

SN#74

The Shareholders' Newsletter

Summer 2024



Special
Edition
Shareholders'
Meeting



TotalEnergies

CHAIRMAN'S MESSAGE



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Dear Shareholders,

It was a pleasure to see you at the Annual Shareholders' Meeting, held this year at the Tour Coupole, our corporate headquarters, in La Défense. That was a first, and I'm aware that not everything went smoothly, starting with our strict access controls that made for a slow entry process, and I apologize to all those who were

forced to wait before being able to access the event. We will learn from this initial experience so we can improve our arrangements for the event in coming years, including the video link between the two rooms. Nonetheless, I'm pleased that we could hold the event in a peaceful environment, because I especially value this opportunity for shareholder dialogue, a high point in the Company's calendar.

Despite a less favorable economic environment than in the previous year, 2023 was a successful year for your Company, one in which our multi-energy strategy proved its relevance. For the second consecutive year, TotalEnergies was the most profitable of the majors, with an average return on capital employed of 19%, demonstrating the financial strength of our business model. That performance is the outgrowth of a strategy built on two key pillars: hydrocarbons, which are still the energy for today, and electricity, the energy at the heart of decarbonization and the energy transition. This year, we will be investing a further \$5 billion in electricity and renewables, a level of capital expenditure we expect to maintain over the decade. And we have clear profitability objectives for those new businesses, which will also support a rising dividend.

As you know, since 2020 your Company has been embarked on an ambitious strategy of balanced transformation that combines profitable growth and sustainable development. And once again this year, 80% of you expressed your approval of the *Sustainability & Climate - 2024 Progress Report*, which describes our progress in carrying out our ambitions for sustainability and the energy transition. Alongside the Board of Directors, I thank you for your commitment and support.

You have also decided to reappoint Jacques Aschenbroich as Lead Independent Director and Glenn Hubbard as an independent director. Additionally,

the Board of Directors has renewed my appointment as Chairman and Chief Executive Officer, and I am extremely honored by the trust that you and the Board have placed in me. It is an enormous responsibility and one that I am conscious of each day, given the challenges we must tackle collectively to build a more sustainable energy future.

“We will uphold that strategy and implement it openly and transparently: more energy, fewer emissions, on behalf of everyone: our employees, our customers and you, our shareholders.”

Our primary responsibility is to create and share value. The Company is in sound financial health, with a low debt level, which provides not only for our resilience in the event of falling prices but also for an attractive shareholder return policy. The average annual gross return to shareholders, which stands at nearly 10% over the past decade—the best among the majors—is evidence of that.

In 2023, that return represented nearly 46% of cash flow, or more than \$16 billion, partly comprising the dividend proposed at this Annual Shareholders' Meeting of €3.01 euros per share—a 7.1% increase over the previous fiscal year— and the remainder consisting of share buybacks.

Your Board of Directors, bolstered by the Company's excellent results, has also approved a 7% increase in the first interim dividend for fiscal year 2024, to €0.79 per share, as well as the share buyback policy of \$2 billion per quarter, meaning \$4 billion for the first half of 2024. I am delighted to see that these decisions have been well received by the markets, because in this year of our centenary, TotalEnergies' share performance is at an historic high.

In conclusion, with your support and that of our entire workforce, we are determined to maintain our clear, balanced transition strategy so that TotalEnergies can meet the challenge of the coming decades, as it did throughout the twentieth century. We will uphold that strategy and implement it openly and transparently: more energy, fewer emissions, on behalf of everyone: our employees, our customers and you, our shareholders.

Thank you for your confidence and your loyalty.

