

# 2024 Shareholders' Meeting

## Chairman's Address

Ladies and Gentlemen, Fellow Shareholders,

It is always a huge pleasure to be here with you at the Shareholders' Meeting, taking place this year at our Coupole headquarters for the first time. We decided to hold this major event here at our offices in La Défense to avoid any repeat of the local disturbances around the Salle Pleyel, which we unfortunately saw in the last two years. We would therefore like to thank everyone who made the effort to travel to La Défense, as – once again – the Shareholders' Meeting is a key event in our Company's calendar, as our opportunity to talk directly to our shareholders.

I would also like to welcome all those of you who are watching live on our website. This year, we have again given you the opportunity to share your expectations and questions ahead of the meeting by opening a platform on our website from May 10 to 20 for you to submit your questions. We will, of course, give priority to questions from those who are here in person in the auditorium and in the neighboring hall in La Défense, and our meeting secretary Jean-Pierre Sbraire will be able to pass on some of those questions, which I will be happy to answer.

Finally, a special welcome to our non-employee individual shareholders, of whom there were 1.6 million in Europe and the United States in 2023. This number grew by a further 165,000 last year and now represents 13.6% of the Company's share capital. Employee shareholding has also increased substantially. In 2023, TotalEnergies became number one in Europe for employee shareholding, which this month passed 8% of our share capital, something I will come back to later. Overall, therefore, if we combine non-employee individual shareholders and employee shareholders, over 20% of the Company's share capital is held by individuals. This is quite remarkable and we regard it as a source of stability for our Company.

As you saw in the introduction, 2024 is a very special year for TotalEnergies, as it marks our 100th anniversary. A hundred years is quite an achievement for a business. I would therefore like to begin by reminding you of our history and the lessons we can learn from the past.

TotalEnergies was founded in 1924. At the time, it was known as the Compagnie Française des Pétroles. It was created to lead a national oil policy, as at the time of the First World War, its founders realized the need to secure oil and gas supplies in France and not be reliant on foreign companies. A hundred years later, this concern remains relevant, and supplying our customers with the energy they need is an ongoing responsibility for us.

Total grew over the course of the century, before becoming TotalEnergies. As you saw in the film, our history is that of the 20th century and its economic, social and geopolitical movements, the boom years and the crises. The Company's development has mirrored the aspirations of a society in pursuit of progress and comfort: energy is life, and mankind has always fought and innovated to obtain it, at the most affordable price. Secure and sustainable energy at an affordable cost—this is the heart of our energy strategy, the constant quest of the human race for centuries.

Over the last 100 years, TotalEnergies' employees have continued to surpass themselves in adapting to market developments, responding to their customers' needs and overcoming technological challenges. As you saw in the film shown at the start of this meeting, TotalEnergies' history is first and foremost about the pioneering men and women we wanted to pay tribute to with our centenary slogan, "Pioneers for 100 years".

Yes, they were really pioneers, our ancestors who discovered oil in Baba Gurgur in Iraq in 1927, who built a pipeline of almost 2,000 kilometers from Iraq to the Mediterranean Sea in 1934, who built two refineries in 1933 and 1935, and who launched the world's largest tanker, the *Émile Miguet*, in 1937 – all in the space of less than ten years! I would like to pay tribute today to these hundreds of thousands of pioneers who are the past and present employees of the Company.

I would also like to pay tribute to the nine people who have led that Company over the last 100 years, each bringing their own strategic vision to every stage of its development. Ernest Mercier and his team of founders, Jules Mény and Victor de Metz, who were to lose their lives after being deported, René Granier de Lilliac, François-Xavier Ortoli, Serge Tchuruk. I must also mention Pierre Guillaumat, one of the key founders of Elf, to whom French industry owes so much, as well as Baron Wolters, who rebuilt Petrofina after the Second World War.

