

**TotalEnergies**

Chairman of the Board  
Chief Executive Officer

BY EMAIL

Chair Gary Gensler

U.S. Securities and Exchange Commission

100 F Street, NE

Washington, DC 20549-1090

rule-comments@sec.gov

Paris, June 17, 2022

Subject: Request for Public Input on The Enhancement and Standardization of Climate-Related Disclosures for Investors, File Number S7-10-22

Dear Chair Gensler,

TotalEnergies SE (“TotalEnergies”, “the Company”, or “we”) appreciates the opportunity to provide comments to the proposed climate change disclosure regulations (the “Proposed Rules”) issued by the U.S. Securities and Exchange Commission (the “SEC” or the “Commission”) and applauds the Commission’s effort to create requirements that would improve the consistency, comparability, and reliability of climate-related disclosures.

TotalEnergies is a global multi-energy company incorporated in France, listed on the NYSE, that produces and markets energies (oil, natural gas, renewables and electricity, biofuels, biogas) with activities in more than 130 countries involving over 100,000 employees. The Company is a major energy player in the United States investing in all segments of the energy transition, from oil & gas activities (production, refining and petrochemicals) to natural gas liquefaction, renewable energies, with participations in SunPower Corporation and Clearway Energy Group (subject to closing), contributing to a global US portfolio of solar & offshore wind projects of more than 25 GW in production or in development.

TotalEnergies’ ambition is to be a world-class player in the energy transition and get to net zero emissions by 2050, together with society. The Company is therefore transforming its business profile to create a large electricity and renewables segment, provide more energies to as many people as possible with less emissions and is deploying a specific action plan to reduce its emissions and lower the carbon intensity of its portfolio of products offered to its customers (see Attachment 2 for more details on this roadmap).

Our climate-related disclosures are an important part of these efforts and are included in our annual report on Form 20-F. Since 2016, the Company has also published on a yearly basis a report dedicated to the integration of Climate into its strategy. In March 2022, TotalEnergies released a Sustainability & Climate progress report presenting its vision as a Net Zero Company for 2050, together with society, along with the concrete set of actions that will enable the Company to meet its intermediate GHG reduction targets<sup>1</sup>.

---

<sup>1</sup> [https://totalenergies.com/system/files/documents/2022-03/Sustainability\\_Climate\\_2022\\_Progress\\_Report\\_EN\\_0.pdf](https://totalenergies.com/system/files/documents/2022-03/Sustainability_Climate_2022_Progress_Report_EN_0.pdf)

TotalEnergies was among the first companies to support the Task Force on Climate-related Financial Disclosures (TCFD), and actively participates in climate and sustainable development benchmarks (CDP, Climate Action 100+). We now embrace the opportunity to comply with more comprehensive and globally used climate-related disclosure standards.

We support the Commission's approach to create consistent and substantive regulation that we consider will promote transparency in the financial markets and provide investors with useful and comparable information regarding companies' exposures to climate-related risks and methods for addressing transition-related elements. We will encourage other jurisdictions to consider the Commission's approach as they undertake climate-related regulation or further refine their approaches to existing disclosure regulations.

We support the vast majority of the proposed rules. However, we believe that there are some aspects of these rules that the Commission should consider refining prior to adopting the final version, as set forth below in this letter and in our detailed answers in Attachment 1.

In general, TotalEnergies supports:

- An alignment of climate-related organizational and operational boundaries with financial boundaries: TotalEnergies believes that the SEC's proposal of an alignment of boundaries between financial and climate-related metrics will simplify disclosure and facilitate comparison between registrants.
- A concise disclosure of climate-related metrics in financial statements: TotalEnergies believes that the proposed financial impact metrics could help improve the current requirements with clarification, systematization, and homogeneity between the issuers, to the extent they remain fully compatible with existing accounting standards, and in particular the definition of materiality. In this respect, TotalEnergies believes that the proposal of a quantitative threshold of 1% on a line-by-line basis of financial statements to trigger disclosure would not bring additional useful information to users and could be replaced either by a threshold of at least 10% or by the materiality definitions already accepted by investors and legal institutions.  
Additionally, TotalEnergies considers that the proposed line-by-line impact evaluation would actually bring less clarity in the disclosures; we believe it could be replaced by an analysis of potential impacts by broad accounting topics, which are covering simultaneously several lines of the income statement, balance sheet and cash flows statement.
- The setting of harmonized rules on carbon emissions: TotalEnergies believes that harmonized rules will simplify disclosure for companies, highlight companies' performances and enable benchmarking for investors. In particular, Scope 3 emissions calculations will remain a challenge for many companies and could be clarified with the SEC providing some guidance on methodologies to be used, while acknowledging the intrinsic uncertainty associated with this publication (for example, allowing companies to publish a range). Currently, we observe that companies tend to use various methodologies, with some differences amongst them, deviating from the "consistent, comparable, and reliable disclosures" highlighted as a key objective in the Introduction of the Proposed Rules.
- A disclosure of carbon intensity metrics on Scope 1+2: TotalEnergies supports the SEC proposal to disclose the emissions from a company's facilities (Scope 1+2) in intensity, in order to facilitate company performance comparison for investors. As scope 1&2 refers to emissions from facilities, an intensity based on production, as proposed, is welcome. The other required intensity, based on total revenues, presents significant challenges for the energy sector (fluctuation mirroring the price volatility of the commodities we sell) and for integrated companies (fluctuation with the level of integration along a given value chain). We understand its consideration as a possible intensity metric but we would recommend that a choice be left for the registrant on those two intensity metrics (use of "or" rather than "and"): *"Using the sum of Scope 1 and 2 emissions, disclose GHG intensity in terms of metric tons of CO<sub>2</sub>e per unit of total revenue (using the registrant's reporting currency)" or "per unit of production relevant to the registrant's industry".*

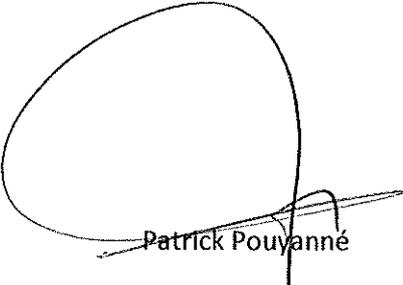
- A disclosure of Scope 3 intensities based on product sales: TotalEnergies believes that a scope 3 intensity based on “unit of production”, as proposed by SEC, would not reflect the fact that scope 3 is mainly (more than 90%) related for energy companies to the use of products by customers, i.e. their sales. Moreover, reporting scope 3 carbon intensity to “unit of product sales” would be a way to recognize that the energy transition is also demand driven and not only supply driven. We would therefore recommend a scope 3 intensity based on unit of product sales rather than unit of production. For the second proposed scope 3 intensity, based on Total Revenues, our comments are the same as for Scope 1 & 2 above (use of “or” rather than “and”).  
If the Commission considers that “unit of production” makes sense for some industries, we would highly recommend including another alternative *“Using the sum of Scope 3 emissions, disclose GHG intensity in terms of metric tons of CO2e per unit of total revenue (using the registrant's reporting currency)” or “per unit of production relevant to the registrant’s industry” or “per unit of product sales relevant to the registrant’s industry”*.
- Adoption of equivalency recognition and recognition of alternative reporting regimes (ISSB): TotalEnergies recommends that the Commission adopts an equivalency recognition for future reporting standards applicable to Foreign Private Issuers deemed to be substantially similar to the final rules, in line with the historical approach taken with respect to Foreign Private Issuers. Adopting an equivalency recognition would reduce the burden imposed on Foreign Private Issuers while continuing to provide investors with relevant and comparable climate-related disclosures. Furthermore, TotalEnergies encourages the recognition of appropriately climate-related reporting regimes including global sustainability standards bodies, such as ISSB, for both domestic and foreign registrants. This would also allow investors to have access to comparable climate-related disclosures, which is one of the Commission’s goals under the proposed rules.
- A disclosure of carbon pricing assumptions: for more than a decade TotalEnergies has advocated for the adoption of carbon pricing and applies an internal carbon price when evaluating its own projects. TotalEnergies hence supports the SEC’s proposal to disclose carbon pricing which is a useful tool for reaching net zero.

In this letter, we have provided our general views on the Proposed Rules, and in Attachment 1, we have responded to certain specific *Requests for Comment*, only where we believed it was impactful to explain our position of support or disagreement, without providing detailed answers for each question.

We hope that these comments are helpful to the Commission.

TotalEnergies remains at the disposal of the Commission and looks forward to continuing a fruitful dialogue.

