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PRESENTATION

Patrick Pouyanné - TotalEnergies SE - Chairman & CEO

Good afternoon or good morning, everyone. Before Jean-Pierre goes through the details of the second financials, I would like to make some few opening comments.

We are facing an unstable geopolitical and macroeconomic environment, which has been dominated by during the quarter by the Israel-Iran 12-day war and also the tariff war between the U.S. and some commercial partners. In this context, oil markets have been volatile during the second quarter, with price broadly fluctuating between \$60, \$70/b, an average of \$68/b with a short and ultimately modest increase during Iran crisis with crude prices reaching \$81/b at the highest point. We could consider in our view that this is quite a limited price response to this major crisis. And somewhere, it is a signal that the oil market is well supplied, in particular, fuelled by OPEC+'s decision to unwind some voluntary production cuts and also facing a weaker demand linked to the global slowdown of economic growth.

In such a context, and Jean-Pierre will detail that in a few moments, this quarter TotalEnergies once again demonstrating the Company's robustness thanks to its balanced and consistent strategy. It's also thanks, and it's more important, to its differentiated and unique energy production growth profile, both in oil and gas and in electricity, and that drives cash flow growth as well as is the basis for attractive shareholder returns through cycles.

Starting first with our first pillar, Oil and Gas. The first half 2025 production was up more than 3% year-on-year, demonstrating that we are well on track to achieve our 2025 upstream production growth guidance of more than 3% versus 2024, and as you know it will be even longer up to the end of the decade, this 3% growth. And it has been supported, and it's also very important, by start-up of high-return projects such as the Ballymore field in the U.S. or Mero-4 in Brazil, which by the way was one quarter ahead of schedule. And now Begonia and CLOV 3 in Angola just came on stream to further feed the Q3 and H2 growth. As I said, importantly, this production is coming from these new projects and is accretive including the upstream cash flow CFFO per barrel by around \$1/b as an average during the quarter, which is, in fact, quite impressive given our large production base.

We are also continuing to manage this portfolio, focusing on our projects on those that meet our low-cost low emission criteria and divesting some noncore higher-cost projects. And during Q2, we, consistent with this strategy, we divested non-operated interests in non-core higher cost projects in Nigeria, Bonga, and Brazil, Gato do Mato. During the second quarter, we have also reloaded the exploration portfolio by acquiring exploration permits in the U.S. Gulf, in Malaysia, in Indonesia and Algeria.

On the LNG front, the big news of the second quarter, we continue to strengthen the portfolio by signing a 1.5 million ton LNG offtake agreement from Rio Grande LNG Train 4. We will become a shareholder of this train as well. And we have also taken, I would say, an option, potentially, on the future project located on the Pacific coast of Canada, which give access to Asian markets and will benefit, by the way, by some very cheap gas in Alberta, Canada.

On the second pillar, as you can have observed, Integrated Power continued to deliver solid results and solid cash flows close to \$600 million and is on track to achieve also its annual guidance.

In line with our strategy, we also continue to unlock value in our power business by progressing farm-downs. We have sold during the quarter, 50% of our 600 MW portfolio of renewable assets in Portugal and there is more to come in the second half.

2Q Downstream results benefited from a positive seasonal effect of Marketing and Services activities, which have done very well, which in fact are stronger, with stronger results year-on-year. Despite near-term improvement in refining margins, to be honest it is a small improvement in the second quarter, Refining and Chemicals are still facing some headwinds, either on the operational side, two refineries were not at the optimum efficiency, I would say Donges and Port Arthur, and also on the market side, it's more for the polymer business, which is facing overcapacities in the market.

Moving to Capex, during the first half of 2025, net investments totalled \$11.6 billion, including \$2.2 billion of net acquisitions, in particular, the acquisition of VSB. I confirm today that for the full year, we anticipate the net investments will be within the \$17-\$17.5 billion guidance range given the disposal program planned for the second half of the year, which is already well engaged.

In Upstream, beyond our stake in Bonga, Nigeria, as announced, we have -- in fact, these last weeks, approved some binding offers for our unconventional oil license in Argentina and for two other E&P assets, which will represent globally \$1 billion of cash flow.

We are also working and the E&P team is working hard to close our divestments of onshore Nigeria before year-end. This represents next to \$1 billion. In Integrated Power, we are very well advanced for the farm-downs of the 1.5 GW portfolio in the U.S., a 250 MW portfolio in France and 400 MW in Greece. These three farm-downs will represent net divestments of Capex of around \$1.5 billion.

The gearing stood by the end of June at 18%, increasing quarter-to-quarter, primarily due to net investment being weighted towards the first half of the year, in particular because of the timing of the disposal proceeds, but it was anticipated, and working capital built in the first half. Excluding the seasonal effects of working capital and the investment base, normalized gearing is 15%.

I will conclude my remarks with the shareholder distributions. The message of the Board is clear we maintain shareholder distribution at a high level, I would say, as a payout could stand around 55% in 2025, which is, as you remember, quite above the guidance of more than 40% through cycles.

First on dividends, the ordinary dividend is our #1 capital allocation priority. We continue our track record of attractive growth. The Board of Directors approved the second interim dividend of 2025 at 0.85 Euro per share, which is an increase of 7.6% compared to 2024 in and it's up 25% versus pre-COVID.

I would like to underline that in U.S. dollar terms, considering the evolution of the \$/€ exchange rate, this increase of more than 10% and 8% in 2023, 8% in 2024. U.S. shareholders have the benefit of that. I would like also to underline that our dividend yield is the best among the majors.

And comforted by the ability of the Company to reach its 2025 underlying growth objectives, in particular, on energy production on both sides, the upstream, which continues to deliver good results quarter after quarter and also Integrated Power, while maintaining a strong balance sheet, the normalized gearing at 15%, the Board has decided to continue share buybacks for up to \$2 billion in the third quarter. The Board will continue to monitor the buyback on a quarterly basis, looking to the evolution of the macro environment but also on possible anticipations on the oil, gas, refining, petrochemical markets.

We intend to give you more colour on the buyback scheme investment at our Investor Day end of September. And now I will turn the call over to Jean-Pierre, who will go through the details of second quarter financials.

Jean-Pierre Sbraire - TotalEnergies SE - CFO

Thank you, Patrick. I will start by commenting on the price environment in the second quarter, which was overall weaker quarter-over-quarter. Brent averaged \$68/b versus \$76/b in the first quarter, down 10%. TTF, the European gas marker, averaged \$11.9/Mbtu versus \$14.4/Mbtu in the Q1, down 18%. And the average LNG price also decreased to \$9.10/Mbtu versus \$10/Mbtu in the first quarter, down again by 10%. For refining, the ERM, European refining margin, slightly improved to \$35/t during the second quarter, but as mentioned by Patrick, still remains at low level.

In this context, the Company reported robust financial results, demonstrating the strength of our business model and our operations with adjusted net income of \$3.6 billion and cash flow from operations of \$6.6 billion for the second quarter, which were supported by accretive production growth. Profitability remained strong with return on equity for the 12 months ending June at 14.1%.

Now moving to the business segments, starting with hydrocarbons. As anticipated, second quarter production was slightly lower than the first quarter due to planned maintenance. However, on a year-over-year basis, the second quarter marked yet another increase in upstream production, which amounted to a strong 2.5%, thanks to new projects start-up and ramp-ups. On the cost side, the Company continues to be a leading low-cost operator with upstream operating costs at \$4.9/boe for the first half of the year.

Looking forward, we expect hydrocarbon production in the third quarter to increase by more than 3% compared to the third quarter 2024.

