Tax Transparency Report 2022-2023

TotalEnergies

"Every step counts on the road to the energy transition. Let's take that road together."

Patrick Pouyanné, Chief Executive Officer

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A word from our CFO

“In 2022, TotalEnergies incurred more than $33 billion in profit and production taxes worldwide.”

I am pleased to present our 2023 Tax Transparency Report. In this edition, you will find an in-depth overview of our tax strategy, governance and contribution for 2022 and 2023.

In 2022, a year of exceptional profits, our Total Tax Contribution also reached record levels, exceeding $62 billion in taxes borne and collected. Regarding taxes borne by our Company, which are of higher interest to our stakeholders, we accrued more than $ 33 billion in profit and production taxes.

In 2023, mainly due to lower oil & gas prices, the same taxes amounted to $ 25 billion.

Our commitment to tax transparency goes beyond mere compliance with tax regulations. The data we provide in this report is notably more extensive than what the European Directive on public Country-by-Country Reporting will require as of fiscal year 2025. The CbCR we publish in chapter 4 covers 75 countries representing 96 % of our total tax charge.

And, as tax transparency is more than just disclosing tax data, we strive to provide our stakeholders with information that is meaningful, thanks to contextual information to comprehend the data. In this report, we provide further insight on our governance policy, especially on our tax risk control framework, and on our transfer pricing policy. We also address the current areas of focus, such as windfall profit taxes, tax incentives and the implications of the Pillar 2 global minimum tax for TotalEnergies.

We received positive feedback from investors, civil society organizations, and tax administrations on our prior reports. We also participated in several forums and initiatives to promote tax transparency and accountability in the energy sector and beyond. We are committed to maintaining and improving our standards of transparency and to engaging with our stakeholders on this important topic.

I invite you to explore the details within this report.

Thank you for your interest.

Jean-Pierre Sbraire,
Chief Financial Officer

Our Journey to tax transparency

2003
Formation of the EITI, of which the Company is an active member

2012
Commitment not to create entities in countries viewed as "tax havens" and to repatriate existing ones when feasible

2014
First publication of our Tax Policy

2015
First publication of the list of all consolidated entities and of the Extractive Industries Report of Payments to Governments

2017
First Country-by-Country Reporting filed

2018
TotalEnergies is the first company to publicly support transparency of petroleum contracts

2019
Endorsement of the B Team's Responsible Tax Principles

Publication of our Tax Policy in the extra-financial performance report of our URD

Adhesion to the **French cooperative compliance program**

2020
Voluntary adoption of the GRI and World Economic Forum transparency standards

2021
Total becomes TotalEnergies

2022
Release of the first **Tax Transparency Report**

Updated Tax Policy approved by the Board

2023
Participation of TotalEnergies in the first B Team peer review and in the EITI company assessment

JOURNEY

Where to find...

OUR DATA

KEY TOPICS

WHERE TO FIND...

Glossary

Glossaries on Total Tax Contribution and CbCR are available in Chapter 3 and Chapter 4 of this report.

Accelerated depreciation

This is when the write down of an asset's value is greater during the earlier years of an asset's life.

Arm's length terms

The pricing of a transaction between related parties, as if the parties were acting as independent entities.

Artificial tax structures

These are artificial arrangements to minimise tax payments by shifting profits from one jurisdiction to another jurisdiction.

B team's Responsible Tax Principles

Principles around responsible tax policy and practice developed by the B Team.

Base Erosion and Profit Shifting (BEPS)

The BEPS project is a joint initiative by the OECD and G20 in 2013 to tackle tax avoidance and profit shifting by multinational corporate groups. It consists of 15 action points to prevent tax-aggressive structures, one of which is the Country-by-Country Report (Action 13).

Corporate Income Tax (CIT)

The tax charged on profits. Also called profit tax.

Cooperative compliance program

This refers to the specific voluntary program for a transparent relationship between a taxpayer and its tax administration ("relation de confiance" or "partenariat fiscal" in French).

Country-by-Country Reporting (CbCR)

A report filed privately with tax authorities showing aggregate data per country on profit, income taxes paid and accrued and key indicators of economic activity.

Deferred Taxes

IFRS standards require an entity to recognise a deferred tax liability or (subject to specified conditions) a deferred tax asset for all temporary differences, with some exceptions. Temporary differences are differences between the tax base of an asset or liability and its carrying amount in the financial statements. The tax base of an asset or liability is the amount attributed to that asset or liability for tax purposes.

Effective Tax Rate (ETR)

Percentage of the consolidated accrued and deferred corporate income tax charge on the consolidated income before tax as per our consolidated financial statements (unless otherwise defined).

Extractive Industries Transparency Initiative (EITI)

The EITI is an organization, which brings together representatives of the governments of the member countries as well as representatives of civil society and business in order to strengthen transparency and governance with regard to income from oil, gas and mineral resources and fight against corruption.

Exchange of information

The exchange between tax authorities of information relating to taxpayers in each jurisdiction.

GRI tax transparency standard

The Global Reporting Initiative tax standard GRI 207.

IFRS accounting standards

Accounting standards issued by the International Accounting Standards Board.

JV

Joint Venture, an association agreement between two or more parties for the purpose of serving a common project (sharing of costs and risks).

OECD

An intergovernmental economic organisation to stimulate economic progress and world trade.

Pillar 2 / GloBE

The Pillar Two Model Rules (also referred to as the "Global Anti-Base Erosion" or "GloBE" Rules) are part of the Two-Pillar Solution to address the tax challenges of the digitalisation of the economy that was agreed by 137 member jurisdictions of the OECD/G20 Inclusive Framework on BEPS in October 2021. These rules aim at ensuring that large multinational enterprises (MNEs) pay a minimum effective tax rate of 15% in each jurisdiction where they operate.

Tax incentives

Tax reliefs offered by government authorities to encourage economic and social development.

Total Tax Contribution (TTC)

A measure of all the taxes that a company pays, whether borne or collected. Taxes borne are a direct cost for the company, whereas taxes collected are collected by a company on behalf of governments.

URD

Universal Registration Document (available on the TotalEnergies corporate website).

WEF tax transparency standard

World Economic Forum report, Measuring Stakeholder Capitalism, which contains a metric focused on tax.

Withholding tax

A tax levied at source on certain types of payments, usually royalties, interest or dividends, where these are made between entities in different countries.

Units

k Thousand **M** Million **bn** Billion

Assurance statement

A selection of data provided in this report in Chapter 3 (the Total Tax Contribution), Chapter 4 (Our Country-by-Country Tax Report) and Chapter 5 (Our profit and production taxes) was subject to internal review and third party assurance by PricewaterhouseCoopers Audit and Ernst & Young Audit in accordance with the International Standard for Assurance Engagements ('ISAE') 3000 Revised. Our Extractive Industries Reports data in Chapter 6 is published in section 9.3. of our Universal Registration Document 2022 and 2023. The assurance statements can be found on the Company website.

01

TotalEnergies at a glance

A multi-energy company

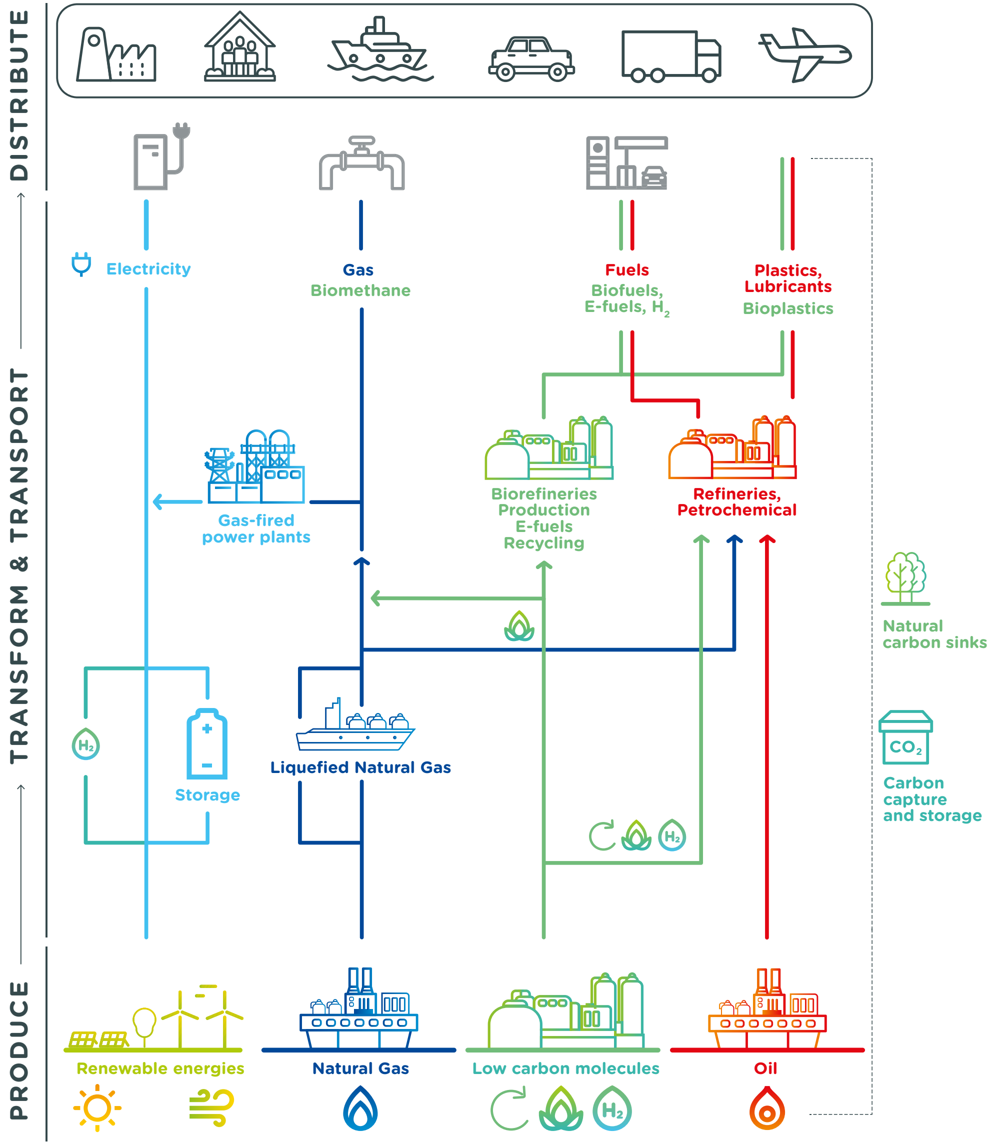
TotalEnergies is a global integrated energy company that produces and markets energies: oil and biofuels, natural gas and green gases, renewables and electricity. Our more than 100,000 employees are committed to energy that is ever more affordable, more sustainable, more reliable and accessible to as many people as possible.

Our integrated multi-energy model

TotalEnergies' model of value creation is based on **integration across the energy value chain**, from exploration and production of oil, gas and electricity to energy distribution to the end customer, and including refining, liquefaction, petrochemicals, trading, and energy transportation and storage.

This integrated business model enables the Company to capitalize on synergies among the various businesses while responding to volatility in feed stock prices.

TotalEnergies is applying this integrated model to the new electricity and renewables businesses. Accelerating growth in electricity and renewables will strengthen TotalEnergies' model of value creation and diversify the Company's geographical risk profile. That transition enables to cement the sustainability and resilience of TotalEnergies' value creation model bolstering its ambition of getting to Net Zero (net zero emission).



Key figures 2022-2023

$281bn
sales
in 2022

$237bn
in 2023

$20.5bn
net income
in 2022
(TotalEnergies share)

$21.4bn
in 2023

$62bn
Total Tax
Contribution
in 2022

$33bn
profit and production
taxes in 2022

$24.7bn
in 2023

51.4%
Effective Tax Rate
in 2022

38.2%
in 2023

$16.8bn
net investments
in 2023
35%
of which in
low carbon energies

22 GW
of gross renewable
power generation
capacity installed
end of 2023

2.5Mboe/d
hydrocarbon
produced in 2023

3rd
largest LNG player
worldwide

1.4Mb/d
refinery throughput
in 2023

More Energy, Less Emissions

TotalEnergies publishes a *Sustainability & Climate Report* each year, as pledged by the Board of Directors since 2020.

In its latest report released on March 20, 2024, TotalEnergies gives an account of the implementation of the Company's strategy and the progress made in 2023 with regard to the objectives for 2030, notably its achievements in terms of emissions reductions and its contribution to a just, orderly and equitable energy transition for all its stakeholders.

TotalEnergies thus reaffirms the relevance of its balanced multi-energy strategy combining profitable growth and sustainable development, anchored on two pillars: oil & gas, notably LNG, and electricity, notably renewable, the energy at the heart of the transition. In 2023, like in 2022, TotalEnergies was the most profitable major, with a return on capital employed of 19%, while also being the major that invests the most in the energy transition.

In oil & gas, thanks to having refocused its portfolio on assets and projects with low breakeven and low greenhouse gas emissions, TotalEnergies intends to produce oil & gas in a responsible manner, as illustrated by its 2023 achievements in emissions reductions:

- 34% reduction in Scope 1+2 emissions from operated oil & gas facilities compared to 2015,
- decrease, to 18 kg CO_2e/boe, of the Scope 1+2 emission intensity of upstream oil & gas activities on an equity basis,
- 47% reduction in methane emissions on operated facilities in 2023 *vs* 2020, already among the lowest in the peer group. In order to concretely transcribe its ambition to aim for zero methane emissions, TotalEnergies extends its objective to reduce its methane intensity to <0.1% by 2030 to the entirety of its operated upstream oil & gas facilities – not just its gas facilities.

In gas, energy of the transition which complements the intermittency of renewable energies in electricity generation and represents a virtuous alternative for countries burning coal for their power generation needs, the Company estimates that its LNG sales contributed to avoiding about 70 Mt of CO_2e emissions worldwide in 2023.

