



**TotalEnergies**



# 2023 Results & 2024 Objectives

Executing our strategy, delivering superior returns

February 7, 2024



# 2023 Results & 2024 Objectives

## Executing our strategy, delivering superior returns



03 | Safety moment

04 | Safety: core value

### 2023: Consistent transition strategy delivering results

06 | Two pillars to support our energy transition strategy

07 | Strong cash flow underpins investments and returns

08 | Delivering on objectives

09 | Disciplined Capex within guidance

10 | 2023: Strong performance from all segments

11 | Sustainable low-cost portfolio

12 | 2023 results supported by growth segments

13 | Ranking on par with US majors

### 2024: Advancing the strategy, positioned for continued success

15 | TotalEnergies in a new era: stronger cash flow, low breakeven, low debt

16 | 2024 oil and LNG markets key drivers

17 | Advancing our strategy in 2024

18 | Disciplined capital investment supporting transition

19 | Focus on project delivery to fuel mid-term growth

20 | New Oil & Gas projects accretive on cash margin

21 | Progressing development of exploration successes

22 | Strong LNG cash flow, focus on growth projects

23 | Pursuing profitable expansion of Integrated Power

24 | Scaling up our integrated position in Texas

25 | Downstream: cash and transition

26 | Strong free cash flow and shareholder returns

27 | Growing steadily shareholder distributions while deleveraging

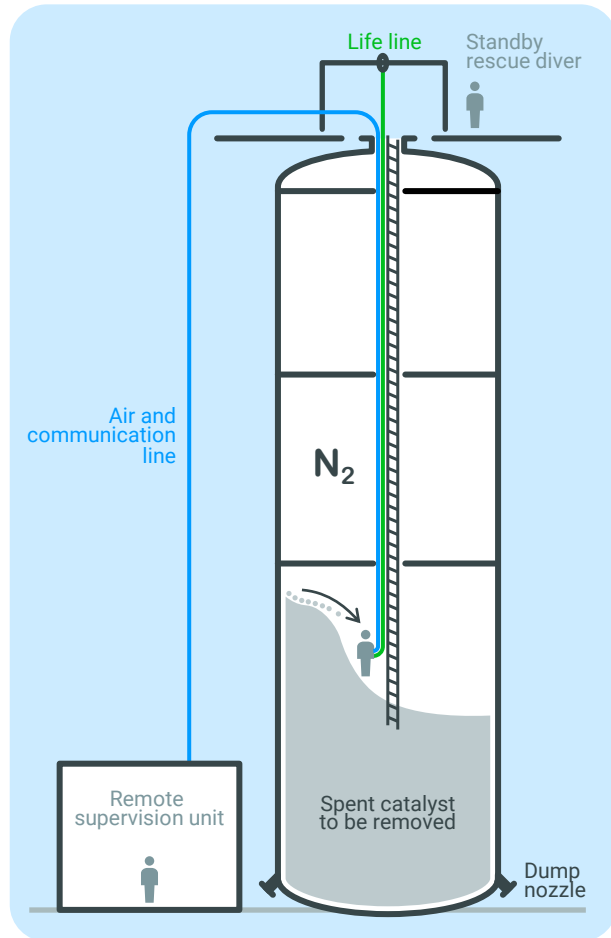
28 | Leading performance while transitioning

29 | Pioneers for 100 years

31 | Cash flow allocation

# Safety moment

Learning and improving from fatal accidents



## Netherlands February 3, 2023

**Torsten** 55 years old

Was removing spent catalyst from the walls inside a reactor, under nitrogen (industry practice).  
Became trapped by the collapse of a pile of catalyst.

### Immediate action plan

- Stop all similar operations in the Company
- Review alternative intervention mode with Contractors, HSE and technical experts
- Decision to ban human intervention for catalyst change operations
  - Water flooding method selected
  - Despite impact on cost (loss of catalyzer, wastewater disposal)

### Implementation at every site

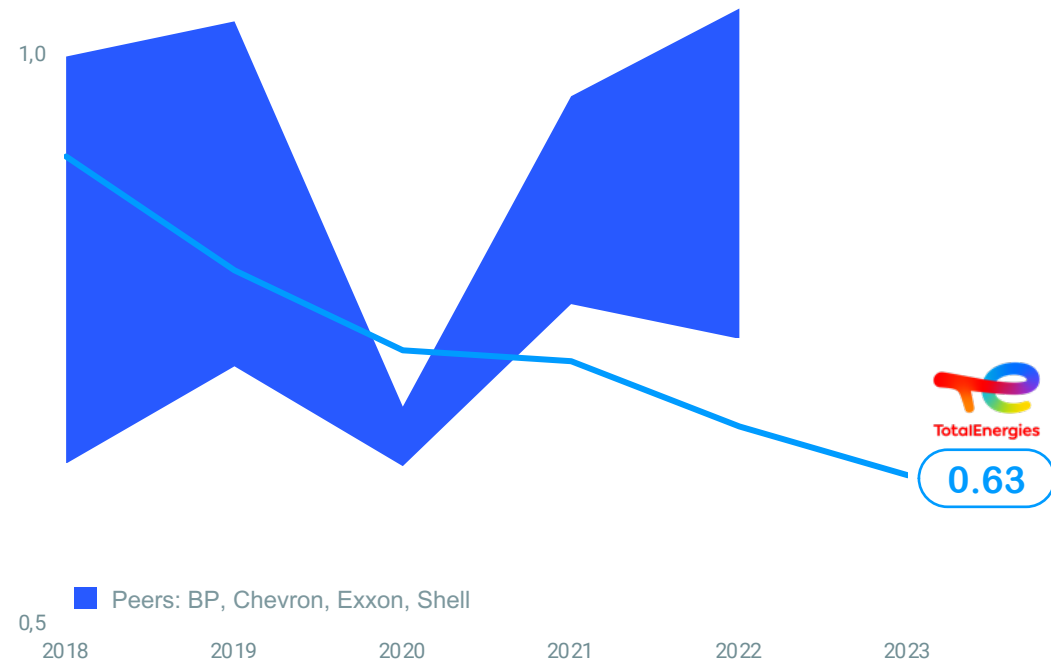
- 2023: executed first catalyst changes using the new method
  - 21 replacements performed
- 2024+: further improve the process
  - 14 replacements planned in first half 2024
  - Vessel modifications
  - Robots (first tests performed in 2023)

# Safety: core value

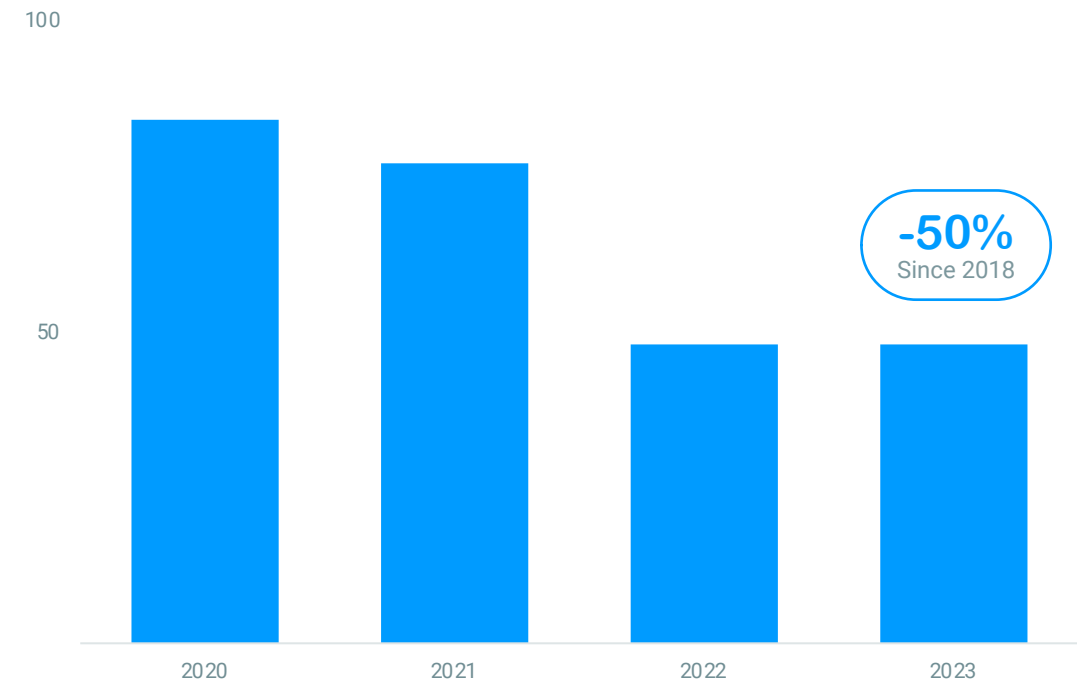
Objective zero fatality



### Total recordable injury rate versus peers per million man-hours



### Primary losses of containment\* number of incidents





**2023**

**Consistent energy  
transition strategy  
delivering results**

# Two pillars to support our energy transition strategy



## Oil & Gas



- Low cost, low emission
- Rich upstream projects portfolio
- Top 3 global LNG integrated portfolio
- Strong LNG project pipeline

## Integrated Power



- Driving value from integration
- Positive net cash flow by 2028

Pioneers  
for  
**100**  
years

Celebrating **100 years** in 2024:  
from oil exploration in Iraq  
to becoming a global leader  
in the energy transition

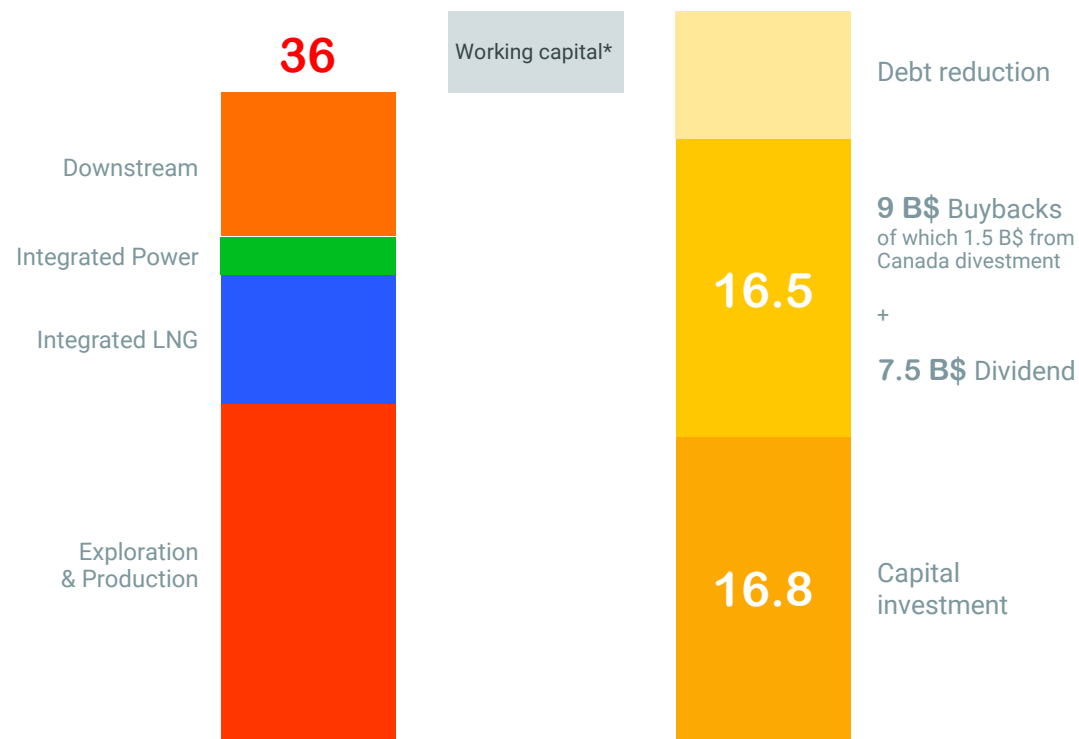


# Strong cash flow underpins increased returns



## 2023 CFO and cash flow allocation

B\$



- **23 B\$** Adj. net income, TotalEnergies share
  - 19% ROACE
  - 20% Return on Equity
- **21 B\$** IFRS net income
- **5%** gearing at end-23