Turning now to Exploration and Production. This segment generated second quarter 2025 adjusted net operating income of \$2 billion and a cash flow of \$3.8 billion. Importantly, our project queue is delivering new low-cost, low-emission oil and gas that is accretive with an average upstream CFFO per barrel equivalent that is roughly twice the base portfolio. In fact, during the second quarter, production from the new projects improved the upstream CFFO per barrel equivalent by around \$1 per barrel equivalent, generating something like \$180 million more than if they had come from the base portfolio. On a cumulative basis for the first half 2025, the extra CFFO generated by new projects totalled close to \$300 million.

On integrated LNG business, our sales were stable at 10.6 million tons for the second quarter, and the Company achieved \$1 billion of adjusted net operating income and cash flow of \$1.2 billion for the second quarter, reflecting the 10% decrease in the average LNG selling price related to declining crude prices, as well as low market volatility for gas trading activities.

Forward, European gas prices continue to be sustained at around \$12/Mbtu for the third quarter and for 2025-26 winter period due to storage replenishment in Europe. Given the evolution of oil and gas prices in the recent months and the lag effect on pricing formulas, the Company anticipates an average LNG selling price of \$9 to \$9.5/Mbtu in the third quarter.

Integrated Power, the net power generation increased 28% year-on-year to 11.6 TWh due to growth in renewable sources and the impact of the 1.3 GW CCGT acquisition in the U.K. closed in 2024. Integrated Power adjusted net operating income was close to \$580 million, up 14% year-on-year and cash flow was \$562 million. First half 2025 cash flow totalled \$1.2 billion, and we're on track to achieve the annual cash flow guidance. Lastly, we are progressing on the Company's farm-down strategy, which optimizes, as you know capital allocation. During the second quarter, the Company sold 50% of a 600 MW portfolio of renewable assets in Portugal. And as Patrick mentioned, there is more to come with the 50% farm-down of a 1.5 GW portfolio in the U.S., 400 MW in Greece and 250 MW in France.

Moving now to Downstream, although refining margins improved during the second quarter to \$35/t, overall, we remain in a global weak price environment. In this context, Downstream reported second quarter adjusted net operating income of \$0.8 billion and cash flow of \$1.5 billion. Results benefited from positive seasonality in the Marketing and Services business, with results higher year-on-year. In refining, the utilization rate increased in the second quarter due to improved efficiency and low maintenance, but the results suffered from some operational difficulties at Port Arthur and Donges refineries, as well as weak petrochemical margins as the polymers business is facing a global glut of new capacity in China and in the U.S.

Looking ahead, we anticipate refining utilization in the range of 80% to 85% in the third quarter 2025, which reflects scheduled maintenance at Antwerp, Port Arthur, and HTC in Korea. In terms of Downstream environment, in petrochemicals, we see continued pressure on pricing from the record incremental production capacity that was placed in operation in 2022 and 2023. And in SAF business, imports to Europe have significantly increased, pushing prices down and likely impacting bio margins for the rest of the year.

Moving now to the Company level, on working capital, the Company reported a \$0.5 billion increase in working cap requirements, mainly due to the unfavourable effect of declining prices on tax liabilities and payments during the quarter of the capital gains tax from divesting the German distribution networks to Alimentation Couche-Tard. This was partially offset by the seasonal release on gas and electricity supply activities in Europe after a strong build in the first quarter. Note that the increase in the first half 2025 working cap requirements of \$4.9 billion is essentially at the same level that was reported one year ago in the first half 2024.

Looking ahead, the Company expects that most of the seasonal working cap build that was observed in the first quarter of 2025 should be released in the second half of the year.

On net investment side, net investment totalled \$6.6 billion in the second quarter, which notably included the closing of the VSB acquisition for \$1.6 billion and \$11.6 billion for the first half of the year. We anticipate full year net investments to be within the guidance range based on planned disposal during the second half of the year, as Patrick mentioned. That means that the gearing by end of June is impacted by something like \$2.8 billion of Capex.

With that, Patrick and I are now available to answer to your questions. And now we can open the line. Thank you.

QUESTIONS AND ANSWERS

Michele Della Vigna - Goldman Sachs

Two quick questions on the LNG market actually. You continue to grow it very strongly with both long-term contracts and new projects. I'm just wondering, at what point do you think that it will become really difficult to sign new long-term supply contracts with customers? It feels like we are starting to build a bit of an oversupply for the coming years, and the oil linkage is probably approaching that 12%, which starts to become less attractive. Just want your view there also because it would be interesting to see at what point we start to see a slowdown in new FIDs.

And then related to that, in the U.S., how do tariffs impact the cost of building new LNG plants there? There are various elements. I think the steel tariffs probably are the most relevant one. And does that make you be more cautious to do an FID on a new LNG project in the U.S. or that's actually manageable in the context of your portfolio?

Patrick Pouyanné - TotalEnergies SE - Chairman & CEO

Thank you, Michele. You are right. There is clearly a big, an increase of LNG supply, which will come on stream, as we said, 2027, 2028, 2029.

For me, 2026 still will be quiet because these projects are always a little difficult to ramp up, I would say. Project in Qatar is more or less on time. The first train we expect from NFE is mid-2026 than every six months a new train. 2026 for me will not be so much impacted by this new capacity. From 2027, you will see clearly an impact. That's why, since last year, we decided to move to a clear strategy, which is to sign some medium, long-term contracts linked to Brent because I'm more optimistic on the Brent oil price on the, I would say, TTF/JKM spot gas price.

We continue to have some success on that. We have announced this year, quite a number of million tons, with last year and will continue. The question is why the customers behave like that? I think the customers, they have been, I think, honestly caught in 2022 by some price hike. We are in a world which is honestly quite volatile, the geopolitics play a role in the market more than ever. It's not just supply and demand. That's, by the way, not easy for traders to manage geopolitical risk, even if I would say oil traders within TotalEnergies have done very well in the second quarter, despite this environment.

That's true. But I think the buyers continue to look at it as a way to hedge themselves. It's true it's better to sign at 13%, but at 12% actually with you. But you know, when you have a long-term contract at the end for a company like TotalEnergies, it's not only a percentage which counts, it's also all the optionality because we have a large portfolio, and it is about whether have the capacity to redirect the cargoes and all that, a lot of things which are also important for us. So, around a medium long-term contract, there is more value to extract than just the pure formula. That's why it's important to be a portfolio company.

And I think, in fact, in one of the advantages of the position of TotalEnergies is when we meet these buyers, they see us as a portfolio company. And not just as a point to point, I would say, seller and buyer. It is not a project one. But we are today marketing Papua LNG, sorry and we have some good results in some Asian countries because of the location. These dynamics are still there, and we continue to work on that.

US tariffs, I have some good news for you, I mean for us, because we have real figures. We know, we are not far from approving sanctioning, but not us, Rio Grande LNG, actually Next Decade is not far from sanctioning the Train 4 maybe the Train 5. So, there have been some, I would say, EPC contract discussed with Bechtel. And I will tell you, Michele, I

was a little afraid and where do we land with this tariff impact. Finally, of course, there is some inflation, but it's less than 10%, I would say. It's very reasonable. And for me, again, Next Decade wants also to commercialize its LNG. It's more a question of marketing I think Train 4 is full, Train 5 is not yet, but things are moving on, and it's their job and fundamentally, from this real case, I would say, that we manage. And I think it's also the dynamics, when you have a very good EPC contractor, we see some advantage. I think Rio Grande LNG is a success story Train 1, 2, 3. If we are able to continue on Train 4 and Train 5, then there are also some synergies there. My answer to you, I would say, on this specific case, we are comfortable. We don't see much impact on the tariff.