In electricity, TotalEnergies invested more than $5 billion in 2023 in low-carbon energies, essentially in electricity, contributing to building a profitable and differentiated Integrated Power business, which will both become a cash engine for the Company and reduce the emissions resulting from the use of energy products sold to its clients: the lifecycle carbon intensity of energy products sold by TotalEnergies to its customers for final use was 13% lower in 2023 compared to 2015, and is on track to meet the objective of -25% by 2030.

Thanks to these achievements, TotalEnergies confirms its ambition to become a major player in the energy transition, committed to carbon neutrality in 2050, together with society.

Moreover, with the launch of *Care Together by TotalEnergies*, the Company increases its commitments in terms of social responsibility. In addition to commitments specific to each affiliate, TotalEnergies guarantees compliance with high social standards for all its employees worldwide, regardless of the legislation in force in any given country. This program is based on concrete measures revolving around four pillars: social protection, health, the family sphere and working conditions.

Our sustainability ambition

TotalEnergies puts sustainable development in all its dimensions at the heart of its projects and operations to contribute to the well-being of people.

The Company, with a view to a just transition, has structured its sustainable development approach for conducting its activities in order to contribute to the United Nations Sustainable Development Goals (SDGs), to which TotalEnergies has committed to contribute from 2016.

TotalEnergies' sustainable development approach is based on four pillars

Climate and sustainable energy

TotalEnergies' ambition is to get to carbon neutrality (net zero emissions) by 2050 or earlier across all its operations worldwide, from production to the use of energy products sold to its customers, together with society.

Acting on emissions: decreasing our greenhouse gas emissions.

Acting on products: reducing the average carbon footprint of our energy product mix.

Acting on demand: supporting customers through the energy transition.

Developing carbon sinks: investing in natural sinks and in carbon capture and storage.

People's well-being

Ensure the health and safety of people.

Ensure that human rights are upheld in the workplace within the Compagnie and among its partners.

Foster an inclusive working environment that motivates our talented employees and helps them grow.

Care for the environment

Manage the environmental effects of all our operations according to the Avoid – Reduce – when possible, Offset.

Protect biodiversity.

Promote the circular economy.

Preserving fresh water resources.

Impacting positively stakeholders

Fostering the development of economic opportunities for the local communities.

Getting involved in host regions notably through TotalEnergies Foundation.

Fighting corruption and tax evasion.

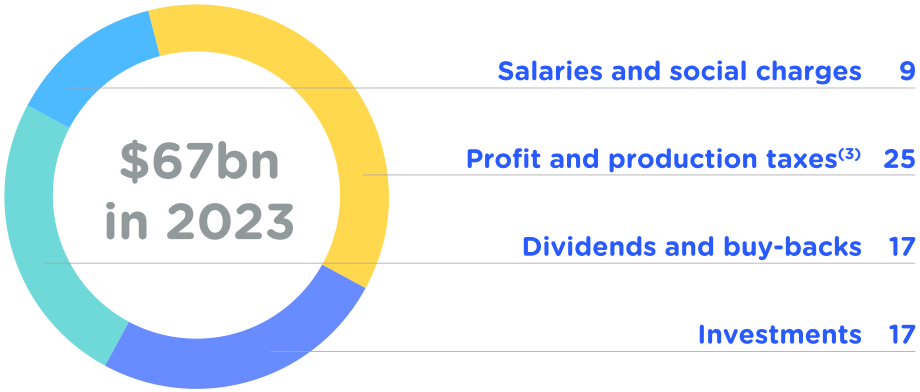
TotalEnergies' core contributions through its mission

Direct contributions through a responsible business approach of the Company

Indirect contributions through a responsible business approach of the Company

Creating shared value

Creating shared value *(in $bn)*



We are committed that the activities and projects we develop, generate value and positive change. To this end, we act in compliance with our Code of conduct in interaction with all our stakeholders : our employees, customers and partners, host regions, local communities, civil society representatives, suppliers and investors.

Our value creation (approximately $67 billion in 2023) generates revenues for the governments of the countries where we operate (taxes), for our economic partners, including our suppliers (in the form of investments), our employees (salaries and social charges) and our shareholders (dividends and buy-backs)[1].

$24.7 billion out of the $67 billion value created in 2023 represented profit and production taxes accrued by TotalEnergies in favour of the countries where the Company operates (all businesses included)[2][3].

Payments made by the extractive entitites controlled by the Company to governments of states or territories in which we operate, amount to $28.3 billion in 2023 (see Chapter 6). At the other end of the value chain, on the distribution side of our products, we collected $18.2 billion in 2023, mainly in excise duties on petroleum products on behalf of governments from consumers.

(1) See our Sustainability & Climate Progress Report 2024, page 96 available on our corporate website, for further detail.
(2) See Chapter 5 of this report for more information on such tax amounts.
(3) Profit and production taxes are a substantial part of the taxes borne by the Company. For a comprehensive view of all the taxes borne and collected by TotalEnergies in 2022, please refer to our Total Tax Contribution developments in Chapter 3.

A continuous dialogue with our stakeholders

In TotalEnergies' view, dialogue with its internal and external stakeholders is essential for the Company to conduct its business responsibly and integrate the long-term challenges of sustainable development in its strategy and policies. This dialogue contributes to the identification of the main risks and impacts of the Company's activities, and more broadly to a better understanding of changing trends and the main societal expectations of each of the major categories of stakeholders. It is also a prerequisite to ensuring that the Company is firmly integrated in its host regions, as well as an effective tool for identifying ways to generate value at the local level.

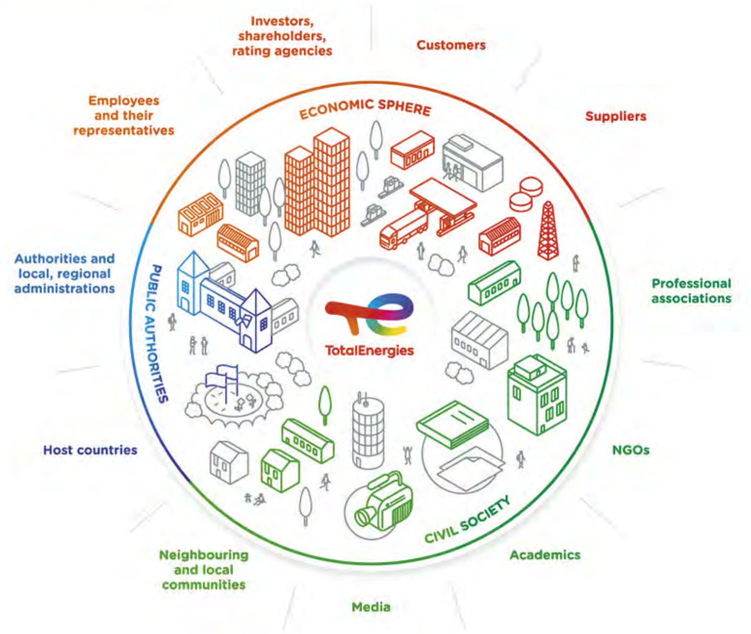
TotalEnergies believes that **transparency is an essential principle of action in building a trust-based relationship with its stakeholders and ensuring that the Company is on a path of continuous improvement.**

TotalEnergies is making every effort to report its performance on the basis of the various commonly used ESG reporting frameworks. As such, TotalEnergies refers to the Global Reporting Initiative (GRI) standards and those of the Sustainability Accounting Standards Board (SASB), for which detailed tables of correspondence are available on the TotalEnergies website. TotalEnergies also includes in its reporting the World Economic Forum's core indicators (Chapter 11 of the URD)(1). Furthermore, it also follows the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) for its climate reporting.

Open dialogue with our stakeholders

TotalEnergies sets up dialogue procedures based on the consultation and involvement of stakeholders in order to develop constructive and transparent relationships with them. This dialogue contributes to identifying main risks and impacts of the Company's operations and, more generally, by providing greater insight into main changing societal patterns and expectations of each of the major stakeholder categories.

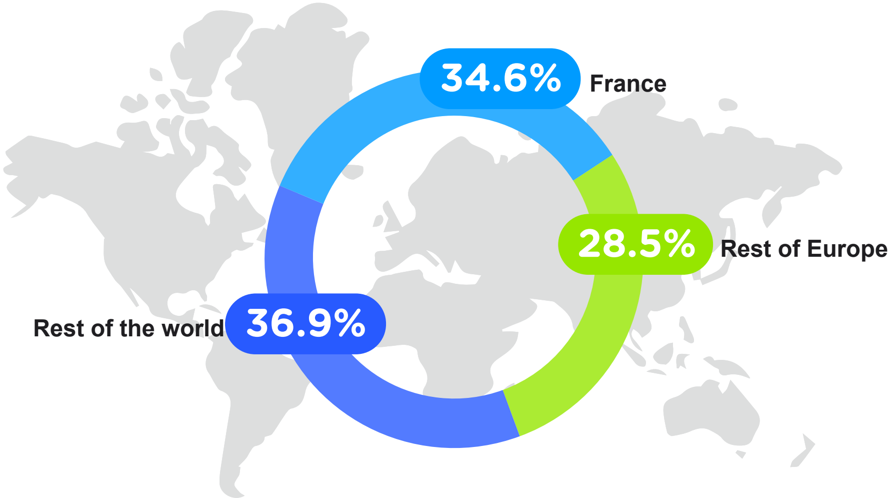
Mapping of our main stakeholders



(1) Measuring Stakeholder Capitalism Towards Common Metrics and Consistent Reporting of Sustainable Value Creation, White paper, September 2020.

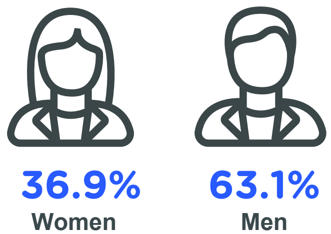
Our employees as of December 31, 2023

Employees breakdown by geographical area



Workforce as of December 31, 2023: 102,579

Employees breakdown by gender



Proven expertise in 2023

- **102,579** employees
- Nearly **170 nationalities**
- More than **740 business-related competencies**
- More than **461,000 days** of training
- More than **400 talent developers** to help employees along their professional development path

Employees in 2023

- **$9.2 billion** payroll (including social security charges)
- More than **€200 M** for training
- **92.1%** of employees on permanent contracts, and women account for **41.2%** of employees hired on permanent contracts
- **85.6%** of employees hired by the Company and 67.1% of managers hired were non-French nationals

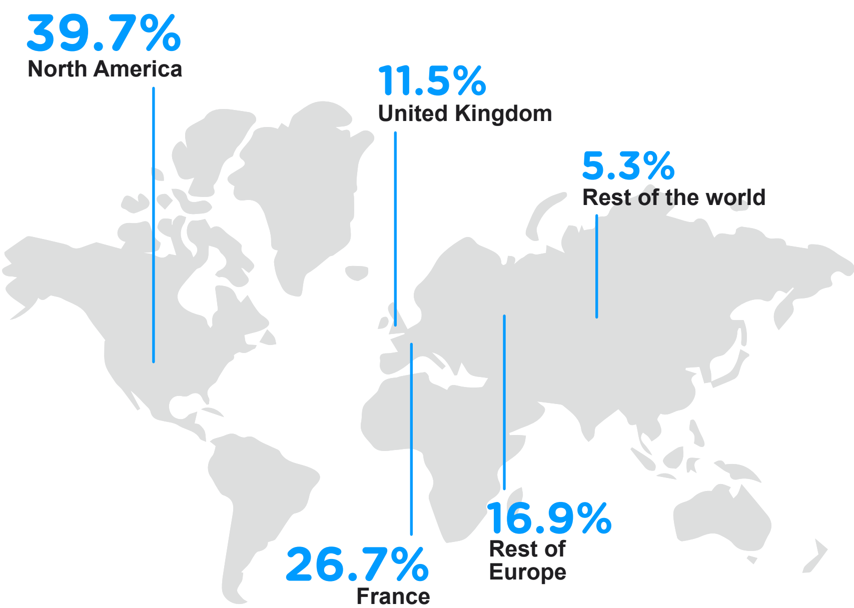
Wage differentials

In terms of compensation, TotalEnergies has been adopting specific measures to prevent and compensate for discriminatory wage differentials in several countries. Regular checks are carried out during salary-raise campaigns to ensure equal pay among men and women holding positions with the same level of responsibility.

Our shareholders as of December 31, 2023

Shareholding structure by geographical area[1]

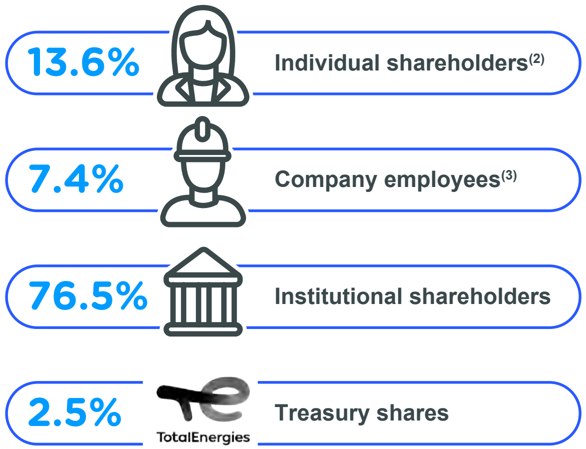
Estimate as of December 31, 2023, based on the request for the identification of shareholders made on that date, pursuant to Article L. 228-2 of the French Commercial Code.



(1) Excluding treasury shares.

Shareholding structure by shareholder type

Estimate as of December 31, 2023, based on the request for the identification of shareholders made on that date, pursuant to Article L. 228-2 of the French Commercial Code.



(2) Approximately 1,600,000 Number of individual shareholders.

(3) On the basis of employee shareholding as defined in Article L. 225-102 of the French Commercial Code and Article 11 paragraph 6 of the Articles of Association of the Corporation.

02

Our approach to tax

Our Tax Policy

With a presence in close to 120 countries through more than 1,360 consolidated entities, the Company carries out its operations in a constantly changing environment.

In this context, TotalEnergies has developed a responsible tax approach based on clear principles of action and rigorous governance rules as set out in its tax policy statement, which is approved by the Board of Directors and available to the public on the Company website.

