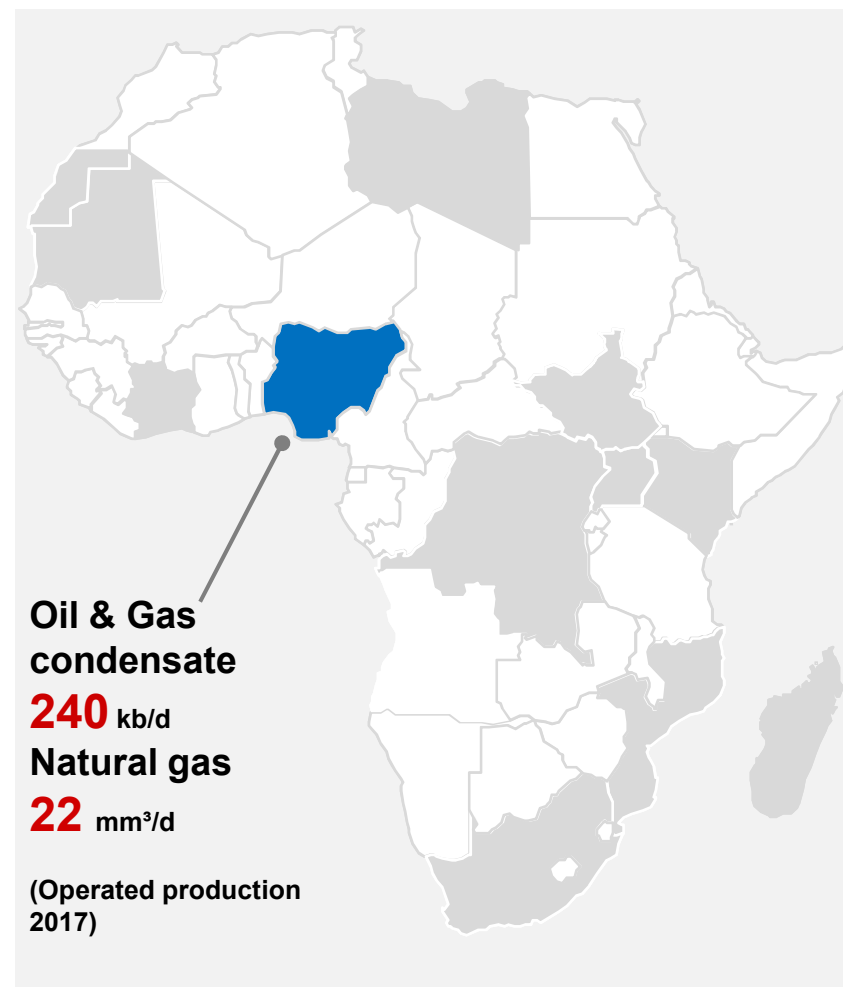


10 billion \$
investment
in the last 5
years



4th
Largest Oil
& Gas
Producing
company

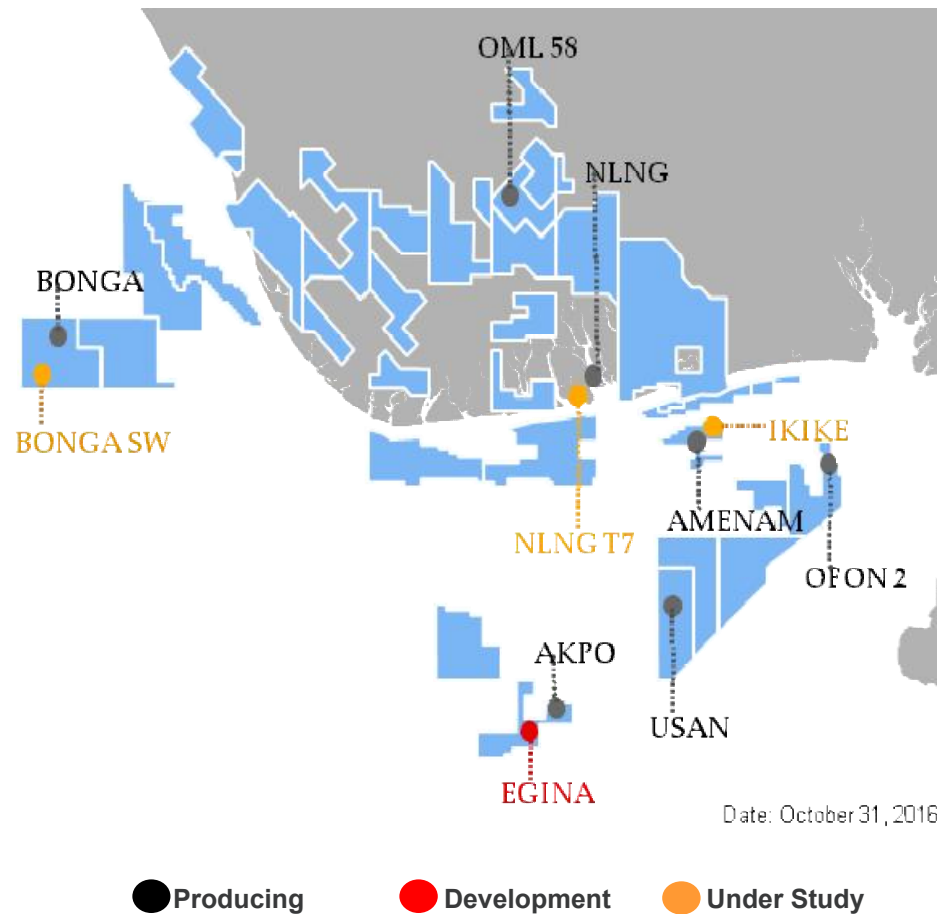
**Leader in
downstream**
activities
with 544
Service
Stations