**46% payout in 2023**  
vs 37% in 2022

2023

Brent (\$/b)	83
Avg LNG price (\$/Mbtu)	10.8
TTF (\$/Mbtu)	13.1
VCM, Eur. refining (\$/t)	69

\* Includes ~2 B\$ of exceptional fiscal debt variations related to the change of the gas and power price cap compensation system in France and the disposal of our German retail network to Alimentation Couche Tard

# Delivering on objectives



## 2023 objectives

## Realizations

### More energy

Upstream production → Production growth <sup>(1)</sup>	~2.5 Mboe/d +2%	2.48 Mboe/d +2%	✓ ✓
LNG production growth	+9%	+9%	✓
Refining utilization rate	80%	81%	✓
Renewables gross installed capacity	> 22 GW	22.4 GW	✓
Electricity net renewables production	~20 TWh	19 TWh	✓

### Less emissions

Scope 1+2 from operated facilities	39.6 MtCO <sub>2</sub> e	34.6 MtCO <sub>2</sub> e	✓
Methane from operated facilities vs 2020	-30%	-47%	✓
Lifecycle carbon intensity vs 2015	-12%	-13%	✓

### Growing cash flow

CFFO	~35 B\$ <sup>(2)</sup>	36 B\$	✓
Net investments → of which Integrated Power + low-carbon molecules	16–17 B\$ <sup>(3)</sup> ~33%	16.8 B\$ 35%	✓ ✓
CFFO Payout	> 40% <sup>(3)</sup>	46%	✓

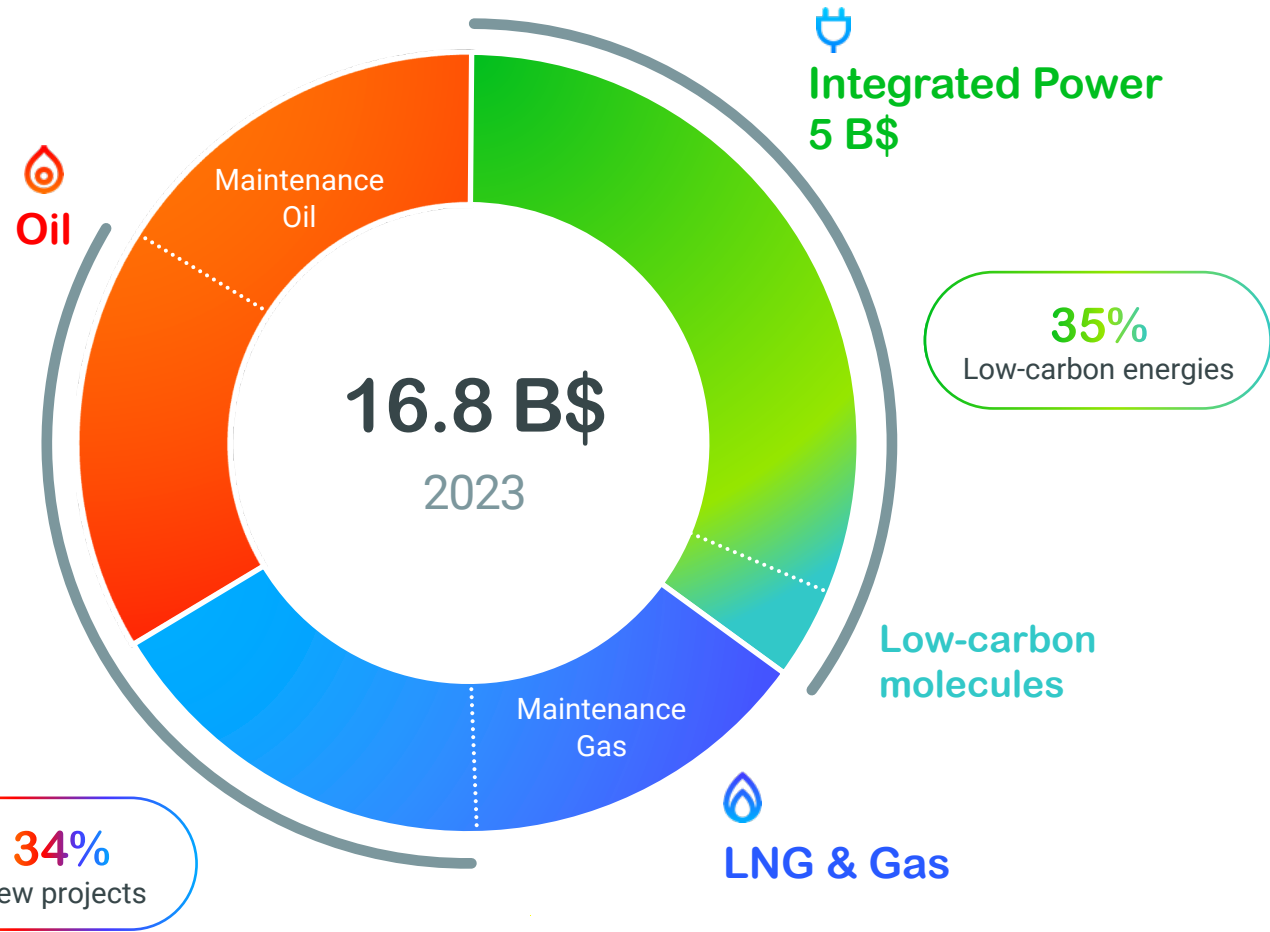
1. Excluding Novatek

2. CFFO guidance (February 2023) of ~35 B\$ at 80 \$/b, 20 \$/Mbtu TTF and 45 \$/t VCM, restated at 2023 price deck

3. February 2023 guidance of 16-18 B\$ (Net investments) and 35-40% (CFFO payout) revised in September 2023



# Disciplined Capex within guidance



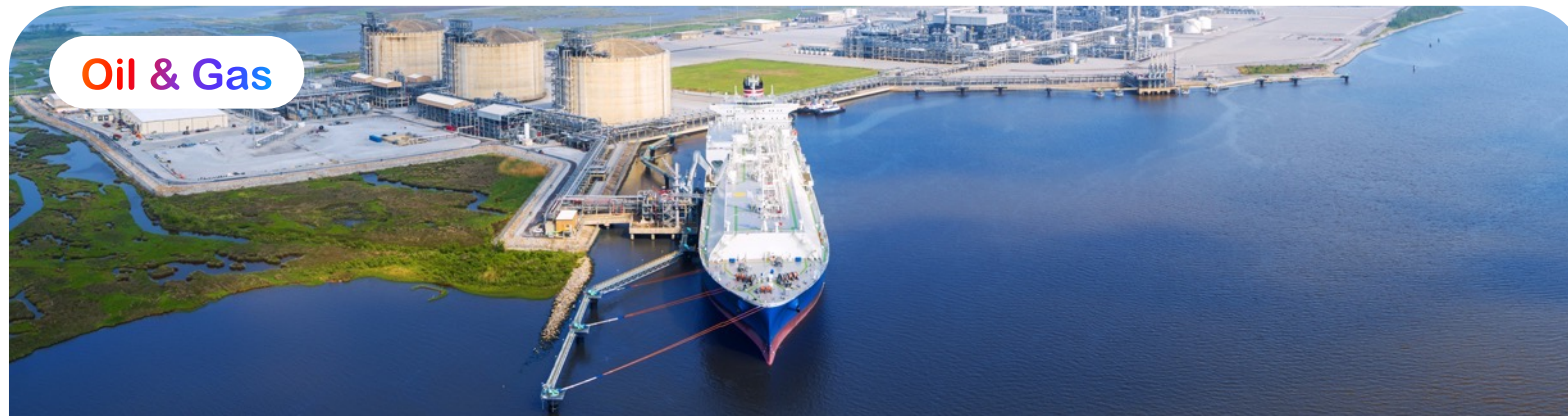
2023 Results

Myrtle solar and BESS, USA

Capex = 18.1 B\$ organic investments + 6.4 B\$ acquisitions – 7.7 B\$ divestments

February 2024 – Results and Objectives | 9

# 2023: Strong performance from all segments



## Oil & Gas

### Upstream

- Start-up of **Block 10** (Oman), **Absheron** (Azerbaijan)
- Entry into **GGIP** (Iraq) and **SARB Umm Lulu** (UAE)
- **Canada** divestment

### Downstream

- Capture **high** refining margins
- **Amiral** FID (KSA)
- Retail networks divestment in **Europe**

### LNG

- **Rio Grande LNG** (Texas) entry and FID
- Start-up of 2 **FSRU** in Europe
- Extension of **Oman LNG** partnership

2023 achievements

**2.48 Mboe/d**  
production

**8 B\$**  
Downstream CFFO

**44 Mt**  
LNG sales



## Integrated Power

- ~ **+6 GW** renewables
- **Total Eren** integration
- Texas: **1.5 GW** flexible CCGT acquisition
- Deploying **Germany** integrated power strategy