We will see more impact of the tariff, I think, on topics like batteries because batteries, you have to import most of the cells in the world are manufactured in China. So, even if you build the modules in the U.S., you have to import cells. This type of business will be more impacted. But from this perspective, I think my colleagues who are drilling U.S. shale oil are probably more impacted by the increase of tariffs on the steel because I understand they are using some specific steel. Most of this steel is impacted. So, probably the cost of a well in U.S. shale is more impacted than our own business in the U.S. today.

Biraj Borkhataria – RBC

The first one, just on working capital. And if I look at the quarterly changes in working capital over the last few years, it looks like the magnitude is both up and down on a quarterly basis as been, it feels and looks like it increasing over the last few years. And I'm thinking about the period sort of 2017-18 to now. Just trying to understand if that's something we should expect going forward, whether it's the growth of the power business or something else? Or is there any particular reason for that?

And the second question is just on, a quick one on the buyback in Q1, you said up to EUR 2 billion buyback. I noted you did \$1.7 billion this quarter. Was that just a timing issue or liquidity or a conscious decision to do a bit less so? Anything, any colour on that would be helpful.

Patrick Pouyanné - TotalEnergies SE - Chairman & CEO

Second question, it's easy. You have found the right reason. It's more a question of timing. The \$2 billion have been bought by 13th of July. It was a question of liquidity. So, no message through the \$1.7 billion, we will catch up according to the guidance of the Board. We are working on it. But that's easy to answer the second question, it will give you insurance on that.

On the first one, the quarterly, look, I think Jean-Pierre made a remark. If I'm looking at the end of the first half of 2024, first half of 2025, we had both years a build of around \$5 billion. In 2023, it was around \$4 billion or \$3.5 billion. There is an increase because the more we develop this B2C business in Gas and Power, which is growing in the Company, the more we have a seasonal effect, which is that, in fact, the people are using, I mean are burning, sorry, consume electricity and gas during winter times. And as they are bill is spread about 12 months, we have a working capital effect, which is we catch up, but that's increasing a little.

Having said that, just to be clear with you, last year, at the end of the last year, we told you in our working capital, the gearing went down to 8%. We made a modification. We told you be careful. There is an exceptional, I would say, positive element of around \$1.5 billion. So, for me, what I'm expecting between today and the end of the year is a \$5 billion build of the first half should be, in fact, erased by \$3.5 billion, I would say.

If I don't have any other exceptional, normally, we should, like we've done in the previous years, Jean-Pierre has explained. He has shown as a nice graph in front of us, maybe one day, we'll share it with you, which demonstrates the seasonality.

And of course, we presented that to the Board, and we are comfortable with the type of metrics I just gave you to give you more insights of what happened. And that's also why, to be honest, when we put together to the Board, and I'm just repeating what I said, this working capital analysis plus these Capex, which have been more weighted on the first half because of the disposal and because as I hope you're convinced, I gave you a list of all the disposals, which we are committed to and which we have really binding offers and which we are now translating that in SPAs, the Board considers that all these elements given confidence to maintain this buyback at \$2 billion.

Knowing that as an average for the year, we are at \$70/b like, by the way, we've made a presentation in February at \$70/b, giving you some guidance. And the \$70/b has been the average for the year. Today when I'm looking at the screen, I'm at \$70/b. And there are people who can say they are bearish on demand supply. But at the end of the day, this is a market, and so we keep trust in that.

Irene Himona – Bernstein

Patrick, you told us before that the \$2 billion quarterly share buyback is affordable at \$70/b and at reasonable market conditions. When you look at the balance sheet with the current 15% normalized gearing, what is the normalized gearing range, let's say, that you would see as reasonable. In other words, how high would that normalized gearing have to go to remain acceptable in a \$70/b environment?

And then my second question on integrated gas and LNG. The CFFO in the division declined about 6% in the first half year-on-year. Are you confident in the cash flow guidance you provided for that division out to 2028?

Patrick Pouyanné - TotalEnergies SE - Chairman & CEO

To be clear, at \$70/b, we told you at the beginning of the year, that the target guidance for the gearing was around 12%-13%, if I remember well. There were some few assumptions in it. In particular, there was the idea that the Downstream could target a cash of \$7 billion. To be honest today, we have done \$2.5 billion in the first half of the year. We think the Downstream will improve because the margins, third quarter margins on refining have always better as is the case, we have margins today above \$60/t. It's good.

Second, I'm really confident that the performance of the two assets I have mentioned will improve, teams are working hard. I would say maybe not \$7 billion for Downstream maybe \$6 billion, but we are not so far. For me, at the end, we are still targeting 14%-15% gearing by the end of the year. So, the normalized gearing for us at 15% is a good guidance. And the Board is comfortable with 15% at \$70/b. This is a message I think we've delivered to you. So, again, it's not only the gearing and the balance sheet as we know that there is volatility, but it is more that we observe the market and today, as I said, there are some pros, some cons. We look not only to the oil markets but also to the gas markets, I would say, and we are quite confident for next year. But also, the petrochemical markets, the Downstream markets. There are some good reasons to think that the diesel spread is quite strong in particular with all what happens around Russia. So, it's a global approach that we take and let's say, at \$70/b, 15%, we are comfortable to maintain this buyback level. Then the second question, and I understand your question, why? But I mean we will, of course, give you more information by the end of September, at our September investor meeting where we come back traditionally with the data of our five-year business plan. Of course, we will update you on both the growth of our upstream and the LNG

part as well. I can tell you that I think last year, we gave you some guidance which were something like \$6 billion at \$60/b, \$7.5 billion at \$80/b and the figures that I've read recently from our five-year business plans confirm this guidance. We'll give more colour by the end of September, but I'm confident we can do that. Honestly, the small miss that I observe as well to be clear, it's not so big, it's linked to gas, in fact, gas markets in Europe have no volatility.

We've seen quite a good volatility in the oil price, moving from \$60/b to \$70/b, then \$81/b, and our traders were already able to capture that during the second quarter. So, congratulations to them. When you look to the gas price in Europe, TTF, I think, was moving from \$11/Mbtu to \$12/Mbtu, maybe a little \$12.5/Mbtu. So, there was little volatility. And by the way, again, it's true. I have seen some comments from one of our peers, in this type of market where sometimes it's not only supply and demand, it's more political impacts, traders are a little more cautious not to take direct directional positions, which could be hit by tweet. It's a little more difficult for them to analyse the market beyond the fundamentals, which is our job normally, fundamentals to do. That's the point. So no, there will be no change in the guidance. Our LNG business will grow, it will deliver the growth from Qatar, from the U.S., and it will positively impact the CFFO.

Martijn Rats – Morgan Stanley

First, if I can pick you up on the point on refining, because of course, I read your outlook statement, which looks quite cautious on the outlook for refining, talking about long-term structural challenges. But we have really quite encouraging refining margins on the screen. As of today, over the last couple of weeks, there's a lot of strength in middle distillate. So, reading out those statements what sort of was shining through as a clear belief I think that this is sort of temporary. And I was wondering if you could say a few words about, in your mind, what is explaining this recent bout of strengths, but also how long this could last and how it could dissipate. We're closing a lot of refineries in Europe this year. So, I kind of thought that the remaining refineries of TotalEnergies, at least in Europe, actually should have quite a decent 2026 as well but I was hoping you could give a few thoughts on that.

And also, I wanted to ask if you could give us an update on Mozambique and the project there and what we can expect going forward?