With best regards,



Patrick Pouyanné

**Attachment 1** – Detailed answers to the Proposed Rules

**Attachment 2** – Extracts from TotalEnergies Sustainability & Climate 2022 Progress Report

**Attachment 1 – Detailed answers to the Proposed Rules**

Section	Question	Response
<p>- A -</p> <p><b>Overview of the Climate-Related Disclosure Framework</b></p>	<p>1. Should we add a new subpart to Regulation S-K and a new article to Regulation S-X that would require a registrant to disclose certain climate-related information, <u>as proposed</u>? <b>Yes</b>. Would including the climate-related disclosure in Regulation S-K and Regulation S-X facilitate the presentation of climate information as part of a registrant's regular business reporting? <b>Yes</b>. Should we instead place the climate-related disclosure requirements in a new regulation or report? <b>No</b>. Are there certain proposed provisions, such as GHG emissions disclosure requirements, that would be more appropriate under Regulation S-X than Regulation S-K?</p>	<p>Agreed as proposed</p>
	<p>2. If adopted, how will investors utilize the disclosures contemplated in this release to assess climate-related risks? How will investors use the information to assess the physical effects and related financial impacts from climate-related events? How will investors use the information to assess risks associated with a transition to a lower carbon economy?</p>	<p>Questions targeted to investors rather than corporates</p>
	<p>3. Should we model the Commission's climate-related disclosure framework in part on the framework recommended by the TCFD, <u>as proposed</u>? <b>Yes</b>. Would alignment with the TCFD help elicit climate-related disclosures that are consistent, comparable, and reliable for investors? <b>Yes</b>. Would alignment with the TCFD framework help mitigate the reporting burden for issuers and facilitate understanding of climate-related information by investors because the framework is widely used by companies in the United States and around the world? <b>Yes</b>. Are there aspects of the TCFD framework that we should not adopt? Should we instead adopt rules that are based on a different third-party framework? If so, which framework? Should we base the rules on something other than an existing third-party framework?</p>	<p>Agreed as proposed</p>
	<p>4. Do our current reporting requirements yield adequate and sufficient information regarding climate-related risks to allow investors to make informed decisions? In lieu of, or in addition to the proposed amendments, should we provide updated guidance on how our existing rules may elicit better disclosure about climate-related risks?</p>	<p>No specific comment</p>
	<p>5. Should we require a registrant to present the climate-related disclosure in an appropriately captioned, separate part of the registration statement or annual report, <u>as proposed</u>? Should this disclosure instead be presented as part of the registrant's MD&amp;A? <b>We support having a captioned, separate part of the annual report but would also appreciate the option to include the disclosure in the MD&amp;A section.</b></p>	<p>Agreed as proposed. See comment.</p>
	<p>6. Should we permit a registrant to incorporate by reference some of the climate-related disclosure from other parts of the registration statement or annual report, <u>as proposed</u>? <b>Yes</b>. Should we permit a registrant to incorporate by reference climate-related disclosure that appears in a sustainability report if the registrant includes the incorporated by referenced disclosure as an exhibit to the registration statement or annual report? <b>Yes</b>. Are there some climate-related disclosure items, such as GHG emissions data, that we should not permit a registrant to incorporate by reference? <b>No</b>. Would requiring a registrant to include all of the proposed climate-related disclosures in a separate, appropriately captioned section, while precluding a registrant from incorporating by reference some or all of the climate-related disclosures, promote comparability and ease of use of the climate-related information for investors?</p>	<p>Agreed as proposed</p>
	<p>7. Should we permit a registrant to provide certain of the proposed climate-related disclosures in Commission filings other than the annual report or registration statement? For example, should we permit a registrant to provide information about board and management oversight of climate-related risks in its proxy statement?</p>	<p>No specific comment</p>

Section	Question	Response
<p><b>- B -</b></p> <p><b>Disclosure of Climate-Related Risks</b></p>	<p>8. Should we require a registrant to disclose any climate-related risks that are reasonably likely to have a material impact on the registrant, including on its business or consolidated financial statements, which may manifest over the short, medium, and long term, <u>as proposed</u>?</p> <p>If so, should we specify a particular time period, or minimum or maximum range of years, for “short,” “medium,” and “long term?” For example, should we define short term as 1 year, 1-3 years, or 1-5 years? Should we define medium term as 5-10 years, 5-15 years, or 5-20 years? Should we define long-term as 10-20 years, 20-30 years, or 30-50 years? Are there other possible years or ranges of years that we should consider as the definitions of short, medium, and long term? What, if any, are the benefits to leaving those terms undefined? What, if any, are the concerns to leaving those terms undefined? Would the proposed provision requiring a registrant to specify what it means by the short, medium, and long term mitigate any such concerns?</p>	<p>Agreed as proposed</p>
	<p>9. Should we define “climate-related risks” to mean the actual or potential negative impacts of climate-related conditions and events on a registrant’s consolidated financial statements, business operations, or value chains, <u>as proposed</u>?</p> <p>Should we define climate-related risks to include both physical and transition risks, <u>as proposed</u>?</p> <p>Should we define physical risks to include both acute and chronic risks and define each of those risks, <u>as proposed</u>?</p> <p>Should we define transition risks, <u>as proposed</u>?</p> <p>Are there any aspects of the definitions of climate-related risks, physical risks, acute risks, chronic risks, and transition risks that we should revise?</p> <p>Are there other distinctions among types of climate-related risks that we should use in our definitions? Are there any risks that we should add to the definition of transition risk?</p> <p>How should we address risks that may involve both physical and transition risks?</p>	<p>Agreed as proposed</p>
	<p>10. We define transition risks to include legal liability, litigation, or reputational risks. Should we provide more examples about these types of risks? Should we require more specific disclosures about how a registrant assesses and manages material legal liability, litigation, or reputational risks that may arise from a registrant’s business operations, climate mitigation efforts, or transition activities?</p>	<p>No specific comment</p>
	<p>11. Some chronic risks might give rise to acute risks, e.g., drought (a chronic risk) that increases acute risks, such as wildfires, or increased temperatures (a chronic risk) that increases acute risks, such as severe storms. Should we require a registrant to discuss how the acute and chronic risks they face may affect one another?</p>	<p>No specific comment</p>
	<p>12. For the location of its business operations, properties or processes subject to an identified material physical risk, should we require a registrant to provide the ZIP code of the location or, if located in a jurisdiction that does not use ZIP codes, a similar subnational postal zone or geographic location, <u>as proposed</u>? Is there another location identifier that we should use for all registrants, such as the county, province, municipality or other subnational jurisdiction? Would requiring granular location information, such as ZIP codes, present concerns about competitive harm or the physical security of assets? If so, how can we mitigate those concerns? Are there exceptions or exemptions to a granular location disclosure requirement that we should consider?</p>	<p>Agreed as proposed</p>

Section	Question	Response
	<p>13. If a registrant determines that the flooding of its buildings, plants, or properties is a material risk, should we require it to disclose the percentage of those assets that are in flood hazard areas in addition to their location, <u>as proposed</u>?</p> <p>Would such disclosure help investors evaluate the registrant’s exposure to physical risks related to floods? Should we require this disclosure from all registrants, including those that do not currently consider exposure to flooding to be a material physical risk? Should we require this disclosure from all registrants operating in certain industrial sectors and, if so, which sectors? Should we define “flood hazard area” or provide examples of such areas? If we should define the term, should we define it similar to a related definition by the Federal Emergency Management Agency (“FEMA”) as an area having flood, mudflow or flood-related erosion hazards, as depicted on a flood hazard boundary map or a flood insurance rate map? Should we require a registrant to disclose how it has defined “flood hazard area” or whether it has used particular maps or software tools when determining whether its buildings, plants, or properties are located in flood hazard areas?</p> <p>Should we recommend that certain maps be used to promote comparability?</p> <p>Should we require disclosure of whether a registrant’s assets are located in zones that are subject to other physical risks, such as in locations subject to wildfire risk?</p>	<p>Agreed as proposed</p>
	<p>14. If a material risk concerns the location of assets in regions of high or extremely high water stress, should we require a registrant to quantify the assets (e.g., book value and as a percentage of total assets) in those regions in addition to their location, <u>as proposed</u>?</p> <p>Should we also require such a registrant to disclose the percentage of its total water usage from water withdrawn in high or extremely high water stressed regions, <u>as proposed</u>?</p> <p>If so, should we include a definition of a “high water stressed region” similar to the definition provided by the World Resource Institute as a region where 40-80 percent of the water available to agricultural, domestic, and industrial users is withdrawn annually?</p> <p>Should we similarly define an “extremely high water stressed area” as a region where more than 80 percent of the water available to agricultural, domestic, and industrial users is withdrawn annually?</p> <p>Are there other definitions of high or extremely high water stressed areas we should use for purposes of this disclosure?</p> <p>Would these items of information help investors assess a registrant’s exposure to climate-related risks impacting water availability?</p> <p>Should we require the disclosure of these items of information from all registrants, including those that do not currently consider having assets in high water-stressed areas a material physical risk?</p> <p>Should we require these disclosures from all registrants operating in certain industrial sectors and, if so, which sectors?</p>	<p>Agreed as proposed</p>
	<p>15. Are there other specific metrics that would provide investors with a better understanding of the physical and transition risks facing registrants? How would investors benefit from the disclosure of any additional metrics that would not necessarily be disclosed or disclosed in a consistent manner by the proposed climate risk disclosures? What, if any, additional burdens would registrants face if they were required to disclose additional climate risk metrics?</p>	<p>No specific comment</p>
	<p>16. Are there other areas that should be included as examples in the definitions of acute or chronic risks? If so, for each example, please explain how the particular climate-related risk could materially impact a registrant’s operations or financial condition.</p>	<p>No specific comment</p>
	<p>17. Should we include the negative impacts on a registrant’s value chain in the definition of climate-related risks, <u>as proposed</u>? Should we define “value chain” to mean the upstream and downstream activities related to a registrant’s operations, <u>as proposed</u>? Are there any upstream or downstream activities included in the proposed definition of value chain that we should exclude or revise? Are there any upstream or downstream activities that we should add to the definition of value chain? Are there any upstream or downstream activities currently proposed that should not be included?</p>	<p>Agreed as proposed</p>

Section	Question	Response
	18. Should we define climate-related opportunities <u>as proposed</u> ? Should we permit a registrant, at its option, to disclose information about any climate-related opportunities that it is pursuing, such as the actual or potential impacts of those opportunities on the registrant, including its business or consolidated financial statements, <u>as proposed</u> ? Should we specifically require a registrant to provide disclosure about any climate-related opportunities that have materially impacted or are reasonably likely to impact materially the registrant, including its business or consolidated financial statements? Is there a risk that the disclosure of climate- related opportunities could be misleading and lead to “greenwashing”? If so, how should this risk be addressed?	Agreed as proposed
- C -  Disclosure Regarding Climate-Related Impacts on Strategy, Business Model, & Outlook	19. Should we require a registrant to describe the actual and potential impacts of its material climate-related risks on its strategy, business model, and outlook, <u>as proposed</u> ? Should we require a registrant to disclose impacts from climate-related risks on, or any resulting significant changes made to, its business operations, including the types and locations of its operations, <u>as proposed</u> ?	Agreed as proposed
	20. Should we require a registrant to disclose climate-related impacts on, or any resulting significant changes made to, its products or services, supply chain or value chain, activities to mitigate or adapt to climate-related risks, including adoption of new technologies or processes, expenditure for research and development, and any other significant changes or impacts, <u>as proposed</u> ? Are there any other aspects of a registrant’s business operations, strategy, or business model that we should specify as being subject to this disclosure requirement to the extent they may be impacted by climate-related factors? <u>N.a.</u>	Agreed as proposed
	21. Should we require a registrant to specify the time horizon applied when assessing its climate-related impacts (i.e., in the short, medium, or long term), <u>as proposed</u> ?	Agreed as proposed
	22. Should we require a registrant to discuss whether and how it considers any of the described impacts as part of its business strategy, financial planning, and capital allocation, <u>as proposed</u> ? Should we require a registrant to provide both current and forward-looking disclosures to facilitate an understanding of whether the implications of the identified climate- related risks have been integrated into the registrant’s business model or strategy, <u>as proposed</u> ? Would any of the proposed disclosures present competitive concerns for registrants? If so, how can we mitigate such concerns? <u>N.a.</u>	Agreed as proposed
	23. Should we require the disclosures to include how the registrant is using resources to mitigate climate-related risks, <u>as proposed</u> ? Should the required discussion also include how any of the metrics or targets referenced in the proposed climate-related disclosure subpart of Regulation S-K or Article 14 of Regulation S-X relate to the registrant’s business model or business strategy, <u>as proposed</u> ? Should we require additional disclosures if a registrant leverages climate-related financing instruments, such as green bonds or other forms of “sustainable finance” such as “sustainability-linked bonds,” “transition bonds,” or other financial instruments linked to climate change as part of its strategy to address climate-related risks and opportunities? For example, should we require disclosure of the climate-related projects that the registrant plans to use the green bond proceeds to fund? Should we require disclosure of key performance metrics tied to such financing instruments? <u>TotalEnergies recommends that additional disclosures not be required if a registrant leverages climate-related financing instruments, such as green bonds or other forms of “sustainable finance” such as “sustainability-linked bonds,” “transition bonds,” or other financial instruments linked to climate change as part of its strategy to address climate-related risks and opportunities. Disclosures in sustainable finance are often specific to the given instrument, relevant only to the investors who have decided to subscribe to that debt instrument and typically included in the terms and conditions and/or overall disclosure package that is provided to such investors. Currently, such forms of financing instruments and the sustainable finance market in general largely adhere to standards developed by the International Capital Market Association (ICMA). These standards provide clear guidelines and recommendations of what is acceptable and expected from investors and the market for such financing instruments, effectively already requiring registrants to disclose information in relation to address climate-related risks and opportunities.</u>	Agreed as proposed.  See comment

