

TotalEnergies

Guidelines of the label Ecosolutions by TotalEnergies

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1 Background and Purpose

1.1 Background

Like most other energy industry majors, TotalEnergies is facing two interrelated challenges for the future:

- Continued growth in worldwide energy demand, even as oil production peaks.
- Global warming caused by the greenhouse effect.

To meet these challenges, TotalEnergies is taking strategic steps to save energy and reduce the environmental footprint of our activities and products by:

- Developing new products and new types of energy that dovetail with our traditional oil business. Examples include DME, solar photovoltaic energy and biomass.
- Developing carbon capture and storage (CCS) technologies.
- Making our facilities more energy efficient.
- Working on eco-design and product life cycle assessment.
- Helping customers reduce their environmental impact by offering them eco-efficient products and services awarded the label Ecosolutions by TotalEnergies.

This last item is of major importance for TotalEnergies because, of the 33% of global greenhouse gas emissions that stem from the oil and gas industry, 85% relate to the use of petroleum products.

1.2 Objectives

The Ecosolutions by TotalEnergies program is designed to provide customers/users with products and services that, for an equivalent outcome, deliver superior environmental or health performance compared with the market standard (see criteria in Section 2.2.).

Bringing together different businesses and skills within the Company, from research and sustainable development to strategy and marketing, the program serves as **an improvement driver**, enabling TotalEnergies **to continuously expand our lineup of eco-efficient solutions**. The program also fosters dialogue with all stakeholders, including direct customers, sold-to parties and our partners.

To identify these particularly eco-efficient products and services, TotalEnergies created the label Ecosolutions by TotalEnergies (historically Total Ecosolutions). The label is awarded in accordance with a strict process and clearly defined criteria that are described in these guidelines.

2 Deployment of the Labelling Process

2.1 General Principles and Compliance with ISO Standards

To earn the label Ecosolutions by TotalEnergies, **products and services** must meet the criteria in Section 2.2. In particular, they must offer a **significant improvement** in environmental or health performance when compared with a **reference product or service** chosen on the basis of current market knowledge.

The label Ecosolutions by TotalEnergies is considered to be a **self-declared environmental claim**. In the absence of national requirements in this area, TotalEnergies decided to establish **labeling guidelines that comply with the following international standards on self-declared environmental claims**:

- **NF EN ISO 14020:2000¹** – Environmental Labels and Declarations – General Principles.
- **NF EN ISO 14021:2016¹** – Environmental Labels and Declarations – Self-Declared Environmental Claims (Type II Environmental Labeling).

¹ The ISO series of standards applicable at the time of publication of the Guidelines, including any amendments.

NF EN ISO 14021:2016 is designed primarily to ensure that self-declared environmental claims are **relevant** and **accurate**. According to the standard's guidelines, an environmental label must reflect a real, specific, current improvement that is substantiated and verifiable. The label must also take into consideration all relevant aspects of the product's life cycle. The claim must be accurate, clear, specific and not exaggerated or misleading.

An independent consulting firm has verified the appropriateness of the Ecosolutions by TotalEnergies guidelines with regard to INF EN SO 14020 and NF EN ISO 14021:2016.

The firm's report can be downloaded from www.ecosolutions.totalenergies.com/en.

2.2 Criteria for Awarding the Label

Any of the Company's Marketing Departments may request the label Ecosolutions by TotalEnergies for their **products** or **services**, provided said products or services meet the following criteria.

To qualify for the label Ecosolutions by TotalEnergies, a product or service must:

- Be accessible to customers.
- Deliver an improvement in:
 - Environmental performance, by reducing the environmental impact associated with such products and services, such as energy or water use and/or
 - Health performance, by reducing the concentration of associated GHS-classified substances or VOC emissions.
- Justify this improvement by comparison with a market reference, product/service reference or reference situation
- The product or services 's overall impact across its life cycle must be considered and evaluated favorably based on current knowledge.
- The product or service's environmental or health performance must not result solely from full compliance with applicable legislation and regulations.

2.3 Geographic Scope

The **geographic scope** associated with the label is defined for each Ecosolutions product/service according to where the reference product/service is sold. It is then approved by the program's governance bodies (see Section 3), depending on the specific product/service concerned. In all cases, the geographic scope is specified in the description of the product/service on www.ecosolutions.totalenergies.com/en, and the label can only be used for marketing purposes within the specified scope.