Patrick Pouyanné - TotalEnergies SE - Chairman & CEO

Refining, it's an interesting question. I think, in particular, what is clearly today happening is that there is a diesel driver in the market to explain why refining margins are quite good. And we think that stronger diesel prices become a persistent feature on the global market. It's linked in particular to all what happened around Russia flows. In fact, the Europeans have banned, have stopped buying Russian petroleum products in early 2023 and that means that the source of diesel, because Europe is fundamentally the deficit of diesel, we are obliged to import. So, diesels are coming now from Middle East or from the U.S. refineries further away. So, it has increased the cost of all that.

I would say the last decision of the European Union, which is to ban any imports from refineries even outside of Russia, and targeting some refineries I think in India or Turkey which would use Russian crude oil to be refined to make diesel is impacting again, I would say, increasing the scarcity of source of diesel for Europe. It's an additional signal, which go in the same direction. On diesel as well as you have observed, diesel is easier to produce from heavier crude oil than light crude oil. And in fact, the mix of the crude oil, the basket is lighter and lighter because of shale oil.

In fact, that means that it's more difficult, more costly to produce diesel. So, that's another source, which is, again, I would say, and we have also more NGL in the -- when we speak about liquids. NGL plus light oil in the end is not good

for making diesel, that is again, pushing diesel prices up and I think that's the fundamentals that I try to analyse the diesel, the fundamentals which are supporting this market. In Q3, of course, it's the driving season, there is more demand. But I think the news coming, people have underestimated this news from the EU banning imports of products from non-Russian refineries, if they use Russian crude oil, but of course, it's pushing up. So, there is something for me more structural. Then it's a margin business. It's not like oil, but this is a point.

On Mozambique, I'll be clear, we are working, as you know it's a major project. And I would say we are working in order to ensure a very strong alignment between the government of Mozambique and the investors and this is, for me, absolutely necessary before we re-engage to have a very strong alignment between the Mozambican authorities and the investors.

Lydia Rainforth - Barclays

Two questions, if I could. Firstly, just picking up on the Downstream and the structural side. Can you talk about the potential you see from that the digital AI deployment that you announced, I think, with Emerson and how quickly do you start to see results on that?

And then secondly, if I can come back to the buyback. I mean I get the idea that the rest of 2025 looks covered by divestments, that gearing doesn't go worse, but you can afford the \$2 billion per quarter. But you did talk about the payout ratio being high at 55%. So, I'm just thinking about as we go into sort of next year, how you're thinking about that, why you want to stick to that \$2 billion buyback? Is it just because you're seeing the value in the share price, really why you're still saying that's the right level?

Patrick Pouyanné - TotalEnergies SE - Chairman & CEO

First question, thank you for the question of AI and digital. We are now moving, going, I would say, from words to action. And this announcement with Emerson, on digital, is quite fundamental. In fact, we have decided to invest in, I would say, a real-time data platform. We need to structure all this data. It will be done not on a pilot basis, but on a worldwide basis. For all our assets, in Downstream, refineries, also in Upstream. So, the same platform, which behind the platform, we are developing with Emerson, some softwares, which the objective is to I would say, enhance the value we can extract from the assets.

There are two programs. One on advanced process control and Upstream, advanced process control is technologies, which are used in refineries for long, which were not used in the Upstream. So, we will use them on our Upstream assets. And we think since my upstreamers have discovered it, they are fan of that. And we are also working on the Downstream to going beyond advanced control in order to make more developments on software based on data with AI. It is really for us, and I'm a believer that AI is not only cutting costs that for general services. It's enhancing the value of the asset because we could better monitor these machines. This the whole purpose. Now, for TotalEnergies, it's action. And we are also, by the way, working with another company, and there will be an announcement soon to another additional AI platform, which will come on an asset. That's good because digital for me, it's really the source of future competitiveness in our operations. We are also establishing, by the way, within OneTech, a full digital line. It's not a question of IT people, it's a matter of business people to put it at the heart of the technology of the assets and the digital line will be established within OneTech with strong teams. So, that's for this one.

On the second one, when we think about buyback, firstly, why do we buyback just to come back to fundamentals? It's just a matter also of good management of the money of Jean-Pierre. When I observe that today, Jean-Pierre has been

able with his teams to make a bond issuance in Euro recently again at around 3.5%. So, we borrow money, the debt is at 3.5%. At the same time but I hope it will not be for long, but considering the share value, we serve the cost of the capital, if I say, the dividend over the share value is around 6%. So, why do I make buyback? It's just, you can demonstrate to anybody that I'm saving some money from one side, and I'm borrowing at a lower rate on the other side. But the fundamental, there is no -- and on the top of it, when you buyback, -- as I said, it's a base for increasing future dividend. So, it's a virtuous circle. So, there are the two fundamental reasons.

Then the question, we benefit from a strong balance sheet. In the past, it was a 30%, 40% gearing. Today people have questions because we move from 10% to 15%, okay? Let's be clear. We should look at it and I see titles in newspapers when I'm a little surprised as if it's problematic. No. I think we need to monitor that. For me, again, there is a point. I answered to a question what is reasonable? I say I think I said \$65, \$70/b Brent is reasonable. That means that at a certain point beyond, at \$60, \$65/b, maybe not reasonable. But we'll see that. And I will come back to you because I know that unfortunately, we will give guidance to all of you who want always more colour on it.

The "reasonable" guidance is maybe not enough for you. So, end of September, we are working with the Board. We'll come to you with, I would say, a more not fully detailed, we like to keep some capacity to manoeuvre, but we'll give you, answering your questions, in particular, because we are at \$70/b, we are no more \$80/b. Some people in the market look to \$60/b. So, I think it will be time to come back with you with a clearer picture. Today, we stick to what we said. We have \$70/b for the first half, \$70/b on the market and at \$70/b, we committed to \$2 billion at the beginning of the year. And even if we have a little lower cash flow from the Downstream, it does not change dramatically. It's not missing \$1 billion, a \$1 billion miss will not change the full picture like that.

Doug Leggate – Wolfe Research

Patrick, I think the working capital discussion has been fairly well very far well debated. But I'm wondering about the Capex guide for the year. You're running pretty hot, obviously with the acquisitions year-to-date versus the \$17 billion to \$17.5 billion guide. What visibility can you give us on disposals to get you back into that range in the second half of the year?

Patrick Pouyanné - TotalEnergies SE - Chairman & CEO

I think I gave you in my speech, I tried to give you a lot of visibility more than ever I've done, I think. I think it's the first time because I knew that you would have to be secured with that because you -- but generally, I have -- when I say something, we execute it. I know it's a matter of credibility. But what I told you is that we had already Bonga, which has been divested. I told you that we have approved with the Executive Committee taken some binding offers for other assets, in particular, our unconventional oil license in Argentina with a good offer and two other assets that I cannot disclose because it's not yet public, but it will come. It represents \$1 billion. We have another \$1 billion coming from closing the onshore Nigeria divestments, which was announced last year in Nigeria it is always longer, but we are working on it. And then, of course, we have all the farm-downs on the integrated power, which will represent \$1.5 billion. When you make the math, \$1 billion plus \$1 billion plus \$1.5 billion, it's \$3.5 billion. So, it's more or less, the guidance of the year for Capex was a net between acquisition and divestments of zero, which is what I told you at the beginning of the year. And on the, I would say, organic Capex, we are in line. To be honest, I assigned even a small challenge to my team telling them that \$17-17.5 billion per year is within the range. It would be better to be next to 17 than next to 17.5. But it's a challenge. I'm not sure that we will manage, but we are working on that.

Doug Leggate – Wolfe Research

My follow-up is a little detailed. You bought -- or you took the 25% of CEPSA's block or share in Block 53 in Suriname. And our understanding is that from one of your, basically your FPSO providers that things may be moving a bit faster there. Can you offer any insight on the timing, the latest thoughts on GranMorgu? And what Block 53 means for the resource recovery and perhaps the plateau production?