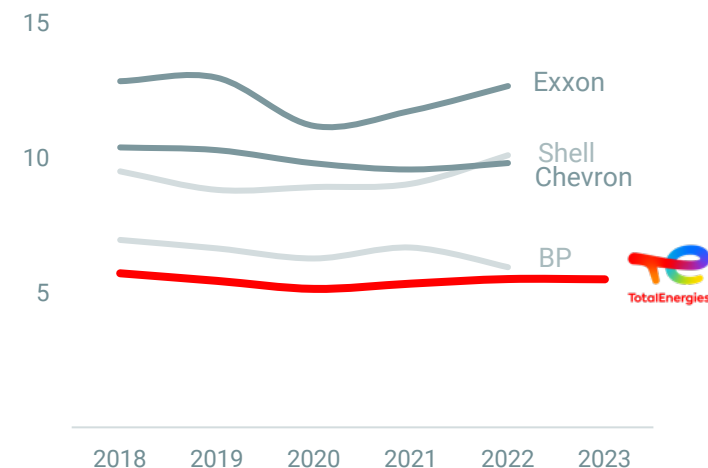
**2.2 B\$**  
Integrated Power CFFO



# Sustainable low-cost portfolio



Upstream production costs\*  
\$/boe

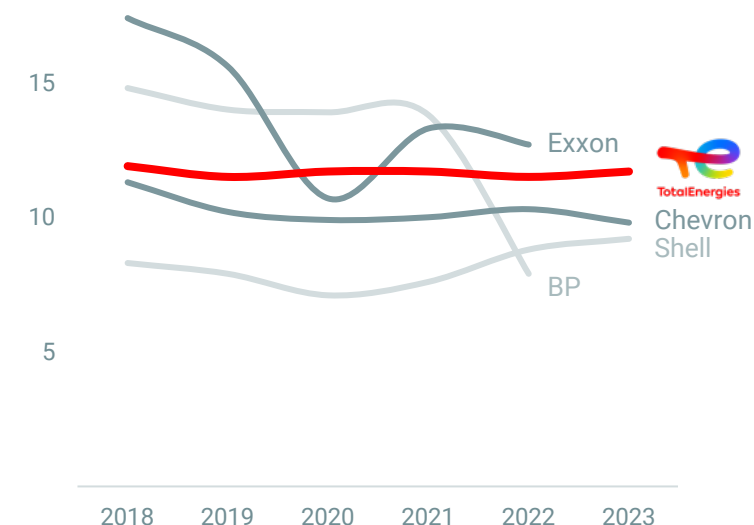


→ Permanent focus on costs

→ 2024 objective < 5 \$/boe

- Impact of divestment of high-cost Canadian assets: achieved 5.1 \$/boe in 4Q23

Proved reserves life index  
years



→ 141% reserves replacement in 2023

- 12 years proved reserves (55% gas)
- 18 years proved + probable reserves

\* ASC 932





# 2023 results supported by growth segments



## Integrated LNG





LNG assets



LNG & Gas trading

	2021		2023
<b>Sales</b> Mt	42	↗	44
<b>CFFO</b> B\$	5.4	↗	7.3
<b>NOI</b> B\$	5.6	↗	6.2
Average LNG Price (\$/Mbtu)	8.8		10.8

**18% ROACE in 2023**

## Integrated Power





Renewables



CCGT Flexible generation



Power trading



Power & Gas marketing

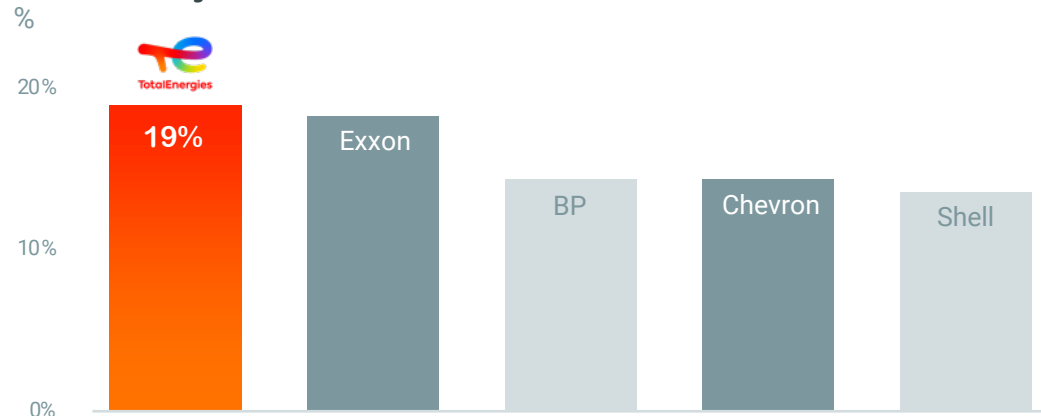
	2021		2023
<b>Production</b> TWh	21	↗	33
o/w <b>Renewables</b> TWh	7		19
<b>CFFO</b> B\$	0.7	↗	2.2
<b>NOI</b> B\$	0.7	↗	1.9

**10% ROACE in 2023**

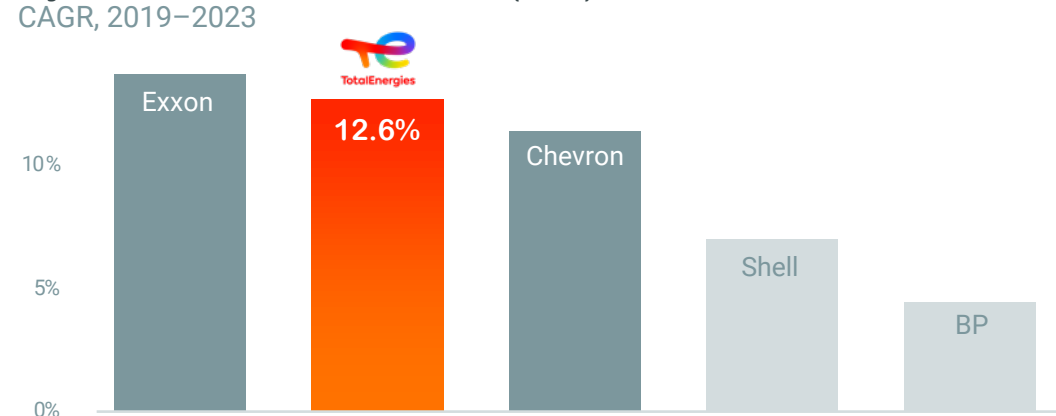
# Ranking on par with US majors



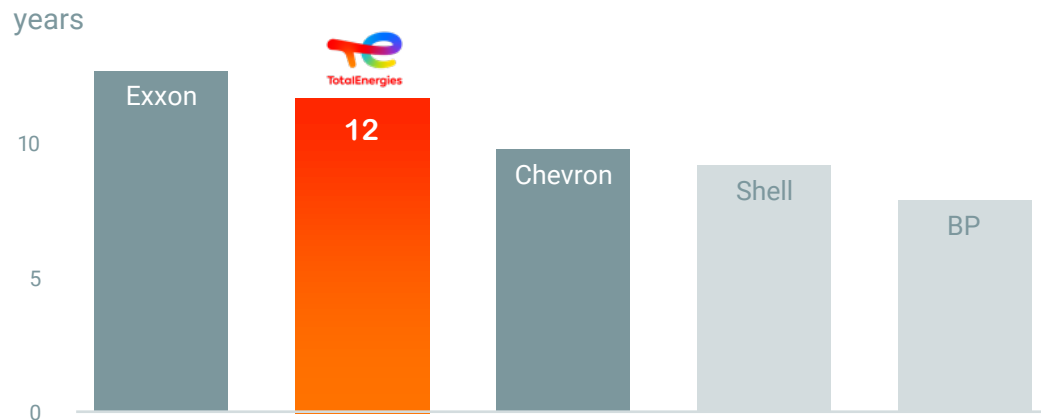
ROACE full-year 2023



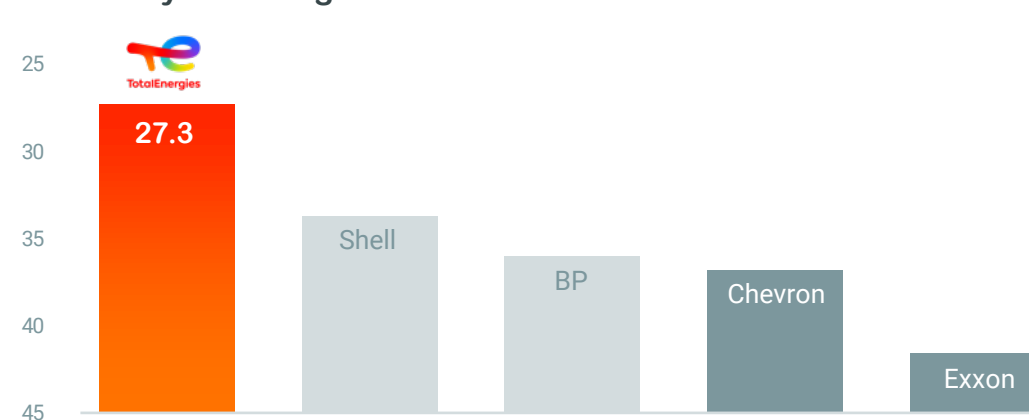
5-year Total shareholder return (TSR)



Proved reserves life index\*



Sustainalytics rating



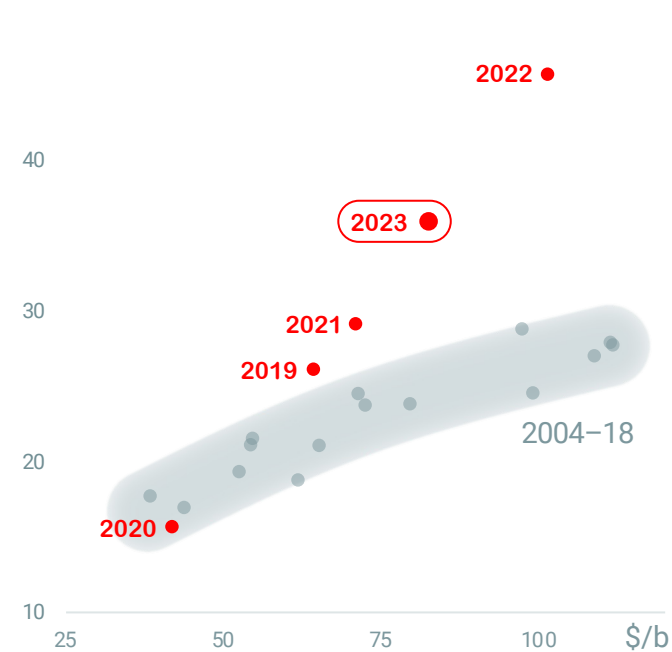
**2024**  
Advancing the strategy,  
positioned for  
continued success