2.4 Procedure for Evaluating Environmental or Health Performance

Selecting the **reference product or service** is a key step in the process, as the label's credibility with outside audiences depends to a great extent on the reference product/service's appropriateness and the evaluation's accuracy.

2.4.1 Identifying the Market Reference

The assumptions used to select and evaluate the reference product or service must be justified by the marketing entity or business unit and approved by the branch labelling committees. The final validation is the responsibility of the labelling Steering Committee.

Definition of the market reference: This is a product or service or technology that represents the majority of the market shares within a defined geographical area and serves as a benchmark, a comparative basis.

4 types of market references in order of priority:

- A product or service with the same characteristics, performing the same functions, currently marketed for the same use and within the same geographical area. and representing the majority of the market, based on available data.
- Or the relevant technical reference (if any) from sectoral data.
- Or the comparison can be made with the situation before use of the product or service. Such exceptional case may relate for instance, a product/service that is customized, innovative or for which market data is inaccessible. If so, the benefits of the existence of the product/service must be measured in relation to the situation prior to its use.
- Or when there is no reference product or service, the previous product or service specific to the same organization. It is a matter of comparing the same product whose new version has been improved. The anterior product becomes the reference product provided that it is always marketed.

Notes:

- Any choice of market referent should be clearly explained in the reference documents and must be validated by the Labelling Steering Committee.
- If there is no equivalent product, it is possible to choose a product of a different material and that fulfils the same functions provided that the latter is a majority in a given market.

Particular attention is given to the following aspects :

- The selection of an appropriate reference product/service, because the public's perception of "reference" is subjective and this could undermine the label's credibility.
- The exceptional absence of a reference product/service must be justified by the labelling steering committee
- The match between the geographical area of the reference product/service assessment and the one where the labeled product/service is sold or provided.

2.4.2 Functional unit

A functional unit is a measurement unit used to quantify the function of a particular product or service. It is the unit outcome, as defined by TotalEnergies, that serves as the basis for comparing the Ecosolutions product/service with the reference product/service. Defining the functional unit is of key importance because the environmental or health performance for each scenario is always determined using the functional unit. The choice of functional unit is validated by the Labeling Committee and then by the Management Committee.

Examples of a functional unit: The amount of fuel needed by a category X vehicle to drive for 100 kilometers in a standard automotive industry cycle or the amount of paint need to cover one square meter of wall with a defined opacity value for a period of ten years.

2.4.3 Comparative Performance Evaluation

The comparative performance assessment refers to a market referent.

The Ecosolutions by TotalEnergies labeled product/service must demonstrate a significant improvement in environmental or health performance (GHS-classified substance concentration and GHS-classified VOC emissions) for the functional unit in terms of one or more performance criteria.

4 categories and 6 performance criteria

1. Climate change	<ul style="list-style-type: none"> Reducing CO2e emissions
2. Natural Resources	<ul style="list-style-type: none"> Water Savings Energy savings Non-renewable resource savings
3. Ecosystem:	<ul style="list-style-type: none"> Reducing the impact on the ecosystem
4. Human health :	<ul style="list-style-type: none"> Reducing the impact on health

The product or service's overall impact should be considered to ensure that:

- All significant potential impacts have been taken into account.**
- The significant improvement **does not result in a significant transfer** to other impacts or other stages of the life cycle

This does not necessarily mean that a full life cycle assessment must be undertaken, especially if it can be established that the different stages in the life cycle (production, transportation, processing, use, end-of-life disposal) cannot be accurately quantified based on current knowledge.

Any negative impact created by the use of a Ecosolutions product/service must be mentioned in the label request, even if the only difference that can be determined is qualitative.

This comparative performance evaluation is validated by the Business Unit (BU) and then by the Labelling Steering Committee.

2.4.4 Calculating the Environmental or Health improvement

The environmental or health improvement compared with the reference product/service is evaluated for each label request and included in the descriptions of labeled products/services on www.ecosolutions.totalenergies.com/en

If the environmental improvement involves a reduction in greenhouse gas emissions, the annual emissions avoided by using the labeled product/service are calculated on the basis of the year's sales, including of products and services that have been awarded the label or from which it has been withdrawn during the year.