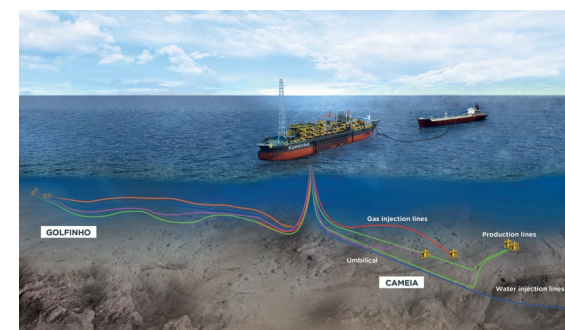
Patrick Pouyanné
Chairman and CEO of TotalEnergies

LATEST NEWS



The Kaminho project gets underway

In partnership with Petronas (40%) and Sonangol (20%), TotalEnergies has announced the Final Investment Decision for the Kaminho project. The project will develop two deepwater fields, using an FPSO unit (Floating Production, Storage and Offloading), designed to minimize greenhouse gas emissions and eliminate routine flaring: the unit will be all-electric and the gas associated with the oil extraction will be fully reinjected into the reservoir. The Kaminho project will create local jobs (10 million man-hours) and production will begin in 2028.



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TotalEnergies exceeds 2 GW of renewable electricity capacity in France

The Company wields a diversified portfolio of more than 660 wind, solar, hydro and battery storage facilities. Those facilities generate enough green power for nearly 1.8 million French households to prevent the annual emission of 800,000 tons of CO₂. TotalEnergies has invested nearly €400 million in renewables in France since 2013 and is aiming to reach 10 GW of installed capacity by 2025. The Company is developing integrated projects that respect the environment and communities, in collaboration with neighboring stakeholders, farmers, industrial clients and local government.



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TotalEnergies and Sinopec strengthen their cooperation

TotalEnergies and Sinopec have signed a strategic cooperation agreement aimed at expanding the existing partnerships between the two companies and deepening their collaboration in low-carbon energy. The two companies plan to combine their R&D expertise to develop projects in biofuels, green hydrogen, CCUS and decarbonization. The agreement comes in the wake of a recently announced partnership to develop a 230,000 tpa sustainable aviation fuel (SAF) production unit at a Sinopec refinery in China.



TotalEnergies launches the Marsa LNG project

TotalEnergies and OQ, the Oman National Oil Company, announced the Final Investment Decision for this integrated project that includes natural gas production, liquefaction and export. The two partners plan to jointly develop a 800 MW portfolio of renewable energy projects, including a 300 MWp solar energy project that will power the Marsa LNG plant. The entire plant will be powered with electricity and supplied with solar power, placing it among the LNG plants with the lowest GHG emissions intensity worldwide, below 3 kilograms of CO₂e/boe*. The LNG production is expected to start in the first quarter of 2028 and will primarily be intended to serve the marine fuel market (LNG bunkering) in the Gulf.



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Developing renewable natural gas in the United States

TotalEnergies and Vanguard Renewables, a BlackRock subsidiary, will create a joint venture to produce renewable natural gas from organic waste at US farming operations. They plan to launch ten projects in the coming months with a combined capacity of 0.8 TWh as part of a pipeline of about sixty additional projects over time, for a total capacity of 5 TWh per year. The partnership is aligned with TotalEnergies' strategy of producing 10 TWh of renewable natural gas by 2030 and providing a decarbonization solution to industrial firms.



You can find all our press releases on our [Media page at totalenergies.com](https://www.totalenergies.com)

* By way of comparison, the average emission intensity of LNG plants is around 35 kilograms of CO₂e/boe, so this represents an emission reduction of more than 90%.