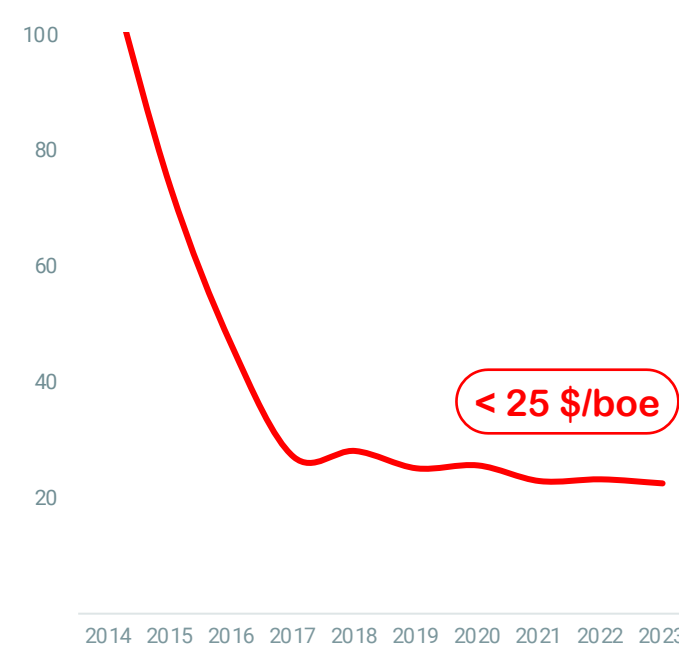
# TotalEnergies in a new era: stronger cash flow, low breakeven, low debt



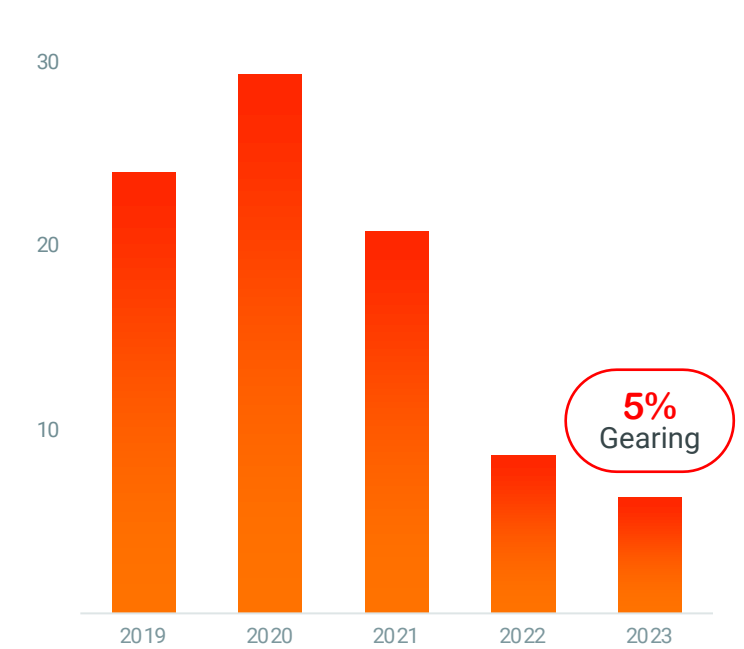
**CFFO vs Brent**  
B\$



**Breakeven<sup>(1)</sup>**  
\$/boe



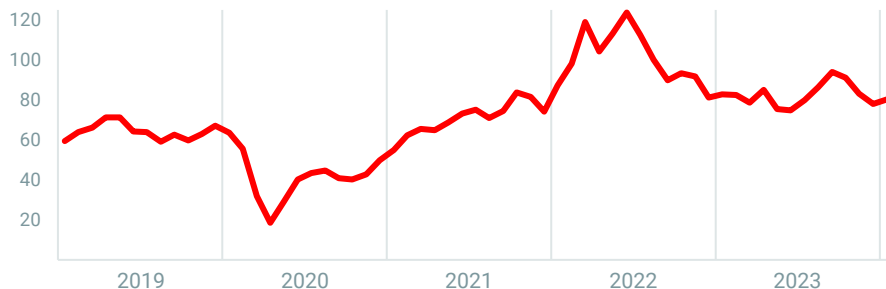
**Net debt<sup>(2)</sup>**  
B\$



# 2024 oil and LNG key market drivers

## Oil

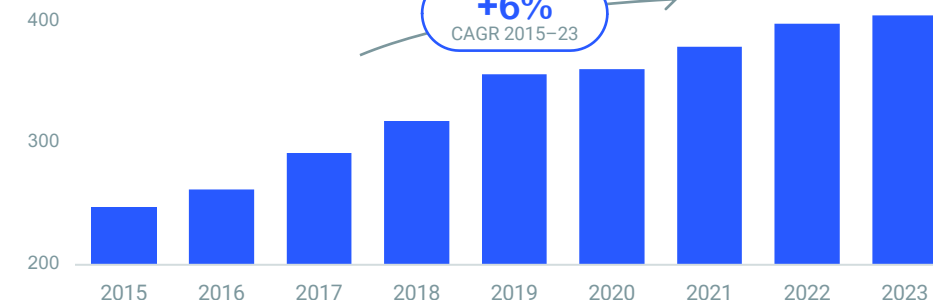
### Brent \$/b



- **+1.2 Mb/d** global demand in 2024 according to IEA, in line with average oil growth 2000-2023 (**+1.2%/y\***)
- **Non-OPEC** supply growth balanced by **OPEC+**
- Impact of worldwide macroeconomic environment and **geopolitical tensions** in Middle East

## LNG

### Global LNG demand Mt/y



Source: S&P Global Bilateral LNG Trade data – January 2024

- **China**, LNG growth engine: **#1** importer in 2023 with **+11%** vs 2022 (71 Mt)
- **Europe**: stable demand in 2023 (113 Mt, +70% vs 2021)
- **Limited additional LNG capacity** (+2%) on stream in 2024: market in tension in case of any disruption

# Advancing our strategy in 2024



## 2024 objectives

### More energy

Upstream production	2.4–2.5 +2% ex. Canada
Upstream production costs (ASC 932)	5 \$/boe
LNG Sales	> 40 Mt
Refining utilization rate	85%
Renewables gross installed capacity	28 GW
Electricity net production	> 45 TWh*

### Less emissions

Scope 1+2 from operated facilities	< 38.8 MtCO <sub>2</sub> e
Methane from operated facilities vs 2020	-50%
Lifecycle carbon intensity vs 2015	-14%

### Growing cash flow

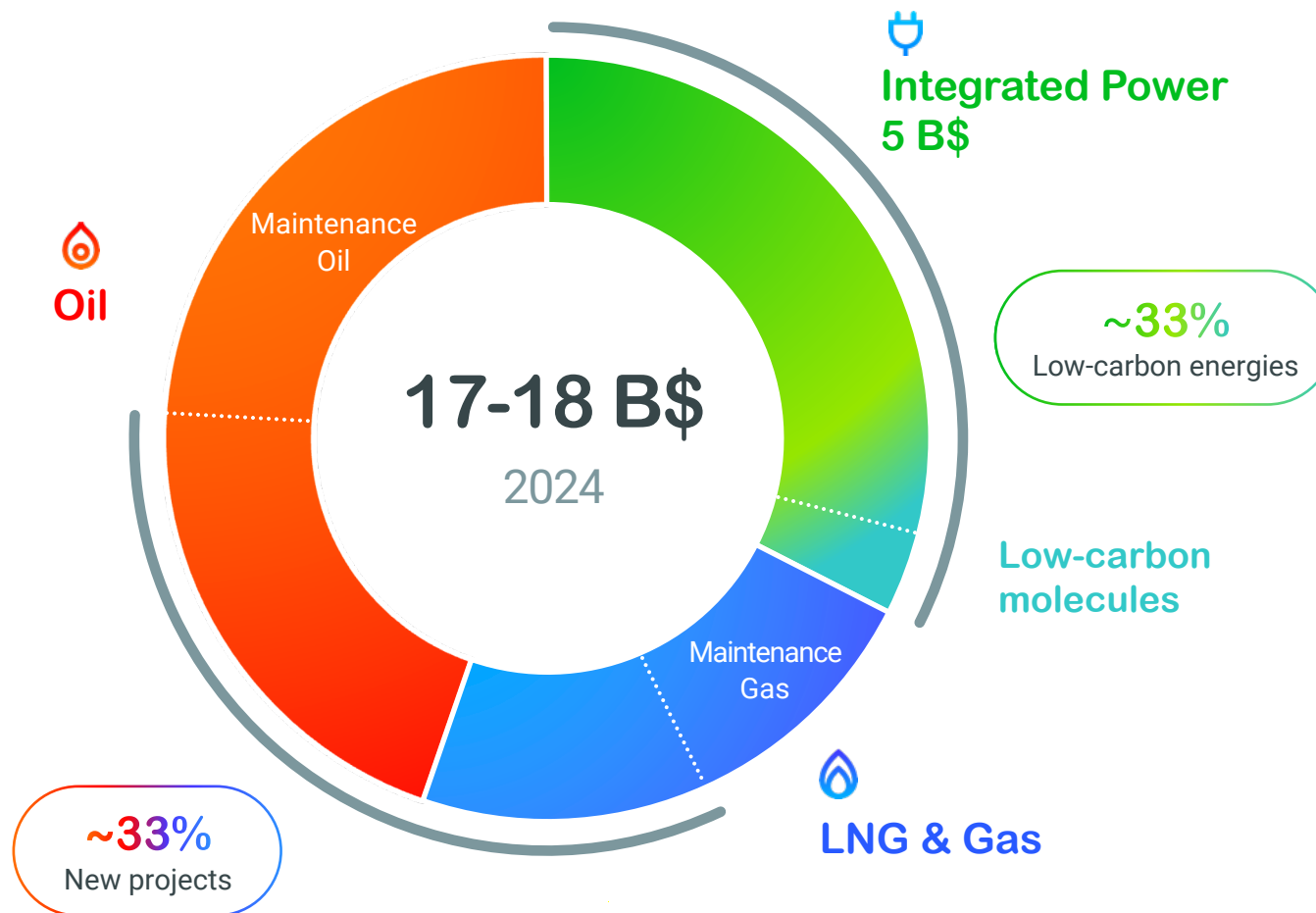
CFFO	~34 B\$**
Net investments → of which Integrated Power + low-carbon molecules	17-18 B\$ ~33 %
CFFO Payout	> 40%

\* Assuming 40% flexible capacity utilization rate  
 \*\* At 80 \$/b Brent, 10 \$/Mbtu TTF, 50 \$/t ERM





# Disciplined capital investment supporting transition



# Focus on project delivery to fuel mid-term growth

## Planned FIDs for 2024






Sépia 2	Brazil
Atapu 2	Brazil
Kaminho (Block 20), op.	Angola
Block 58, op.	Suriname

## Strict decision criteria

- Profitability assessment  
50 \$/b environment,  
100 \$/t carbon price
- Investment criteria  
< 20 \$/boe Capex + Opex, or  
< 30 \$/b after-tax breakeven  
GHG emission intensity  
< portfolio average (18 kg/boe)

## Executing safely, on time, within budget

### Major projects

		0%	Progress	100%	First oil
Mero 3	Brazil				end-24
Mero 4	Brazil				2025
Ballymore	US				2025
Tilenga - EACOP, op.	Uganda				end-25
Ratawi Ph. 1, op.	Iraq				end-25