TotalEnergies Tax Policy

Tax payments of TotalEnergies represent a substantial part of its economic contribution to the countries in which it operates.

Mindful of its responsibility, the Company is committed to paying its fair share of taxes to the host countries of its operations, in compliance with applicable laws and conventions and in accordance with its Code of Conduct.

The structuring of our investments worldwide is driven by our business operations and the regulatory framework.

Our tax policy's prime focus is certainty and sustainability in the long term. We thus believe that artificial or aggressive tax planning mostly derives short term tax benefits and is not compatible with a sustainable approach.

We apply the arm's length principle for the determination of our intercompany transfer prices and we pay our income taxes in the countries where we create value, in compliance with applicable laws and regulations.

It is the Company's long-term commitment not to create affiliates in countries generally acknowledged as tax havens and to repatriate or liquidate existing affiliates, where feasible.

Government authorities may offer tax incentives to support business sectors, create employment or foster their economic development. The Company may only claim incentives that are aligned with its business strategy, relate to investments with genuine economic substance and meet the requirements set by host countries.

The Company takes a responsible approach to the management and control of taxation issues, relying on well-documented and controlled processes.

The management of tax risks is fully integrated in the Company's global risk governance process. As part of this process, the VP Tax, under the authority of the Chief Financial Officer, oversees the implementation of the tax policy and reports on a regular basis to the Board's Audit Committee on TotalEnergies' tax position. The tax function is made up of a network of qualified and regularly trained in-house tax experts at the corporate level, in the business segments and in the affiliates.

Transparency is an essential factor in building a trust-based relationship with our stakeholders. As a permanent member of the Extractive Industries Transparency Initiative (EITI) since its formation in 2003, TotalEnergies fully supports initiatives for greater transparency and accountability. We encourage governments to ensure that the tax reporting obligations they will impose upon multinational groups are consistent, coordinated and proportionate.

We engage with a broad range of stakeholders, and especially with tax authorities, in a timely, transparent and professional manner which is the basis of a constructive and long-term relationship. In France, the country of its headquarters, TotalEnergies has been part of the cooperative compliance program upon its inception in 2019, thus pursuing greater transparency, dialogue and trust in its relationship with the French tax administration.

As regards advocacy relating to tax matters, TotalEnergies follows the rules set forth under its Code of Conduct and its Advocacy Directive, both available to the public on the Company's website. The Company is committed to fighting any form of corruption and does not intervene in the functioning or financing of the political life in its host regions. It undertakes to convey messages to the authorities that are consistent with its stated positions and strategies and to be transparent about such messages, whether they are positive or defensive, notably with regard to the Company's support for the objectives of the Paris Agreement relating to the fight against climate change.

The Company publishes in its Universal Registration Document an annual report covering the payments made by its extractive affiliates to governments and the full list of its consolidated entities, together with their countries of incorporation and of operations. The Company also issues a tax transparency report, which provides additional information on the taxes paid in its main countries of operations on a country-by-country basis. This report aims to offer more detailed information on the Company's tax position.

In compliance with its goal to foster a global responsible tax environment and encourage best practices, the Company endorsed the Responsible Tax Principles developed by the B Team, a non-profit organization bringing together business leaders and representatives of civil society with the aim of promoting a sustainable form of economic and social development.

The present tax policy is included in the Company's Universal Registration Document. It is reviewed by the Audit Committee and approved by the Board of Directors.

Our Tax Governance

TotalEnergies has developed a responsible and transparent tax approach based on clear principles of action and rigorous governance rules as set out in its public tax policy statement.

The Company tax policy is reviewed by the Audit Committee and approved by the Board of Directors. It was last revised in 2022. The Company's tax policy principles apply to all controlled affiliates.

The Company takes a responsible approach to the management and control of taxation issues, relying on well-documented and controlled processes. The management of tax risks and the implementation of the tax policy are fully integrated in the Company's internal control and risk management procedures. Internal and external auditors regularly review the Company's tax controls as part of the audit of its financial statements.

The VP Tax, under the authority of the Chief Financial Officer, oversees the implementation of the tax policy and reports at least on an annual basis to the Board's Audit Committee on TotalEnergies' tax position and risks, and adherence to the tax strategy.

The Company's tax policy is distributed to all employees having a responsibility in the tax area, who acknowledge its receipt. It is more largely available to all employees on the Company's internal and external websites. It is regularly explained and discussed within the Company to ensure understanding and adherence to its principles. It is also shared with external advisors.

There are processes in place to provide opportunities for employees or external stakeholders to raise confidentially any issue of concern regarding the application of the tax policy, as for any issue covered by our Code of Conduct. TotalEnergies takes actions to develop a speak-up culture and asks its employees to report any situation that they consider to be contrary to the Code of Conduct. No disciplinary sanction, nor any direct or indirect discriminatory retaliatory measure may be taken against a whistleblower, as long as the alert is raised in good faith, even if the facts subsequently turn out to be inaccurate or unfounded and/or if the situation does not give rise to any proceeding or sanction.

Consistent with its commitment to the Extractive Industries Transparency Initiative (EITI) and the B Team's Responsible Tax Principles, TotalEnergies actively promotes responsible tax practices and tax transparency by sharing its experience with peers and industry associations in conferences and public roundtables.

The Company for instance is actively engaged in the Responsible Tax Working Group formed with peers in the B Team. A peer review of the Company's disclosures and accountability practices was conducted within the B Team in 2023.

TotalEnergies' 2023 assessment toward the EITI standard, which confirmed that substantially all expectations are met, may also be found on the EITI's website.

TAX CONTROL FRAMEWORK

TotalEnergies consistently ensures that an internal control framework, based on the referential of the Committee of Sponsoring Organizations of the Treadway Commission (COSO) is in place. TotalEnergies has a reference framework that is supplemented by a series of practical recommendations and return on experience. The structure of this reference framework reflects that of TotalEnergies' organization : a Company level framework, frameworks by business segment, and a specific framework for each significant operational entity.

The tax control framework is embedded in the Company control framework. It refers to policies and processes that ensure a responsible management of the tax function, consistent with the Company's tax policy and the tax regulation. It is subject to internal and external audits and assurance to verify its adequacy and compliance. It applies to all controlled affiliates.

The principles of control fit into the framework of the rules of corporate governance. In particular, these rules task the Board of Directors' Audit Committee with monitoring the effectiveness of the internal control and risk management systems and of the internal audit, particularly as regards the procedures for preparing and dealing with accounting, financial and extra-financial reporting, and tax matters.

The statutory auditors review the internal control as part of their certification of the financial statements. In accordance with the US Sarbanes-Oxley Act, they review the implementation of the internal control framework and the effectiveness of the key controls for the processing of financial information.

On the basis of the work they have carried out, they have not indicated any material weakness in their report on internal control in 2022 or 2023. If areas of improvement were identified, corrective action plans would be shared with operational management and implemented with the Audit & Internal Control Division. Based on the internal reviews, General Management has reasonable assurance of the effectiveness of TotalEnergies' internal control.

A few examples of tax controls

- Consistent with the Company risk mapping process, a tax risk map is prepared and regularly updated by the HQ tax team, and presented to the Audit Committee, This process aims at identifying the main areas of risk, as well as the mitigation measures implemented.
- The Board of Directors, the Audit Committee and an independent third party review the non-financial performance statement published in the Company Universal Registration Document (chapter 5), including its section on the fight against corruption and tax avoidance. A limited assurance conclusion on the compliance of the consolidated extra-financial statement with applicable regulation and professional guidance was provided by the independent third party for 2022 and 2023.
- Pursuant to its obligations under the EU DAC 6 Directive of May 25, 2018 (2018/822), the Company is due to report cross-border arrangements that it is involved in or has implemented, either directly or through an intermediary, which could meet any of the hallmarks selected by DAC 6 as potential indicators of tax avoidance or abuse. No aggressive tax scheme has been reported under DAC 6 by the Company since the Directive entered in force.

Our Presence in Jurisdictions subject to Tax Controversy

Does TotalEnergies have entities in jurisdictions subject to tax controversy ?

Our situation in black listed countries

Tax controversy primarily targets so-called "tax havens". However, there is no universally agreed definition of what a tax haven is. Consequently, no officially recognized list of countries can be used as an objective reference to characterize presence in "tax havens".

The OECD, as well as France and the European Union, have issued black lists of non-cooperative countries, which are periodically revised. The OECD, EU and French black lists available at the end of 2023[1] include the following jurisdictions : Anguilla, British Virgin Islands, Seychelles, Panama, Vanuatu, Fiji, Guam, U.S. Virgin Islands, Palau, American Samoa, Samoa, Trinidad and Tobago, Bahamas, Turks and Caicos Islands, Antigua and Barbuda, Belize, Russia.

At the end of 2023, TotalEnergies' consolidated affiliates (out of 1,367) had presence in three of the OECD, EU or French black listed jurisdictions :

- in Panama : Colon LNG Marketing (50% held) markets and sells liquefied natural gas (LNG) in Central America,
- in Fidji : TotalEnergies Fiji Ltd (100% held) owns and operates a service stations network in Fiji,
- in Russia : for details on the situation in Russia, please refer to the information provided in the Company's URD and press releases.

Besides, the EU publishes a "grey list" of countries that are under scrutiny for not meeting certain tax standards but have committed to changing their practices. As required by the EU Public CbCR rules, the Company's CbCR published in Chapter 4 reports presence in these countries.

(1) EU list adopted on October 17, 2023 and French list adopted on February 3, 2023.

More transparency on our countries of operation worldwide

We are aware that our stakeholders may have a broader view of controversial jurisdictions from a tax standpoint, and therefore have broader expectations. Actually, various jurisdictions outside of these black lists may be viewed as controversial for various reasons, e.g., their low or zero corporate income tax rate, their alleged lack of transparency, their tax treaty network or the importance of the financial flows transiting by entities incorporated in such countries.

Therefore, acting on its commitment to transparency, TotalEnergies has first decided as early as in 2015 to proactively publish every year the full list of its consolidated entities in its Universal Registration Document, together with their countries of incorporation and of operations (see Chapter 8 of our URD) and consistently responds to stakeholders who raise questions on such issues.

This tax transparency report discloses additional data on TotalEnergies' presence and operations in its main countries of operations, including key indicators of substance, profitability and taxes incurred on a per country basis. As far as controversial countries are concerned, this voluntary disclosure covers not only listed non cooperative countries, but also Bermuda and the Cayman Islands where we have presence in 2022[(1)].

(1) See chapter 4 for further detail.

Why are we present in jurisdictions subject to tax controversy?

Contextual information is key to understand each specific situation.

Being incorporated in a low-tax jurisdiction does not necessarily bring tax savings

Contrary to widespread opinion, using an entity incorporated in a low tax jurisdiction does not necessarily trigger tax savings. In many situations, the income derived by this entity is indeed subject to tax in the country of its parent company or in its country of activity.

Taxation in the parent company's country

This has been the case for all TotalEnergies' entities between 1965 and the end of 2010. During this period, the Company was subject to a worldwide tax consolidation system in France. According to this regime, repealed in 2010, the income of all the Company's affiliates[(1)] was subject to corporate income tax in France at the standard rate of 33,33% (50% until 1985). These entities were also subject to audits by the French tax administration, under the same conditions as French incorporated entities. Because all profits were ultimately taxed in France under French tax rules, any low tax effect of a geographical presence was annulled. Today, TotalEnergies remains subject to tax in France on the income of all its controlled foreign affiliates benefitting from a privileged tax regime[(2)], unless such affiliates have a genuine business purpose and an appropriate level of substance locally.
Using an entity incorporated in a low tax country as well as directing financial flows towards such entity, may even trigger additional tax costs (through increased withholding taxes and/or the non tax deductibility of such flows), due to the application of a variety of anti-abuse provisions.

Taxation in the country of activity

For a number of reasons developed hereafter, TotalEnergies may also hold entities which have their statutory seat in one country (France, the Netherlands, Bermuda ...) while performing their entire activity in another country (e.g., operation of an oil field or a liquefaction plant). According to all internationally recognized tax rules, the profits of these entities are fully taxable in their country of operations. As we do not locate any revenue in the country of their legal seat, this type of structure does not create any corporate tax benefit.

(1) At least 10% held in the oil and gas branch and 50%, in all other branches.
(2) According to articles 209 B and 238 A of the French Tax Code, a privileged tax regime is a tax regime resulting in an effective corporate tax burden of less than 60% of the French tax liability.

Then why incorporate entities in such controversial countries?

There are many legitimate reasons that explain the presence of an entity in a country questioned for its tax system.

The first one is obviously performing industrial and/ or commercial activities on the territory of such country (see above in Panama and Fiji).

Another important non-tax reason is the possibility to hold financial statements in US dollars. This is critical in the oil and gas industry, which operates, trades and is funded in US dollars. Incorporating project companies in a country where US dollar accounting is permitted (which is regrettably not possible in France while authorized in countries such as the Netherlands or Bermuda) is therefore useful to mitigate our foreign exchange exposure.

The legal framework of the country of incorporation is another element to consider in the decision on the place of incorporation. Investment protection, legal and tax certainty, property security law, etc., are of particular importance when a major project financing involving several lenders from different countries is put in place.

Finally, some of our affiliates may result from acquisitions of assets or of groups of companies. In this case, the Company inherits the structure put in place by the seller. We may also hold a minority interest in a joint venture with other partners, in which we are not in a position to impose a decision on the place of incorporation of the JV.

TotalEnergies commitment

Consistent with its tax policy, TotalEnergies structures its investments according to its business operations and the regulatory framework. The Company believes that artificial or aggressive tax planning mostly derives short term tax benefits and is not compatible with a sustainable approach.

Unless it is to perform genuine business activities, the Company's long-term commitment is to not create affiliates in countries generally acknowledged as tax havens, and to repatriate or liquidate existing affiliates where feasible.

In 2023, our last consolidated entity in the Cayman Islands, TEP Waha, was repatriated to France.

