



UK Tax Strategy



TOTALENERGIES - PUBLICATION OF UK TAX STRATEGY - SCHEDULE 19 FINANCE ACT 2016

The undernoted TotalEnergies worldwide tax policy and the UK specific tax policy is regarded as satisfying the statutory obligation under Paragraph 19(2) of Schedule 19 Finance Act 2016 (“UK sub-groups”) for all UK affiliates of TotalEnergies. It is effective for the year ending 31 December 2021.

TOTALENERGIES - WORLDWIDE TAX POLICY

Tax payments of TotalEnergies represent a substantial part of our Company’s economic contribution to the countries in which we operate.

TotalEnergies is mindful of its responsibility and 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 our Code of Conduct.

Our intercompany transactions are thus based on arm’s length terms and our tax strategy is aligned with our business strategy. The formation of affiliates worldwide is driven by business operations, as well as regulatory constraints and JV requirements. 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.

Our tax policy’s prime focus is certainty and sustainability in the long term. We believe that the expected short-term tax benefit derived from artificial or aggressive tax planning will often be outweighed by the reputational and future tax litigation risks inherent in such schemes.

The Company takes a responsible approach to the management and control of taxation issues, relying on well-documented and controlled processes to manage risk and ensure compliance with tax disclosure and filing obligations. The management of tax risks is fully integrated in the Company’s global risk governance process. As part of this process, the Company VP Tax regularly reports to the Audit Committee and the Company Risk Committee on TotalEnergies’ global tax position, risk monitoring and associated improvement actions.

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.

As a permanent member of the Extractive Industries Transparency Initiative (EITI) since its creation in 2002, 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.

TotalEnergies publishes in its Registration Document an annual report covering the payments made by the Company’s extractive affiliates to governments and the full list of its consolidated entities, together with their countries of incorporation and of operations.



UK SPECIFIC TAX POLICY

In addition to the above TotalEnergies Worldwide Tax Policy, the following details are specific to TotalEnergies in the UK.

Introduction

TotalEnergies in the UK is committed to compliance with the UK tax laws, rules and regulations in accordance with the above TotalEnergies Worldwide Tax Policy including:

- (a) paying the amount of tax which is legally due at the correct time
- (b) engaging with the UK Tax Authorities in real-time

1. Approach of TotalEnergies to risk management and governance arrangements

Risk management

The UK subsidiaries have effective, well-documented and controlled processes to manage risk and ensure compliance with tax disclosure and filing obligations.

Governance arrangements

All major decisions (for example, involving acquisitions / disposals / restructurings) include a tax analysis undertaken at an appropriate level requiring Finance Director and Board approval if necessary. The tax analysis will document the facts, conclusions and tax risks involved.

The UK Tax Department will also, from time to time, engage external advisors to provide opinions on the tax impact of transactions where the interpretation of tax law is uncertain to confirm compliance with UK tax laws and any filing requirements. Advance clearances may also be sought from HM Revenue & Customs (HMRC).

2. Attitude of TotalEnergies towards tax planning

TotalEnergies in the UK does not take part in artificial or aggressive tax planning. TotalEnergies in the UK will seek to manage its commercial affairs in a tax efficient manner.

3. Level of risk in relation to UK taxation that TotalEnergies is willing to accept

TotalEnergies in the UK has no set level of tax risk that it is willing to accept. Transactions are undertaken for commercial and economic business reasons however some transactions will involve an element of tax risk.

4. Approach of TotalEnergies towards its dealings with HMRC

TotalEnergies in the UK:

- (a) is committed to being open with HMRC
- (b) has regular contact with the HMRC Customer Compliance Manager to keep HMRC up-to-date with current developments in the UK businesses
- (c) engages with HMRC with honesty, respect, fairness and a spirit of co-operation