● at end-23 ● expected at end-24

### Short cycle and tie-backs

1.5 B\$ Capex in 2024 on high-return infills and tie-backs supporting production base



## Acting on drilling capex

### Innovative solution to control costs

Hedging drilling costs through 75% ownership of a deep offshore drillship, operated by an experienced company

# New Oil & Gas projects accretive on cash margin

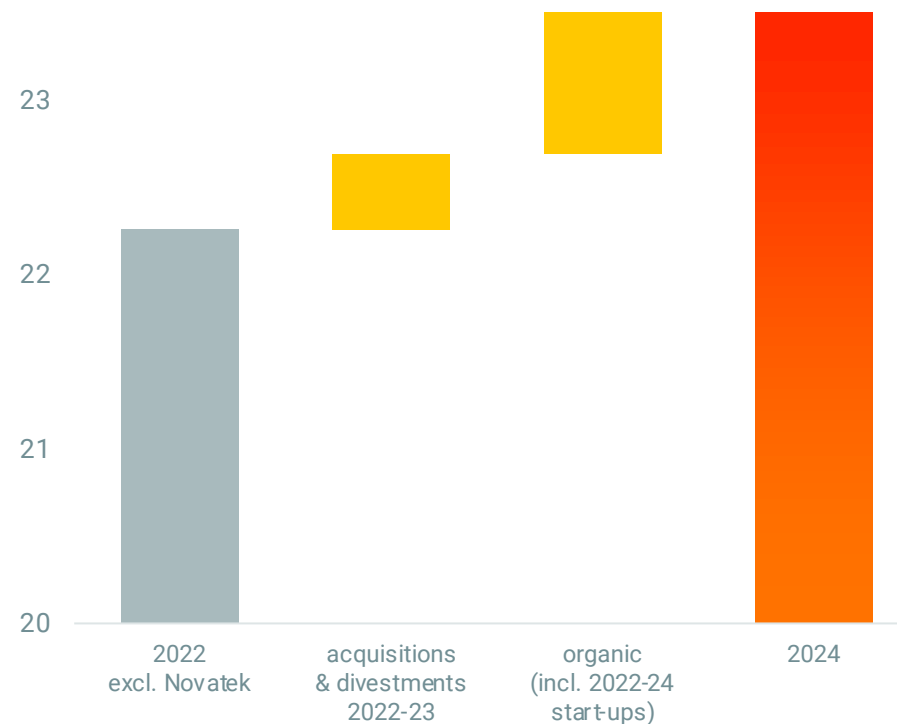
## 2024 additions



\* Subject to closing (expected by end 1H)

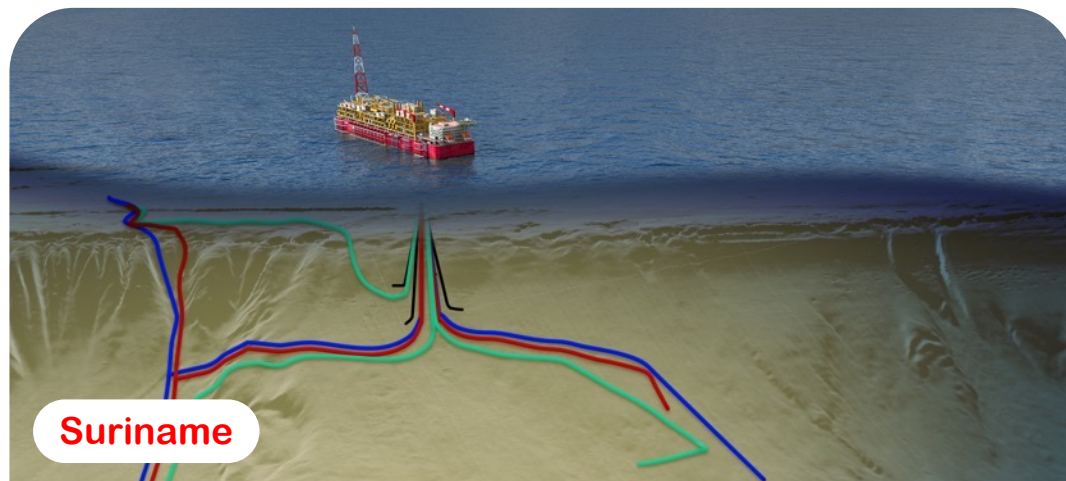
## Increasing cash margin

**Upstream CFFO/boe**  
at 80 \$/b Brent and 10 \$/Mbtu TTF  
\$/boe





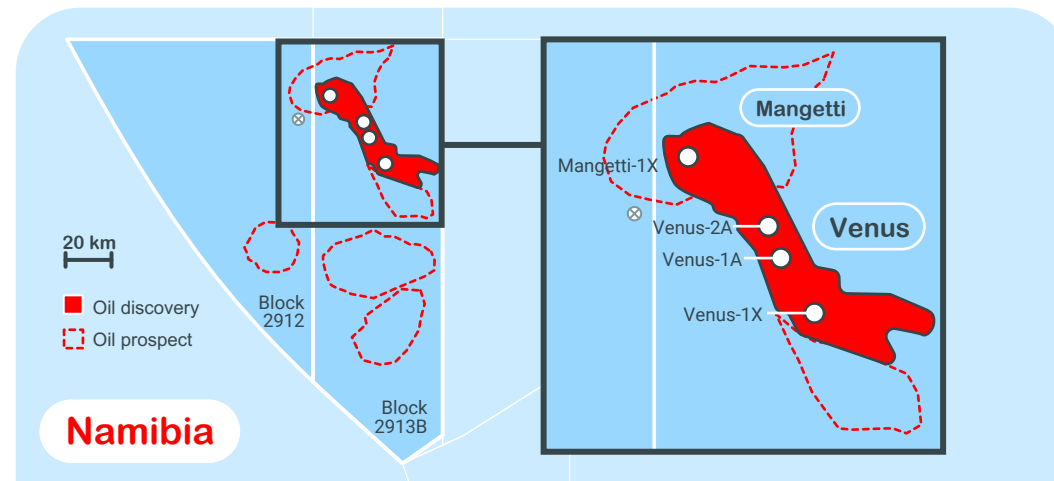
# Progressing development of exploration successes



## Suriname

### Sapakara South + Krabdagu: targeting FID end-24

- **200 kb/d** development under study
  - FEED in progress
  - Competitive Call for Tenders started 4Q-23
- First oil expected in 2028



## Namibia

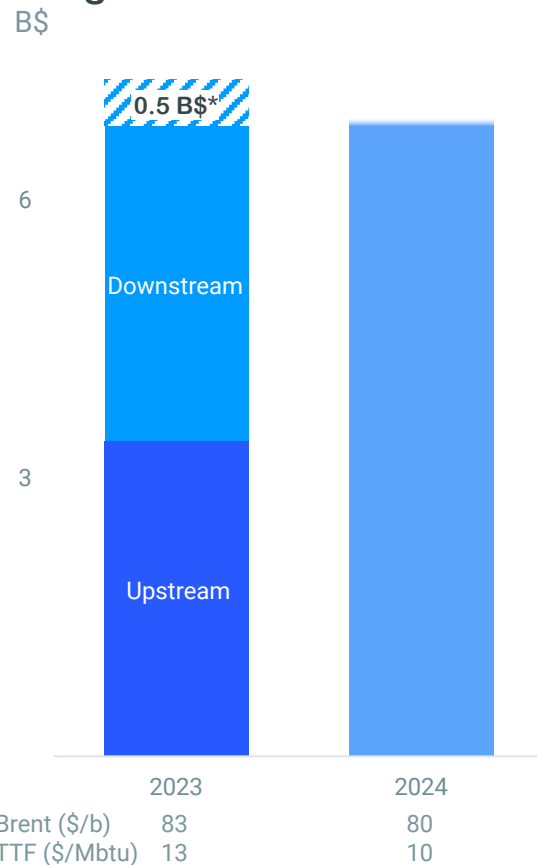
### Pursuing 2-rig program

- 2023 positive results: Venus-1A appraisal + 2 flow tests
- In progress: Venus-2A appraisal, Mangetti exploration
- Increased participating interest to consolidate partnership and strengthen financing
- Seismic acquisition in progress in Southern area

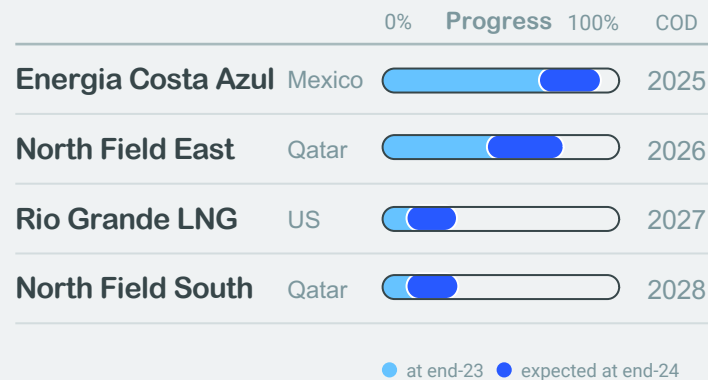
Maintaining ~1 B\$ Exploration & Appraisal budget in 2024

# Strong LNG cash flow, focus on growth projects

## Integrated LNG CFFO



### Focus on project delivery



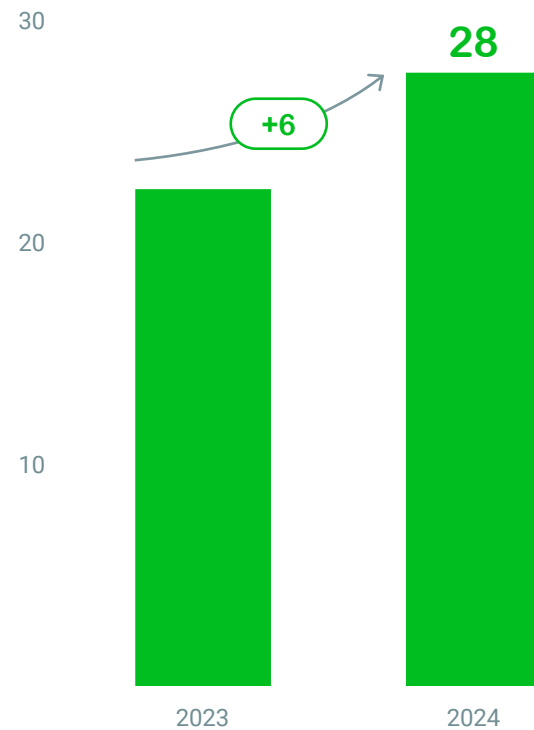
### Fueling future LNG growth

- **Mozambique LNG** ~3 Mt/y equity  
Relaunching detailed engineering, remobilizing project financing
- **Papua LNG** ~2 Mt/y equity  
Progressing on project marketing, financing and EPC