Section	Question	Response
	<p>24. If a registrant has used carbon offsets or RECs, should we require the registrant to disclose the role that the offsets or RECs play in its overall strategy to reduce its net carbon emissions, <u>as proposed</u>? <b>Yes.</b></p> <p>Should the proposed definitions of carbon offsets and RECs be clarified or expanded in any way? <b>TotalEnergies supports carbon offset mechanisms as we believe that they are necessary to achieve carbon neutrality, through organized and certified markets ensuring the quality and sustainability of carbon credits. To ensure the quality of Carbon Offsets, TotalEnergies would support a more restrictive definition than the proposed SEC definition, for example adding compliance with ISO 14064-2 (ref. ISO 14064-2:2019 - Greenhouse gases — Part 2: Specification with guidance at the project level for quantification, monitoring and reporting of greenhouse gas emission reductions or removal enhancements).</b></p> <p>Are there specific considerations about the use of carbon offsets or RECs that we should require to be disclosed in a registrant's discussion regarding how climate- related factors have impacted its strategy, business model, and outlook? <b>n.a.</b></p>	<p>Agreed as proposed.</p> <p>See comment</p>
	<p>25. Should we require a registrant to provide a narrative discussion of whether and how any of its identified climate-related risks have affected or are reasonably likely to affect its consolidated financial statements, <u>as proposed</u>?</p> <p>Should the discussion include any of the financial statement metrics in proposed 17 CFR 210.14-02 (14-02 of Regulation S-X) that demonstrate that the identified climate-related risks have had a material impact on reported operations, <u>as proposed</u>?</p> <p>Should the discussion include a tabular representation of such metrics?</p>	<p>Agreed as proposed</p>
	<p>26. Should we require registrants to disclose information about an internal carbon price if they maintain one, <u>as proposed</u>?</p> <p>If so, should we require that the registrant disclose:</p> <ul style="list-style-type: none"> <li>• The price in units of the registrant's reporting currency per metric ton of CO2e;</li> <li>• The total price;</li> <li>• The boundaries for measurement of overall CO2e on which the total price is based if different from the GHG emission organizational boundary required pursuant to 17 CFR 210.14-03(d)(4); and</li> <li>• The rationale for selecting the internal or shadow carbon price applied, <u>as proposed</u>?</li> </ul> <p>Should we also require registrants to describe the methodology used to calculate its internal carbon price?</p> <p><b>TotalEnergies supports the above as proposed and believes that the disclosure of the methodology should not be required.</b></p>	<p>Agreed as proposed.</p> <p>See additional comment.</p>
	<p>27. Should we also require a registrant to disclose how it uses the described internal carbon price to evaluate and manage climate-related risks, <u>as proposed</u>?</p> <p>Should we further require a registrant that uses more than one internal carbon price to provide the above disclosures for each internal carbon price, and disclose its reasons for using different prices, <u>as proposed</u>?</p> <p>Are there other aspects regarding the use of an internal carbon price that we should require to be disclosed?</p> <p>Would disclosure regarding any internal carbon price maintained by a registrant elicit important or material information for investors?</p> <p>Would requiring the disclosure of the registrant's use of an internal carbon price raise competitive harm concerns that would act as a disincentive from the use of an internal carbon price? If so, should the Commission provide an accommodation that would mitigate those concerns? For example, are there exceptions or exemptions to an internal carbon price disclosure requirement that we should consider?</p>	<p>Agreed as proposed</p>

Section	Question	Response
	<p>28. To the extent that disclosure that incorporates or is based on an internal carbon price constitutes forward-looking information, the PSLRA safe harbors would apply. Should we adopt a separate safe harbor for internal carbon price disclosure? <b>No</b>. If so, what disclosures should such a safe harbor cover and what should the conditions be for such a safe harbor? <b>N.a.</b></p> <p>Safe harbors, in general, will encourage registrants to provide detailed and robust disclosures relating to their goals and forward-looking scenarios. As discussed in various sections of the proposed rule, to the extent that disclosures incorporate or are based on an internal carbon price, scenario analysis, transition plan or climate-related targets or goals constitute forward-looking information, Private Securities Litigation Reform Act (PSLRA) safe harbors would apply. TotalEnergies agrees with the Commission that PSLRA safe harbors should apply due to these disclosures being similar to other types of disclosures that include forward-looking statements. Indeed, these disclosures may include a higher level of estimates and assumptions by nature, and therefore should be covered by the protections of the PSLRA. TotalEnergies recommends the application of PSLRA forward-looking safe harbors to climate-related and other forward-looking information and statements made in response to specified climate-related disclosure items, such as proposed Item 1502 (Strategy, business model, and outlook) and 1506 (Targets and goals).</p>	<p>Agreed as proposed. See additional comment.</p>
	<p>29. Should we require all registrants to disclose an internal carbon price and prescribe a methodology for determining that price? <b>No, should remain at the initiative of the registrant, as proposed.</b></p> <p>If so, what corresponding disclosure requirements should we include in connection with such mandated carbon price? What methodology, if any, should we prescribe for calculating a mandatory internal or shadow carbon price? Would a different metric better elicit disclosure that would monetize emissions?</p>	<p>No request to go beyond what is proposed.</p>
	<p>30. Should we require a registrant to disclose analytical tools, such as scenario analysis, that it uses to assess the impact of climate-related risks on its business and consolidated financial statements, and to support the resilience of its strategy and business model, <b>as proposed</b>? What other analytical tools do registrants use for these purposes, and should we require disclosure of these other tools? <b>No, should remain at the initiative of the registrant.</b></p> <p>Are there other situations in which some registrants should be required to conduct and provide disclosure of scenario analysis? Alternatively, should we require all registrants to provide scenario analysis disclosure?</p> <p>If a registrant does provide scenario analysis disclosure, should we require it to follow certain publicly available scenario models, such as those published by the IPCC, the IEA, or NGFS and, if so, which scenarios? <b>No, should remain at the initiative of the registrant.</b></p> <p>Should we require a registrant providing scenario analysis disclosure to include the scenarios considered (e.g., an increase of global temperature of no greater than 3 °, 2 °, or 1.5 °C above pre-industrial levels), the parameters, assumptions, and analytical choices, and the projected principal financial impacts on the registrant's business strategy under each scenario, <b>as proposed</b>?</p> <p>Are there any other aspects of scenario analysis that we should require registrants to disclose? <b>No, should remain at the initiative of the registrant.</b> For example, should we require a registrant using scenario analysis to consider a scenario that assumes a disorderly transition? Is there a need for us to provide additional guidance regarding scenario analysis? Are there any aspects of scenario analysis in our proposed required disclosure that we should exclude? Should we also require a registrant that does not use scenario analysis to disclose that it has not used this analytical tool? Should we also require a registrant to disclose its reasons for not using scenario analysis? Will requiring disclosure of scenario analysis if and when a registrant performs scenario analysis discourage registrants from conducting scenario analysis? If so, and to the extent scenario analysis is a useful tool for building strategic resilience, how could our regulations prevent such consequences?</p>	<p>Agreed as proposed.</p> <p>See additional comments (no request for any additional requirements, beyond what is proposed)</p>
	<p>31. Would the PSLRA forward-looking statement safe harbors provide adequate protection for the proposed scenario analysis disclosure? <b>Yes</b>. Should we instead adopt a separate safe harbor for scenario analysis disclosure? <b>No</b>. If so, what disclosures should such a safe harbor cover that would not be covered by the PSLRA safe harbors and what should the conditions be for such a safe harbor?</p> <p>See answer to question 28.</p>	<p>See comments</p>

Section	Question	Response
	<p>32. Should we adopt a provision similar to 17 CFR 229.305(d) that would apply the PSLRA forward-looking statement safe harbor to forward-looking statements made in response to specified climate-related disclosure items, such as <u>as proposed</u> Item 1502 and Item 1505 (concerning targets and goals) of Regulation S-K? <u>Yes</u>. If so, which proposed items should we specifically include in the safe harbor? <a href="#">See answer to question 28.</a></p>	<p><a href="#">See comments</a></p>
	<p>33. <u>As proposed</u>, a registrant may provide disclosure regarding any climate-related opportunities when responding to any of the provisions under proposed 17 CFR 229.1502 (Item 1502). Should we require disclosure of climate-related opportunities under any or all of the proposed Item 1502 provisions? <u>No, should remain at the initiative of the registrant.</u></p>	<p><a href="#">Agreed as proposed.</a> <a href="#">No request to deviate or go beyond what is proposed.</a></p>