The aggregate greenhouse gas emissions avoided by the use of all labeled products and services are calculated annually and reported on www.ecosolutions.totalenergies.com/en and www.totalenergies.com.. The calculation is updated each year using the same method.

2.4.5 The significant nature

The **significant nature** of the improvement is validated by the Labeling Committee and then by the Management Committee, on a case-by-case basis.

The determination of the threshold of significance is the professional judgment of the technical experts and the independent auditor. A gain from a selected reference point shall be used as the initial basis for the determination.

The significant nature or character is appreciated with regard to:

- the reference point in a territory defined in a given regulatory context.
- the relative environmental and/or health “gain” (percentage gain relative to the reference product or service) generated by the product or service to be labelled in relation to the reference product or service.
- and/or the environmental and/or absolute health “gain” (the gain applied to all expected sales) generated by the product or service to be labelled in relation to the product or service that serves as a reference.

2.5 Limits / system boundaries

As a reminder and as indicated in section 2.4.3 on Comparative Performance Evaluation, evaluation does not necessarily involve the completion of a complete life cycle analysis.

The following points indicate what is acceptable or excluded and the uncertainties or limitations of the methodology and calculations:

- It is only a matter of evaluating the potential and not real impacts of a product or service.
- the results are particularly dependent on the assumptions chosen at the beginning of the study (study scope, functional unit, etc.) but also on the quality of the data (availability, confidentiality, complexity, etc.) and the version of software, databases and associated impact analysis methods.
- regarding the product design, one of the limiting factors is to access to the data necessary to carry out the study. In this case generic data from published sources can be taken into account to allow analysis on all stages of the value chain.

The limitations of environmental and/or health studies depend on current knowledge and methodologies.

The standard includes all stages of the life cycle, from extraction to end-of-life. However, depending on the availability of data, the scope of the analysis may be partially covered. In this case, the scope covered must be clearly stated as well as the reasons for non-coverage certain stages, considered non-discriminatory in the analysis.

No case will be submitted for only carbon offset or neutral carbon offer without showing proof of reduction.

2.6 Methods for Verifying Compliance

Two ways are used to verify

- The guidelines' compliance with international standards NF EN ISO 14020 :2000 et NF EN ISO14021:2016 is verified through an external review conducted by an independent third party.
- Compliance with guidelines of new requests to award or renew labels is verified through both an internal and external review.
 - **Internal review** by the labelling steering Committee meetings.
 - Review files for award or renewal of the labels
 - Examine the annual review of the current Labels
 - **External review** by an independent third party verifies that the guidelines are applied properly in label requests for each product or service. The external reviewer's report is made available at www.ecosolutions.totalenergies.com/en .

2.7 Label Date and Term

2.7.1 Label Award Date

The label award date is the date on which the reviewer's final report is issued. The label award date marks the beginning of the label term.

2.7.2 Term

The label is awarded for a period of 5 years including the year of the date of issue of the final audit report issued by an independent third party. Unless stated otherwise and validated by the Labelling Steering Committee, the label term expires on December 31 of the term's fifth year.

For a product or service awarded the label Ecosolutions by TotalEnergies in February 2019, for example, the label term would expire on December 31, 2023.

2.7.3 Renewal of the labels

Before the last Labelling steering Committee meeting in the last year of the term, the Marketing Department concerned must submit a new label request, which then undergoes the full labelling process.

2.7.4 Annual review of the labels

An annual review of the labels assigned to products and services is carried out by the BU and the branch coordinator in order to check compliance with the Ecosolutions by TotalEnergies guidelines and validate or not the maintenance of the label taking into account

The review process takes into account :

- any changes in regulations or standards,
- major shifts in market share and competing product/service performance,
- changes in the reference product/service
- changes in the products content/formulation,
- feedback from marketing campaigns and other information.

In the event of a significant revision to the Ecosolutions guidelines, the labelling Steering Committee may decide that approved products and services need to be reevaluated to verify their compliance

with the revised guidelines. Should this occur, the Marketing Departments will have one year to conduct the necessary reevaluation to validate whether or not the label is maintained.