PRESENT THROUGHOUT THE ENTIRE VALUE CHAIN

- Downstream, Midstream and Upstream sectors of the Nigeria Oil Industry

Total Upstream: A Broad and Diversified Portfolio



Activities span the conventional onshore and offshore, deep offshore and LNG

Production of **265 kboe/d** *2017

Executing and delivering gas projects:

Ofon 2 gas flare-out

NOPL domestic & **O.U.R** gas export lines

OML 58 upgrade

Egina (Total 24%, operator) progress at about **90%**, adding **200 kb/d** by 2018.

Non-Operated assets represent just under **40%** of production in Nigeria

Future developments : **Bonga SW**, **Ikike** and **NLNG** capacity expansions.

EGINA: CONTINUED LONG-TERM INVESTMENTS IN NIGERIA

Largest deep offshore project currently on-going in Nigeria



- At about **90%** completion; adding **200 kb/d** by 2018
- **24MM-hours** and **70%** of the project done in Nigeria
- **560k man-hours** of human capacity development
- **Highest** number of FPSO topside modules fabricated in-country
- **60,000 tons** of equipment fabricated in Nigeria
- **Largest** subsea equipment ever completed in Nigeria
- **4.6MSm3/d** of gas.



TOTAL AT THE FOREFRONT OF ELECTRIC POWER ACTIVITY

Gas to Power



- ✓ Present in Nigeria for >60 years
- ✓ Only IOC present upstream and downstream in Nigeria

POWER GENERATION

- ✓ >80% of Nigeria's on-grid power supply from gas turbines
- ✓ Total's 50km gas pipeline enables the 960MW Alaoji plant to be supplied from the Obite gas field





VIRTUAL PIPELINE

- ✓ Total involved in a pioneering project to provide gas for a 'virtual pipeline' to deliver gas to end consumers and businesses

Nigeria

TOTAL HAS INVESTED IN THE FUTURE OF ENERGY

Renewable Energy

			
<p>Portable low cost.</p>	<p>Home / Premises</p>	<p>Business/Industrial</p>	<p>Utility scale</p>
<p>1.5 million IMPACTED FROM SALE OF 330,000 LAMPS IN NIGERIA SINCE 2013</p> <p>10 million PEOPLE IMPACTED WORLD WIDE</p>	<p>25 year guarantee ON SUNPOWER SOLAR PANELS TO GIVE PERFORMANCE COMFORT ON HOME SYSTEMS</p> <p>24.1% SUNPOWER IS THE INDUSTRY LEADER IN PANEL SOLAR CONVERSION EFFICIENCY</p>	<p>1ST SOLAR POWERED FILLING STATION IN NIGERIA OF 78KWp</p>	<p>100MW TOTAL IN JOINT DEVELOPMENT EFFORT, PROJECT IN KATSINA STATE</p> <p>> 6 GW OF SUNPOWER PHOTOVOLTAIC POWER DEPLOYED WORLDWIDE</p>

TOTAL INVESTMENTS IN THE FUTURE OF ENERGY







CONCLUSIONS

- α Total is Committed to Better Energy
- α Moving towards Energy Industry rather than Oil & Gas Industry
- α Total is committed to be part of the future. In phase with the many countries that have set long term targets to achieve the targets of the Paris Climate Agreement
- α To further help the diversification of the Nigerian economy. An opportunity...
- α Yes we are ready. We do not have to wait, but we fully support Nigeria to steer her pace of change with investor-friendly accountable strong policy.