Section	Question	Response
<p>- D -</p> <p><b>Governance Disclosure</b></p>	<p>34. Should we require a registrant to describe, as applicable, the board's oversight of climate-related risks, as proposed? <a href="#">Yes</a>.</p> <p>Should the required disclosure include whether any board member has expertise in climate-related risks and, if so, a description of the nature of the expertise, <a href="#">as proposed</a>? <a href="#">See answer below</a>. Should we also require a registrant to identify the board members or board committee responsible for the oversight of climate-related risks, <a href="#">as proposed</a>? <a href="#">Yes</a>. Do our current rules, which require a registrant to provide the business experience of its board members, elicit adequate disclosure about a board member's or executive officer's expertise relevant to the oversight of climate-related risks? <a href="#">See answer below</a>.</p> <p>TotalEnergies supports the proposal to describe the board's oversight of climate-related risks and management' role in assessing and managing climate-related risks. We agree that providing such information can be helpful to investors in evaluating how a company addresses climate-related risks. However, companies should not be required to disclose whether a director or executive officer has expertise in climate-related risks. With respect to board members, we would note that a board acts as a body, either as an entire body or as designated committees of the board, and directors do not act in their individual capacity. Therefore, we consider that the overall competency of the board coupled with how the board chooses to self-educate and enhance its competency with respect to relevant areas of oversight should be relied upon in this regard, instead of calling out a specific area of oversight, in this case, climate-related matters, for a unique level of expertise. We also note that what would qualify a person as an "expert" in climate-related risks is something likely to change and shift over time, both generally and for specific companies as their approach to managing and mitigating climate-related matters grows and evolves. We further note that TotalEnergies' annual report on Form 20-F includes details on the climate-related business experience and competency of its directors, which we do think is consistent with an approach that could be taken by the Commission – specifically, the Commission could clarify that its existing disclosure regulations requiring the description of the business experience of directors and executive officers should be used to provide details on the competency of any such individuals with respect to climate-related matters. At the end, oversight is the responsibility of the board as a collective unit and not of the individual members.</p> <p>TotalEnergies also provides detailed information regarding the business experience of its executive officers, as currently required, and believes this adequate disclosure. We note that ultimately, whether a company's board decides to acquire climate-related support through internal hiring or through relying on outside experts should be left to the discretion of the board, acting in accordance with the articles of association of TotalEnergies and its fiduciary duties.</p> <p>As disclosed in its annual report on Form 20-F, at TotalEnergies, the Chairman and Chief Executive Officer, assisted by the Executive Committee, in accordance with the long-term strategic direction set by the Board of Directors, implements the strategy of the Company while making sure that climate change challenges are taken into account and detailed in the operational road maps.</p> <p>As a final matter regarding this topic, if it is a requirement to disclose the nature of a director or executive officer's expertise and to identify such persons, such individuals should not face greater liability as a result of this identification. TotalEnergies considers that to the extent the Commission would require registrants to identify board members or executive officers having such responsibility or expertise, or occupying such positions then the Commission should also provide a safe harbor to such individuals, similar to that applicable to directors with audit committee financial expertise and as proposed in the recent cybersecurity disclosure proposed rules.</p>	<p>See comments</p>

Section	Question	Response
	35. Should we require a registrant to disclose the processes and frequency by which the board or board committee discusses climate-related risks, <u>as proposed</u> ?	Agreed as proposed
	36. Should we require a registrant to disclose whether and how the board or board committee considers climate-related risks as part of its business strategy, risk management, and financial oversight, <u>as proposed</u> ? Would the proposed disclosure raise competitive harm concerns? If so, how could we address those concerns while requiring additional information for investors about how a registrant's board oversees climate-related risks?	Agreed as proposed
	37. Should we require a registrant to disclose whether and how the board sets climate-related targets or goals, <u>as proposed</u> ? Should the required disclosure include how the board oversees progress against those targets or goals, including whether it establishes any interim targets or goals, <u>as proposed</u> ? Would the proposed disclosure raise competitive harm concerns? If so, how could we address those concerns while requiring additional information for investors about how a registrant's board oversees the setting of any climate-related targets or goals?	Agreed as proposed
	38. Should we require a registrant to describe, as applicable, management's role in assessing and managing climate-related risks, <u>as proposed</u> ? <b>Yes.</b> Should the required disclosure include whether certain management positions or committees are responsible for assessing and managing climate-related risks and, if so, the identity of such positions or committees, and the relevant expertise of the position holders or members in such detail as necessary to fully describe the nature of the expertise, <u>as proposed</u> ? <a href="#">See answer to question 34.</a> Should we require a registrant to identify the executive officer(s) occupying such position(s)? <a href="#">See answer to question 34.</a> Or do our current rules, which require a registrant to provide the business experience of its executive officers, elicit adequate disclosure about management's expertise relevant to the oversight of climate-related risks? <a href="#">See answer to question 34.</a>	See comments
	39. Should we require a registrant to describe the processes by which the management positions or committees responsible for climate-related risks are informed about and monitor climate-related risks, <u>as proposed</u> ? Should we also require a registrant to disclose whether and how frequently such positions or committees report to the board or a committee of the board on climate-related risks, <u>as proposed</u> ?	Agreed as proposed
	40. Should we specifically require a registrant to disclose any connection between executive remuneration and the achievement of climate-related targets and goals? Is there a need for such a requirement in addition to the executive compensation disclosure required by 17 CFR 229.402(b)? <a href="#">The compensation policy of TotalEnergies' Chairman and Chief Executive Officer is decided by the Board of Directors, consistent with the AFEP-MEDEF's recommendations, and on the proposal of the Compensation Committee and takes account of the comments of investors and proxy advisors. This compensation policy provides for a performance criteria in line with the Company's long-term strategy, taking into account its CSR impact in particular. Both the quantifiable targets and qualitative criteria of the annual variable compensation include climate-related targets. Similar to the position taken in France where this type of disclosure is recommended but not required, TotalEnergies does not believe it necessary to make a specific requirement to disclose any connection between executive remuneration and the achievement of climate-related targets and goals.</a>	See comments
	41. <u>As proposed</u> , a registrant may disclose the board's oversight of, and management's role in assessing and managing, climate-related opportunities. Should we require a registrant to disclose these items? <a href="#">No, it should remain at the initiative of the registrant.</a>	Agreed as proposed. See comment

Section	Question	Response
- E -	42. Should we require a registrant to describe its processes for identifying, assessing, and managing climate-related risks, <u>as proposed</u> ?	Agreed as proposed
Risk Management Disclosure	<p>43. When describing the processes for identifying and assessing climate-related risks, should we require a registrant to disclose, as applicable, <u>as proposed</u>:</p> <ul style="list-style-type: none"> <li>• How the registrant determines the relative significance of climate-related risks compared to other risks?</li> <li>• How it considers existing or likely regulatory requirements or policies, such as emissions limits, when identifying climate-related risks?</li> <li>• How it considers shifts in customer or counterparty preferences, technological changes, or changes in market prices in assessing potential transition risks?</li> <li>• How the registrant determines the materiality of climate-related risks, including how it assesses the potential size and scope of an identified climate-related risk?</li> </ul> <p>Are there other items relevant to a registrant's identification and assessment of climate-related risks that we should require it to disclose instead of or in addition to the proposed disclosure items? <a href="#">It should remain at the initiative of the registrant.</a></p>	<p>Agreed as proposed.</p> <p>See comment</p>
	<p>44. When describing the processes for managing climate-related risks, should we require a registrant to disclose, as applicable, <u>as proposed</u>:</p> <ul style="list-style-type: none"> <li>• How it decides whether to mitigate, accept, or adapt to a particular risk?</li> <li>• How it prioritizes climate-related risks?</li> <li>• How it determines to mitigate a high priority risk?</li> </ul> <p>Are there other items relevant to a registrant's management of climate-related risks that we should require it to disclose instead of or in addition to the proposed disclosure items? <a href="#">It should remain at the initiative of the registrant.</a></p>	<p>Agreed as proposed.</p> <p>See comment</p>
	<p>45. Should we require a registrant to disclose whether and how the processes described in response to proposed 17 CFR 229.1503(a) are integrated into the registrant's overall risk management system or processes, <u>as proposed</u>? Should we specify any particular aspect of this arrangement that a registrant should disclose, such as any interaction between, and corresponding roles of, the board or any management committee responsible for assessing climate-related risks, if there is a separate and distinct committee of the board or management, and the registrant's committee in charge, generally, of risk assessment and management? <a href="#">It should remain at the initiative of the registrant.</a></p>	<p>Agreed as proposed.</p> <p>See comment</p>
	<p>46. If a registrant has adopted a transition plan, should we require the registrant to describe the plan, including the relevant metrics and targets used to identify and manage physical and transition risks, <u>as proposed</u>? Would this proposed disclosure requirement raise any competitive harm concerns and, if so, how can we mitigate such concerns? Would any of the proposed disclosure requirements for a registrant's transition plan act as a disincentive to the adoption of such a plan by the registrant?</p>	Agreed as proposed
	<p>47. If a registrant has adopted a transition plan, should we require it, when describing the plan, to disclose, as applicable, how the registrant plans to mitigate or adapt to any identified physical risks, including but not limited to those concerning energy, land, or water use and management, <u>as proposed</u>? Are there any other aspects or considerations related to the mitigation or adaptation to physical risks that we should specifically require to be disclosed in the description of a registrant's transition plan? <a href="#">It should remain at the initiative of the registrant.</a></p>	<p>Agreed as proposed.</p> <p>See comment</p>