And then, at the turn of the century, Thierry Desmarest—the Company's seventh Chief Executive Officer—who firmly believed that we would have to scale up to keep growing. With the support of Petrofina shareholder Albert Frère, he initiated the mergers between Total and Petrofina and then Elf Aquitaine, making the new group part of the circle of leading international majors and currently the fourth largest in the market. I would like to give a special mention to Thierry Desmarest, whom we sadly lost at the start of this year. Without him, the Company would not be the energy giant it is today. At the head of Total for more than twenty years, Thierry was a visionary who made his mark on the history of French industry. For me – and I think also for you, our shareholders – he will always be one of France's great business leaders.

He was succeeded by our eighth CEO, Christophe de Margerie. Fueled by his determination to cultivate and develop his personal relationships with all our stakeholders, his love for his neighbor, he gave a new dimension to our Company and its global growth.

I am certain that Thierry and Christophe would have been very proud to celebrate TotalEnergies' 100th anniversary with us and I would like to pay tribute to them with a round of applause in their memory.

*Applause.*

Thank you. Our history has also, and above all, been forged on the basis of shared values that have united our teams since 1924 and guide what we do every day to address the challenges that arise and lay the foundations for our future success. These values, as you well know, are Safety, Respect for Each Other, Performance-Minded, Stand Together and Pioneer Spirit.

TotalEnergies was a pioneer in the true sense of the word at the very start of its journey, as I have just described, as this is in our nature. Pioneer Spirit is the value that enabled us to take a daring approach from our very beginnings.

And it is with this same pioneer spirit that we decided in 2020 to set ourselves on the path towards the energy transition, with the goal of getting to net zero, together with society and transforming TotalEnergies into an integrated multi-energy company (oil, gas and electricity). To achieve these ambitious targets, the Company has established a clear strategy. This is the second point I would like to discuss.

As Jean-Pierre Sbraire said, 2023 was a successful year for the Company, in a slightly less favorable economic climate than in 2022. It demonstrated the relevance of our strategy by being the second most profitable major for the second year in a row, with a return on capital of 19%, attesting to the financial strength of our business model. This performance is the result of a two-pillar strategy, as Jean-Pierre explained. First, hydrocarbons – which are still the main energy source today – and second, electricity—the energy at the heart of decarbonization and the energy transition.

In terms of the first pillar, oil and gas, the facts speak for themselves. Demand for oil is continuing to grow and will continue to do so, with the International Energy Agency predicting demand of close to 106 million barrels a day by 2028, compared to 102 million barrels a day in 2023. This growth is quite simply due to the larger global population, particularly in countries in what we call the “Global South”, who rightly aspire to a better standard of living and therefore need more energy.

We are sometimes criticized for developing new oil projects and some people believe that development of new oil resources should be stopped. Remember that oilfields naturally decline by 4% each year. So, the question is not when oil demand will start to fall but when it will fall by more than 4% a year. As I have told you, at this stage, oil demand is continuing to grow, just like the global population. Of course, efforts are being made to improve energy efficiency. Growth in oil demand is no longer tied to economic growth, but demand is still continuing to increase. In the meantime, even though we haven't yet reached a decline of more than 4% a year, if we don't want oil prices to hit excessive levels that are likely to become rapidly unaffordable for people in emerging markets, as well as those in developed nations—as we have seen over the last two years—then the oil industry needs to continue to bring new oilfields into production and discover new reserves to counter that natural decline.

In that context, TotalEnergies is continuing to produce and invest in oil and gas in order to counter the natural decline in our oilfields and respond to demand. In other words, to ensure our customers' energy supply, and also because within the framework of our transition model, the profits we make are used to finance our transition to low-carbon energy. I will say more about that later.

But we are naturally producing and investing in hydrocarbons as responsibly as possible by targeting our projects and focusing on those with a low breakeven (less than \$30 per barrel), as well as cutting greenhouse gas emissions, as the greenhouse gas emissions intensity of each new project has to be below the average for our portfolio.