Since 2012, TotalEnergies has liquidated or transferred 27 consolidated affiliates out of controversial jurisdictions (Bermuda, Bahamas, Cayman Islands and British Virgin Islands).

Where affiliates have been transferred, this has been either to France or to other European countries allowing USD accounting, such as the Netherlands.

Relocation is however not always feasible. For instance, TotalEnergies may not have the legal power to decide a transfer of legal seat (e.g., in a joint venture). Such relocation may also not be legally possible in the country of incorporation of the affiliate, or jeopardize our rights in the underlying assets. Finally, in certain jurisdictions, a transfer of legal seat may be subject to the same tax consequences as a sale of the underlying assets, or as a liquidation of the entity, therefore triggering a material ungrounded tax liability (absent any actual revenue or actual transfer of property).

Our presence in...

Cayman Islands

Key figures 2022

Revenue: 0 **Employees:** 0

Profit before tax: 0 **CIT accrued:** 0

At the end of 2022, TotalEnergies owned 1 consolidated affiliate incorporated in the Cayman Islands, TEP Waha, which was acquired in 2018 from a third party.

The seat of this company was repatriated to France in 2023. This entity has no revenue at its head office and performs upstream operations in Libya. All its revenues are subject to tax in Libya according to the local tax legislation.

Bermuda

Key figures 2022

Revenue: $3M **Employees:** 0

Profit before tax: $-15M **CIT accrued:** 0

At the end of 2022, TotalEnergies owned 6 consolidated affiliates incorporated in Bermuda (out of which 5 are less than 50% held). All were formed before 2010, and therefore subject to corporate income tax in France under the French worldwide tax consolidation regime at the time of their incorporation. Even today, as explained above, TotalEnergies derives no tax benefit from this incorporation compared to France. For a long time, Bermuda was one of the rare places that allowed USD accounting. It also offers a stable and secured legal framework adapted to project financing of large and capital-intensive infrastructure projects.

The Netherlands

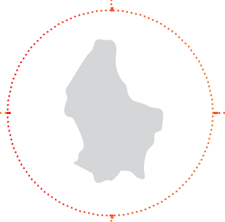
Key figures 2022

Revenue: $5,213M **Employees:** 1,715

Profit before tax: $828M **CIT accrued:** $550M

TotalEnergies has been present in the Netherlands for more than 50 years and operates locally in all business segments of the energy industry. Our various affiliates incorporated in the Netherlands rely on a well-established technical base and on the possibility to hold their statutory accounts in US Dollars.

Luxembourg



Key figures 2022

Revenue: $2,166M **Employees:** 542

Profit before tax: $45M **CIT accrued:** $10M

At the end of 2022, TotalEnergies owns and operates approximately 40 service stations and employs more than 500 people in the country.

NEW COUNTRY FOCUS

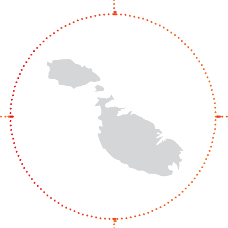
Ireland

Key figures 2022

Revenue: $4M
Employees: 0
Profit before tax: $3M
CIT accrued: $0.4M

In Ireland, we retail specialty, petroleum and petrochemical products to our business customers. Our affiliate AS24, with its dedicated service stations for long-haul truckers, is active in the country via a network of partner service stations.
The Company also has its captive insurance company, Pan Insurance DAC, which is regulated by the Central Bank of Ireland. This entity's profits are subject to tax in France, under French Controlled Foreign Company rules.

Malta

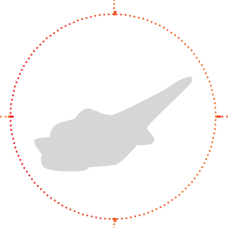


Key figures 2022

Revenue: $24M
Employees: 262
Profit before tax: $3M
CIT accrued: $0.2M

In Malta, our affiliate Hutchinson operates a seal manufacturing plant. We also supply our business customers with sealing solutions designed by Hutchinson. Last, we retail lubricants and petrochemicals in the country.

Cyprus



Key figures 2022

Revenue: 0
Employees: 11
Profit before tax: $-8M
CIT accrued: $0.2M

In Cyprus, we operate two offshore exploration blocks (gas) and we hold interests in several others.
Also, our affiliate Saft has a regional office in Cyprus for carrying out sales activities.

Our View on certain Key Tax Matters

On transfer pricing

A transfer price is the price set for the sale of goods or services between entities of the same group (also called "related parties").

In the definition of its transfer prices, TotalEnergies applies the internationally recognized arm's length principle and refers to the OECD transfer pricing guidelines for multinational enterprises and tax administrations, as incorporated in the applicable local tax laws.

Our transfer pricing methods are described in our transfer pricing documentation in compliance with applicable laws and regulations, and are subject to audit by the tax authorities of our host countries.

In compliance with the transfer pricing regulations in the countries where it operates, TotalEnergies prepares a comprehensive and consistent transfer pricing documentation that includes :

- a master file that provides an overview of the Company's global business, organizational structure, transfer pricing policies, and economic activities.
- local files that provide detailed information on the transactions and transfer prices of each TotalEnergies entity, with an economic and functional analysis used to support the arm's length character of the pricing.

The transfer pricing documentation is updated yearly to reflect any changes in the business or the market conditions. It is submitted to the tax authorities upon request, or filed each year depending on the regulation.

OUR TRANSFER PRICING POLICY

Most of our intragroup sales of goods relate to products quoted on international markets (e.g. crude oil, refined products, electricity, natural gas...). Our transfer prices are thus referring to independent market quotations. Prices of our intragroup services (technical assistance or intragroup financing) are also set in compliance with internationally recognized standards.

Transfer pricing methods are applied consistently all across the Company (i.e. the same pricing methods for the same transactions in all countries) and do not result in any profit shifting to low-tax jurisdictions.

Our affiliates in the refining or distribution segments (i.e. service station entities in our Marketing & Services branch, as well as affiliates distributing electricity or natural gas to end consumers in our Gas Renewable and Power branch) cannot have access to supplies produced by related parties at no or at low cost (crude oil, refined products, electricity or natural gas). Free or low priced supplies could be illegal and would in any case be contrary to transfer pricing principles. In compliance with applicable laws and regulations, all our affiliates buy their supplies at market price, whether or not such supplies are produced by a related entity.

In this respect, contrary to common belief, TotalEnergies refining and marketing entities do not predominantly refine, transform or sell products sourced from Company suppliers. The crude oil refined in our refineries is mostly acquired on the international markets and our crude oil produced is mostly sold on the international markets.

For this reason, in case of high energy prices, the additional profits derived are mainly generated and taxed in the countries of production and not in the countries of consumers. This is why the Company accrued $33 billion in profit and production taxes in 2022, up 108% from 2021, and close to $25 billion in 2023 (see Chapter 5 for further detail).

On territoriality of taxation

According to a generally acknowledged tax principle, guaranteed by international tax treaties, a profit should not be taxed twice by two different countries. Avoidance of double taxation can be implemented through two systems:

- Territorial tax regimes provide that only profits derived in one country may be taxable in that country. Consequently, profits derived from abroad are exempt and are subject to tax only in the countries where they are generated.
- Worldwide taxation regimes on the contrary provide that both domestic and foreign source income can be taxed in one country. In this case however, to eliminate double taxation, income taxes paid abroad are creditable against the income tax liability accrued by the parent company.

France, where the Company has its head office, follows the territorial system. As a consequence, as TotalEnergies' profits are generally derived outside of France, they are mainly subject to tax abroad, in the countries where they are generated, often at rates above standard (e.g., 78% in Norway, 50% in Angola, 50 to 80% in Nigeria). See Chapter 5, for further detail on where the Company pays taxes on profits and production worldwide.

OUR VIEW ON DOUBLE TAX TREATIES

A tax treaty is an international agreement, sovereignly negotiated by two States, with a view to avoid double taxation and prevent tax evasion by defining the taxing rights of each country. Consistent with their objective to avoid or limit double taxation of revenues that are already taxed in the hands of the recipient, tax treaties often provide for a reduction or an exemption of withholding taxes on dividends, interests and royalties in the country of source of such revenues.

The benefit of such withholding tax reductions is sometimes viewed as tax optimization which would deprive the States of source of their fair share of tax ("treaty shopping").

Most tax treaties include strict anti-abuse clauses that preclude the application of the favorable treaty provisions in case of artificial or tax driven schemes. Except in these situations of abuse, the benefit of tax treaties is legitimate.

TotalEnergies does not engage in aggressive tax optimization schemes or tax treaty abuse.

On the "Pillar 2" global minimum tax

On July 10, 2021, the G20 endorsed the key components of the "Pillar 2 international tax reform". The agreement was reached by more than 130 jurisdictions referred to as the Inclusive Framework on Base Erosion and Profit Shifting (BEPS).

The Pillar 2 framework aims to ensure that large multinational enterprses pay a minimum 15% effective tax rate on income within each jurisdiction in which they operate[1]. Groups with an effective tax rate below the minimum in any particular jurisdiction, would be required to pay an additional tax (top-up tax) in the country of their head office or in the "low tax" country.

The 27 EU Member States adopted the Pillar 2 rules in a Directive dated December 15, 2022. This Directive was transposed in France in 2023.

As a consequence, as of January 1, 2024, TotalEnergies is subject to a minimum effective tax rate of 15% in each of its countries of operations. Given the high tax rates in its operating countries and the anticipated legislative and regulatory changes in some host countries, the Company does not expect the application of this minimum tax to result in the payment of additional tax in France.

The Company recommends a transparent and harmonised implementation of the reform. However, its rules are highly complex to implement both for companies and for tax administrations. With a view to encourage a fair and consistent global tax system. TotalEnergies supports any efforts to simplify the rules and introduce safe harbour provisions that would reduce the administrative burden and the risk of disputes. We believe that this would benefit both taxpayers and tax authorities in the long run.

(1) The ETR computed for Pillar 2 purposes is based on accrued and deferred profit taxes, and cannot therefore be reconciled with CbCR data as the latter only includes accrued CIT.

OUR EFFECTIVE TAX RATE

Our effective tax rate (ETR) is determined herein as the total consolidated accrued and deferred corporate income tax charge divided by the consolidated income before tax, as per our consolidated financial statements.

At Company level

TotalEnergies's ETR was 38.2% in 2023 and 51.4% in 2022. The ETR decrease in 2023 compared to 2022 is mainly due to the lower oil and gas prices. These ETRs are substantially higher than the global average ETR (23.6% in 2022, per the OECD Corporate Tax Statistics published in November 2023).

At country level

The aggregate effective tax rate of our activities in certain countries may be materially higher or lower than the statutory rate. It may also be negative in some instances.

An ETR higher than the country's statutory rate is in most cases due to higher tax rates applicable to Exploration & Production activities (e.g. 78% for activities on the continental shelf in Norway or 50% for offshore production sharing contracts in Angola). It may also result from the absence of tax consolidation in the country.

A lower ETR, on the contrary, is mainly due to the carry forward of tax losses or in some instances to accelerated tax depreciation of assets. Finally, negative ETRs may happen when the aggregate income of affiliates in one country is a loss, while some entities are profitable and incur a corporate income tax charge.

On tax incentives

TotalEnergies' projects are long term, capital intensive and high-risk investments. The Company may claim tax incentives offered by government authorities to foster investment, employment and economic development.

TotalEnergies only claims tax incentives which are aligned with its business strategy and which relate to investments with economic substance.

Should a tax incentive be claimed, the Company strictly complies with all the statutory or regulatory requirements, in terms of capital investment or employment creation for instance.

In most cases, TotalEnergies seeks incentives provided by law and available to all investors. In some cases however, tax incentives may be provided in contracts. In its effort to contribute to the public disclosure of contracts and licenses, the Company encourages governments to publish the fiscal terms of such contracts. TotalEnergies was actually the first Major company to support contract transparency in February 2018 at the international board meeting of the Extractive Industries Transparency Initiative (EITI).

The type of tax incentives available to TotalEnergies depends on the type of investments.

In oil & gas projects, tax incentives are for instance typically granted during the exploration and development phases when the Company derives no income (e.g., longer carry forward period for losses, accelerated depreciation).

FUNDING TRANSITION

COP28 president Sultan Al Jaber praised the progress made in Dubai but reiterated in February 2024 that the cost of the energy transition will be substantial : "we need to think in terms of trillions, not billions". According to the estimates of the IFC[1], two-thirds of the investments in low-carbon energies in emerging and developing countries (excluding China) will have to come from the private sector, i.e. between $0.9 and $1.1 trillion per year, by the early 2030s.

Tax incentives are one of the tools that governments can use to encourage investments and support private sector funding. For instance, the Inflation Reduction Act (IRA) in the United States introduced several new and extended tax credits designed to spark private investment in clean energy, transport, and manufacturing. Incentives vary from tax credits directly to producers of certain equipment, to incentives for taxpayers to buy equipment from American producers. In its effort towards carrying out its energy transition, TotalEnergies capitalizes on that legislation for a faster rollout of operations connected with renewable energies, in line with its tax policy.

(1) See the report « Scaling up private finance for clean energy in emerging and developing economies » of June 2023 on ifc.org.

Renewable energy projects may also benefit from specific accelerated depreciation or tax credits, which are an incentive for investment in energy efficiency and for the development of decarbonized energy.

When assessing the cost of a tax incentive for a State's budget, or its benefit for a company, all parameters in relation with this incentive must be taken into account.

In the upstream sector for instance, tax incentives must be weighed against higher corporate tax rates that are generally applicable on profits compared to the standard tax regime.

Besides, many parameters (such as the oil/gas prices, interest rates and the evolution of the assets' portfolio in the country) may affect the effective impact of a tax incentive.

Also, the Pillar 2 GloBE rules, which aim at ensuring that a minimum 15% tax rate is paid by multinationals in each of their countries of operation (see chapter 2 p 33), limit the effects of certain tax incentives. Tax credits, which do not respect certain conditions, will adversely impact the effective tax rate in the jurisdiction and trigger additional tax.