CONTENTS

02 CHAIRMAN'S MESSAGE
by Patrick Pouyanné, Chairman and Chief Executive Officer

03 LATEST NEWS
Recent key events

04 KEY FIGURES
Key Figures for 1st quarter 2024

05 ANALYSIS & OUTLOOK
by Jean-Pierre Sbraire, Chief Financial Officer

06 EVENT
A Look Back at the Annual Shareholders' Meeting

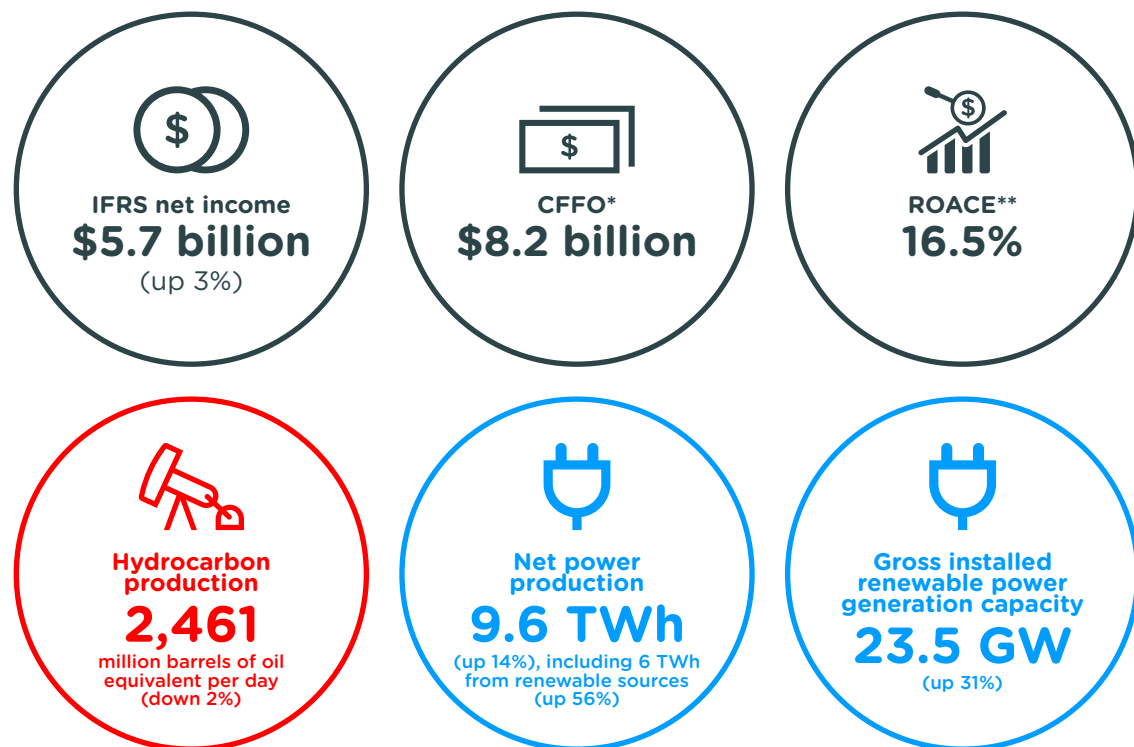
07 FOR YOU
Shareholders' information

KEY FIGURES FOR 1ST QUARTER 2024

Here you'll find the main results from first-quarter 2024, published on April 26, as well as the main indicators for the same period.

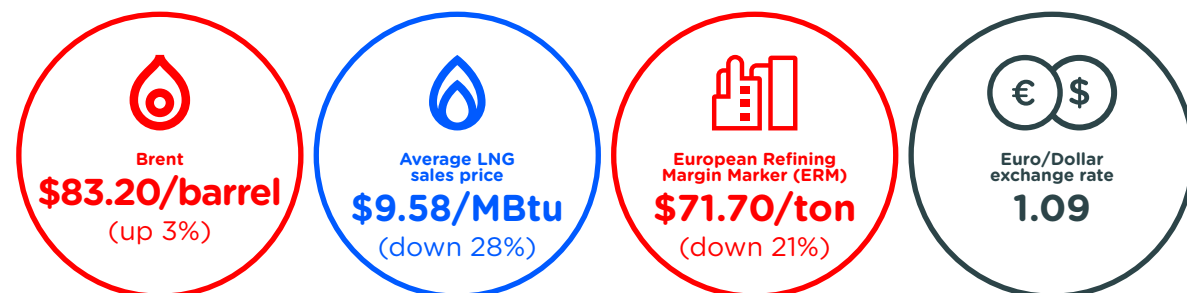
Our Results

(Variations are with first-quarter 2023.)



* Cash flow from operations excluding working capital
** Return on average capital employed

Indicators



ANALYSIS & OUTLOOK

“TotalEnergies delivers strong results in line with its ambitious 2024 objectives.”