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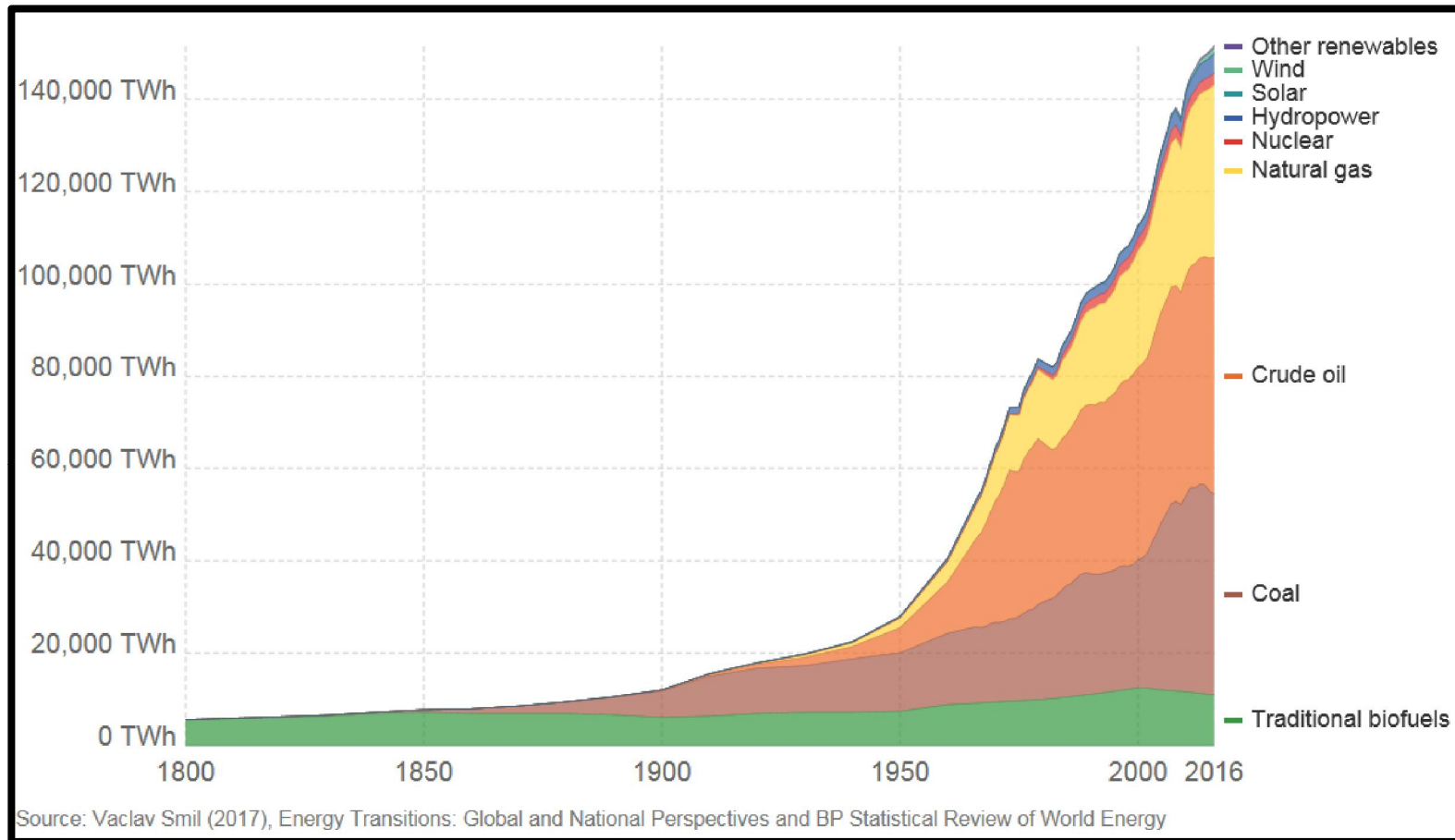
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BACKUP

GENERAL

- Virtual Pipeline: Alternative method of transporting natural gas to places where there are no pipelines networks available. Based on modular system of compression or liquefaction, transport and decompression and/or regasification of natural gas, which communities, industries, gas stations and others can use. In Virtual-pipelines compressed/liquefied natural gas is transported by various modes – highway, railway, waterways and the sea.

WORLD ENERGY SUPPLY



- Fossil fuels have dominated present energy supply.
- Environmental target (Paris climate agreement) and energy accessibility has pushed for diversification towards renewables.