Finally, beyond tax, the overall economic impact of the incentivized projects, including indirect benefits on employment and economic development, should be taken into account.

On public policy and advocacy

TotalEnergies follows the rules set forth under its Code of Conduct and its Advocacy Directive (which are both available on the Company website). The Company is committed to fighting against any form of corruption, refuses to intervene in the functioning and the funding of the political life of host countries, respects the principle of free competition, undertakes to convey messages to the authorities that are consistent with its stated positions and be transparent about such messages, whether they are positive or defensive, notably with regard to the Company's support for the objectives of the Paris Agreement relating to the fight against climate change. Also, the Company undertakes to publish the names of the professional associations to which it belongs and ensures the consistency between its positions stated publicly and those conveyed through its advocacy efforts, whether directly or indirectly through professional associations, particularly with regard to the Company's support for the objectives of the Paris Agreement.

TotalEnergies fully supports initiatives for greater transparency and accountability. It has been a permanent member of the Board of the Extractive Industries Transparency Initiative (EITI) since its creation in 2003. More recently, the Company endorsed the Responsible Tax Principles developed by the B Team, a non-profit organization bringing together business leaders and representatives of civil society with the aim of promoting a sustainable form of economic and social development.

As from December 2023, the TotalEnergies corporate website presents for the first time the list of advocacy efforts carried out by the Company, the list of professional associations of which the Company is a member, our Advocacy Directive and the general principles that govern our advocacy efforts.

ADVOCACY AND TAX MATTERS

As for tax matters, TotalEnergies generally supports fair, stable and predictable tax systems. With this objective, our Company regularly engages with tax authorities or international tax policy makers in a professional and transparent manner, either directly or through industry organizations.

In line with its carbon neutrality objective, the Company supports carbon pricing policies and the European Union's carbon border adjustment mechanism as part of the EU's trading emissions system.

03

Our Total Tax Contribution 2022

What is the Total Tax Contribution?

The Total Tax Contribution is a measure of all the taxes that a company pays, whether borne or collected. Tax payments of TotalEnergies represent a substantial part of our Company's economic contribution to the countries in which we operate. Mindful of its responsibility, our Company is committed to paying its fair share of taxes to the host countries of its operations.

Consistent with the Global Reporting Initiative on tax (GRI 207) and the World Economic Forum report Measuring Stakeholder Capitalism of September 2020, reporting of total tax paid, provides meaningful information on the company's contribution to governmental revenues through the different forms of taxation imposed on it.

Why publish a Total Tax Contribution

It provides a more complete and accurate information than focusing only on corporate income tax, which represents on average around 15% of the total tax revenues of countries according to the 4th edition of the Corporate Tax Statistics report published by the OECD in November 2023. **This is especially relevant in the energy industry, where a substantial part of the taxes borne by companies is composed of taxes other than corporate income tax.**

What are the different elements of the Total Tax Contribution?

Taxes borne versus Taxes collected

The Total Tax Contribution includes both taxes borne and taxes collected. The taxes borne are a direct cost for the company. Taxes collected are levied by a company and discharged to the governments, but they are a final cost for others, such as employment tax collected from employees, excise duties collected from customers or withholding tax collected from suppliers and shareholders.

Scope

The Total Tax Contribution aggregates taxes borne and collected by all our consolidated entities.

TTC Glossary

Profit taxes

According to tax standards, (e.g., definitions provided by the OECD), profit taxes generally include taxes levied on net profits (i.e., gross income minus allowable tax reliefs). However, the application of the IFRS accounting standards guidance may lead to a different classification in the Company's Financial Statements. In this report, for the sake of consistency, we have applied the same classification as in our Financial Statements.

Production taxes

Production taxes include taxes on the production of oil, gas and electricity. Consistent with the above developments on profit taxes, we have applied in the present report the same classification of production taxes as in our Financial Statements, following the IFRS standards' guidance.

Employment taxes

Employment taxes include all taxes and social contributions in relation to the employment of staff. This covers both employment taxes and contributions which are borne by the Company and those which are the cost of the employee and collected by TotalEnergies through the payroll.

Sales taxes

Sales taxes, excise duties and other product taxes are levied on the sale of goods and services. These are very significant for TotalEnergies because we collect taxes from our customers as they purchase energy by way of value added tax and excise duties.

Other taxes

Other taxes include all the other types of taxes, such as withholding tax on dividends paid to Company shareholders, taxes on property transactions and ownership, insurance...

Our 2022 TTC at a glance

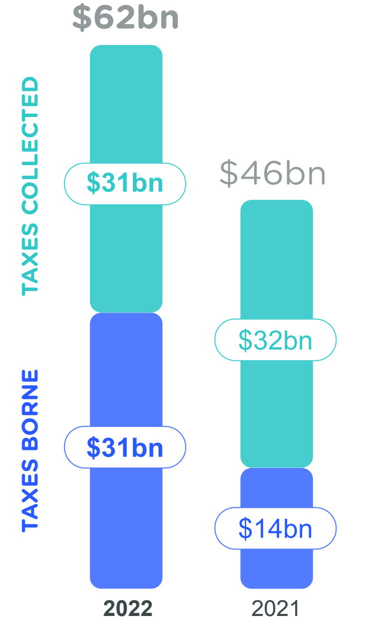
This chapter details the Total Tax Contribution of our consolidated entities in our countries of operations in 2022. Full and verified data is not available for year 2023 at the date of preparation of this report. Our 2023 Total Tax Contribution will be released in our next edition.

Cash tax payments versus accured tax charge

Taxes are reported on a cash basis to the extent feasible, i.e., at the time taxes are paid out and tax refunds received. Note that cash profit tax in 2022 was $14.3 billion while accrued profit tax was $19.8 billion. **This substantial difference between tax paid and tax accrued is due to the fact that tax paid is mainly assessed on prior years' income** (including notably 2021's), **while tax accrued is assessed on current year income** (2022's).

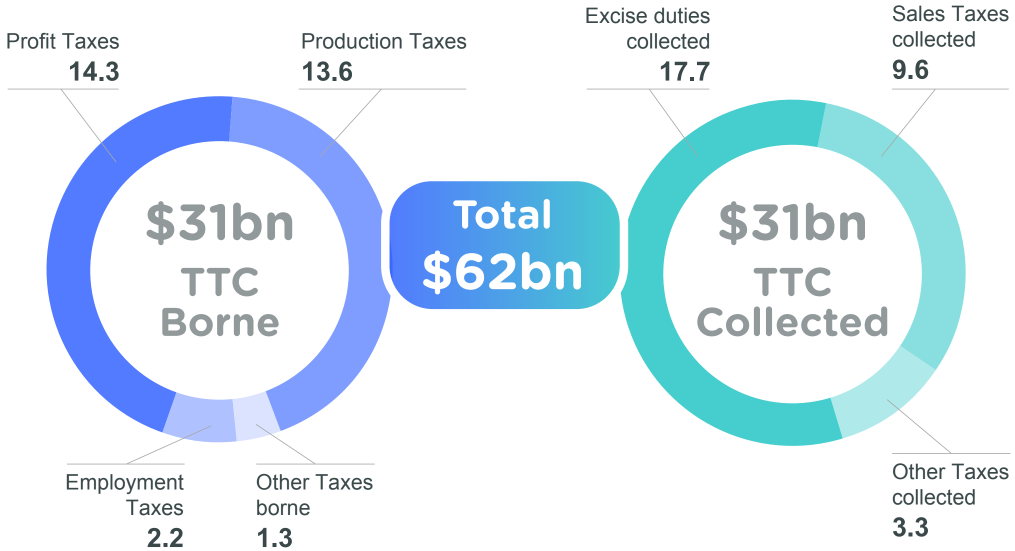
Profits varied significantly between 2022 and 2021 due to the continued surge in energy prices, thus maximizing differences between tax paid and tax accrued. The corresponding difference (i.e., the true-up between the 2022 accrued tax and the 2022 cash tax paid) will be paid the following year (i.e. in 2023).

This explains the large gap in 2022 between the $33 billion accrued profit and production taxes and the $27.9 billion corresponding cash tax payment. Bear also in mind that the amount of profit tax borne below does not include windfall profits taxes accrued in 2022 but settled in 2023 (more than $2 billion, see p 53).



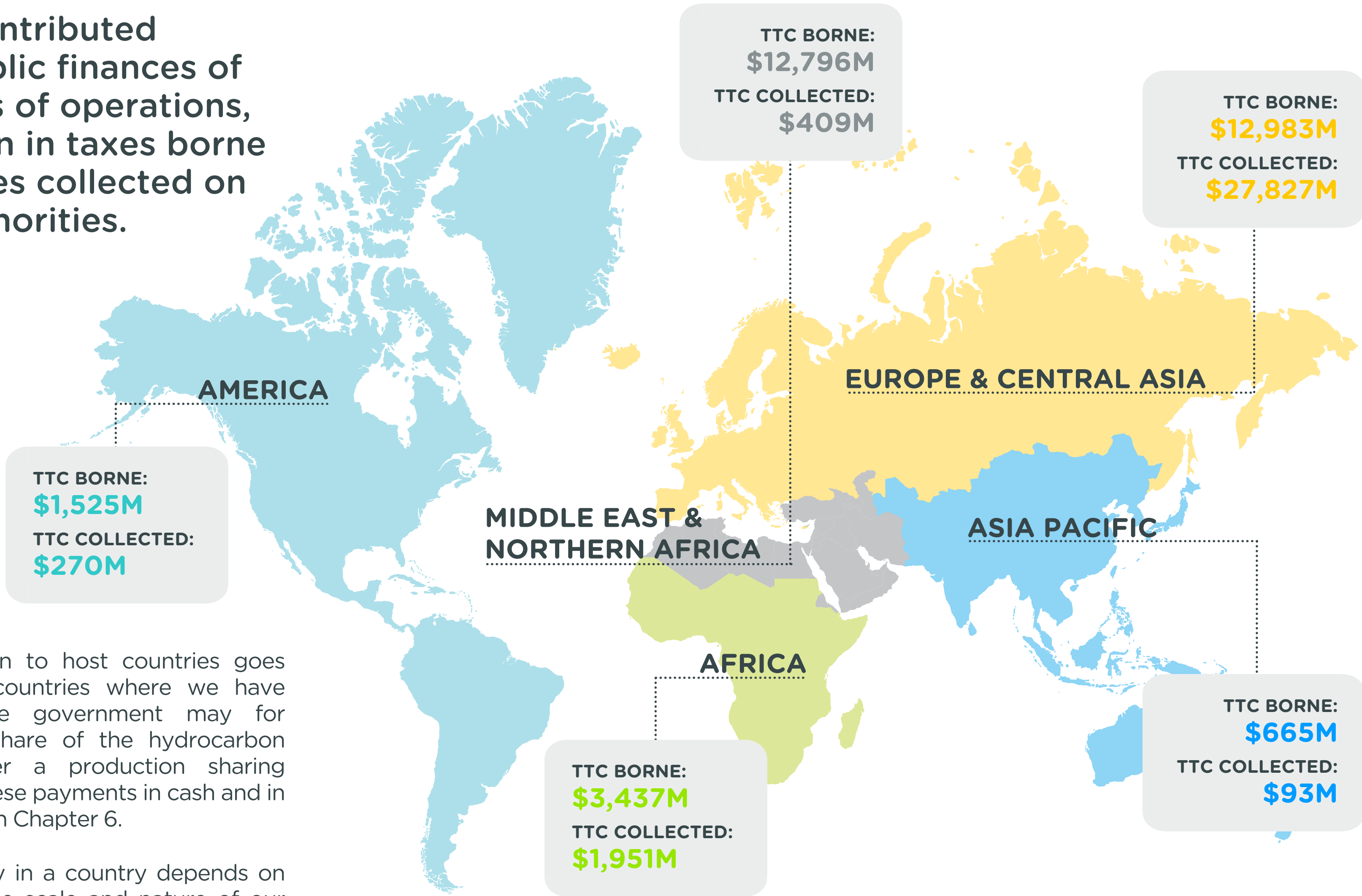
121% increase in taxes borne (on a cash basis)

Total tax contribution 2022 *(in $bn)*



Our TTC in 2022

TotalEnergies contributed $62bn to the public finances of its host countries of operations, made up of $31bn in taxes borne and $31bn in taxes collected on behalf of tax authorities.

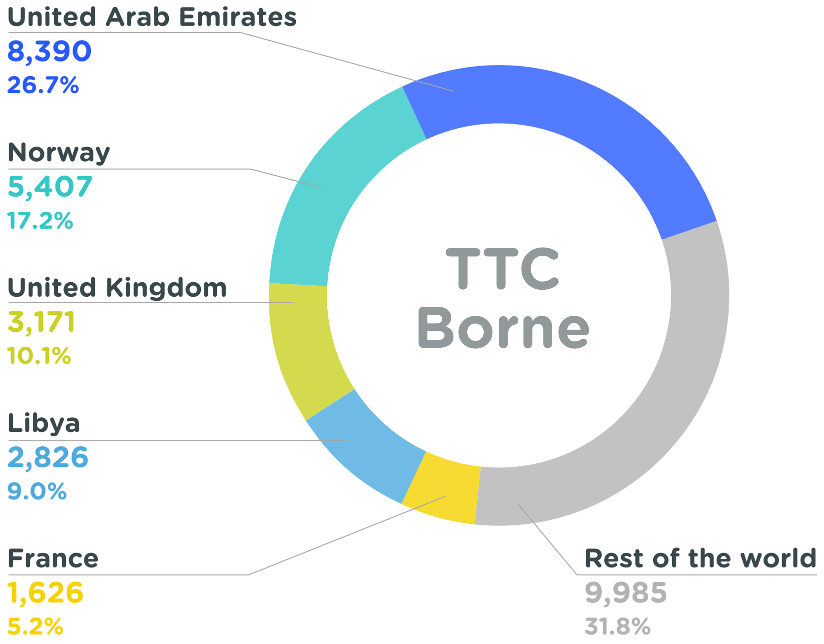


Our economic contribution to host countries goes beyond taxes. In some countries where we have upstream operations, the government may for instance also receive a share of the hydrocarbon production, usually under a production sharing agreement. We disclose these payments in cash and in kind to such governments in Chapter 6.