Section	Question	Response
	<p>48. If a registrant has adopted a transition plan, should we require it to disclose, if applicable, how it plans to mitigate or adapt to any identified transition risks, including the following, <u>as proposed</u>:</p> <ul style="list-style-type: none"> <li>• Laws, regulations, or policies that: <ul style="list-style-type: none"> <li>o Restrict GHG emissions or products with high GHG footprints, including emissions caps; or</li> <li>o Require the protection of high conservation value land or natural assets?</li> </ul> </li> <li>• Imposition of a carbon price?</li> <li>• Changing demands or preferences of consumers, investors, employees, and business counterparts?</li> </ul> <p>Are there any other transition risks that we should specifically identify for disclosure, if applicable, in the transition plan description? Are there any identified transition risks that we should exclude from the plan description?</p>	<p>Agreed as proposed.</p> <p>No request to go beyond what is proposed.</p>
	<p>49. If a registrant has adopted a transition plan, when describing the plan, should we permit the registrant also to discuss how it plans to achieve any identified climate-related opportunities, including, <u>as proposed</u>:</p> <ul style="list-style-type: none"> <li>• The production of products that facilitate the transition to a lower carbon economy, such as low emission modes of transportation and supporting infrastructure?</li> <li>• The generation or use of renewable power?</li> <li>• The production or use of low waste, recycled, or environmentally friendly consumer products that require less carbon intensive production methods?</li> <li>• The setting of conservation goals and targets that would help reduce GHG emissions?</li> <li>• The provision of services related to any transition to a lower carbon economy?</li> </ul> <p>Should we require a registrant to discuss how it plans to achieve any of the above, or any other, climate-related opportunities when describing its transition plan?</p>	<p>Agreed as proposed</p>
	<p>50. If a registrant has disclosed its transition plan in a Commission filing, should we require it to update its transition plan disclosure each fiscal year by describing the actions taken during the year to achieve the plan's targets or goals, <u>as proposed</u>? Should we require a registrant to provide such an update more frequently, and if so, how frequently? Would the proposed updating requirement act as a disincentive to the adoption of a transition plan by the registrant?</p>	<p>Agreed as proposed.</p> <p>No request to go beyond what is proposed.</p>
	<p>51. To the extent that disclosure about a registrant's transition plan constitutes forward-looking information, the PSLRA safe harbors would apply. Should we adopt a separate safe harbor for transition plan disclosure? <b>No</b>. If so, what disclosures should such a safe harbor cover and what should the conditions be for such a safe harbor?</p> <p><a href="#">See answer to question 28.</a></p>	<p>See comments</p>

Section	Question	Response
<p>- F -</p> <p><b>Financial Statement Metrics</b></p>	<p>52. Should we require a registrant to provide contextual information, including a description of significant inputs and assumptions used, and if applicable, policy decisions made by the registrant to calculate the specified metrics, <u>as proposed</u>? Should we revise the proposed requirement to provide contextual information to require specific information instead? <b>No</b> We provide some examples of contextual information disclosure in Sections II.F.2 and II.F.3 below. Would providing additional examples or guidance assist registrants in preparing this disclosure? <b>No</b></p>	<p>Agreed as proposed.</p> <p><a href="#">See comments</a></p>
	<p>53. The proposed rules would specify the basis of calculation for the climate-related financial statement metrics. Is it clear how to apply these accounting principles when calculating the proposed climate-related financial statement metrics, or should we provide additional guidance? <b>Yes</b>. Should we require a registrant to report these metrics with reference to its consolidated financial statements, <u>as proposed</u>? <b>Yes</b>. If not, how should registrants report these metrics? <b>n.a.</b> If we were to establish accounting principles (e.g., the basis for reporting these metrics) in a manner that differs from the principles applicable to the rest of the consolidated financial statements, would the application of those principles to the proposed metrics make climate-related disclosures less clear, helpful, or comparable for investors? <b>Yes</b></p> <p>TotalEnergies supports the inclusion of climate-related metrics and assumptions in the audited financial statements. As mentioned in the Proposed Climate Reporting Rules, the main existing international accounting standards already prescribe climate-related disclosure in the financial statements. TotalEnergies believes that the proposed financial impact metrics could help improve the current requirements with clarification, systematization, and homogeneity between the issuers, to the extent they remain fully compatible with the fundamental principles of applicable accounting standards. In particular, TotalEnergies has the following concerns:</p> <ul style="list-style-type: none"> <li>• TotalEnergies believes the proposal of a quantitative threshold of 1% on a line-by-line basis of financial statements to trigger disclosure requirements would not bring additional useful information to users, and could be replaced either by a threshold of at least 10% or by the materiality definitions already applicable and accepted by investors and legal institutions.</li> <li>• TotalEnergies thinks the proposed line-by-line impact evaluation itself would actually bring less clarity in the disclosures; it could be replaced by an analysis of potential impacts by broad accounting topics, which are covering simultaneously several lines of the income statement, balance sheet and cash flows statement. This list of climate-sensitive topics (e.g. impairments, useful life of assets, provisions...) with proper cross-reference to financial statements captions would be consistent with the current standards recommendations and could be further developed with additional topics and industry-specific examples,</li> <li>• Disaggregation requirements (by climate-related event, transition activity, reportable segment, or geographic areas) should remain under the current disclosure rules applicable to any material topic.</li> </ul>	<p><a href="#">See comments</a></p>
	<p>54. Should we also require such metrics to be calculated at a reportable segment level when a registrant has more than one reportable segment (as defined by the FASB ASC Topic 280 Segment Reporting)? In addition, should we require such metrics to be presented by geographic areas that are consistent with the registrant's reporting pursuant to FASB ASC Topic 280-10-50- 41? How would investors use such information?</p>	<p><a href="#">See answer question 53</a></p>
	<p>55. The proposed rules would require disclosure for the registrant's most recently completed fiscal year and for the corresponding historical fiscal years included in the registrant's consolidated financial statements in the filing. Should disclosure of the climate-related financial statement metrics be required for the fiscal years presented in the registrant's financial statements, <u>as proposed</u>? Instead, should we require the financial statement metrics to be calculated only for the most recently completed fiscal year presented in the relevant filing? Would requiring historical disclosure provide important or material information to investors, such as information allowing them to analyze trends? Are there other approaches we should consider?</p> <p>TotalEnergies suggests that companies be exempted from the obligation to publish comparative information for the first 2 years of application.</p>	<p><a href="#">See comments</a></p>

Section	Question	Response
	56. Should information for all periods in the consolidated financial statements be required for registrants that are filing an initial registration statement or providing climate-related financial statement metrics disclosure for historical periods prior to the effective date or compliance date of the rules? Would the existing accommodation in Rules 409 and 12b-21 be sufficient to address any potential difficulties in providing the proposed disclosures in such situations?	See answer to question 55
	57. Should we provide additional guidance as to when a registrant may exclude a historical metric for a fiscal year preceding the current fiscal year?	See answer to question 55
	58. In several instances, the proposed rules specifically point to existing GAAP and, in this release, we provide guidance with respect to the application of existing GAAP. Are there other existing GAAP requirements that we should reference? <b>No</b> Are there instances where it would be preferable to require an approach based on TCFD guidance or some other framework, rather than requiring the application of existing GAAP? <b>No</b>	Agreed as proposed.
- F2 -	59. Should we require registrants to disclose the financial impact metrics, <u>as proposed</u> ? Would presenting climate-specific financial information on a separate basis based on climate-related events (severe weather events and other natural conditions and identified physical risks) and transition activities (including identified transition risks) elicit decision-useful or material information for investors? Are there different metrics that would result in disclosure of more useful information about the impact of climate-related risks and climate-related opportunities on the registrant's financial performance and position?	See comments
<b>Financial Impact Metrics</b>	60. Would the impact from climate-related events and transition activities yield decision-useful information for investors? Would the climate-related events (including the examples provided) and transition activities result in impacts that are easier to quantify or disaggregate than climate-related risks more generally? Would a registrant be able to quantify and provide the proposed disclosure when the impact may be the result of a mixture of factors (e.g., a factory shutdown due to an employee strike that occurs simultaneously with a severe weather event)? If there are situations where disaggregation would not be practicable, should we require a registrant to disclose that it was unable to make the required determination and why, or to make a reasonable estimate and provide disclosure about the assumptions and information that resulted in the estimate?	See answer to question 53
	61. Alternatively, should we not require disclosure of the impacts of identified climate-related risks and only require disclosure of impacts from severe weather events and other natural conditions? <b>No</b> Should we require a registrant to disclose the impact on its consolidated financial statements of only certain examples of severe weather events and other natural conditions? <b>No</b> If so, should we specify which severe weather events and other natural conditions the registrant must include? Would requiring disclosure of the impact of a smaller subset of climate-related risks be easier for a registrant to quantify without sacrificing information that would be material to investors? <b>No</b>	See answer to question 53
		Agreed as proposed.
	62. Should impact from climate-related opportunities be required, instead of optional <u>as proposed</u> ? <b>No</b> We are proposing to require a registrant that elects to disclose the impact of an opportunity to do so consistently (e.g., for each fiscal year presented in the consolidated financial statements, for each financial statement line item, and for all relevant opportunities identified by the registrant). Are there any other requirements that we should include to enhance consistency? <b>No</b> Should we only require consistency between the first fiscal period in which opportunities were disclosed and subsequent periods? <b>No</b>	See comments
		Agreed as proposed.
		See comments

Section	Question	Response
	63. Is it clear which climate-related events would be covered by “severe weather events and other natural conditions”? <a href="#">We recommend that the registrants make the evaluation on a case by case basis.</a> If not, should we provide additional guidance or examples about what events would be covered? Should we clarify that what is considered “severe weather” in one region may differ from another region? For example, high levels of rainfall may be considered “severe weather” in a typically arid region.	Agreed as proposed.
	64. Are the proposed requirements for calculating and presenting the financial impact metrics clear? Should the analysis be performed and disclosed in a manner other than on a line-by-line basis referring to the line items of the registrant’s consolidated financial statements?	See answer to question 53
	65. We are proposing to allow a registrant to aggregate the absolute value of negative and positive impacts of all climate-related events and, separately, transition activities on a financial statement line item. Should we instead require separate quantitative disclosure of the impact of each climate-related event or transition activity? <a href="#">No</a> Should we require separate disclosure of the impact of climate-related opportunities that a registrant chooses to disclose? <a href="#">No</a>	Agreed as proposed. See comments
	66. The proposed financial impact metrics would not require disclosure if the absolute value of the total impact is less than one percent of the total line item for the relevant fiscal year. Is the proposed threshold appropriate? Should we use a different percentage threshold (e.g., three percent, five percent) or use a dollar threshold (e.g., less than or greater than \$1 million)? Should we use a combination of a percentage threshold and a dollar threshold? Should we only require disclosure when the financial impact exceeds the threshold, <a href="#">as proposed</a> , or should we also require a determination of whether an impact that falls below the proposed quantitative threshold would be material and should be disclosed?	See answer to question 53
	67. For purposes of determining whether the disclosure threshold has been met, should impacts on a line item from climate-related events and transition activities be permitted to offset (netting of positive and negative impacts), instead of aggregating on an absolute value basis <a href="#">as proposed</a> ? Should we prescribe how to analyze positive and negative impacts on a line item resulting from the same climate-related event or the same transition activity (e.g., whether or not netting is permitted at an event or activity level)? Should we permit registrants to determine whether or not to offset as a policy decision (netting of the positive and negative impact within an event or activity) and provide relevant contextual information? Should we require the disclosure threshold to be calculated separately for the climate-related events and transition activities, rather than requiring all of the impacts to be aggregated <a href="#">as proposed</a> ?	See answer to question 53
	68. Instead of including a quantitative threshold, <a href="#">as proposed</a> , should we require disaggregated disclosure of any impact of climate-related risks on a particular line item of the registrant’s consolidated financial statements? <a href="#">No</a> Alternatively, should we just use a materiality standard? <a href="#">Yes</a>	See answer to question 53
	69. Should we require a registrant to disclose changes to the cost of capital resulting from the climate-related events? <a href="#">No</a> If so, should we require a registrant to disclose its weighted average cost of capital or any internal cost of capital metrics? <a href="#">No</a> Would such disclosure elicit decision-useful or material information for investors?	Agreed as proposed. See comments.
	70. We have not proposed defining the term “upstream costs” as used in the proposed examples for the financial impact metrics and elsewhere. Should we define that term or any others? <a href="#">Yes</a> If so, how should we define them?	See comment
	71. Are the proposed examples in the financial impact metrics helpful for understanding the types of disclosure that would be required? Should we provide different or additional examples or guidance? <a href="#">Additional examples and, in particular, guidance to perform the calculation of the related financial impacts would be helpful.</a>	See comment