Patrick Pouyanné - TotalEnergies SE - Chairman & CEO

I mean on GranMorgu, honestly, I don't know who is telling you they are moving faster. I would be very happy if we deliver the first oil by beginning first half 2028 as we committed. No. I think they are moving. I recently went to KL, to Kuala Lumpur, where I met my teams. There was good news and some a little more cautious news. So, I need to take all that. No honestly, there is no reason to change, no reason to accelerate. But then Block 53, there was a small discovery there. I mean we're in the range of 50 million barrels. We had the opportunity to capture it for quite a decent amount, quite very reasonable ones. CEPSA wants to exit upstream. We were the obvious buyers. We'll connect it.

We have, I think we have, the plateau of GranMorgu is up to 220,000 barrels per day. This machine generally, when we were designing them for 220,000, they can easily go up to 240,000. It's not, 10% is generally the case. So, if we can connect these types of things, it will give more value. But for me, as I always told you since we sanctioned with GranMorgu, GranMorgu, there is a lot of hydrocarbons including around, we made other discoveries that we put behind. There will be a planning. We are discussing, we are trying to look to come back on some and to appraise some of the previous discoveries. I've asked my teams because even if there's maybe not enough to make a second FPSO. But for sure, the objective is to extend the plateau and to make a higher plateau to create a lot of value from this infrastructure. It was a very good opportunity for us to make things. And being inside will smoothen all these type of unitization stories and be a partner of it will help a lot with our colleagues, in order to move this resource quicker.

Christopher Kuplent – Bank of America

Just two quick ones, please on FX. Your dividend has become almost 10% more expensive since the start of the year in dollar terms. Is that still irrelevant in the greater scheme of things, Patrick, as you said, \$1 billion in Downstream here or there, 10% of the dividend is less than \$1 billion. How does that inform your take on the overall payout?

And secondly, if I may, has the arbitration outcome between Exxon and Chevron on Hess has changed anything the way you are thinking about rights of first refusals in contracts?

Patrick Pouyanné - TotalEnergies SE - Chairman & CEO

The question is easy. No. Because I think, clearly, I would say, by the way, I don't like generally too much the right of first refusal or right of pre-emption because generally, when you give that in a contract, you lower the value of the assets because, of course, it's more complex to monetize an asset when there is this type of right of pre-emption or right of first refusal, of course. The right of first refusal, by the way, for me, has never been clear. Right of pre-emption, I understand what they have to do; right of first refusal, you have always a debate. You are asking for something, but what is right to say no. I mean it's always a source of confusion. I think the outcome is good for the industry because this type of clause exists in many JOAs. They are standard AIPN clauses. And it would have been quite a problem if suddenly, we had to review all these clauses in our JOAs. So, I'm comfortable with the outcome. I don't have all the

details to be honest of the clause itself. That is for me the way of thinking. I prefer, honestly, right of pre-emption compared to ROFR.

On the FX, no, I think, I mean I'm talking under the control of Jean-Pierre. There is no real impact on 2025. First, we make quarterly dividends. So, the advantage is that most of the dividends at the beginning of the year was even at a lower rate. I think one of them was lower than 1.06. On the average of the year, there will be a very limited impact, maybe \$200 million or something like that. So, it's not sizable. Your question is more relevant, and that's part of when I say the macro environment for the Board, there is also this question of U.S. to euro exchange rate. We designed, I would say, at \$70/b when we say, in fact, the return to shareholders, you could translate it into \$16 billion. It was \$8 billion of dividends plus \$8 billion of buybacks, \$16 billion at \$70/b. We are considering that it was a high return, but a return we could support. Of course, if we engage and we have not yet enough I would say, background of the €/ \$ exchange rate. But if we consider the macro is going from 1.1 \$ per € to 1.2 then the \$16 billion could be done in another way. And by the way, the Board will think about it. If we have to spend 10% more on the dividend, in 2026 then we'll have to adapt. Keep in mind that it's \$16 billion in that case. But it's too uncertain today. Again, I've seen the dollar euro rate moving down to 1.06 at the beginning of the year. And today, it's 1.16. So, before to overreact, we are waiting to see what we'll do with that and we'll have more clarity with quarter to come. But yes, it will be taken into account.

It is the Board considers that we are entering into a more systemic, I would say, 1.2 €/ \$ rate, then \$16 billion could be done in another way, knowing that the dividend is always a priority for the Board.

Matthew Lofting - JPMorgan Chase & Co

I wanted to just come back on the earlier comments on gearing and the balance sheet. If I understood right, I think you were saying this 12%-13% gearing year-end to \$70/b from February is now more in the range of 14%-15%. It sounded like Downstream cash flow at around \$1 billion is a part of that, but I guess the margin assumptions at \$35/t looks okay versus where we sit today. So, could you just add a bit more colour around sort of where the delta is there on gearing and perhaps within the Downstream piece, the sources of those moving parts, but perhaps more through asset performance than margin?

Patrick Pouyanné - TotalEnergies SE - Chairman & CEO

Yes, but I've been clear. Honestly, there is a miss on the first half on the Downstream part and part is linked to the performance in particular of two assets that I mentioned in the second quarter. The bad performance of, I would say, Port Arthur and Donges costed us almost \$200 million. There is another element -- two other elements in the Downstream today. One is the biofuels market in Europe. There is an oversupply today in Europe. On the biofuel market, the famous SAF market today. Europe and airline companies are so afraid there is a miss, but Europe is imposing from all over the planet, and it has crushed the margin. There is little difference today between the biodiesel and the diesel margin. So, it has spread again. That's a low signal. And then petrochemicals. And honestly, on the polymer side, we did not comment that too much, but there are several quarters where we suffer from it, in fact. And it's not only Europe, but also Korea. It's more -- in fact, today, you have -- and we have to think about it. There was a lot of capacities put on stream in the U.S., plenty of crackers. Not because of the domestic market, but for export markets, exporting to South America or to China.

But in the meantime, at the same time Chinese have built a lot of petrochemical capacities, which, by the way, are supplied by NGLs coming from the U.S. So, it's a little funny all that. But this created -- in fact, the Chinese have followed a policy of almost self-supplying in petrochemical. They have tried to secure -- they are obsessed by this idea of security of economic sovereignty, economic security. And so today, in fact, when you look, even the Chinese are complaining, by the way, because most of their petrochemicals are on naphtha, and they are complaining. I met the Chairman of Sinopec. I tell him yes, but you are a little -- yes, you are. But so you have a lot of polymers, U.S., Middle East, China. And that today, this -- in a global macro, which is not so good, you have a global slowdown and industrial activity in China is not as strong as it was before. And so, this is clearly on polymers, there is an impact. And I'm not surprised to see today, by the way, it's good news, but we have just announced we shut down one of our crackers in Antwerp, but other crackers have been shut down. In fact, last year in France and so crackers shutting down. So, of course, these industrial tools in Europe begin to face the overcapacities that we have. We are obliged now to streamline. And so, it will take time when we enter into a low cycle because it's again, you have to take strong decisions to shut down a plant. So, that's the point.

That's also why today, we had, I would say, first quarter -- first half of the year, we had a miss of around \$400 million, \$400 million globally, which I think we can reverse on the second half, not on the petrochemicals, but my refining margins, as I said, are better, diesel driving season. So, \$6 billion might be there.

Lucas Hermann - BNP Paribas Exane

Two, if I might, one was just a follow-on. Patrick, just going back to Mozambique, you talked about trying to ensure alignment between yourself and the government. I wonder whether you can make any comments on where the misalignment lies.