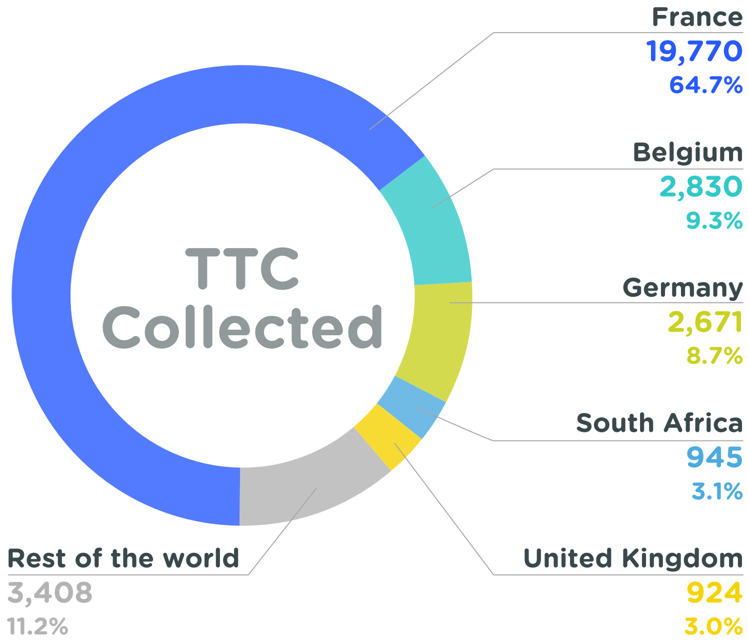
The amount of tax we pay in a country depends on various factors, such as the scale and nature of our activities, as well as the volume and cost of production.

The top five countries in terms of...

...Taxes borne *(in M$ and in %)*



...Taxes collected *(in M$ and in %)*



04

Our Country-by-Country Tax Report 2022

Our Country-by-Country Tax Report 2022

Since 2017, TotalEnergies prepares and files each year with the French tax authorities a Country-by-Country Reporting (CbCR) with aggregate data per country on profit, corporate income tax paid and accrued and key indicators of economic activity.

This CbCR tax return covers all entities over which TotalEnergies has control, whether or not they are part of the consolidated group and irrespective of their activity (i.e. extractive or not). It represents more than 1,700 entities in close to 120 jurisdictions.

This reporting is prepared in compliance with the French statutory requirements and with the guidance on the implementation of CbCR published by the OECD. Regulation requires to include data for the non-consolidated entities we control. Equity affiliates are consequently out of scope. CbCR rules also require numerous adjustments to the source data which comes from our IFRS consolidated financial statements. Consistent with the time needed to secure this process, the regulation provides that the CbCR return is filed in December of the following year. Eventually, in order to provide a reliable and verified information to the public, our CbCR data is reconciled with our consolidated financial statements and subject to third party assurance by our external auditors. The CbCR information is therefore not yet available for financial year 2023 and will be released in our next edition.

Beyond mandatory disclosure rules

The CbCR filed in France is currently not public, in compliance with the OECD guidelines and article 223 quinquies C of the French tax code.

The EU Directive on public CbCR (Directive n°2021/2101 of November 2021) provides for the compulsory disclosure of the CbCR data relating to activities conducted in the EU Member States and in the countries included in a so-called “black list” of non cooperative jurisdictions and in a “grey list” for at least two years. Further to its transposition in France in 2023, this Directive will be effective as of tax year 2025.

TotalEnergies goes beyond this future obligation in its tax transparency report since 2019. It voluntarily publishes its CbCR data for the countries required by the EU Directive[1]. In addition, capitalizing on its long-standing transparency practice in the extractive industry, TotalEnergies also discloses its CbCR data relating to all countries in which it reports payments to governments from its extractive affiliates. For those countries, the data relating to all activities is disclosed (whether or not extractive).

Altogether, in 2022, this information covers more than 96% of the Company's corporate income tax paid and close to 94% of its corporate income tax accrued.

(1) As required by the EU Directive on Public CbCR, the Company referred to the EU black and grey lists of Non Cooperative Countries available in March 2022 and March 2021. TotalEnergies thus assessed reportable presence in the following countries:
- black listed countries: Fiji
- grey listed countries for at least 2 years: Botswana, Jamaica, Jordan, Russia, Thailand and Turkey.

The Company also decided to add information relating to Bermuda and the Cayman Islands, where it has presence in 2022.

CbCR Glossary

Stated capital and accumulated earnings

The CbCR template shows the amount invested in a company as share-capital and the amount of earnings (or losses) accrued over time. These totals are aggregated so the stated capital and accumulated earnings invested through a sequence of companies can be counted more than once.

In the case of an entity having its head office incorporated in one country while its operations are carried out in another country, through a branch or a permanent establishment, stated capital and accumulated earnings of the branch are reported in the country of the head office, in compliance with CbCR regulation.

Revenue

The CbC template contains revenues split in two categories:

- **third-party revenues:** which are revenues generated from transactions with independent parties; and
- **related party revenues**: which are revenues generated from transactions with associated enterprises.

Tangible Assets

The CbCR template provides a total of infrastructure investments in each country. This represents property, plant and machinery in the country but does not include any intangible assets.

Corporate income tax (CIT) paid and accrued

As detailed above, the classification of profit taxes applied in the present report follows the presentation applied in our Financial Statements.

The CbCR template includes two CIT amounts that may be very different: **CIT paid** (in cash or in hydrocarbon during the year) and **CIT accrued**, which both rely on adjusted data from consolidated financial statements.

CIT accrued reflects the CIT liability determined to be payable (recoverable) in respect of the taxable income (loss) for the current year.

CIT paid is made of the variation of CIT liability between the closing date of year N and year (N-1). It differs from CIT accrued, due to the fact that CIT paid is mainly assessed on prior years' income, while CIT accrued is assessed on current year income

None of them include deferred taxes. As a result, the ratio of the profit before tax divided by the current tax liability does not reflect the actual effective tax rate for the country as per Globe Pillar 2 rules.

Interest and royalties' withholding taxes are reported in the CIT of the jurisdiction of the recipient, whereas dividend withholding taxes are reported in the CIT of the jurisdiction of the payor.

Profit before tax

Profit before tax is based on TotalEnergies consolidated financial statements or individual financial statements for non-consolidated entities. This is different from the profit used for the corporate income tax calculation which needs to be adjusted in accordance with the tax legislation in effect in the relevant country.

The profit included in the CbCR template can thus vary significantly from the taxable income driving corporate income taxes paid in each country.

Employees

The number of employees provides an indicator of activity within the country.

In case of personnel seconded from one country to another, employees are reported in their country of secondment (i.e. where they actually work).

The number of employees reported does not include personnel of our subcontractors.

Not all activities are equally capital and labour intensive. For instance, in the Exploration and Production segment of activity, assets operated by our partners require less personnel than assets operated by TotalEnergies.

2022

SCOPE OF REPORTING : it includes all controlled affiliates (more than 50% held), whether or not they are consolidated. As a result, affiliates consolidated under the equity method are out of scope.

Tax jurisdiction *(in thousand of dollars)*	Activities[1]	Third party revenue	Related party revenue	Total revenue	Profit (loss) before tax	Corporate income taxes paid/ (refunded)	Corporate income taxes accrued	Stated capital	Accumulated earnings	Number of employees	Tangible assets	Comments
EU jurisdictions												
Austria	MS	268,457	-1,029	267,428	9,548	1,849	2,558	840	3,449	49	2,895	
Belgium	GRP - MS - RC	20,433,919	22,162,863	42,596,782	1,204,995	302,401	415,855	6,086,761	6,638,500	5,132	2,894,362	See Glossary explanations on why CIT paid and CIT accrued differ.
Bulgaria	EP - MS	35,068	1,347	36,415	2,308	449	453	541	0	31	49,113	
Croatia	MS	8,770	35	8,805	1,963	354	354	87	-260	3	73	
Cyprus	EP - GRP	0	0	0	-7,669	227	227	0	0	11	135,477	
Czech Republic	GRP - MS - RC	1,051,707	17,345	1,069,052	15,179	3,324	2,997	8,154	226	1,313	51,242	
Denmark	EP - MS - SSC	155,525	1,340,332	1,495,857	579,631	283,707	358,206	73,484	3,211,100	1,299	2,147,429	See Glossary explanations on why CIT paid and CIT accrued differ.
Estonia	MS	1,520	30,666	32,186	-133	0	0	34	-227	9	1,422	
Finland	MS	38,119	0	38,119	27	273	68	211	9	4	3	
France	EP - GRP - MS - RC - OT - SSC	60,402,258	69,291,527	129,693,785	-483,058	19,120	122,312	71,143,095	70,759,403	37,084	7,849,715	In order to provide a more meaningful information, the loss before tax is adjusted to exclude $4.8bn of exceptional depreciation allowances on Russian assets, which are non tax deductible. See Glossary explanations on why CIT paid and CIT accrued differ.
Germany	EP - GRP - MS - RC	21,615,226	27,314,357	48,929,582	2,169,750	505,932	1,154,353	1,009,513	2,285,645	4,726	1,817,687	Coexistence of separate tax consolidation groups, with no global consolidation (see ETR explanation page 33) See Glossary explanations on why CIT paid and CIT accrued differ.
Greece	EP - MS	23,682	1,475	25,157	-3,927	413	390	689	948	39	404	Absence of tax consolidation between the various entities (see ETR explanation page 33)
Hungary	MS	124,843	2,862	127,705	4,180	344	381	1,628	1,740	50	12,044	
Ireland	MS - SSC	3,255	651	3,906	2,883	589	391	32,000	28,422	0	0	

(1) Does not include the activities of entities outside the scope of CbCR.

EP: Exploration & Production **GRP:** Gas Renewables & Power **MS:** Marketing & Services **RC:** Refining & Chemicals **SSC:** Shared service center **OT** : One Tech

2022

Tax jurisdiction *(in thousand of dollars)*	Activities[1]	Third party revenue	Related party revenue	Total revenue	Profit (loss) before tax	Corporate income taxes paid/ (refunded)	Corporate income taxes accrued	Stated capital	Accumulated earnings	Number of employees	Tangible assets	Comments
Italy	EP - GRP - MS - RC	959,866	253,306	1,213,172	133,849	40,161	39,203	13,659	14,828	669	1,675,243	
Lithuania	MS	48,183	737	48,920	5,590	831	875	3,660	1,361	47	412	
Luxembourg	MS	2,164,982	1,053	2,166,035	44,890	5,066	9,916	11,866	4,341	542	54,959	
Malta	RC	27	23,977	24,004	2,566	80	213	13	3,418	262	5,397	Limited CIT due to the carry-forward of former tax losses.
Poland	MS - RC - GRP	1,150,593	76,248	1,226,841	12,876	6,224	7,832	26,503	78,960	8,171	168,827	
Portugal	MS - RC - GRP	130,002	68,596	198,599	16,883	7,006	4,203	7,218	19,751	2,326	33,391	
Romania	MS - RC - SSC	216,971	45,172	262,143	6,447	1,504	1,087	32,973	3,045	1,438	28,679	
Slovakia	MS	26,096	496	26,592	1,352	220	227	567	2	9	5,878	
Slovenia	MS	63,862	3,134	66,996	1,485	319	326	220	21	8	170	
Spain	GRP - MS - RC	4,626,408	1,338,955	5,965,363	28,006	14,386	11,377	411,551	240,060	1,717	269,245	
Sweden	GRP - MS	228,615	28	228,643	5,012	5,532	3,659	159	-288	428	20,227	
The Netherlands	EP - GRP - MS - RC - SSC	3,661,347	1,551,546	5,212,894	827,538	5,478	549,983	28,556,954	6,276,792	1,715	551,951	Coexistence of different tax groups, with no global consolidation. See Glossary explanations on why CIT paid and CIT accrued differ.
Non-cooperative jurisdictions and other controversial countries												
Bermuda[2]	EP - GRP	3,000	0	3,000	-15,000	0	0	0	-170,100	0	0	See Chapter 2.
Botswana	MS	64,715	0	64,715	1,944	243	324	78	7,605	15	10,192	
Cayman Islands[2]	EP	0	0	0	0	0	0	1,000	-179,300	0	0	Migration of the company to France in 2023 (see Chapter 2).