Ten years ago, we started to refocus our portfolio on low-cost, low-emission assets, and this is now beginning to pay off. In terms of profitability, the pre-dividend breakeven in 2023 was less than \$23 per barrel, which you will agree is low. Remember that it was nearly \$100 per barrel in 2014. In other words, TotalEnergies makes money above \$23 per barrel and each additional dollar in the oil price – give or take tax of around 40% - brings in additional revenue. Our production costs are around \$5 per barrel, the lowest among our peers.

Thanks to this strategy of producing at low cost and our disciplined investment, we are able to benefit fully from current prices and also ensure that our portfolio is resilient in the long term, depending on how demand develops, while also contributing directly to making dividends resilient for you. As Jean-Pierre Sbraire said, unlike some of our competitors, we have not reduced our dividends for more than forty years.

This strategy came into effect in 2023 and early 2024, with new projects. I can cite the Mero oilfield in Brazil, the Block 10 gas field in Oman, new fields in the United Arab Emirates – SARB and Umm Lulu – and in Iraq, the Ratawi field as part of the multi-energy project (gas, solar, oil) launched in 2023. Our exit from the Canadian oil sands in 2023, with some of the proceeds returned to shareholders, is also part of this strategy, as oil sands were high-cost, high-emission assets.

We have an extensive project portfolio and are planning to continue to produce and invest in oil and gas fields. Our growth in the years ahead will depend mainly on liquefied natural gas, thanks to a large portfolio of projects in the United States, Qatar and Oman, as Jean-Pierre said.

We are happy to defend this growth in gas, which we believe presents two key advantages for the energy transition. The first is that gas is a flexible way of producing electricity and therefore effectively compensates for the intermittent nature of renewables, as sustainable energy production will be central to decarbonizing the economy. Gas means we can ensure our customers have electricity when there is no wind or sun, as our customers want electricity 24 hours a day, seven days a week. The second relative advantage of gas – since it is still a fossil fuel and one day we will have to make do without it – is that at this stage, it is a good alternative in many countries to using coal to produce electricity. A gas-fired power plant emits half as much carbon as a coal-fired one. On that basis, we calculated that our liquefied natural gas sales in 2023 helped to prevent some 70 million tons of carbon dioxide worldwide for liquefied natural gas customers replacing coal with gas.

But to ensure a successful energy transition and get to net zero, together with society, we need to actively develop our low-carbon energy operations. This is the target we have set ourselves by developing the second pillar of our strategy, which focuses mainly on electricity – the energy at the heart of the energy transition – as well as developing other new fuels, particularly biomass-based, and others such as hydrogen.

Fellow shareholders, we are continuing to step up our investment in the energy transition. The figures speak for themselves. As a reminder: \$2 billion in 2020, more than \$3 billion in 2021, \$4 billion in 2022, \$5 billion in 2023 and again in 2024, and we intend to keep this at \$4-5 billion over the decade. In France, we are investing \$1.2 billion this year in renewables, low-carbon energies and decarbonization, three times more than in 2020. We have also invested more in renewables in France than any other company. In May 2024, we reached 2 GW of renewable capacity in production in France. This considerable investment attests to the Company's commitment to building the energy system of tomorrow on the basis of electricity and renewables, as well as focusing on low-carbon fuels, as I said, such as biofuels, biogas and hydrogen.

I would like just to remind you of a few highlights of 2023 that have already been mentioned, such as the outright acquisition of Total Eren after a fruitful five-year strategic partnership. We brought our largest offshore wind farm into service, the Seagreen project in Scotland, with capacity of over 1 GW. In Germany, we acquired

offshore concessions to develop two giant wind farms in the country between now and 2030, with capacity of 3 GW, which will supply electricity for more than 3 million households. In Texas, we acquired three gas plants representing electricity generation capacity of 1.5 GW in addition to a portfolio of 4 GW of renewable capacity we are in the process of building, with battery storage capacity of 300 megawatts. This means that we can meet the expectations of our customers in Texas for low-carbon electricity available 24/7, capitalizing on growth in demand for electricity to power the data centers needed to develop digital technology and artificial intelligence.