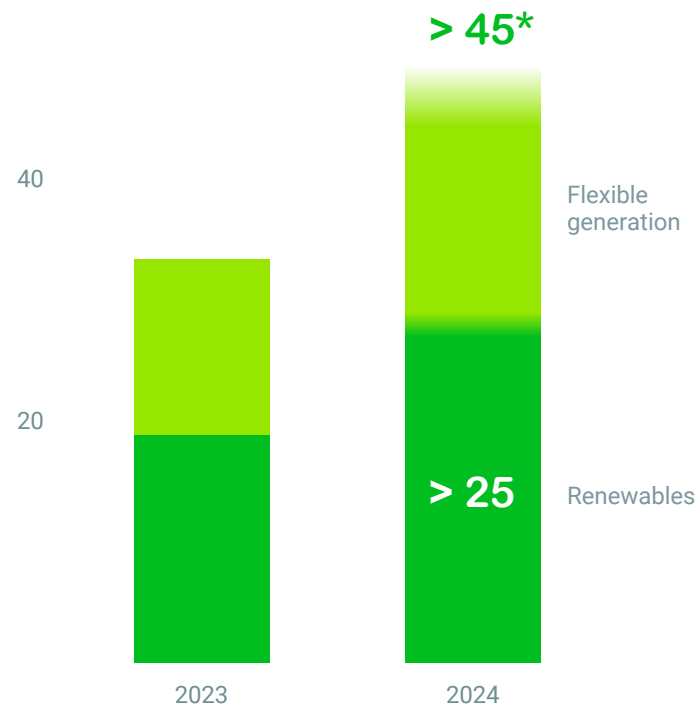
# Pursuing profitable expansion of Integrated Power



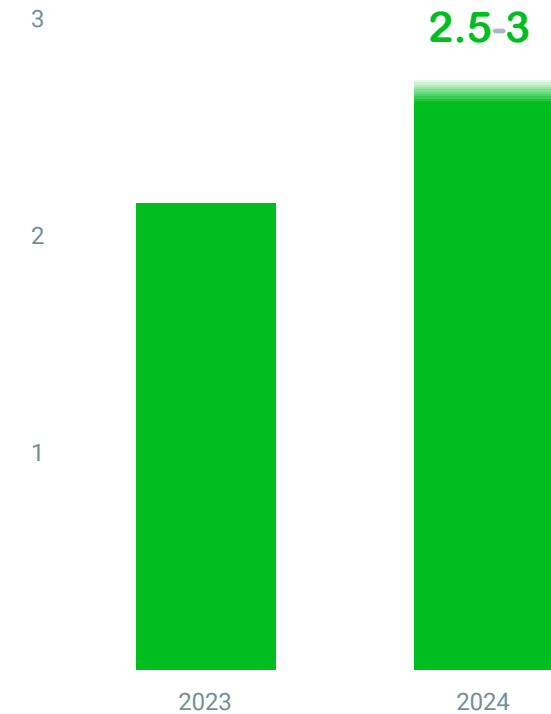
**Renewables Gross Capacity**  
GW



**Electricity generation**  
Company share, TWh



**CFFO**  
B\$



**~10% ROACE** in 2024



# Scaling up our integrated position in Texas

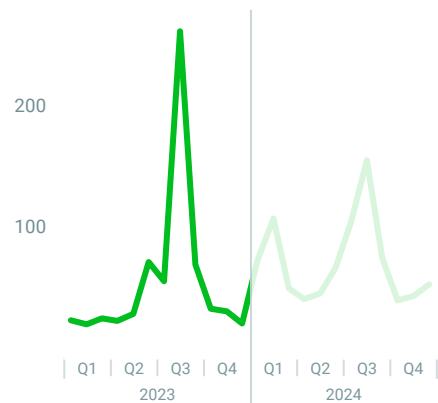
Maximize value from power price volatility



## Growing and volatile market

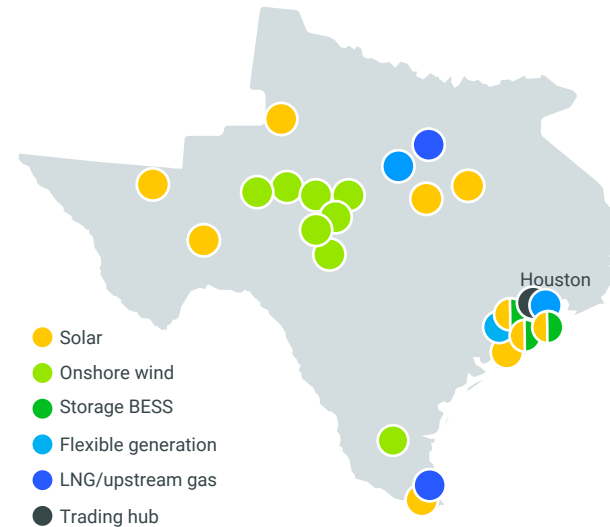
- Strong population and power demand growth
- Infrastructure bottlenecks
- Significant seasonality in demand and prices

### ERCOT Power price\* \$/MWh



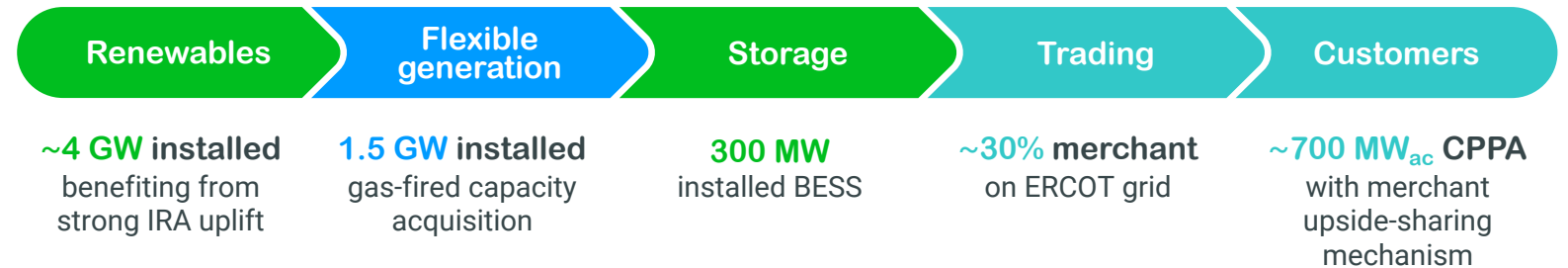
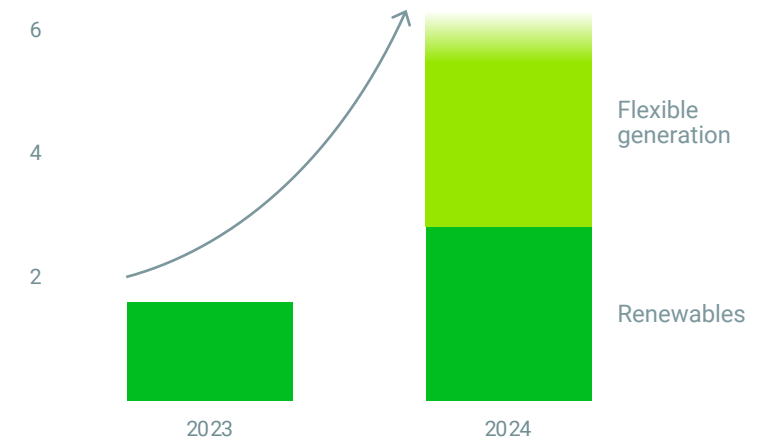
\* Forward price as of mid January 2024

## Main assets



## Electricity generation

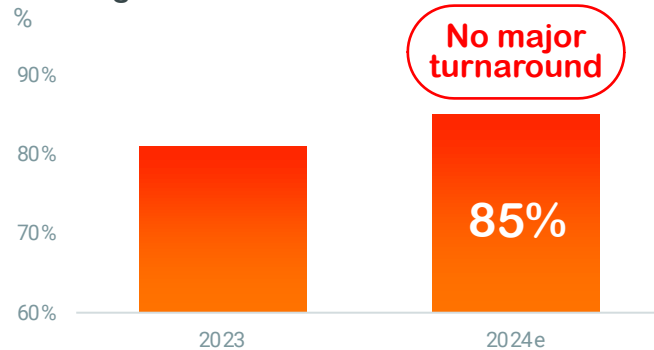
Company share, TWh



# Downstream: cash and transition

## Delivering value

Refining utilization rate



### Mixed downstream environment

- Refining supported by consequences of ban on Russian crude and products and by geopolitical tensions
- Petrochemicals impacted by a weak polymer demand

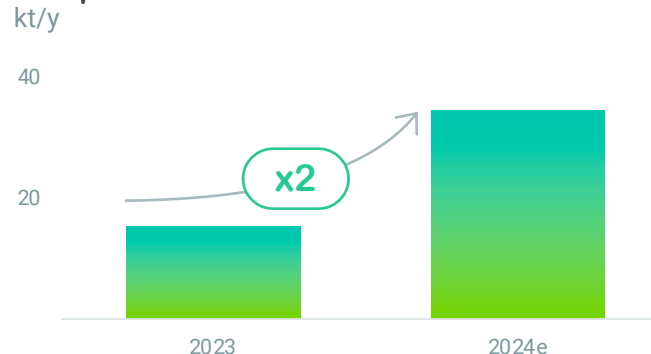
### Upgrade assets

Donges refinery modernization - Start-up mid-2024

### Deliver energy efficiency program

## Transitioning profitably

SAF production



### Focus on project delivery

- Projects in La Mède & Normandie
- Progress Grandpuits conversion (210 kt/y in 2025)
- Targeting projects in Asia