(1) Does not include the activities of entities outside the scope of CbCR.
(2) Activities reported are performed by a foreign operational branch (see Chapter 2 page 26).
EP: Exploration & Production **GRP:** Gas Renewables & Power **MS:** Marketing & Services **RC:** Refining & Chemicals **SSC:** Shared service center

2022

Tax jurisdiction *(in thousand of dollars)*	Activities[1]	Third party revenue	Related party revenue	Total revenue	Profit (loss) before tax	Corporate income taxes paid/ (refunded)	Corporate income taxes accrued	Stated capital	Accumulated earnings	Number of employees	Tangible assets	Comments
Fiji	MS	242,746	12,343	255,089	2,743	0	914	2,696	16,176	107	42,238	
Jamaica	MS	341,738	0	341,738	11,870	2,450	3,218	17,133	9,670	89	40,244	
Jordan	MS	693,147	26,795	719,942	11,519	36	4,280	67,702	-4,218	125	80,397	
Russia	EP - GRP - MS	113,529	48,000	161,529	-150,587	13,221	8,109	486	73,946	215	4,000	The loss before tax is mainly due to the depreciation of assets in Exploration & Production (Kharyaga field) and in Marketing & Services. CIT paid mainly relates to the Exploration & Production asset, Kharyaga (settlement of CIT accrued in 2021 + tax accrued in 2022 before the sale of the remaining interest in the field).
Thailand	EP - MS - RC	752,700	6,116	758,816	530,974	343,274	286,553	3,203	3,148	83	10,221	
Turkey	MS - RC	102,819	86,324	189,143	24,391	4,135	5,143	7,875	18,372	608	8,550	
Other countries with extractive operations												
Algeria	EP - MS	860,601	558,166	1,418,766	513,964	281,730	280,580	2,118	16,447	212	523,483	
Angola	EP -GRP - MS	9,004	5,435,000	5,444,004	3,028,912	759,452	1,020,000	85	0	1,518	7,977,000	Absence of tax consolidation between the various entities in the jurisdiction (see ETR explanation page 33). See Glossary explanations on why CIT paid and CIT accrued differ.
Argentina	EP - GRP - MS	1,077,615	0	1,077,615	299,828	176,466	93,463	82,148	24,574	1,165	963,137	See Glossary explanations on why CIT paid and CIT accrued differ.
Australia	EP - GRP - MS	2,150,538	1,274,018	3,424,556	1,028,667	0	398	3,589,358	-2,027,351	67	7,733,619	All entities are not tax consolidated (see ETR explanation page 33 for implications). Reduced corporate tax paid & accrued due to the carry-forward of former tax losses.
Bolivia	EP	477,000	0	477,000	-81,000	0	0	0	0	151	277,000	
Brazil	EP - GRP - MS - RC	1,241,045	3,022,238	4,263,283	1,311,744	149,969	280,975	1,893,568	-1,131,286	3,562	9,515,932	See Glossary explanations on why CIT paid and CIT accrued differ.
Brunei Darussalam	EP	122,000	39,000	161,000	86,000	47,171	66,000	0	0	83	230,000	

(1) Does not include the activities of entities outside the scope of CbCR.
EP: Exploration & Production **GRP:** Gas Renewables & Power **MS:** Marketing & Services **RC:** Refining & Chemicals **SSC:** Shared service center

2022

Tax jurisdiction *(in thousand of dollars)*	Activities[1]	Third party revenue	Related party revenue	Total revenue	Profit (loss) before tax	Corporate income taxes paid/ (refunded)	Corporate income taxes accrued	Stated capital	Accumulated earnings	Number of employees	Tangible assets	Comments
Canada	EP - MS - RC	5,857,033	10,777,542	16,634,575	2,377,609	-67	0	8,280,819	-13,956,197	332	3,864,455	No corporate tax due to the carry forward of tax losses.
China	EP - GRP - MS - RC	1,691,167	60,303	1,751,470	195,510	44,155	50,334	356,922	-72,385	4,078	639,677	
Democratic Republic of Congo	EP - MS	342,000	0	342,000	22,000	11,000	12,000	103,000	-54,000	84	42,000	Absence of tax consolidation between the various entities in the jurisdiction (for implications,see ETR explanation page 33).
Egypt	EP - MS	1,413,608	11,755	1,425,363	80,633	10,905	23,098	61,055	36,666	294	136,825	
Gabon	EP - MS	474,878	446,444	921,323	139,638	51,622	62,946	86,220	1,391,176	359	1,842,621	
Guyana	EP	0	0	0	-38,000	0	0	0	-20,000	0	0	
Indonesia	EP - MS	59,305	0	59,305	7,473	4,833	6,000	38,225	-44,347	66	3,804	
Iraq	EP	111,000	203,000	314,000	27,000	5,000	18,000	0	0	48	221,000	
Ivory Coast	EP - MS	913,168	5,945	919,113	27,845	7,195	7,808	19,600	18,498	175	99,321	
Kazakhstan	EP - MS	192,696	1,374,010	1,566,706	425,044	22,104	31,279	180	7,136	399	9,025,051	Low corporate tax due to the carry forward of tax losses.
Kenya	EP - MS - GRP	1,284,215	49,982	1,334,197	3,751	14,173	14,810	112,977	158,480	388	223,609	Absence of tax consolidation between the various entities in the jurisdiction (see ETR explanation page 33).
Lebanon	EP - MS	564,981	10,117	575,098	702	4,013	1,986	5,411	-50,211	227	46,085	Absence of tax consolidation between the various entities in the jurisdiction (see ETR explanation page 33).
Libya	EP	743,000	1,806,000	2,549,000	944,000	594,052	594,000	0	0	28	630,000	
Malaysia	EP - GRP	0	102	102	-14,091	0	0	228	-127	17	67,913	
Mauritania	EP - MS	0	0	0	-64,995	0	0	0	0	1	0	
Mexico	EP - GRP - MS - RC	1,143,981	416,039	1,560,019	-235,495	12,075	16,844	95,147	-295,003	7,453	117,313	Absence of tax consolidation between the various entities in the jurisdiction (for implications,see ETR explanation page 33).

(1) Does not include the activities of entities outside the scope of CbCR.
EP: Exploration & Production **GRP:** Gas Renewables & Power **MS:** Marketing & Services **RC:** Refining & Chemicals **SSC:** Shared service center

2022

Tax jurisdiction *(in thousand of dollars)*	Activities[1]	Third party revenue	Related party revenue	Total revenue	Profit (loss) before tax	Corporate income taxes paid/ (refunded)	Corporate income taxes accrued	Stated capital	Accumulated earnings	Number of employees	Tangible assets	Comments
Mozambique	EP - MS - GRP	334,528	12,775	347,303	-10,624	6,884	4,235	2,053,411	10,590	325	2,572,272	Book to tax differences.
Myanmar	EP	141,000	1,000	142,000	40,000	16,000	11,000	0	0	0	0	
Namibia	EP - MS	195,434	0	195,434	-4,493	2,264	1,958	8,958	2,416	60	98,801	Absence of tax consolidation between the various entities in the jurisdiction (see ETR explanation page 33).
Nigeria	EP - MS	2,178,437	4,054,720	6,233,157	2,355,130	908,763	1,869,530	257,501	5,534,020	2,227	8,528,884	
Norway	EP - GRP - MS	2,208,470	8,932,449	11,140,918	8,865,658	5,344,829	6,852,608	858,297	8,190	86	6,093,479	
Oman	EP - GRP	5,522	938,478	944,000	53,936	1	1	1,325	6	24	297,142	Most taxes incurred and paid on our extractive activities in Oman are classified as production taxes in our financial statements following the IFRS accounting standards guidance. As shown in Chapter 5, the global amount of profit and production taxes accrued in Oman in fiscal year 2022 was $558M.
Papua New Guinea	EP	0	0	0	-13,000	0	0	1,001	-101,000	156	650,000	
Philippines	EP - GRP - SSC	7,000	23,809	30,809	3,487	278	292	9,683	10,242	281	9,509	
Qatar	EP - GRP	632,265	18,000	650,265	376,053	131,233	168,000	0	0	217	794,000	
Republic of Congo	EP - MS	992,274	1,908,085	2,900,359	1,380,514	431,891	442,549	1,646,016	1,559,003	832	4,070,475	
Sao Tome and Principe	EP	0	0	0	-3,000	0	0	0	0	0	0	
Senegal	EP - MS	688,386	164,535	852,921	17,282	5,284	7,660	20,574	9,783	274	56,954	

(1) Does not include the activities of entities outside the scope of CbCR.

EP: Exploration & Production **GRP:** Gas Renewables & Power **MS:** Marketing & Services **RC:** Refining & Chemicals **SSC:** Shared service center

2022

Tax jurisdiction *(in thousand of dollars)*	Activities[1]	Third party revenue	Related party revenue	Total revenue	Profit (loss) before tax	Corporate income taxes paid/ (refunded)	Corporate income taxes accrued	Stated capital	Accumulated earnings	Number of employees	Tangible assets	Comments
South Africa	EP - GRP - MS	3,894,049	181,812	4,075,861	185,124	67,929	57,032	69,578	558,240	805	828,420	
Uganda	EP - MS	520,496	0	520,496	-38,329	8,583	11,435	52,513	21,641	686	2,245,322	Absence of tax consolidation between the various entities in the jurisdiction (see ETR explanation page 33).
United Arab Emirates	EP - GRP - MS - SSC	226,833	10,853,188	11,080,021	926,208	82,138	82,138	99,290	1,272	192	3,630,735	Most taxes incurred and paid on our extractive activities in UAE are classified as production taxes in our financial statements following the IFRS accounting standards guidance. As shown in Chapter 5, the global amount of profit and production taxes accrued in UAE in fiscal year 2022 was $8,390M.
United Kingdom	EP - GRP - MS - RC	8,418,149	8,246,565	16,664,714	7,051,804	3,118,692	3,700,743	4,619,979	1,240,076	2,046	2,173,605	See Glossary explanations on why CIT paid and CIT accrued differ.
United States	EP - GRP - MS - RC - SSC	26,964,203	36,252,741	63,216,944	1,181,506	48,802	-6,777	23,788,057	-3,652,089	6,548	7,382,645	Prior year adjustment on CIT accrued. See Glossary explanations on why CIT paid and CIT accrued differ.
Rest of the world		**100,965,068**	**137,609,005**	**238,574,074**	**11,562,513**	**514,464**	**1,212,246**	**5,247,506**	**12,227,818**	**12,963**	**6,300,511**	
TOTAL		**288,854,646**	**358,392,079**	**647,246,725**	**49,016,534**	**14,453,034**	**19,991,159**	**160,983,302**	**90,778,826**	**116,753**	**107,884,686**	**As mentioned above, the profit before tax has been adjusted to exclude a $4.8bn non tax deductible exceptional depreciation loss on Russian assets.**

(1) Does not include the activities of entities outside the scope of CbCR.

EP: Exploration & Production **GRP:** Gas Renewables & Power **MS:** Marketing & Services **RC:** Refining & Chemicals **SSC:** Shared service center

Reconciliation of the 2022 corporate income tax information represented in the Universal Registration Document and the Country-by-Country Report *(in M$)*

In our 2022 URD (pages 448 and 475), we report current and paid corporate income taxes of our consolidated entities. In our CbC reporting, we report current and paid corporate income taxes of all our entities, whether or not consolidated.
There may be other miscellaneous sources of minor variations : timing differences, classification differences, etc.

Substantial differences between tax paid and tax accrued may arise, as tax paid is mainly assessed on prior years' income while tax accrued is assessed on current year income (2022's). Profits varied significantly in 2022 due to the surge in energy prices, thus maximizing differences between tax paid and tax accrued. The corresponding difference between tax paid in 2022 and tax accrued on 2022 profits will be settled in cash the following year(s).

SOURCE	CURRENT INCOME TAXES	DEFERRED INCOME TAXES	CONSOLIDATED INCOME TAX CHARGE	CORPORATE INCOME TAX PAID
Universal Registration Document	19,825	+ 2,417	→ 22,242	14,486
Non consolidated entities' reporting	+ 36			+ 22
Miscellaneous	+ 130			+ -55
TotalEnergies country-by-country reporting	= **19,991**			= **14,453**

Timing and classification differences of certain taxes and foreign exchange positions between the URD and the CbCR.

Substantial profit increase in 2022
=> tax accrued >> tax paid
=> Difference settled in 2023.

05

Our profit and production taxes 2022-2023

Our profit and production taxes by country 2022-2023

The energy crisis of 2022 disrupted the global economy and the energy supply and demand. It created favorable market conditions for the energy value chain actors, from production to distribution. The energy market then stabilized in 2023. The energy prices dropped throughout the year from their peak levels, although they still remained above the historical averages, due to the uncertainty and volatility of the economy.

Taxes accrued on profits and production in 2022 and 2023 consequently reached unprecedented levels: $33bn in 2022 and $25bn in 2023.

The data of our 2023 CbCR cannot be available at the date of publication of this report. In order to provide information that is more contemporaneous to the publication, we disclose in this chapter the allocation of our 2023 consolidated accrued profit and production taxes in our main countries of operations (with a reminder of 2022 data for ease of reference).

Note that figures reported in this chapter cover controlled consolidated entittes. They may differ from figures reported in the CbCR in Chapter 4, which covers controlled entities, irrespective of whether they are part of the consolidated group.

WINDFALL TAXES IN 2022 AND 2023

To fund financial support to households and companies and to mitigate the effects of high retail electricity prices, the European Union (EU) and the United Kingdom (UK) introduced emergency measures, also referred to as "windfall profit taxes" in 2022.

The UK imposed a 35% Energy Profits Levy on profits from oil and gas operations in the North Sea and a levy on "exceptional profits" derived by certain electricity generators.

The EU introduced a minimum 33% "solidarity contribution" on the "excess taxable profits" of the crude petroleum, natural gas, coal and refinery sectors as well as a levy on electricity generators.

TotalEnergies' EU and UK solidarity contributions amounted to $2.1bn in 2022 and $1.2bn in 2023. (1)

(1) included in the income tax amounts reported on page 54 and s.

Tax jurisdiction *(in thousand of dollars)*	2022 Income taxes accrued	2022 Production taxes [1]	2023 Income taxes accrued	2023 Production taxes [1]
EU jurisdictions				
Belgium	414,230	–	304,473	–
Cyprus	227	–	191	–
Denmark	358,140	1,000	132,630	–
France	67,450	–	125,245	
Germany	1,150,160	–	1,032,922	–
Greece	–	–	3,244	–
Ireland	391	–	399	–
Italy	37,664	50,281	41,954	51,820
Lithuania	-	–	500	–
Luxemburg	9,477	–	21,625	–
Malta	213	–	1,095	–
Poland	7,832	–	5,551	–
Portugal	3,831	–	6,898	–
Czech Republic	2,570	–	1,103	–
Romania	641	–	667	–
Spain	11,549	–	16,636	–
Sweden	3,597	–	4,441	–
The Netherlands	549,663	–	168,530	–
Non-cooperative jurisdictions and other controversial jurisdictions				
Botswana	324	–	150	–
Fiji	914	–	1,345	–

(1) And other miscellaneous similar taxes.

Amounts below $1 million are not reported above.