And secondly, staying with chemicals. I'm sorry, it's an asset-specific question or a business-specific question. But just wondered how that asset has been performing and how you -- and to what extent you feel that, that business continues to lie easily within TotalEnergies' portfolio, given the way that you've been pushing and directing the business?

Patrick Pouyanné - TotalEnergies SE - Chairman & CEO

No. Mozambique, I think I made comments. So, there is no -- don't misunderstand it negatively what I said. I made a positive comment, which is to restart the project, we need a strong alignment, and we are working on a strong alignment. So, don't try to interpret my words. It's just that we are working on it. We speak about large projects, \$20 billion. So, we need to be sure. And again, we have been obliged to stop to restart. I need to have all the strong alignment between parties, security, everything, I would say it's important. And we are working on it. And again, summer, I said summer, and summer ends September 19th. So, give me time.

Chemicals, no, I mean again, I think in the chemical business, we have some strong assets which, I would say, are the ones which are fundamentally on cheap feedstock, cheap feedstock and the ones which are historically on naphtha, which are not so competitive. Most of the European assets are on naphtha. And you have -- and the domestic market in Europe is not growing for polymers. It's more -- the global -- there is no big growth in Europe, and that's the point. By the way, should it stay within TTE portfolio, there is an integration between refining and crackers, which works. It works if we have an integrated platform. But why did we decided to shut down one cracker in Antwerp? It was not integrated at all in our portfolio. We had a cracker, and all the ethylene was, in fact, sold to ExxonMobil, which was making polymers. ExxonMobil decided to shut down their own polymer plant. No more integration. I will not keep alive

and running a cracker with ethylene with no outcome. So, integration is key. It's another demonstration. It's true on the chain. If we have the -- as long as we have some integration, it works, then it's better to make, again, to produce this type of polymers in Saudi Arabia or in Qatar with cheap feedstock than with naphtha, which is more expensive in Europe.

By the way, maybe you have an idea to whom I could divest, but I'm afraid that you never make a good business when you sell at a low cycle. You prefer to buy at a low cycle. But I will not buy assets in chemicals. Don't be afraid. Don't be afraid Lucas, there is no message. I'm not there. I think it's part of the -- as long as they are integrated to the refineries and strong refineries, it's okay. Again, when we have weaker assets, we take decisions. And on Antwerp, it has been possible, and we accelerated the decision, by the way, because at the same time the refinery is doing well. So, translating some people. We have a lot of -- more and more people going in pension in Antwerp because of retirement age. And so, we moved people from the cracker to the refinery. It was a good way to manage this shutdown. So, that's where we are.

Lucas Hermann - BNP Paribas Exane

Sorry, Patrick. The question was more on Hutchison itself.

Patrick Pouyanné - TotalEnergies SE - Chairman & CEO

You should ask the question clearly. Hutchinson is not a chemical business. It's a manufacturing business. And by the way, Hutchinson performance is very good.

Lucas Hermann - BNP Paribas Exane

Yes. On the other side of it to what extent -- and it still fits very comfortably within your portfolio?

Patrick Pouyanné - TotalEnergies SE - Chairman & CEO

I don't spend much time. I can't tell you, one hour per quarter. For a good business, that's fine. But if you find a good buyer. No. No it's a joke. Honestly, it's a company which works well. There is no problem. It's not -- I have other more interesting I would say, M&A to do for the Company, for the future portfolio of the Company in Oil & Gas or in Integrated Power not to spend too much time and to have issues or worries about this type of -- it works well so I'm comfortable. That's where we are. I have better ideas for the future of TotalEnergies and no problem with Hutchinson being in our portfolio.

Kim Fustier - HSBC

Hi, good afternoon and thank you for taking my questions. I had two, please, on the Upstream.

The first one is on your portfolio activity. You've been very active in recent months, and you've done a lot of deals to replenish your Upstream an LNG portfolio for the post 2030 timeframe. I think you have deals like Algeria, you've got Gulf of Mexico, Malaysia, I just wondered if that signalled a change in your view fundamentally on the prospect or the timing of peak oil demand, are you effectively trying to extend your production plateau to sort of match the shape of global oil demand?

My second question is on disposals. Some of the Upstream disposals that you've announced weren't necessarily expected, thinking of Bonga or Argentina shale, are these opportunistic deals whereby you're sort of open to incoming bids or are disposals increasingly an important part of your cash flow cycle, as a way of maybe generating cash to support your balance sheet? Thanks.

Patrick Pouyanné - TotalEnergies SE - Chairman & CEO

Very interesting questions, Kim, both of them. Okay. You know, in oil and gas companies and in energy companies, and oil and gas in particular, you have a natural decline. One of the objectives of the management is to think long term. It's not because we have a very large portfolio of opportunities between today and 2030, but life does not end in 2030. So, we must continue, you know. And I think for the time being, it's not a matter of you know this story of peak oil, I don't know peak oil or peak demand or peak of price.

Our duty is clear. We have one way to look to opportunities. If it's first quartile, second quartile, which means less than \$20/boe Capex plus Opex, low breakeven less than \$30/b, I'm happy to continue to provide this type of opportunities to the portfolio of TotalEnergies for the future, because these opportunities will be profitable even during the 2030 plus, even if you have the beginning of a decline of oil demand. It's possible. I don't say no.

So, the protection that I bring to our shareholders is we are first, second quartile assets, and that means that we can continue to allocate capital to these assets because they will make money even if there is a decline of oil price. Decline of demand, by the way, decline of demand does not mean necessarily decline of oil price you know, because if everybody anticipate a decline of demand, you have less projects. So, it's good to have some projects just to be there and to capture these opportunities. So, yes, we continue to work.

By the way, most of what we have done is not so much oil, what we have announced, it's more gas, in particular in Malaysia. The Malaysia story, we will come back on it, you know. Some of you were probably surprised when we acquired SapuraOMV last year, why do we build this position. And now you have this follow-up. We are very happy about the last deal we've done with Petronas, which is 12 blocks, not only exploration because in the 12 blocks, there is a DRO, a discovered resource opportunity of 3-4 Tcf, which we will develop. So, it's giving, I can tell you, a good additional value to the fact that we have acquired this position. These types of things are very logic and gas, gas in Asia, honestly, there is a bigger demand so it's good to continue.

Divestments, no, I think it's very consistent our last divestments. We told you we have a very broad portfolio. Some people even think we have too many opportunities. But I prefer to have a lot of opportunities and then to arbitrate. Of course, look, these two opportunities, which were non-operated by us with minor share, why allocating capital to, even if the project, I don't consider the project is not good, I just say we prefer to allocate capital to larger, to Suriname and to Block 53 to expand Suriname, than putting some billions or hundreds of millions of dollars to finance the 12.5% share in Bonga. It's just, it makes very good sense. And Gato do Mato is the same. We have a huge portfolio in Brazil. Sepia - 2, Atapu-2, all that, Lapa extension. So, it's a matter of managing and to keep the discipline, I think, on the Capex. If I keep everything, and so I prefer to arbitrate the non-operated assets, which, by the way, in both cases, have a higher cost than our \$20/boe. So, I'm not completely fitting our metrics, but it's quite logic to divest them and to find a buyer, which in both cases, by the way, is the operator. So, it makes a lot of sense. And I think it's part of what we have to do for keeping care of the allocation of capital for our shareholders.

Alastair Syme - Citi

Hi Patrick, just one question on biofuels. You know, by observation, and maybe I'm wrong but European countries seem to be quite slow to legislate on RED III. Do you sense in your discussions that there's any political debate about the cost of biofuels given that renewable diesel and SAF are still three times the cost of the fuel they had to be replacing?