Section	Question	Response
- F3 - Expenditure Metrics	72. Should we require registrants to disclose the expenditure metrics, <u>as proposed</u> ? Would presenting the expenditure metrics separately in one location provide decision-useful information to investors? Is there a different type of metric that would result in more useful disclosure of the expense or capitalized costs incurred toward climate-related events and transition activities or toward climate-related risks more generally? <a href="#">An accounting definition of the "expenditures" could be provided.</a>	<a href="#">See comment</a>
	73. Would the disclosure required by the expenditure metrics overlap with the disclosure required by the financial impact metrics? <a href="#">Yes</a> If so, should we require the disclosure to be provided pursuant to only one of these types of metrics? <a href="#">Yes</a>	<a href="#">See comments</a>
	74. Should the same climate-related events (including severe weather events and other natural conditions and identified physical risks) and transition activities (including identified transition risks) that we are proposing to use for the financial impact metrics apply to the expenditure metrics, <u>as proposed</u> ? Alternatively, should we not require a registrant to disclose expenditure incurred towards identified climate-related risks and only require disclosure of expenditure relating to severe weather events and other natural conditions? Should we require a registrant to disclose the expenditure incurred toward only certain examples of severe weather events and other natural conditions? If so, should we specify which severe weather events and other natural conditions the registrant must include? Would requiring disclosure of the expenditure relating to a smaller subset of climate-related risks be easier for a registrant to quantify without sacrificing information that would be material to investors?	<a href="#">Agreed as proposed.</a>
	75. Should the proposed rules instead require a registrant to disclose the aggregate amounts of expensed and capitalized costs incurred toward any climate-related risks? <a href="#">No</a> Should expenditures incurred towards climate-related opportunities be optional based on a registrant's election to disclose such opportunities, <u>as proposed</u> ? <a href="#">Yes</a>	<a href="#">See comments</a>
	76. Should we apply the same disclosure threshold to the expenditure metrics and the financial impact metrics? Is the proposed threshold for expenditure metrics appropriate? Should we use a different percentage threshold (e.g., three percent, five percent) or use a dollar threshold (e.g., less than or greater than \$1 million)? Should we use a combination of a percentage threshold and a dollar threshold? Should we only require disclosure when the amount of climate-related expenditure exceeds the threshold, <u>as proposed</u> , or should we also require a determination of whether an amount of expenditure that falls below the proposed quantitative threshold would be material and should be disclosed? Should we require separate aggregation of the amount of expense and capitalized costs for purposes of the threshold, <u>as proposed</u> ? Should we require separate aggregation of expenditure relating to the climate-related events and transition activities, <u>as proposed</u> ?	<a href="#">See answer to question 53</a>
	77. Instead of including a quantitative threshold, <u>as proposed</u> , should we require disaggregated disclosure of any amount of expense and capitalized costs incurred toward the climate-related events and transition activities, during the periods presented? <a href="#">No</a> Alternatively, should we just use a materiality standard? <a href="#">Yes</a>	<a href="#">See comments and answer to question 53</a>
	78. Are the proposed requirements for calculating and presenting the expenditure metrics clear? Should the analysis be performed and disclosed in a different manner, other than separately based on capitalized costs and amount of expenditure expensed and separately based on the climate-related events and transition activities? Should disclosure of expenditure incurred be required for both the amount of capitalized costs and the amount of expenditure expensed if only one of the two types of expenditure meets the disclosure threshold? Should we require separate disclosure of expenditure incurred toward each climate-related event and transition activity?	<a href="#">See answer to question 72</a>

Section	Question	Response
	79. The proposed rule does not specifically address expensed or capitalized costs that are partially incurred towards the climate-related events and transition activities (e.g., the expenditure relates to research and development expenses that are meant to address both the risks associated with the climate-related events and other risks). Should we prescribe a particular approach to disclosure in such situations? <b>No</b> Should we require a registrant to provide a reasonable estimate of the amount of expense or capitalized costs incurred toward the climate-related events and transition activities and to provide disclosure about the assumptions and information that resulted in the estimate? <b>No</b>	Agreed as proposed.  See comments.
	80. Are the proposed terms and examples used in the expenditure metrics helpful for understanding the types of disclosures that would be required? Should we provide different or additional examples? <a href="#">Additional examples and, in particular, guidances to perform the calculation of the related expenditures would be helpful.</a>	See comments
- F4 -  <b>Financial Estimates and Assumptions</b>	81. Should we require disclosure of financial estimates and assumptions impacted by the climate-related events and transition activities (including disclosed targets), <u>as proposed</u> ? How would investors use this information? <a href="#">No, we believe existing accounting standards already require disclosure of material financial estimates and related assumptions.</a>	See comments
	82. Should we instead require disclosure of only significant or material estimates and assumptions that were impacted by the climate-related events and transition activities? Alternatively, should we require disclosure of only estimates and assumptions that were materially impacted by the climate-related events and transition activities?	See answer to question 81
	83. Should we instead require disclosure of financial estimates and assumptions impacts by a subset of climate-related events and transition activities, such as not requiring disclosure related to identified climate-related risks or only requiring disclosure with respect to a subset of severe weather events and natural conditions? If so, how should the subset be defined?	See answer to question 81
	84. Should we instead utilize terminology and thresholds consistent with the critical accounting estimate disclosure requirement in 17 CFR 229.303(b)(3), such as “estimates made in accordance with generally accepted accounting principles that involve a significant level of estimation uncertainty and have had or are reasonably likely to have a material impact on the financial condition or results of operations of the registrant”? If so, should we only require disclosures of whether and how the climate-related events and transition activities impacted such critical accounting estimates? Should we require only a qualitative description of how the estimates and assumptions were impacted by the climate-related events and transition activities, <u>as proposed</u> ? Should we require quantitative disclosures as well? If so, should we require such disclosure only if practicable or subject to another qualifier?	See answer to question 81
	85. Should the disclosure of financial estimates and assumptions impacted by climate-related opportunities be optional, <u>as proposed</u> ?	Agreed as proposed.
	86. For the proposed financial statement metrics, should we require a registrant to disclose material changes in estimates, assumptions, or methodology among fiscal years and the reasons for those changes? <b>No</b> If so, should we require the material changes disclosure to occur on a quarterly, or some other, basis? <b>n.a.</b> Should we require disclosure beyond a discussion of the material changes in assumptions or methodology and the reasons for those changes? <b>n.a.</b> Do existing required disclosures already elicit such information? <b>Yes</b> What other approaches should we consider? <b>n.a.</b>	Agreed as proposed.  No request to go beyond what is proposed.

Section	Question	Response
	<p>87. We are proposing to require the financial statement metrics to be disclosed in a note to the registrant’s audited financial statements. Should we require or permit the proposed financial statement metrics to be disclosed in a schedule to the financial statements? <b>No</b> If so, should the metrics be disclosed in a schedule to the financial statements, similar to the schedules required under Article 12 of Regulation S-X, which would subject the disclosure to audit and ICFR requirements? <b>n.a.</b> Should we instead require the metrics to be disclosed as supplemental financial information, similar to the disclosure requirements under FASB ASC Topic 932-235-50-2 for registrants that have significant oil- and gas-producing activities? <b>No</b> If so, should such supplemental schedule be subject to assurance or ICFR requirements? <b>n.a.</b></p>	<p>Agreed as proposed. See comments</p>
	<p>88. Instead of requiring the financial statement metrics to be disclosed in a note to the registrant’s audited financial statements, should we require a new financial statement for such metrics? <b>No</b> For example, should a “consolidated climate statement” be created in addition to the consolidated balance sheets, statements of comprehensive income, cash flows, and other traditional financial statements? <b>No</b> Would including the proposed metrics in a new financial statement provide more clarity to investors given that the metrics are intended to follow the structure of the existing financial statements (including the line items)? <b>No</b> What complications or unintended consequences may arise in practice if such a climate statement is created?</p>	<p>Agreed as proposed. See comments</p>
	<p>89. Should we require the disclosure to be provided outside of the financial statements? <b>No</b> Should we require all of the disclosure to be provided in the proposed separately captioned item in the specified forms? <b>No</b></p>	<p>Agreed as proposed. See comments</p>
	<p>90. Should we require any additional metrics or disclosure to be included in the financial statements and subject to the auditing and ICFR requirements as described above? <b>No</b> For example, should any of the disclosures we are proposing to require outside of the financial statements (such as GHG emissions metrics) be included in the financial statements? <b>No</b> If so, should such metrics be disclosed in a note or a schedule to the financial statements? <b>n.a.</b> If in a schedule, should such schedule be similar to the schedules required under Article 12 of Regulation S-X and subject to audit and ICFR requirements? <b>n.a.</b> Should we instead require the metrics to be disclosed as supplemental financial information in a supplemental schedule? <b>n.a.</b> If so, should such supplemental schedule be subject to assurance or ICFR requirements? <b>n.a.</b></p>	<p>Agreed as proposed. See comments</p>
	<p>91. Under the proposed rules, PCAOB auditing standards would be applicable to the financial statement metrics that are included in the audited financial statements, consistent with the rest of the audited financial statements. What, if any, additional guidance or revisions to such standards would be needed in order to apply PCAOB auditing standards to the proposed financial statement metrics? For example, would guidance on how to apply existing requirements, such as materiality, risk assessment, or reporting, be needed? Would revisions to the auditing standards be necessary? What additional guidance or revisions would be helpful to auditors, preparers, audit committee members, investors, and other relevant participants in the audit and financial reporting process?</p>	<p>Questions targeted to auditors rather than corporates</p>
	<p>92. Would it be clear that the climate-related financial statement metrics would be included in the scope of the audit when the registrant files financial statements prepared in accordance with IFRS as issued by the IASB? Would it be clear that the proposed rules would not alter the basis of presentation of the financial statements as referred to in an auditor’s report? Should we amend Form 20-F, other forms, or our rules to clarify the scope of the audit or the basis of presentation in this context? For example, should we amend Form 20-F to state specifically that the scope of the audit must include any notes prepared pursuant to Article 14 of Regulation S-X? What are the costs for accounting firms to provide assurance with respect to the financial statement metrics? Would those costs decrease over time?</p>	<p>Questions targeted to auditors rather than corporates</p>