Tax jurisdiction *(in thousand of dollars)*	2022 Income taxes accrued	2022 Production taxes [(1)]	2023 Income taxes accrued	2023 Production taxes [(1)]
Jamaica	3,218	–	2,673	–
Jordan	4,231	–	-1,410	–
Russia	8,109	5,000	994	–
Thailand	286,000	43,000	45,000	6,000
Turkey	5,076	–	7,261	–
Other countries where we conduct extractive activities				
Algeria	280,493	483,000	152,244	307,000
Angola	1,020,000	138,000	719,081	94,000
Argentina	93,463	113,000	44,101	120,000
Australia	398	72,000	282	62,000
Bolivia	–	269,000	–	165,000
Brazil	280,975	474,000	238,850	623,000
Brunei Darussalam	66,000	19,000	41,000	44,000
Canada	–	–	1,000	–
China	50,344	22,000	41,959	25,000
Democratic Republic of Congo	12,000	–	10,000	–
Egypt	17,585	–	23,000	–
Gabon	62,946	91,000	47,682	51,000
Indonesia	6,000	–	3,000	–
Iraq	18,000	18,000	25,000	–
Ivory Coast	7,808	–	7,106	–
Kazakhstan	29,000	67,000	13,000	68,000

(1) And other miscellaneous similar taxes.

Amounts below $1 million are not reported above.

	2022		2023	
Tax jurisdiction *(in thousand of dollars)*	Income taxes accrued	Production taxes (1)	Income taxes accrued	Production taxes (1)
Kenya	14,810	–	-74,831	–
Lebanon	2,000	–	1,000	–
Libya	594,000	1,425,000	534,000	1,600,000
Mexico	16,844	–	8,244	–
Mozambique	4,235	–	2,127	–
Myanmar	11,000	19,000	–	–
Namibia	1,958	–	217	–
Nigeria	1,869,530	283,000	1,345,658	146,000
Norway	6,852,644	109,134	3,830,879	44,008
Oman	–	558,116	9,000	470,352
Philippines	292	–	–	–
Qatar	168,000	26,000	162,000	27,000
Republic of Congo	442,549	374,000	162,026	266,000
Senegal	7,479	–	5,276	–
South Africa	57,032	–	37,821	–
Uganda	11,435	–	12,758	–
United Arab Emirates	82,138	8,534,053	68,120	7,714,000
United Kingdom	3,700,736	–	2,058,802	–
United States	-6,796 (2)	23,000	107,044	25,000
Rest of the world	**1,124,651**	**3,000**	**1,184,386**	**–**
TOTAL	**19,825,058**	**13,219,584**	**12,745,948**	**11,909,180**
Total Taxes on Profits and Production		**33,044,642**		**24,655,128**

(1) And other miscellaneous similar taxes.
(2) Prior year adjustment.

Amounts below $1 million are not reported above.

06

Our Extractive Industries Reports 2022-2023

Our Extractive Industries Report of Payments to Governments

TotalEnergies publishes a report every year in its Universal Registration Document (section 9.3.), which covers the payments (in cash or in kind) of at least 100,000 euros made by its fully consolidated extractive companies to public authorities in the countries in which they operate.

This report details for each country of activity, the amount of payments, by payment type and by project. They are presented based on the Company's share in each project or fiscal entity, whether the payments are made directly by the consolidated extractive companies or indirectly through third-party operating companies. It is approved by the Board of Directors of TotalEnergies SE.

In this report, the Company discloses:

- Taxes and levies paid on income, production or profits, excluding taxes levied on consumption such as value added taxes, customs duties, personal income taxes and sales taxes;
- Royalties, which are a percentage of production payable to the owner of mineral rights;
- License fees;
- License bonuses paid for and in consideration of extraction rights;
- Dividends paid to host governments holding interests in an extractive company;
- Payments for Infrastructure Improvements;
- Production entitlements, which are the host government's share of production.

To mark our engagement for tax transparency, the Company voluntarily provides additional tax information beyond mandatory disclosures. Given the particular interest of civil society in corporate income taxes[(1)], we disclose since 2021 corporate income tax payments by country, separately from other tax payments.

(1) As detailed above in the present report, the classification of profit taxes (also called corporate income taxes) follows the presentation applied in our Financial Statements.

2023

Payments in cash & in kind *(in thousands of dollars)*	Income taxes	Other taxes	Taxes (total)	Royalties	License fees	License bonuses	Dividends	Infrastructure improvements	Production entitlements	Total of payments
Europe	**7,705,912**	**115,650**	**7,821,562**	**-**	**18,327**	**20,833**	**-**	**-**	**24,083**	**7,884,805**
Azerbaijan	-	-	-	-	-	20,833	-	-	24,083	44,916
Bulgaria	-	-	-	-	217	-	-	-	-	217
Denmark	128,474	731	129,205	-	6,369	-	-	-	-	135,574
Italy	38,640	56,578	95,218	-	2,086	-	-	-	-	97,304
Netherlands	288,815	-	288,815	-	698	-	-	-	-	289,513
Norway	4,900,631	58,341	4,958,972	-	3,596	-	-	-	-	4,962,568
United Kingdom	2,349,352	-	2,349,352	-	5,361	-	-	-	-	2,354,713
Africa	**1,965,491**	**527,036**	**2,492,527**	**-**	**72,993**	**82,941**	**25,000**	**56,407**	**1,716,365**	**4,446,233**
Angola	623,757	83,611	707,368	-	11,777	18,950	-	1,322	1,602,707	2,342,124
Democratic Republic of the Congo	-	-	-	-	500	-	-	-	-	500
Gabon	32,778	51,573	84,351	-	3,282	-	25,000	15,391	-	128,024
Kenya	-	-	-	-	292	-	-	-	-	292
Mauritania	-	-	-	-	560	-	-	-	-	560
Mozambique	-	-	-	-	2,120	-	-	2,810	-	4,930
Namibia	-	-	-	-	212	-	-	-	-	212
Nigeria	1,186,752	144,238	1,330,990	-	10,099	63,991	-	34,154	113,222	1,552,456
Republic of the Congo	122,204	247,614	369,818	-	39,883	-	-	2,730	436	412,867
São Tomé and Principe	-	-	-	-	1,139	-	-	-	-	1,139
Senegal	-	-	-	-	1,152	-	-	-	-	1,152
South Africa	-	-	-	-	268	-	-	-	-	268
Uganda	-	-	-	-	1,709	-	-	-	-	1,709
Middle East and North Africa	**849,141**	**9,972,257**	**10,821,398**	**132,797**	**14,313**	**378,685**	**-**	**909**	**2,247,736**	**13,595,838**
Algeria	152,830	320,762	473,592	-	2,096	28,685	-	-	-	504,373

Payments in cash & in kind *(in thousands of dollars)*	Income taxes	Other taxes	Taxes (total)	Royalties	License fees	License bonuses	Dividends	Infrastructure improvements	Production entitlements	Total of payments
Cyprus	-	-	-	-	962	-	-	-	-	962
Iraq	12,125	-	12,125	-	-	-	-	-	-	12,125
Lebanon	-	-	-	-	224	-	-	-	-	224
Libya	533,684	1,440,340	1,974,024	-	82	-	-	909	1,529,007	3,504,022
Oman	-	461,307	461,307	132,797	275	-	-	-	-	594,379
Qatar	150,502	30,046	180,548	-	-	-	-	-	718,729	899,277
United Arab Emirates	-	7,719,802	7,719,802	-	10,674	350,000	-	-	-	8,080,476
Americas	**245,565**	**882,535**	**1,128,100**	**180,621**	**79,343**	**211,159**	**-**	**107**	**217,207**	**1,816,537**
Argentina	34,349	80,711	115,060	-	7,475	-	-	-	-	122,535
Bolivia	-	172,375	172,375	-	636	-	-	107	24,952	198,070
Brazil	211,216	613,227	824,443	-	18,860	166,713	-	-	192,255	1,202,271
Canada	-	-	-	102,816	23,479	-	-	-	-	126,295
Mexico	-	1,577	1,577	-	27,712	-	-	-	-	29,289
Surinam	-	-	-	-	-	44,446	-	-	-	44,446
United States	-	14,645	14,645	77,805	1,181	-	-	-	-	93,631
Asia Pacific	**339,655**	**141,445**	**481,100**	**-**	**2,551**	**15,628**	**-**	**2,980**	**93,704**	**595,963**
Australia	-	45,211	45,211	-	2,136	-	-	-	-	47,347
Brunei	66,446	7,852	74,298	-	5	-	-	-	7,777	82,080
China	28,177	24,751	52,928	-	-	-	-	-	27,062	79,990
Indonesia	2,740	-	2,740	-	-	-	-	-	2,750	5,490
Kazakhstan	18,226	63,260	81,486	-	176	-	-	2,980	56,115	140,757
Papua New Guinea	-	-	-	-	234	-	-	-	-	234
Thailand	224,066	371	224,437	-	-	15,628	-	-	-	240,065
TOTAL	**11,105,764**	**11,638,923**	**22,744,687**	**313,418**	**187,527**	**709,246**	**25,000**	**60,403**	**4,299,095**	**28,339,376**

2022

Payments in cash & in kind *(in thousands of dollars)*	Income taxes	Other taxes	Taxes (total)	Royalties	License fees	License bonuses	Dividends	Infrastructure improvements	Production entitlements	Total of payments
Europe	**9,030,917**	**126,383**	**9,157,300**	**-**	**13,313**	**-**	**-**	**-**	**40,282**	**9,210,895**
Bulgaria	-	-	-	-	211	-	-	-	-	211
Denmark	326,775	734	327,509	-	561	-	-	-	-	328,070
France	-	291	291	-	-	-	-	-	-	291
Italy	37,987	59,825	97,812	-	1,492	-	-	-	-	99,304
Netherlands	238,271	-	238,271	-	623	-	-	-	-	238,894
Norway	5,344,581	57,058	5,401,639	-	4,417	-	-	-	-	5,406,056
Russia	8,139	8,475	16,614	-	85	-	-	-	40,282	56,981
United Kingdom	3,075,164	-	3,075,164	-	5,924	-	-	-	-	3,081,088
Africa	**2,125,548**	**835,781**	**2,961,329**	**-**	**91,522**	**78,882**	**81,259**	**49,214**	**2,611,973**	**5,874,179**
Angola	759,455	116,424	875,879	-	12,042	-	-	1,411	2,492,888	3,382,220
Côte d'Ivoire	-	-	-	-	141	-	-	-	-	141
Democratic Republic of the Congo	-	-	-	-	750	-	-	-	-	750
Gabon	45,334	91,283	136,617	-	3,455	60,000	81,259	11,320	-	292,651
Kenya	-	-	-	-	146	-	-	-	-	146
Mauritania	-	-	-	-	1,295	-	-	-	-	1,295
Mozambique	-	-	-	-	1,060	-	-	-	-	1,060
Nigeria	893,380	278,356	1,171,736	-	12,475	-	-	35,046	118,372	1,337,629
Republic of the Congo	427,379	349,718	777,097	-	57,665	18,882	-	1,437	713	855,794
São Tomé and Principe	-	-	-	-	605	-	-	-	-	605
Senegal	-	-	-	-	273	-	-	-	-	273
Uganda	-	-	-	-	1,615	-	-	-	-	1,615

Payments in cash & in kind *(in thousands of dollars)*	Income taxes	Other taxes	Taxes (total)	Royalties	License fees	License bonuses	Dividends	Infrastructure improvements	Production entitlements	Total of payments
Middle East and North Africa	**1,009,946**	**11,711,104**	**12,721,050**	**-**	**11,902**	**60,593**	**-**	**15,000**	**2,520,319**	**15,328,864**
Algeria	280,715	486,788	767,503	-	2,257	13,090	-	-	-	782,850
Cyprus	-	-	-	-	965	-	-	-	-	965
Egypt	-	-	-	-	150	-	-	-	-	150
Iraq	4,999	18,570	23,569	-	-	-	-	-	-	23,569
Lebanon	-	-	-	-	106	-	-	-	-	106
Libya	594,052	2,232,236	2,826,288	-	132	22,500	-	15,000	1,618,851	4,482,771
Oman	-	557,290	557,290	-	200	-	-	-	-	557,490
Qatar	130,180	26,629	156,809	-	-	25,003	-	-	901,468	1,083,280
United Arab Emirates	-	8,389,591	8,389,591	-	8,092	-	-	-	-	8,397,683
Americas	**333,131**	**814,221**	**1,147,352**	**324,428**	**67,997**	**2,885,087**	**-**	**-**	**146,304**	**4,571,168**
Argentina	173,361	80,245	253,606	-	5,662	5,726	-	-	-	264,994
Bolivia	-	261,816	261,816	-	1,326	937	-	-	31,086	295,165
Brazil	148,477	436,346	584,823	-	14,729	2,878,424	-	-	115,218	3,593,194
Canada	-	-	-	204,250	24,064	-	-	-	-	228,314
Mexico	-	4,489	4,489	-	19,288	-	-	-	-	23,777
United States	11,293	31,325	42,618	120,178	2,928	-	-	-	-	165,724

Payments in cash & in kind *(in thousands of dollars)*	Income taxes	Other taxes	Taxes (total)	Royalties	License fees	License bonuses	Dividends	Infrastructure improvements	Production entitlements	Total of payments
Asia Pacific	**457,505**	**174,516**	**632,021**	**-**	**7,870**	**48,012**	**-**	**3,165**	**196,980**	**888,048**
Australia	-	43,474	43,474	-	1,861	-	-	-	-	45,335
Brunei	47,171	11,783	58,954	-	7	-	-	-	11,735	70,696
China	25,524	21,167	46,691	-	-	-	-	-	27,110	73,801
Indonesia	5,887	-	5,887	-	-	-	-	-	5,645	11,532
Kazakhstan	19,921	77,915	97,836	-	67	2,304	-	3,165	52,445	155,817
Malaysia	-	-	-	-	5,009	-	-	-	-	5,009
Myanmar	16,000	19,406	35,406	-	-	-	-	-	100,045	135,451
Papua New Guinea	-	-	-	-	926	-	-	-	-	926
Thailand	343,002	771	343,773	-	-	45,708	-	-	-	389,481
TOTAL	**12,957,047**	**13,662,005**	**26,619,052**	**324,428**	**192,604**	**3,072,574**	**81,259**	**67,379**	**5,515,858**	**35,873,154**

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