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By **Jean-Pierre Sbraire**
Chief Financial Officer

The results for the first quarter 2024 provide a further demonstration of the relevance of the Company's balanced transition strategy. Anchored on two pillars, hydrocarbons and power, that strategy

is delivering strong results and an attractive shareholder return.

In a context of sustained oil prices and refining margins but softening gas prices, the Company announced adjusted net income of \$5.1 billion and cash flow of \$8.2 billion, in line with its ambitious 2024 objectives.

Oil & gas production was 2.46 Mboe/d, benefiting from 6% quarter-to-quarter production growth in LNG and from start-ups at Mero 2 in Brazil and Akpo West in Nigeria. The Company positively appraised the Venus discovery in Namibia and Cronos in Cyprus. Exploration & Production delivered adjusted net operating income of \$2.6 billion and cash flow of \$4.5 billion, and confirms its leadership as a low-cost operator with operating costs below \$5/boe.

Integrated LNG achieved adjusted net operating income of \$1.2 billion and cash flow of \$1.3 billion for the quarter in a softening and less volatile price environment. The Company strengthened its integration in the LNG value chain with the acquisition of Lewis Energy Group's upstream natural gas assets in the Eagle Ford Basin in the United States, and with the signature of an LNG sales agreement to Sembcorp in Asia. The Company further deployed its multi-energy strategy in Oman, launching the full electric and ultra-low-emission (3 kg/boe) Marsa LNG project that primarily targets the marine fuels market and also developing an 800 MW portfolio of wind and solar projects, including the 300 MW solar project that will supply Marsa LNG.

Integrated Power generated sequentially higher adjusted net operating income of \$0.6 billion and \$0.7 billion of cash flow, with a return on average capital employed reaching 10%, confirming the Company's ability to grow profitably across the electricity value chain. TotalEnergies enhanced its integrated position in Texas through a 1.5 GW flexible gas capacity acquisition that closed this quarter.

Downstream adjusted net operating income was \$1.2 billion and cash flow was \$1.8 billion, benefiting from strong refining margins during the quarter. The Company finalized the divestment of part of its European retail network to Alimentation Couche-Tard and advanced its development in sustainable aviation fuels (SAFs) through partnerships with Airbus and Sinopec.

Given these strong results, in line with TotalEnergies' ambitious 2024 objectives, the Board of Directors approved the distribution of a first interim dividend of €0.79/share for fiscal year 2024, an increase of close to 7% compared to 2023, and authorized the Company to buy back \$2 billion in shares in the second quarter of 2024.

Cash Flow from Operations excluding working capital (CFFO)

This indicator measures a company's ability to generate cash flow from its operating activities before changes in working capital, i.e. the necessary liquidity to fund the operating cycle. The CFFO is obtained by adjusting cash flow from operating activities according to IFRS accounting standards for certain items that are specific to the company, such as inventory replacement costs, the impact of contracts measured at fair value, capital gain from renewable project sales and loan repayments from equity affiliates. Consequently, the CFFO can be used to compare the company's performance with its peers on a uniform basis and to determine the share of its cash flow available to be remunerated to shareholders or invested in new projects.

EVENT

A Look Back at the Annual Shareholders' Meeting

Board of Directors

Reappointments

Mr. Patrick Pouyanné
Chief Executive Officer since October 22, 2014, and Chairman and Chief Executive Officer since December 19, 2015.



The Board of Directors acknowledged the excellent work by the Chairman and CEO in steering TotalEnergies through a complex environment, delivering exceptionally robust financial results and committing the Company to the energy transition more rapidly and decisively than its peers. The Board restated its unanimous support for the quality and relevance of the strategy implemented since 2020.

Mr. Jacques Aschenbroich
Director since May 28, 2021, Lead Independent Director and Chairman of the Governance & Ethics Committee, member of the Compensation Committee and the Strategy & CSR Committee.