### Feedstock > 85% waste and residues

## Growing EV in Europe



### Advancing EV hubs development in scarce prime locations in Europe

End 2024: > 600 Hubs

### Focusing on HPC on highways and hubs

End 2024: > 3,000 HPC

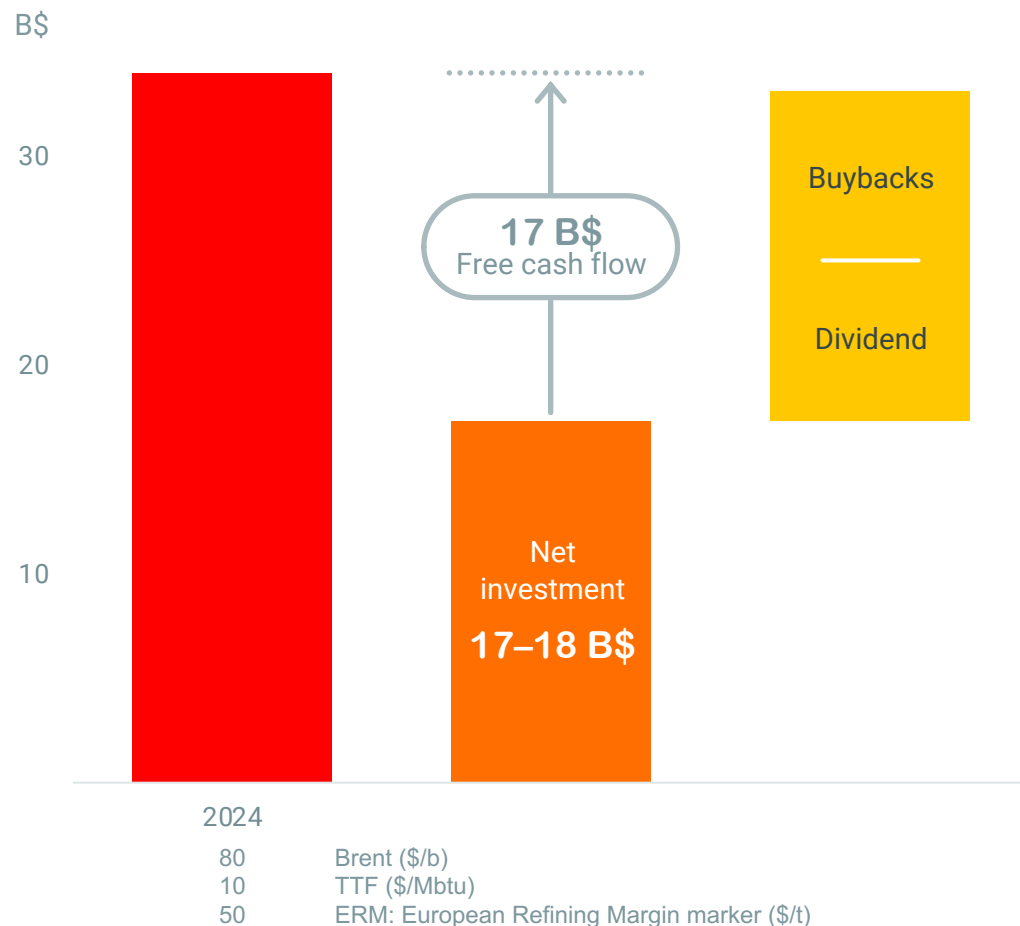
~7 B\$\* Downstream CFFO in 2024

# Strong free cash flow and shareholder returns

On track to deliver > 100 B\$ FCF over 2023-28 at 80 \$/b



## 2024 CFFO and cash flow allocation



> **40% CFFO payout** supported by strong balance sheet

2023 dividend growth **+7%**: 3.01 vs 2.81 €/share

Buybacks for 1Q-24: maintaining **2 B\$/qtr**

### 2024 CFFO sensitivities

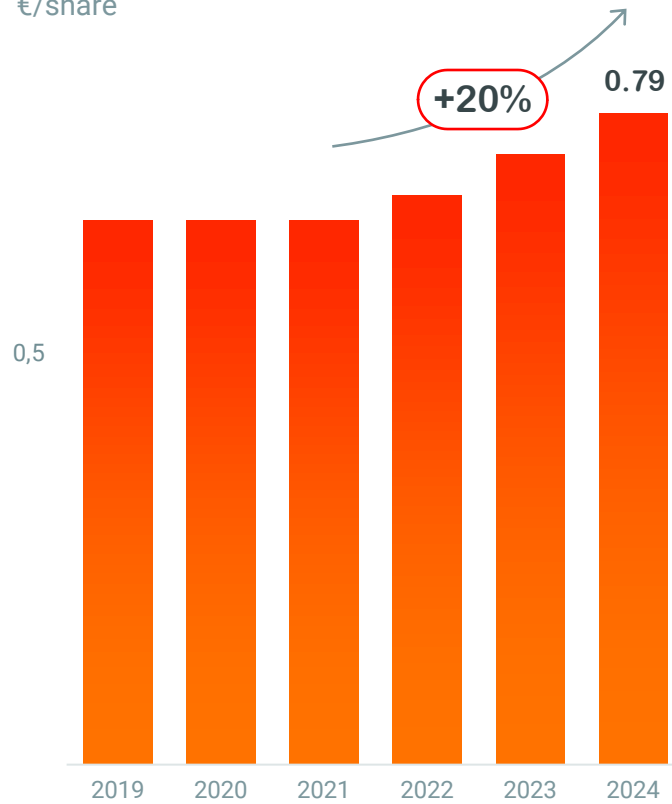
- **+2.8 B\$/y** for +10 \$/b Brent
- **+0.4 B\$/y** for +2 \$/Mbtu TTF/NBP
- **+0.5 B\$/y** for +10 \$/t ERM



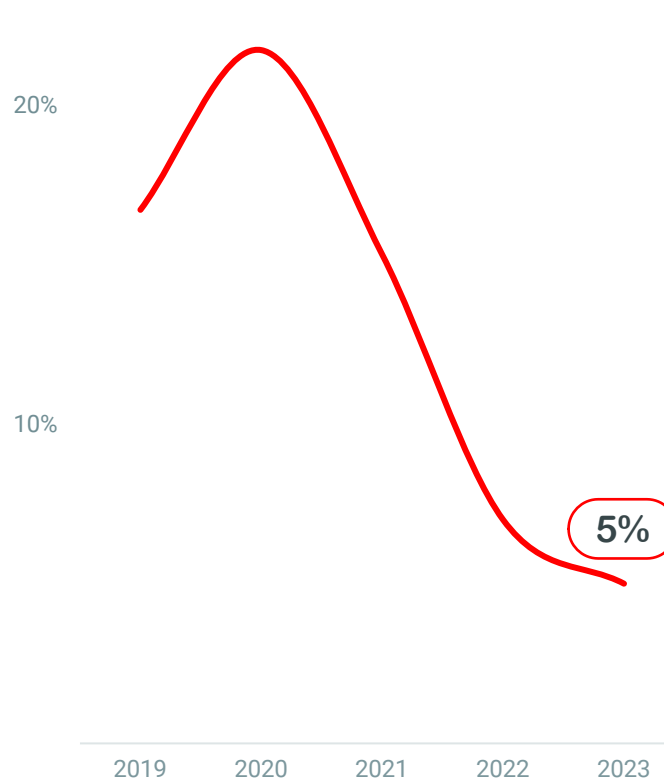
# Growing steadily shareholder distributions while deleveraging