And of course, we don't intend to stop there. We currently have a portfolio of electricity, renewables, onshore wind, offshore wind and solar projects representing capacity of over 85 GW, 84 GW of which has already been installed. This makes us one of the world's largest developers outside China, and I can confirm that we will achieve our target of gross capacity of 35 GW in 2025.

As you can see, while some of our competitors have scaled back their ambitions, mainly because of the rise in hydrocarbon prices and by opting for hydrocarbons, and whereas some detractors accuse us of greenwashing, we are constant, persistent and resolutely committed to building the low-carbon energy system of tomorrow by increasing our investment in these new business sectors.

For this ambition to last, it has to be profitable. That's why we also need to be disciplined in choosing the projects we want to develop and in executing them. What we want to do is replicate the integrated model in Oil & Gas, which has made us the most profitable major right now in the electricity value chain. And that's why – as Jean-Pierre said – we decided to publish the Integrated Power segment's results in 2023, earlier than we had anticipated. Three years after it was launched, this segment has already generated cash flow of over \$2 billion and achieved a return on capital employed of 10%.

So we are in the process of demonstrating that we can both continue to be a profitable company in oil and gas, and also develop our operations in renewables, which some people say are not profitable. The aim is to be able by 2028 to generate cash from these low-carbon activities, electricity and Integrated Power. In other words, revenues of more than \$4 billion and capital expenditure of \$4 billion, with a return of 12%. The goal is for these new activities to also contribute to higher dividends.

Fellow shareholders, as you know, the Company has been committed since 2020 to an ambitious strategy of balanced transformation, combining profitable growth and sustainable development, and we are therefore playing a part in the energy transition. And I am genuinely proud to say that our efforts in cutting our own emissions are continuing to pay off. These achievements are described in the 2024 Sustainability & Climate report, which is also the subject of an advisory resolution at this meeting.

To give you just a few figures, in 2023, emissions from all our operated sites were 24% lower than in 2015, or 34% lower if you only count operated production, refining and oil and gas liquefaction sites. Of course, we owe these excellent results to the very determined efforts of all our employees, supporting our target of reducing what are called Scope 1 and 2 operated emissions by 40% net between 2015 and 2030.

I would like to take a very concrete example of a recent decision. We decided to invest in a new liquefied natural gas project in Oman: Marsa LNG. This is a very impressive project that will allow us to produce 1 million tons of liquefied natural gas, intended chiefly to lower the carbon footprint of shipping, as ships can use liquefied

natural gas as a substitute for oil to reduce greenhouse gas emissions. To reduce the Marsa LNG plant's carbon impact, we decided to use 100% electricity to replace traditional technologies that used gas-fueled motors to liquefy gas. And the electricity will come from a 300 MW solar power plant that will supply all the plant's annual needs. TotalEnergies is a pioneer in this field. The average carbon intensity of an LNG plant is currently 35 kg of carbon per barrel, compared to less than 3 kg per barrel for the Marsa plant in Oman. This means we are slashing the emissions from an LNG plant by a factor of 10. We are showing that liquefied natural gas can be used differently, resulting in a very clear reduction in emissions.

Of course, gas is currently synonymous with methane, so when you have a strategy for achieving growth in gas, you also need to set a very ambitious target for reducing methane emissions. This is particularly important because methane has greater warming power than carbon dioxide. Our methane emissions are already among the lowest in the Oil & Gas sector, but our aim is to move towards zero methane emissions. We achieved a reduction of 47% between 2020 and 2023, which means we will achieve our target of 50% in 2025, probably one year ahead of schedule, with a target of 80% by 2030. These are Scope 1 and 2 emissions, so this represents a very determined commitment by the Company, as we can take direct action to reduce these emissions.

We also want to contribute actively to decarbonizing Scope 3 emissions, which are our customers' Scope 1 and 2 emissions. We will achieve this by implementing our strategy, as we aim to reduce the carbon intensity of the lifecycle of the products we sell by 25%. But what does this really mean? It means that we sell various energy products to our customers and that the average carbon content of the energy products we sell in 2030 will be 25% lower than in 2015. And we can do this because we are developing an increasingly low-carbon range of products, particularly in electricity, and because this is our very concrete contribution to the energy transition and the direct help we give our customers by supplying them with increasingly low-carbon electricity.