Section	Question	Response
<p>- G -</p> <p><b>GHG Emissions Metrics Disclosure</b></p>	<p>93. How would investors use GHG emissions disclosures to inform their investment and voting decisions? How would such disclosures provide insight into a registrant's financial condition, changes in financial condition, and results of operations? How would such disclosures help investors evaluate an issuer's climate risk-related exposure? Would such disclosures enable investors to better assess physical risks associated with climate-related events, transition risks, or both types of risks?</p>	<p>Questions targeted to investors rather than corporates</p>
	<p>94. Should we require a registrant to disclose its GHG emissions both in the aggregate, per scope, and on a disaggregated basis for each type of greenhouse gas that is included in the Commission's proposed definition of "greenhouse gases," <u>as proposed</u>? Should we instead require that a registrant disclose on a disaggregated basis only certain greenhouse gases, such as methane (CH<sub>4</sub>) or hydrofluorocarbons (HFCs), or only those greenhouse gases that are the most significant to the registrant? Should we require disaggregated disclosure of one or more constituent greenhouse gases only if a registrant is obligated to separately report the individual gases pursuant to another reporting regime, such as the EPA's greenhouse gas reporting regime or any foreign reporting regime? If so, should we specify the reporting regime that would trigger this disclosure?</p> <p><i>A homogeneous reporting amongst companies will enable benchmarking and foster progress though comparison between registrants. TotalEnergies therefore supports the proposal to disclose emissions both on an aggregated basis, per scope, and for each type of significant GHG for scope 1. Disclosure by GHG should be limited to direct emissions (Scope 1) and to the most significant GHG. TotalEnergies, as an integrated energy company, is reporting Scope 1 both on an aggregate basis (in CO<sub>2</sub>eq) and split by significant GHG (CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O), whereas Scope 2 and 3 are only disclosed in aggregate (CO<sub>2</sub>eq). Reporting of trading activities (e.g. purchase for resale to intermediaries) should be clarified by SEC. TotalEnergies would support an exclusion of these activities from emission reporting.</i></p>	<p>See detailed answer</p>
	<p>95. We have proposed defining "greenhouse gases" as a list of specific gases that aligns with the GHG Protocol and the list used by the EPA and other organizations. Should other gases be included in the definition? Should we expand the definition to include any other gases to the extent scientific data establishes a similar impact on climate change with reasonable certainty? Should we require a different standard to be met for other greenhouse gases to be included in the definition?</p>	<p>Agreed as proposed. No request to go beyond what is proposed.</p>
	<p>96. Should we require a registrant to express its emissions data in CO<sub>2</sub>e, <u>as proposed</u>? If not, is there another common unit of measurement that we should use? Is it important to designate a common unit of measurement for GHG emissions data, <u>as proposed</u>, or should we permit registrants to select and disclose their own unit of measurement?</p>	<p>Agreed as proposed.</p>
	<p>97. Should we require a registrant to disclose its total Scope 1 emissions and total Scope 2 emissions separately for its most recently completed fiscal year, <u>as proposed</u>? Are there other approaches that we should consider?</p>	<p>Agreed as proposed.</p>
	<p>98. Should we require a registrant to disclose its Scope 3 emissions for the fiscal year if material, <u>as proposed</u>? Should we instead require the disclosure of Scope 3 emissions for all registrants, regardless of materiality? Should we use a quantitative threshold, such as a percentage of total GHG emissions (e.g., 25%, 40%, 50%) to require the disclosure of Scope 3 emissions? If so, is there any data supporting the use of a particular percentage threshold? Should we require registrants in particular industries, for which Scope 3 emissions are a high percentage of total GHG emissions, to disclose Scope 3 emissions?</p> <p><i>Scope 3 disclosure – upstream and downstream - will remain a challenge for many companies during the next few years, until clear methodologies and estimation tools are put in place for each of the 15 categories defined by the GHG Protocol. Providing accurate and faithful estimates will be subject to a large magnitude of uncertainty. TotalEnergies therefore suggests to allow Scope 3 disclosure with a 5 to 10% uncertainty range.</i></p>	<p>See comments</p>

Section	Question	Response
	99. Should we require a registrant that has made a GHG emissions reduction commitment that includes Scope 3 emissions to disclose its Scope 3 emissions, <u>as proposed</u> ? Should we instead require registrants that have made any GHG emissions reduction commitments, even if those commitments do not extend to Scope 3, to disclose their Scope 3 emissions? Should we only require Scope 3 emissions disclosure if a registrant has made a GHG emissions reduction commitment that includes Scope 3 emissions?	Agreed as proposed.
	100. Should Scope 3 emissions disclosure be voluntary? Should we require Scope 3 emissions disclosure in stages, e.g., requiring qualitative disclosure of a registrant's significant categories of upstream and downstream activities that generate Scope 3 emissions upon effectiveness of the proposed rules, and requiring quantitative disclosure of a registrant's Scope 3 emissions at a later date? If so, when should we require quantitative disclosure of a registrant's Scope 3 emissions?	No request to deviate from what is proposed See answer to question 98.
	101. Should we require a registrant to exclude any use of purchased or generated offsets when disclosing its Scope 1, Scope 2, and Scope 3 emissions, <u>as proposed</u> ? Should we require a registrant to disclose both a total amount with, and a total amount without, the use of offsets for each scope of emissions?	Agreed as proposed
	102. Should we require a registrant to disclose its Scope 3 emissions for each separate significant category of upstream and downstream emissions as well as a total amount of Scope 3 emissions for the fiscal year, <u>as proposed</u> ? Should we only require the disclosure of the total amount of Scope 3 emissions for the fiscal year? Should we require the separate disclosure of Scope 3 emissions only for certain categories of emissions and, if so, for which categories?	Agreed as proposed
	103. Should the proposed rules include a different standard for requiring identification of the categories of upstream and downstream emissions, such as if those categories of emissions are significant to total GHG emissions or total Scope 3 emissions? Are there any other categories of, or ways to categorize, upstream or downstream emissions that a registrant should consider as a source of Scope 3 emissions? For example, should we require a registrant to disclose Scope 3 emissions only for categories of upstream or downstream activities over which it has influence or indirect control, or for which it can quantify emissions with reasonable reliability? Are there any proposed categories of upstream or downstream emissions that we should exclude as sources of Scope 3 emissions? <a href="#">We recommend to limit the reference to the GHG Protocol Scope 3 categories, as proposed.</a>	No request to deviate or go beyond what is proposed
	104. Should we, <u>as proposed</u> , allow a registrant to provide their own categories of upstream or downstream activities? Are there additional categories, other than the examples we have identified, that may be significant to a registrant's Scope 3 emissions and that should be listed in the proposed rule? Are there any categories that we should preclude, e.g., because of lack of accepted methodologies or availability of data? Would it be useful to allow registrants to add categories that are particularly significant to them or their industry, such as Scope 3 emissions from land use change, which is not currently included in the Greenhouse Gas Protocol's Scope 3 categories? Should we specifically add an upstream emissions disclosure category for land use? <a href="#">We recommend to limit the reference to the GHG Protocol Scope 3 categories, as proposed.</a>	No request to deviate or go beyond what is proposed