Patrick Pouyanné - TotalEnergies SE - Chairman & CEO

On the biofuel, no, I see most debate about what is around hydrogen and all these types of molecules. On biofuels, I don't think there is. In fact, the biofuel business is more hit today by different elements, in particular on the sustainable aviation fuels, there was a new regulation which was issued in summer 2024, which allowed to make co-processing in our refineries. We co-process some used cook oil or some HVO that we produce in biorefinery to make sustainable aviation fuels. Of course, the costs when you co-process in an existing flow, the marginal cost is almost nil, I would say. That clearly has changed some. And I think some countries begin to think what is the share we want to allocate to that compared to, I would say, the pure biofuels products. Of course, it's very important for companies like us when we invest in biorefineries, I'm also a co-processor so I'm both. And that we need some more clarity, because it's possible, but today, because again, what happens in this debate and airline companies are very vocal: everybody like always in energy, they want the cheapest possible product. They want the low carbon product, but the cheapest one. If it's cheaper to make it by co-processing by making as a transformation in the biorefinery, they will favour the first line and so for us, it's clearly for me, so that's true, in our plan, we have done La Mède, we have done Grandpuits. We are thinking to a third one. For the time being we have postponed it because we said to the team, look, there is maybe a change there in this market. And let's put, because honestly, to make more co-processing within TotalEnergies, it requires few tens of millions. I mean we are not speaking about hundreds, it's less than \$50 million, we could produce more, so this is what we will do.

So, this is not, this is slow to regulate, there are new elements of regulation. The lesson is that this biofuel market is a regulated market. These molecules are regulated, heavily regulated. And all that, and it's a little true what you said, RED III is a European directive, but then each country begins to make its mix. So, we have to navigate for that, and not to anticipate too much on what could be the regulations. Then we could make some misallocation of Capex. So, this is where we are. But the biofuels, I see, I think we have, I mean we need to integrate this. There are some technological disruptions in fact, which is what happened. Because when we are listening to my refiners, why don't we co-process five years ago, they were speaking about corrosion difficulties. In fact, we made some test is no real corrosion, et cetera. So, things are moving. Things are moving you know, things are moving in all these new low carbon fuels.

Henri Patricot - UBS

Thank you, I would like to touch on one topic left, which is Namibia. I was hoping you give us an update on Venus, the latest online and also whether the project could change if you get involved in the blocks, in the block next door with the Mopane discovery. Thank you.

Patrick Pouyanné - TotalEnergies SE - Chairman & CEO

Next door? It's a little far away. I told you that I visited, I don't know, I mean I mentioned that I visited Namibia, I met the new authorities, it's a new government and very willing to, of course, to develop the oil industry. We are the first one there with a project. So, we have, of course, to tackle some issues with them. I received a letter and asking us to engage in the discussion. I think there have been a team set on the Namibian side, reporting directly to the President of Namibia, which was her decision.

And on our side, we are ready. So, I think it's a matter of, we are working. But again, I think we need to, it's a little like Mozambique you know, you have a new country to oil industry. So, it's important to ensure the alignment, the good understanding. So, I don't want to have a dispute, investing and then discovering a problem because the Namibian authorities will have the feeling that they did not understand all the project. So, I want everybody to, it's better to take time at the beginning even if, of course, we are ready, and they are very motivated too, they would like the oil to be produced before end of 2029. So, that means that we should take decisions this year before end of 2025 if we want to meet the target. So, this is what we explained to them, and then we'll do it, we'll work, we are working with them. I cannot tell you more.

On the opportunities next door, again, it's not really next door. It's a little far away. We'll see. I mean we'll see what will happen, we'll see what will happen in this business. But again, I'll let the company working on it. Okay. Then what we do, by the way, on our side, Namibia for me, it's also, the next news will be South Africa because you know we have also some wells to be drilled. We have some attractive licenses just across the border and we have actually two or three prospects, and we are working in South Africa, the process to get all the authorizations is quite a little long, but we hope to begin to drill South Africa targets in 2026, from 2026. So, that's where, that's also, Namibia is also linked to this one.

Paul Cheng - Scotiabank

Thank you, Patrick, good morning or good afternoon. Two questions.

First, in the U.S., we have a president that loves to tweet in the middle of the night and subsequently, that often makes a significant impact on the market condition. Has it, in any shape or form, impacted how you manage your trading operation because a lot of time that the tweet is going to insert an element of unpredictability. You can't really detect what he may or may not do at any particular moment. So, how will you guys be impacted? Or are you're just saying, "this is just part of our normal operations, we are not going to be impacted by that."

The second question is you've been reducing your European refining and chemical operations for obvious reasons. In the long haul, do you foresee that you may totally exit from refining and chemical in Europe? Or do you think ultimately you are still going to have some position, and you just need to strengthen it? How do you view the long-haul position of your portfolio?

Patrick Pouyanné - TotalEnergies SE - Chairman & CEO

I think on the first one, I commented it already. It's true that traders have to be - do not like too much to see - I would say, they fundamentally try to trade around fundamentals to take positions about analysing the supply and demand, and the different regions and the optimizing logistics and all that. And of course, they don't like too much to see this element of uncertainty with markets reacting very quickly to a tweet, it makes their position quite strange.

Jean-Pierre is just telling me a nice sentence: “volatility around tweet is not tradable”. That’s true, volatility around tweet is not tradable, and that’s what our traders told us.

Our traders told us don’t expect us to make – they make very good results with the oil business, the oil guys were completely aligned with our expectations, but they told us some time, we could expect more, but we can be reversed and so we are obliged to be more short term. I would say, that’s the consequence of that, even if you want to play three, six months, you could be suddenly, your position, which seems to be good could become not the right direction. So, that’s the difficulty of it. Having said that, again, they have our trust and our support, and they are, I would say, they are aware, and I trust them. They know what they can do and what is tradable or not. And so honestly, again, the oil trading of TotalEnergies has done as expected. So, there is no problem.

On refining, okay, look, it depends on what will happen. There are two different positions, but it is linked. If Europe clearly goes to no more gasoline light vehicles in Europe, we don’t need to have refineries to produce gasoline. It’s not 2035. 2035 will be stop commercializing if they really stick to this position. But by 2050, normally, there should not be a lot of gasoline cars in Europe. But I could think it will be a reality. Then of course, we have to think to this perspective. It’s still long away, but we have to think to that. We have some very strong assets in Europe. So, I would say the stronger ones are well known. It’s Antwerp in particular. It’s a very strong asset, with integration. So, the first quartile assets which survive. The third quartile, we need to think to their future. Their future might be to become biorefineries, like we’ve done for two of them.

Other future for a cracker, if we can do it is shutting down the cracker. In Antwerp we have taken the decision because we didn’t see how to maintain an isolated cracker in this context. So, I mean will we keep the position, I think this position is a dynamic position, which will evolve according to the market, which is declining. Strengthen it? Strengthening Antwerp: maybe, because it could be one of the last refineries in Europe. We cannot spend too much money on this one. And that’s one difficulty is that refineries if you want to maintain, I mean, good availability of refinery with high level of safety, which for us is fundamental requires to have maintenance Capex, which is quite burning some cash.

So, all that is better to have -- what we monitor there, I will tell you, is what is a global cash position -- net cash position on refining in Europe. And of course, if we begin to have a net cash negative, then we have to be tougher on these ones. We know the issue. We are in Europe. That’s why it’s not easy -- if you look to the narrative around energy in Europe, it’s more and more about energy security. And refineries are part of the energy security. You’ve seen the debate in California recently where Californian people are very afraid not to have enough refinery. It’s quite funny because they have made regulation to shut down all of them. U.K. as well. You’ve seen that two refineries have been announced to be shut down. So, that’s where, by the way, it will be an interesting direct debate with governments.