In 2023, thanks to growth in our sales of electricity from renewable sources, the carbon content of the energy we sold our customers was already 13% lower than in 2015. We are almost halfway to our goal for 2030. These results clearly establish us as the leading major in decarbonizing our energy mix.

As you can see, fellow shareholders, climate really is a central concern for us and, above all, central to our strategy. We firmly believe in the credibility of our transition plan. That's why your Board of Directors is submitting this resolution to you once more, so that you will appreciate the progress made by the Company.

I assure you that we will stick to this balanced strategy, as TotalEnergies demonstrates every day that it is once again possible to be a profitable business – even the most profitable – while also undergoing a transformation by lowering our emissions, investing in the energies of tomorrow and sharing the value created fairly and responsibly with all our stakeholders, employees, customers, host countries and you, our shareholders. That is the last point I would like to discuss: sharing TotalEnergies' value.

As you know, we operate in 120 countries where we create value. We believe that it is our civic responsibility to share this added value as transparently as possible with all our stakeholders. In 2023, it represented around \$67 billion.

Of course, first of all, we pay considerable taxes in the host countries where we make a profit, and that makes a significant and direct contribution to the economic development of those nations. In 2023, we paid close to \$25 billion in taxes and duties, representing an average tax rate of over 38%. As you know, we do not produce oil or gas in France, but if you consider the taxes we pay and the charges and social security contributions for our 35,000 employees, we contribute more than €2 billion to the public purse.

Then, of course, we share our profits with our employees – more than 100,000 worldwide, including 35,000 in France. Our aim – and a priority for the Company – is to share our results with them, as they are the ones who create this value on a daily basis. In addition to salaries and benefits, which represent around \$9 billion, we take exceptional measures, paying every employee in the world a bonus corresponding to 75% of their monthly salary in 2023, for example. In France, we have around 14,000 employees covered by collective agreements, who also enjoyed a 5% pay rise, a value-sharing bonus of €2,000 to €4,000 and profit sharing of more than €9,000 on average per employee.

Given the current inflation, we have also taken measures to protect our employees' purchasing power, making the decision in France that no employee shall earn less than €2,000 gross per month. In 2023, we found innovative ways of helping our employees with their own energy transition. They can now receive €2,000 to make their own day-to-day lives more sustainable in terms of energy use or transportation.

Finally – and this is another way of sharing value – we are very committed to developing employee shareholding, as I mentioned in the introduction. This represents the best way of involving employees in the Company's financial performance, giving them a greater sense of belonging and aligning their interests with yours, the Company's shareholders. As I said, TotalEnergies has become the leading company in Europe for share capital held by employees, with more than €11 billion invested, and over the past month they have just invested close to an additional €500 million.

This is a real success for us and something that I am immensely proud of, as these figures prove how committed our employees are to their Company, to the TotalEnergies family, and that they have faith in our strategy. Employee shareholding has grown from 5% to 8% since 2015, while the Company's value has increased by more than 50% over the same period. To thank them for their loyalty and celebrate our 100th anniversary with them, we have made the decision – one that is quite exceptional in the Company's history, but you're only 100 once – to award 100 TotalEnergies shares to each of our 105,000 employees around the world. To further increase value sharing, the capital increase reserved for employees in 2024 will offer a 30% discount on the share price, which is also exceptional. I must admit that our employees have been very responsive, investing around €500 million in the Company this year, 35% more than last year. I would like to thank them, once again, because they are the heart of the Company. They are the ones who create value and it makes sense to share it with them.

I've talked about governments and employees, but there are also the customers. We receive 8 million customers at our service stations in seventy countries and supply gas and electricity to around 9 million customers each day. As a responsible business, we endeavor to take action for these customers and protect their interests, particularly in the current market of high energy prices. That is why we've decided to extend some of our key initiatives for boosting buying power. For example, the €1.99 cap on the

price per liter of diesel and gasoline at all 3,400 service stations in France. And the energy consumption bonuses for our electricity customers, which we renewed in winter 2023-24, allowing them to benefit from discounts if they make energy savings.