Withdrawal of the label before term

If the annual review indicates that the product/service no longer meets the label award criteria, the Labelling Steering Committee, on the BU's recommendation may decide between the 2 following options:

- Validate the withdrawal of the label before term, taking effect on the date of the annual review
- Grant a period of one year provided that tests or evidence allow the file to be resubmitted to the labelling Steering Committee in order to maintain or not the label.

This may happen if changes in regulations have made the environmental or health performance mandatory across the market, for example, or because the reference product/service now offers an equivalent environmental or health performance, the product or service is no longer marketed or the business is sold to another company.

In the case of a label withdrawal, the product/service is removed of the Ecosolution by TotalEnergies website www.ecosolutions.totalenergies.com/en .

2.7.5 Annual monitoring report for current labels

Is taken into account in the annual monitoring report for current labels and related labeled products & services, any changes that occurred during year N (Example 2019) and N-1 (example 2018) :

- New labels awarded on which the reviewer's final report is issued during the year N
- Labels withdrawn validated during year N-1 and that take effect on the 1st of January of year N
- Labels renewed validated during year N

3 Governance

3.1 The authorities of the Ecosolutions by TotalEnergies program

Two governance bodies are involved in the labelling process

- At branch level : The Business Units (BU) or the marketing entities with the collaboration of the branch coordinators select, challenge, prepare and propose files (products or services) for certification at the Labelling Steering Committee.
- At the Company level : two types of steering committees:
 - The Labelling Steering Committee during which :
 - the files are validated for new awards, or for renewals or to justify cases of withdrawals.
 - The guidelines evolutions are validated
 - The Program Steering Committee during which the strategic vision of the program is discussed and validated.

These bodies ensure **continuous improvement** in the labelling guidelines and correct application of the guidelines in the labelling process. Working with the branch teams, they also constantly expand

the lineup of labeled products and services with the goal of providing our customers with new solutions.

3.2 Composition of the Ecosolutions by TotalEnergies Committees

- At branch level, members are TotalEnergies experts and branch coordinators.
- The Steering Committee members consist of TotalEnergies corporate representatives, branch managers, experts, branch coordinator and external stakeholders.
- The independent reviewer participates in the Program Steering Committee as contributor

The external stakeholders contribute to the Program Steering Committee that is held twice a year. They take part in the discussions, participate in the definition of the objectives and the evolution of the program in the same way as the TotalEnergies representatives.

The roles and responsibilities of the committee members are described in an internal document entitled "Internal Organization and Procedures."

4 Information and Communication

4.1 Internal and External Ecosolutions by TotalEnergies Document Base

The main documents in the Ecosolutions by TotalEnergies system are defined below.

For external distribution	Available on request	For internal use only
<ul style="list-style-type: none"> • Ecosolutions by TotalEnergies Guidelines • List of Ecosolutions by TotalEnergies products and services, with name, label award and expiration date, reference product/service, type of environmental or health improvement and geographic scope. • The external reviewer's reports. 	<ul style="list-style-type: none"> • Information sheet for outside audiences for each Ecosolutions by TotalEnergies product/service. 	<ul style="list-style-type: none"> • Appendix: Internal Organization and Procedures • Complete label request file for each product and service, with the detailed internal information sheet and all relevant documents, both internal and external, that support the qualitative and quantitative data in the sheet.

4.2 External Communication Procedures

4.2.1 General Guidelines for External Communication

Corporate Communications provides the Marketing Departments with graphic standards for external communication. A Responsible Communication Guide has been distributed to the program's governance bodies and is available via the Company intranet.

4.2.2 Documents Available to Outside Audiences

Published Information

The following documents are available at all times on the corporate Web site for consultation by users, potential buyers, environmental associations and other third parties:

- List of Ecosolutions by TotalEnergies products and services, with name, label award and expiration date, reference product/service, type of improvement and geographic scope.
- The Ecosolutions by TotalEnergies guidelines (excluding the appendix). Designed to avert any misinterpretation of the label, this document describes the labeling process's background, objectives, key steps and criteria.
- The external reviewer's reports.