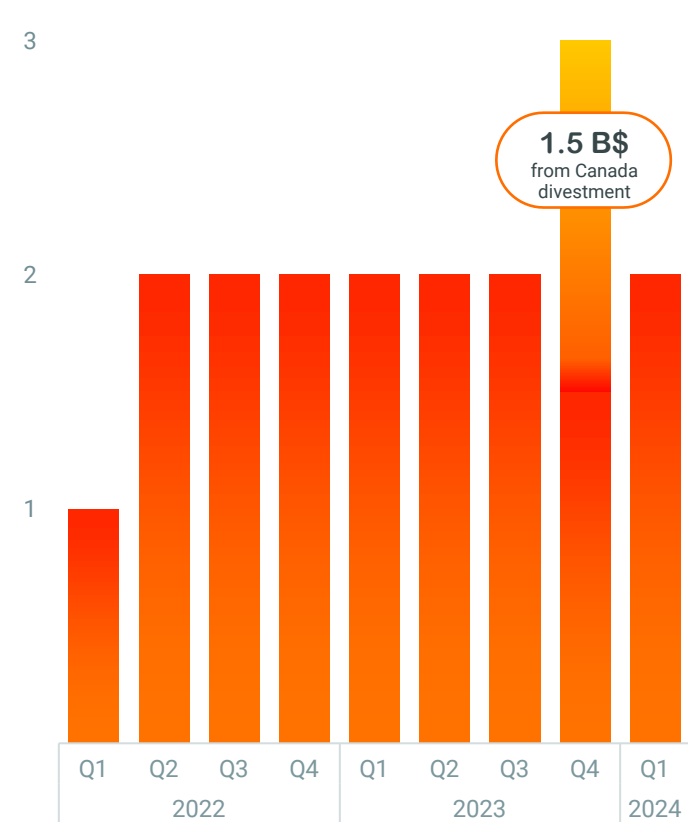
**Quarterly dividend**  
€/share



**Gearing ratio**  
Excluding leases, at year-end



**Buybacks**  
B\$

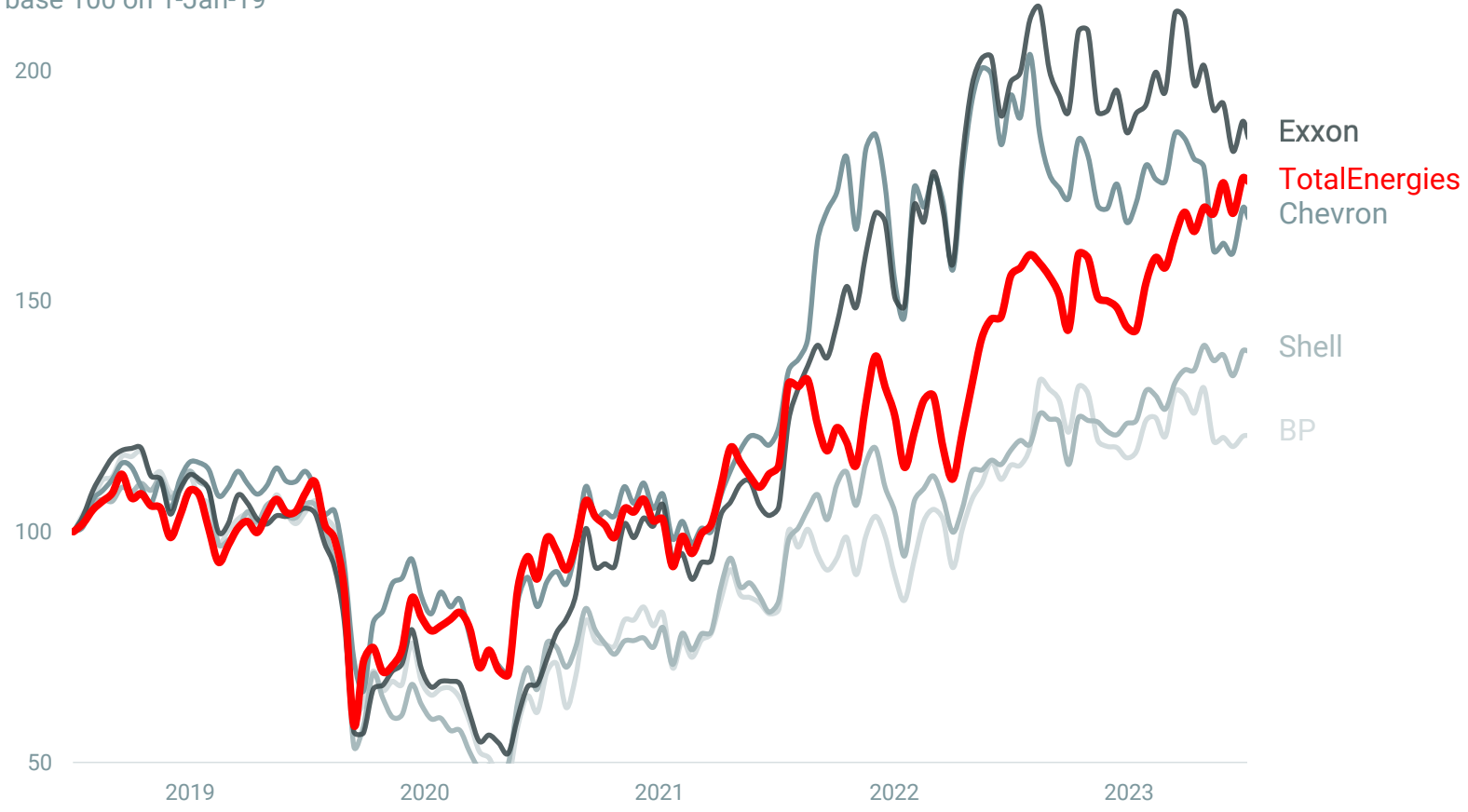




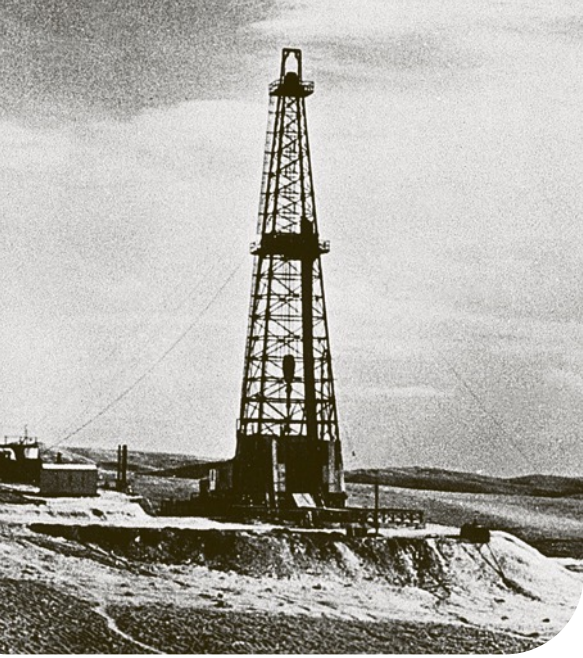
# Leading performance while transitioning



Total shareholder return (TSR)  
base 100 on 1-Jan-19







Pioneers  
for  
**100**  
years







# Appendix

# Cash flow allocation



1

## Dividend

A sustainable ordinary dividend through the cycles (no dividend cut in 2020)

Dividend increase supported by share buybacks and underlying cash flow growth

2

## Capex

Capex supporting balanced multi-energy strategy

14–18 B\$/y through cycles

3

## Balance sheet

Grade A credit rating through the cycles

Flexibility to capture counter-cyclical opportunities

Targeting AA credit rating

4

## Surplus cash flow

Sharing surplus cash flow from high oil and gas prices through buybacks + special dividends in case of very high prices

2024

**+7%**

for 2023 final dividend and 2024 interim dividends: **0.79 €/sh**

**17–18 B\$**

~33% in Low-carbon Energies

**5%**

Gearing at end 2023

**2 B\$**

in 1<sup>st</sup> quarter 2024

**> 40% payout through the cycles**

# Disclaimer



The terms "TotalEnergies", "TotalEnergies company" and "Company" in this document are used to designate TotalEnergies SE and the consolidated entities directly or indirectly controlled by TotalEnergies SE. Likewise, the words "we", "us" and "our" may also be used to refer to these entities or their employees. The entities in which TotalEnergies SE directly or indirectly owns a shareholding are separate and independent legal entities.

This document may contain forward-looking statements (including forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995), notably with respect to the financial condition, results of operations, business activities and industrial strategy of TotalEnergies. This document may also contain statements regarding the perspectives, objectives, areas of improvement and goals of TotalEnergies, including with respect to climate change and carbon neutrality (net zero emissions). An ambition expresses an outcome desired by TotalEnergies, it being specified that the means to be deployed do not depend solely on TotalEnergies. These forward-looking statements may generally be identified by the use of the future or conditional tense or forward-looking words such as "envisions", "intends", "anticipates", "believes", "considers", "plans", "expects", "thinks", "targets", "aims" or similar terminology. Such forward-looking statements included in this document are based on economic data, estimates and assumptions prepared in a given economic, competitive and regulatory environment and considered to be reasonable by TotalEnergies as of the date of this document. These forward-looking statements are not historical data and should not be interpreted as assurances that the perspectives, objectives or goals announced will be achieved. They may prove to be inaccurate in the future, and may evolve or be modified with a significant difference between the actual results and those initially estimated, due to the uncertainties notably related to the economic, financial, competitive and regulatory environment, or due to the occurrence of risk factors, such as, notably, the price fluctuations in crude oil and natural gas, the evolution of the demand and price of petroleum products, the changes in production results and reserves estimates, the ability to achieve cost reductions and operating efficiencies without unduly disrupting business operations, changes in laws and regulations including those related to the environment and climate, currency fluctuations, as well as economic and political developments, changes in market conditions, loss of market share and changes in consumer preferences, or pandemics such as the COVID-19 pandemic. Additionally, certain financial information is based on estimates particularly in the assessment of the recoverable value of assets and potential impairments of assets relating thereto. Neither TotalEnergies SE nor any of its subsidiaries assumes any obligation to update publicly any forward-looking information or statement, objectives or trends contained in this document whether as a result of new information, future events or otherwise. The information on risk factors that could have a significant adverse effect on TotalEnergies' business, financial condition, including its operating income and cash flow, reputation, outlook or the value of financial instruments issued by TotalEnergies is provided in the most recent version of the Universal Registration Document which is filed by TotalEnergies SE with the French Autorité des Marchés Financiers and the annual report on Form 20-F filed with the United States Securities and Exchange Commission ("SEC").

Financial information by business segment is reported in accordance with the internal reporting system and shows internal segment information that is used to manage and measure the performance of TotalEnergies. In addition to IFRS measures, certain alternative performance indicators are presented, such as performance indicators excluding the adjustment items described below (adjusted operating income, adjusted net operating income, adjusted net income), return on equity (ROE), return on average capital employed (ROACE), gearing ratio, operating cash flow before working capital changes, the shareholder rate of return. These indicators are meant to facilitate the analysis of the financial performance of TotalEnergies and the comparison of income between periods. They allow investors to track the measures used internally to manage and measure the performance of TotalEnergies.

These adjustment items include:

## 1. Special items

Due to their unusual nature or particular significance, certain transactions qualifying as "special items" are excluded from the business segment figures. In general, special items relate to transactions that are significant, infrequent or unusual. However, in certain instances, transactions such as restructuring costs or assets disposals, which are not considered to be representative of the normal course of business, may qualify as special items although they may have occurred in prior years or are likely to occur in following years.

## 2. Inventory valuation effect

In accordance with IAS 2, TotalEnergies values inventories of petroleum products in its financial statements according to the First-In, First-Out (FIFO) method and other inventories using the weighted-average cost method. Under the FIFO method, the cost of inventory is based on the historic cost of acquisition or manufacture rather than the current replacement cost. In volatile energy markets, this can have a significant distorting effect on the reported income. Accordingly, the adjusted results of the Refining & Chemicals and Marketing & Services segments are presented according to the replacement cost method. This method is used to assess the segments' performance and facilitate the comparability of the segments' performance with those of its main competitors.

In the replacement cost method, which approximates the Last-In, First-Out (LIFO) method, the variation of inventory values in the statement of income is, depending on the nature of the inventory, determined using either the month-end prices differential between one period and another or the average prices of the period rather than the historical value. The inventory valuation effect is the difference between the results under the FIFO and the replacement cost methods.

## 3. Effect of changes in fair value

The effect of changes in fair value presented as an adjustment item reflects, for trading inventories and storage contracts, differences between internal measures of performance used by TotalEnergies' Executive Committee and the accounting for these transactions under IFRS.

IFRS requires that trading inventories be recorded at their fair value using period-end spot prices. In order to best reflect the management of economic exposure through derivative transactions, internal indicators used to measure performance include valuations of trading inventories based on forward prices.

TotalEnergies, in its trading activities, enters into storage contracts, whose future effects are recorded at fair value in TotalEnergies' internal economic performance. IFRS precludes recognition of this fair value effect.

Furthermore, TotalEnergies enters into derivative instruments to risk manage certain operational contracts or assets. Under IFRS, these derivatives are recorded at fair value while the underlying operational transactions are recorded as they occur. Internal indicators defer the fair value on derivatives to match with the transaction occurrence.

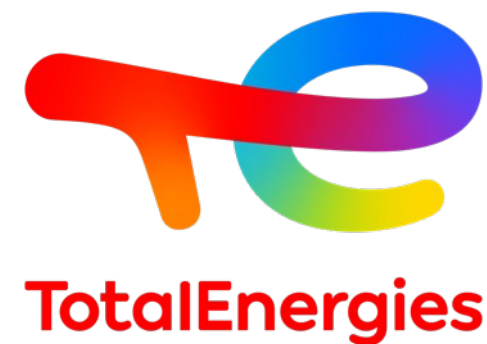
The adjusted results (adjusted operating income, adjusted net operating income, adjusted net income) are defined as replacement cost results, adjusted for special items, excluding the effect of changes in fair value.

Euro amounts presented for the fully adjusted-diluted earnings per share represent dollar amounts converted at the average euro-dollar (€-\$) exchange rate for the applicable period and are not the result of financial statements prepared in euros.

Cautionary Note to U.S. Investors – The SEC permits oil and gas companies, in their filings with the SEC, to separately disclose proved, probable and possible reserves that a company has determined in accordance with SEC rules. We may use certain terms in this document, such as "potential reserves", "future reserves" or "resources", that the SEC's guidelines strictly prohibit us from including in filings with the SEC. U.S. investors are urged to consider closely the disclosure in the Form 20-F of TotalEnergies SE, File N° 1-10888, available from us at 2, place Jean Millier – Arche Nord Coupole/Regnault - 92078 Paris-La Défense Cedex, France, or at our website [totalenergies.com](http://totalenergies.com). You can also obtain this form from the SEC by calling 1-800-SEC-0330 or on the SEC's website [sec.gov](http://sec.gov).

**Corporate Communications**  
**TotalEnergies SE**

2, place Jean-Millier  
92400 Courbevoie, France  
Tel.: +33 (0)1 47 44 45 46  
Share capital: €6,030,629,587.50  
Registered in Nanterre: RCS 542 051 180



For more information go to  
[totalenergies.com](https://totalenergies.com)