Lastly, of course, shared value concerns you, our shareholders. And I'd like to discuss a topical issue, as the Board this year began to think about the markets where TotalEnergies is listed. I'd like to use this Shareholders' Meeting as an opportunity – as I have done in an interview that came out this morning – to give more details on this issue, which has given rise to some questions.

There is no question of us leaving France. TotalEnergies will maintain its head office in France and its listing in France. We have a genuine attachment to France and this is not something I need to prove.

At the same time, we are seeing two phenomena: a lower valuation on the European markets compared to the US markets, and a reduction in our shareholder base in France and Europe, with a corresponding increase in North American shareholders. It is therefore understandable that the Board is thinking about ways and means of trying to remedy this situation. One idea is to be able to offer US investors the same TotalEnergies ordinary shares we offer our European shareholders, and not just depositary receipts or ADRs, as is the case right now. In a way, we are looking for a way of increasing the liquidity of our TotalEnergies shares, which could also help to increase their value.

So we are currently looking into the practical aspects of how we can offer these shares to investors on the US market, while also keeping the shares on the European markets – Euronext in Paris, as well as London and Brussels – where they are currently listed, as most of our shareholders are European. In a way, what we are aiming for is a transatlantic cross-listing of the TotalEnergies shares. Remember that we are already listed on Wall Street in the form of ADRs and we will continue to be subject to the same rules if we also list the TotalEnergies shares, as we will be regarded as what is called a foreign issuer. We will maintain this status, since we will be keeping our head office outside the United States. This means there will be no additional constraints.

That is what is behind the thought process. Of course, we will keep you up to date about any changes, as the Board is there to protect the interests of all of TotalEnergies' North American shareholders, as well as those in France and Europe.



On the subject of value sharing, Jean-Pierre Sbraire explained that the Company is in a healthy position, with a low level of debt, which will allow us to step up the pace of the energy transition and also offer an attractive shareholder return policy. This is reflected by the gross annual total shareholder return of almost 10% over the last ten years, which – as Jean-Pierre said – is higher than any of our peers and demonstrates the attractiveness of our shares. In these circumstances, your Board of Directors has established a new cash flow allocation strategy for the years ahead, as announced in September 2023, in order to return more than 40% of cash flow to shareholders in cycles, compared to 30-40% in the past.

In 2023, this return represented around 46% of cash flow, or over \$16 billion, comprising the dividend proposed to you at this meeting of €3.01 per share, 7.1% higher than last year, and share buybacks, as Jean-Pierre explained.

On the back of the Company's solid results for 2023 and the start of 2024, your Board of Directors has also confirmed a 7% increase in the first interim dividend for 2024 of €0.79 per share, as well as a buyback policy of 2 billion shares per quarter, representing 4 billion in the first half of 2024. I am delighted that these shares have been well received on the market, as TotalEnergies' share price performance is currently at an all-time high, in the year of its 100th anniversary.

Ladies and gentlemen, fellow shareholders, in conclusion, I think I can say that we are once again more committed than ever to building the energy system of tomorrow, in which low-carbon electricity and gas will play an increasingly important role, while also continuing to supply the energy that the world needs now. We are determined to pursue this strategy of a balanced and clear transition. We are totally transparent about how we intend to achieve this: more energy and lower emissions for the benefit of everyone – our employees, our customers and you, our shareholders.

During my ten years at the head of TotalEnergies, I've been committed to developing this magnificent business and I still firmly believe that the Company is in an excellent position to respond to the challenges of the energy transition. With your support, fellow shareholders, and that of all our employees, I hope that TotalEnergies will make history in the decades to come, as it did throughout the 20th century, and that it will be a source of progress and innovation for the benefit of a growing global population that aspires to live in a better world. This will be further proof of our pioneer spirit.

Thank you for your attention.