The Ecosolutions by TotalEnergies guidelines and the list of products and services specifying the environmental or health improvement delivered by each labeled solution make up the explanatory statement described in NF EN ISO 14021 :2016..

The Management Committee is responsible for defining the methods for issuing this information (Web site posting, printed sheet attached to the instruction manual, etc.) in compliance with NF EN ISO 14021 :2016., Clause 5.7 m).

Information Available on Request

The Marketing Departments are responsible for preparing a version of the product/service information sheet that can be distributed on request (External Information Sheet). These sheets are based on the label request files, but do not include specific data on volume and market share, formulations and other confidential information.

In accordance with the principles laid out in NF EN ISO 14020 :2000 and NF EN ISO 14021 :2016, the information sheets for outside audiences must effectively support the qualitative and quantitative data provided to demonstrate the environmental or health improvement delivered by the labeled solution.

Without disclosing any confidential data, these information sheets must contain a sufficient level of detail and must not mislead the reader. They must also include the following items:

- Description of the product or service.
- Identification of the reference product/service and the method used (presentation of the functional unit, assumptions used, comparative evaluation with the reference product/service, standard or method used).
- Test results showing the environmental or health improvement delivered by the product/service, with the name and address of the testing organization if the tests were conducted externally, or publicly available documentation supporting the claim, if verification of the claim cannot be made by testing the product/service.
- Justification of the overall impact review (see Section 2.4.2) and its specific focus on the region in which the impact will occur.
- Label term.
- Geographic scope.

These information sheets are sent to any and all individuals on request, in accordance with NF EN ISO 14021 :2016

4.3 Communication Guidelines

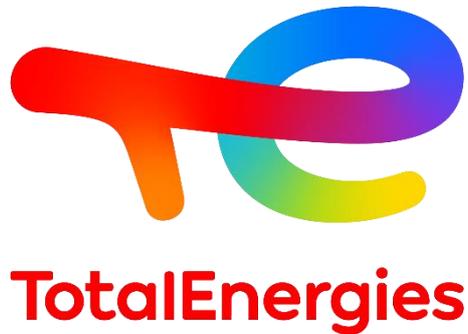
Internal and external communication guidelines for each of these documents are provided in the internal document entitled "Internal Organization and Procedures."

It also includes details on how the reviewer's name can be used.

5 Terminology

The following terms, as used in this document, are defined below:

- **Product:** Material goods, elementary process linked from a material and energetic point of view and fulfilling one or more defined functions(s)
- **Service:** Interface activity with the client, which has an economic value without corresponding to the production of a material good
- **Environmental claim:** statement, symbol or graphic that indicates an environmental aspect of a product or service.
- **Favorable overall impact:** A favorable evaluation is issued if no significant known impact is transferred to other stages of the life cycle and/or no other significant impacts are created.
- **Customer:** Anyone who uses a product or service in a B2B or B2C model.
- **SteerCo :** Steering Committee
- **VOC:** Volatile Organic Compound.
- **Life cycle:** Sequential phases related to a product, from acquisition of raw materials or production of natural resources to end-of-life disposal.
- **Accessible:** Available to the customer (i.e., not in the design phase).
- **Environmental impact:** Any change to the environment resulting from an organization's activities, products or services. Examples include climate change, the use of non-renewable resources and water acidification. The life cycle approach makes it possible to identify the most significant impacts by type of product.
- **Resources:** Water, raw materials, energy.
- **GHS:** The United Nations' Globally Harmonized System of Classification and Labelling of Chemicals.
- **Eco-efficient solution:** A solution that delivers a superior environmental or health performance. In the Ecosolutions by TotalEnergies program, an eco-efficient solution is a product or service that, for an equivalent outcome, delivers a significant reduction in environmental impact or improvement in health impact (by significantly reducing the concentration of GHS-classified substances or GHS-classified VOC emissions) compared to a reference product or service.
- **Impact transfer:** avoid shifting environmental and/or health impacts from one stage to another or from one ecosystem to another or from one indicator to another.



THE TOTALENERGIES COMPANY IS DEFINED AS TOTALENERGIES S.E. AND ITS AFFILIATES AND SHALL INCLUDE THE LABEL ECOSOLUTIONS BY TOTALENERGIES

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