His reappointment will ensure that the Board of Directors continues to enjoy the benefit of his executive experience at a major multinational industrial group and his expertise in mobility, digital technology and governance.

Mr. Glenn Hubbard
Director since May 28, 2021, and member of the Audit Committee since May 2023.



Glenn Hubbard is an economist. His reappointment will ensure that the Board of Directors continues to enjoy the benefit of his knowledge of US markets, a highly valuable asset given the scale of the Company's capital investments in the US and the growing importance of the Company's North American shareholder base.

Appointment of a new director

Ms. Marie-Ange Debon
Director



Appointed to replace Ms. Anne-Marie Idrac. A graduate of HEC Paris and the École nationale de l'administration (ENA) and holder of a master's degree in law, Marie-Ange Debon is Chairwoman of the Keolis Group Executive Board. She has extensive experience acquired in administration and subsequently in major international groups in the environmental and transportation sectors, and the Board of Directors will enjoy the benefit of her skills in financial, regulatory and governance matters for large companies.

Your Board of Directors Following the May 24, 2024, Annual Shareholders' Meeting



Independent directors (as defined by the AFEP-MEDEF code) make up



Women



(excluding the directors representing employees or employee shareholders)



Men



Sustainability & Climate - 2024 Progress Report

Nearly 80% of you voted to approve the *Sustainability & Climate - 2024 Progress Report*, the document that reports on the Company's ambition for sustainable development and energy transition towards net zero and its related targets by 2030. You can find the *Sustainability & Climate - 2024 Progress Report* at totalenergies.com

FOR YOU

Your questions

What is the status of plans to move the TotalEnergies share listing to New York?

During the Annual Shareholders' Meeting, Patrick Pouyanné reiterated that TotalEnergies shares are already traded on the New York Stock Exchange in the form of an ADR (American Depositary Receipt). The purpose of the new listing would be to offer US investors the same ordinary shares as those available to European investors. The move would increase the share's liquidity and encourage a market revaluation of the share. The Company has launched a technical study to determine how those shares could be offered to investors in the US market while retaining the European market listings in Paris, London and Brussels. The project is still under review and would not change the Company's status, nor the rules and regulations to which it is subject. TotalEnergies will remain a French company, the Company will keep its headquarters in Paris and its shares will remain eligible for the equity savings plan (PEA). TotalEnergies will keep its shareholders informed of developments.



To view the webcast of the Annual Shareholders' Meeting, visit totalenergies.com, Investors > Annual Shareholders' Meeting

Dividend

A first interim dividend of €0.79/share for fiscal year 2024, an increase of nearly 7%

The Board of Directors, at its meeting on April 25, 2024, decided to distribute a first interim dividend for fiscal year 2024 of €0.79/share, an increase of 6.8% over the interim dividends for fiscal 2023 and identical to the final ordinary dividend for fiscal 2023. This increase is consistent with the shareholder return policy for 2024 that was confirmed by the Board of Directors in February. This interim dividend will be paid in cash, according to the following timetable:

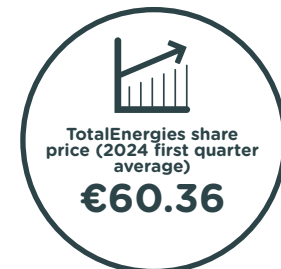
	Shareholders	ADS Holders
Ex-dividend date	September 25, 2024	September 24, 2024
Payment date	October 1, 2024	October 11, 2024

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> individual shareholders

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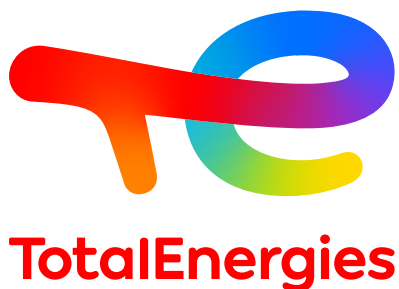
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Non-contractual visuals

TotalEnergies
is developing its
network of charge
points to develop
electric mobility.



Learn more about our engagement towards energy transition on totalenergies.com/energy-transition