Because on one side, they give us a signal that they don’t need gasoline, by a certain distance. And on the other side, some people will say, yes, but we need these tools just in case, just in case in the future. So, our objective is, at the end of the day, to reinforce the first quartile assets and for the other ones, to find a respectful evolution for our people.

Jean-Luc Romain – CIC Market Solutions

It relates to the asset sales you plan in the second half in Integrated Power. Do you believe it will put the ROACE of this division back within your 10%, 12% target? That's the first question.

The second is out of the portfolio of VSB, out of VSB portfolio, how much went into the "under construction" tables and how much went into the "under development" projects out of about, I think, 18 GW of projects that were mentioned in the press release of the acquisition?

Patrick Pouyanné - TotalEnergies SE - Chairman & CEO

So, the first one, Jean-Luc, be reasonable. We announced that we want to be at 12% by 2028, 2030. So, we don't -- we will not reach 12% because of divestment of the second half, no it takes more time. We are still in a growing mode. So, our capital employed are still growing, which is normal. I accept it. So, today, we are more in the 9-10% range at least for a year. The 12% we require a certain point to have enough capacity to stabilize all that and to continue to develop the integration, which is done.

So, no, I will be cautious this year. We are still, I would say targeting the 9% to 10%, that's what we want, and this is where it will go, and I'm optimistic of that but I don't expect 12% in 2025. It's not on the roadmap for my Integrated Power teams. They have a lot of challenges in front of them. I don't want to add on this one. So, on that one maybe I disappoint, but it's more pragmatic.

On VSB, I'm looking to my friend to give me -- there were 500 MW installed, but the question you are asking is what the split is between what is under construction and what is more in development. So, I mean I know that we have approved recently three projects in the Executive Committee, in less than two months, they came to us to approve three projects. I don't have the answer to your question, Jean-Luc, sorry. But I think Renaud and his team will come back to you. I mean I've seen the figure, but I don't want to make a mistake there, to give you a wrong figure. I will come back to you. Again, just to demonstrate that we have approved around two, three projects recently, which were representing globally, I think, something like 600-700 MW, and there is more to come. We will come back to you; I prefer not to give you a wrong information on this one.

Jason Gabelman – TD Cowen

I wanted to ask on Integrated Power in the U.S. specifically. Given some of the changes to the tax credits in the recent tax regulation that was passed, does that change your view on the pace of development in Integrated Power in the U.S., the returns and the ability to farm-down assets there?

Patrick Pouyanné - TotalEnergies SE - Chairman & CEO

I will tell you, in fact, what I observe on the farm-downs on the contrary is because there is a fear of scarcity of these type of assets, financial investors which are in fact buying these farm-downs, are even more aggressive on the valuation. What is piloting the farm-down is more the interest rate, to be honest. But today, the scarcity of assets, or the risk of scarcity, creates some appetite. There is no doubt. And as I said, we are farming down 1.5 GW, and we received good offers in line with our expectations. Then don't misinterpret what has been the "big beautiful bill" for renewables. In fact, when you look at the end of the process, tax credit, either PTC or ITC that did not really change, providing that the

project will be put into construction before mid-2026. I think. And so we are working on that, what we call “safe harbouring”. Of course, the conditions of safe harbouring are important.

But when we look to our portfolio of projects, it's for us, when we look to what we were planning to develop between today and 2029-30, there is not much impact on all that. If we can safe harbour, of course, correctly and according to the rules but I think we will come back to you on this one as well end of September. But the ITC and PTC quantum did not change, in fact. And the capacity to, I would say, migrate between the markets for ITC, PTC continue to remain, the tax partnership and all that remains. It's just a matter that it will elapse in time. But with what has been voted in the Senate, it's possible to use that. It could have some impact, but is one part which is more impacting in fact, for me, these businesses is more the tariff as I said before, because you don't have today in the U.S. enough manufacturing capacity to make all the projects.

This tariff, it depends and as the tariffs are not the same for all the countries, we are, I would say, in a shadow today, we don't know. Of course, it could have an impact on us on diversifying our supply chains, finding new countries. I know that we stopped one project in April with a provider coming from China, but we managed to replace it with a provider from Vietnam. And by the way, this Vietnamese company wants to build a manufacturing plant in the U.S. This dynamic will come. Finally, building a solar plant, manufacturing plant for solar is not so complex. We see some trends. Again, I don't tell you there will not be a form of slowdown, but this will not be dramatic. And again, for us, it's value over volume, to be clear. I've been very clear with my teams.

You want to grow, but we will grow at a pace which will be allowed by the global framework. And we need to digest all these information. The last news I've got, now that the bill has been enacted, are more positive than what we thought. There is one segment which we completely put into, I would say, a sleeping mode is offshore wind. This is completely sleeping now. Sleeping means that we have reduced at the minimum any cost on this one. But Integrated Power is also gas-fired power plant. On this one, I can tell you we could make a lot of money by farming down part of the 1.5 GW have acquired two years ago in Texas. At the end, we want electrons. We can move to tolling scheme. There are ways to use these types of assets to get some money back.

There are good things as well in what happens in the U.S. on the electricity side including gas to power, which is, of course, at the core as well of our business model. It's not only renewables. Our business model, in particular in the U.S. is gas to power plus renewable, but gas to power is very important.

Jason Gabelman – TD Cowen

And then my follow-up, it's probably fitting to a Capex question given all the focus on that. It seems like to hit the organic Capex target, Capex needs to slow by almost \$1 billion from 2Q levels.

Can you just give us some sense about where the activity is slowing down? And also, if Mozambique LNG, if that moves forward, is that already in the Capex budget? Or would that be incremental?

Patrick Pouyanné - TotalEnergies SE - Chairman & CEO

If Mozambique LNG is moving forward, it would be externally financed. The impact on the Capex budget is quite limited.

Jason Gabelman – TD Cowen

And just more broadly?

Patrick Pouyanné - TotalEnergies SE - Chairman & CEO

Sorry, Jason, but I cannot give you, I mean I don't have all the details to this one. No, but I mean we know where we are going. We know why. For example, I will tell you, this pipeline in Uganda, we put in place a project financing in the middle of the second quarter, so it has a positive impact on the Capex in the second part of the year. So, the run rate of spending was higher on the beginning of the year than the second half, this is very pragmatic this one. So, when I told you that we will stick to the \$17-17.5 billion, I repeat it, you can believe me, I know what is behind.

Patrick Pouyanné - TotalEnergies SE - Chairman & CEO

I think we come to the end of the call. Do we have another one? Thank you to all of you for all this debate and questions. Again, I think the keyword of TotalEnergies, I know it's little boring, but it is consistency. It's good for us, not so boring being consistent in the strategy and again, keeping the return to shareholder on the high side. I think it's good news for our shareholders. Okay, we are in a cyclical, in a commodity business. We don't control the markets. Today, there is volatility from the supply and demand side, but also from geopolitics.

It could be on one side, and it could go the other way. What I'm sure that we manage, we have the flexibility, the agility in the Company to manage all this volatility, and we are growing, again. And by the way, the growth is delivering some additional cash flows, which is very important for the Board. The Board already monitors as well: do you deliver what you said in terms of growth of production on both sides, in Integrated Power and in Oil and Gas?

And I will be happy to meet all of you again in New York on September 29th. I know it's an annual one. We will give you even more certainty about our business plan towards 2030. And I am happy in advance and will enjoy meeting you there with all my Executive Committee. Thank you.

Operator

Ladies and gentlemen, this concludes the conference call. Thank you for your participation. You may now disconnect.