Section	Question	Response
	<p>105. Should we require the calculation of a registrant's Scope 1, Scope 2, and/or Scope 3 emissions to be as of its fiscal year end, <u>as proposed</u>? Should we instead allow a registrant to provide its GHG emissions disclosures according to a different timeline than the timeline for its Exchange Act annual report? If so, what should that timeline be? For example, should we allow a registrant to calculate its Scope 1, Scope 2, and/or Scope 3 emissions for a 12-month period ending on the latest practicable date in its fiscal year that is no earlier than three months or, alternatively, six months prior to the end of its fiscal year? Would allowing for an earlier calculation date alleviate burdens on a registrant without compromising the value of the disclosure? Should we allow such an earlier calculation date only for a registrant's Scope 3 emissions? Would the fiscal year end calculations required for a registrant to determine if Scope 3 emissions are material eliminate the benefits of an earlier calculation date? Should we instead require a registrant to provide its GHG emissions disclosures for its most recently completed fiscal year one, two, or three months after the due date for its Exchange Act annual report in an amendment to that report?</p>	<p>Agreed as proposed (no request for a different timeline)</p>
	<p>106. Should we require a registrant that is required to disclose its Scope 3 emissions to describe the data sources used to calculate the Scope 3 emissions, <u>as proposed</u>? Should we require the proposed description to include the use of: (i) emissions reported by parties in the registrant's value chain, and whether such reports were verified or unverified; (ii) data concerning specific activities, as reported by parties in the registrant's value chain; and (iii) data derived from economic studies, published databases, government statistics, industry associations, or other third-party sources outside of a registrant's value chain, including industry averages of emissions, activities, or economic data, <u>as proposed</u>? Are there other sources of data for Scope 3 emissions the use of which we should specifically require to be disclosed? For purposes of our disclosure requirement, should we exclude or prohibit the use of any of the proposed specified data sources when calculating Scope 3 emissions and, if so, which ones?</p> <p><a href="#">Methodologies and estimation tools are not yet developed for all 15 Scope 3 categories defined by GHG Protocol. TotalEnergies recommends that the list of documents and data specified in (i), (ii) and (iii) remains not prescriptive. At their initiative, Companies should provide explanations on the methodologies and estimation tools used for scope 3 disclosure.</a></p>	<p>See comments.</p>
	<p>107. Should we require a registrant to provide location data for its disclosed sources of Scope 1, Scope 2, and Scope 3 emissions if feasible? If so, should the feasibility of providing location data depend on whether it is known or reasonably available pursuant to the Commission's existing rules (Securities Act Rule 409 and Exchange Act Rule 12b-21)? Would requiring location data, to the extent feasible, assist investors in understanding climate-related risks, and in particular, likely physical risks, associated with a registrant's emissions' sources? Would a requirement to disclose such location data be duplicative of any of the other disclosure requirements that we are proposing?</p> <p><a href="#">Global warming is not a local issue and GHG emissions have the same effect on global warming regardless of where they have been generated. In its annual report on Form 20-F, TotalEnergies provides details of Scope 1 and 3 emissions by area (Europe, Eurasia, Africa, and Americas). As a Company operating worldwide, we support disclosure of emissions by regions, but do not support a disclosure by country or ZIP code. Such a requirement would be burdensome for registrants, with limited insight for investors.</a></p>	<p>See detailed answer.</p>
	<p>108. If we require a registrant to provide location data for its GHG emissions, how should that data be presented? Should the emissions data be grouped by zip code separately for each scope? Should the disclosure be presented in a cartographic data display, such as what is commonly known as a "heat map"? If we require a registrant to provide location data for its GHG emissions, should we also require additional disclosure about the source of the emissions?</p>	<p>See answer to question 107.</p>

Section	Question	Response
	<p>109. Should we require a registrant to disclose the intensity of its GHG emissions for the fiscal year, with separate calculations for (i) the sum of Scope 1 and Scope 2 emissions and, if applicable (ii) its Scope 3 emissions (separately from Scopes 1 and 2), <u>as proposed</u>? Should we define GHG intensity, <u>as proposed</u>? Is there a different definition we should use for this purpose?</p> <p>TotalEnergies supports disclosure of emissions in intensity, to enable benchmarking and foster progress though comparison between registrants. For companies with non-homogeneous activities, a single global intensity would provide limited insight on performance; we would rather suggest allowing registrants to disclose intensities by activity or by product. For example, TotalEnergies is mostly selling energy products where an intensity can be expressed in CO2e/MJ but is also selling petrochemicals products where an intensity would be more relevant in CO2e/t.</p>	See comments
	<p>110. Should we require the disclosed GHG intensity to be expressed in terms of metric tons of CO2e per unit of total revenue, <u>as proposed</u>? Should we require a different financial measure of GHG intensity and, if so, which measure? For example, should GHG intensity be expressed in terms of metric tons of CO2e per unit of total assets?</p> <p>An intensity based on total revenue poses some challenges for the energy sector (fluctuation mirroring the price volatility of the commodities) and for integrated companies (fluctuation with the level of integration along a given value chain) but TotalEnergies acknowledges, as you mentioned, that "Total Revenue" is the "most commonly used and understood financial metrics". We therefore understand its consideration as a possible intensity metric but we would recommend that a choice be left for the registrant on the two proposed intensity metrics (use of "or" rather than "and").</p>	See comments
	<p>111. Should we require the disclosed GHG intensity to be expressed in terms of metric tons of CO2e per unit of production, <u>as proposed</u>? Would such a requirement facilitate the comparability of the disclosure? Should we require a different economic output measure of GHG intensity and, if so, which measure? For example, should GHG intensity be expressed in terms of metric tons of CO2e per number of employees? Should we require the GHG intensity to be expressed per unit of production relevant to the registrant's business (rather than its industry)? Is further guidance needed on how to comply with the proposed requirement? Would requiring GHG intensity to be expressed in terms of metrics tons of CO2e per unit of production require disclosure of commercially sensitive or competitively harmful information?</p> <p>TotalEnergies supports the SEC project to disclose the emissions from a company's facilities (Scope 1&amp;2) in intensity, in order to facilitate company performance comparison for investors. As scope 1&amp;2 refers to emissions from facilities, an intensity based on production, as proposed, is welcomed. We would however recommend that the SEC leaves a choice for the two intensity-metrics proposed, using "or" rather than "and" in the proposed regulation: "Using the sum of Scope 1 and 2 emissions, disclose GHG intensity in terms of metric tons of CO2e per unit of total revenue (using the registrant's reporting currency)" or "per unit of production relevant to the registrant's industry".</p> <p>Scope 3 emissions address emissions associated with products and suppliers rather than facilities. Reporting scope 3 carbon intensity to "unit of product sales" would be a way to recognize that the energy transition is also demand driven and not only supply driven. We would therefore recommend a scope 3 intensity based on unit of product sales rather than unit of production.</p> <p>If the Commission considers that "unit of production" makes sense for some industries, we would highly recommend including another alternative "Using the sum of Scope 3 emissions, disclose GHG intensity in terms of metric tons of CO2e per unit of total revenue (using the registrant's reporting currency)" <u>or</u> "per unit of production relevant to the registrant's industry" <u>or</u> "per unit of product sales relevant to the registrant's industry".</p> <p>Additionally, for an integrated company, the accounting of scope 3 along the value chain is an important issue. In order to avoid double counting along a value chain, TotalEnergies follows the oil &amp; gas industry reporting guidelines published by IPIECA (like some of our peers), which are identified by the SEC amongst sector-specific methodologies for calculating Scope 3 emissions; this methodology accounts for the larger volume in the value chain, i.e., the higher of production or sales. Recommendations from the SEC for the accounting of emissions along a value chain would be welcome, to enable benchmarking through a level playing field.</p>	See comments

Section	Question	Response
	112. Should we require a registrant with no revenue or unit of production for a fiscal year to disclose its GHG intensity based on, respectively, another financial measure or measure of economic output, <u>as proposed</u> ? Should we require such a registrant to use a particular financial measure, such as total assets, or a particular measure of economic output, such as total number of employees? For registrants who may have minimal revenue, would the proposed calculation result in intensity disclosure that is confusing or not material? Should additional guidance be provided with respect to such instances?	Not applicable
	113. Should we permit a registrant to disclose other measures of GHG intensity, in addition to the required measures, as long as the registrant explains why it uses the particular measure of GHG intensity and discloses the corresponding calculation methodology used, <u>as proposed</u> ?	Agreed as proposed.
	114. Should we require GHG emissions disclosure for the registrant's most recently completed fiscal year and for the appropriate, corresponding historical fiscal years included in the registrant's consolidated financial statements in the filing, to the extent such historical GHG emissions data is reasonably available, <u>as proposed</u> ? Should we instead only require GHG emissions metrics for the most recently completed fiscal year presented in the relevant filing? Would requiring historical GHG emissions metrics provide important or material information to investors, such as information allowing them to analyze trends?	Agreed as proposed.
<p data-bbox="47 667 114 691">- G2 -</p> <p data-bbox="47 730 203 882"><b>GHG Emissions Methodology and Related Instructions</b></p>	<p data-bbox="230 667 1957 946">115. Should we require a registrant to disclose the methodology, significant inputs, and significant assumptions used to calculate its GHG emissions metrics, <u>as proposed</u>? Should we require a registrant to use a particular methodology for determining its GHG emission metrics? If so, should the required methodology be pursuant to the GHG Protocol's Corporate Accounting and Reporting Standard and related standards and guidance? Is there another methodology that we should require a registrant to follow when determining its GHG emissions? Should we base our climate disclosure rules on certain concepts developed by the GHG Protocol without requiring a registrant to follow the GHG Protocol in all respects, <u>as proposed</u>? Would this provide flexibility for registrants to choose certain methods and approaches in connection with GHG emissions determination that meet the particular circumstances of their industry or business or that emerge along with developments in GHG emissions methodology as long as they are transparent about the methods and underlying assumptions used? Are there adjustments that should be made to the proposed methodology disclosure requirements that would provide flexibility for registrants while providing sufficient comparability for investors?</p> <p data-bbox="230 946 1957 1086">TotalEnergies believes that climate disclosures should be globally harmonized in order to be comparable, and therefore strongly supports standardization by the SEC, based on available standards (including the GHG Protocol). Carbon accounting is a complex matter, and TotalEnergies would encourage the SEC to harmonize methodologies with associated assumptions (perimeters, emission coefficients etc.) as was done successfully in the past by the SEC for reserves accounting in the Oil and Gas sector.</p>	<p data-bbox="2018 799 2136 860">Agreed as proposed.</p> <p data-bbox="1995 892 2159 919">See comments.</p>
	116. Should we require a registrant to disclose the organizational boundaries used to calculate its GHG emissions, <u>as proposed</u> ? Should we require a registrant to determine its organizational boundaries using the same scope of entities, operations, assets, and other holdings within its business organization as that used in its consolidated financial statements, <u>as proposed</u> ? Would prescribing this method of determining organizational boundaries avoid potential investor confusion about the reporting scope used in determining a registrant's GHG emissions and the reporting scope used for the financial statement metrics, which are included in the financial statements? Would prescribing this method of determining organizational boundaries result in more robust guidance for registrants and enhanced comparability for investors? If, <u>as proposed</u> , the organizational boundaries must be consistent with the scope of the registrant's consolidated financial statements, would requiring separate disclosure of the organizational boundaries be redundant or otherwise unnecessary?	Agreed as proposed.

Section	Question	Response
	117. Except for calculating Scope 3 emissions, the <u>proposed</u> rules would not require a registrant to disclose the emissions from investments that are not consolidated, proportionately consolidated, or that do not qualify for the equity method of accounting. Should we require such disclosures for Scopes 1 and 2 emissions, and if so, how?	Agreed as proposed
	118. Could situations arise where it is impracticable for a registrant to align the scope of its organizational boundaries for GHG emission data with the scope of the consolidation for the rest of its financial statements? If so, should we allow a registrant to take a different approach to determining the organizational boundaries of its GHG emissions and provide related disclosure, including an estimation of the resulting difference in emissions disclosure (in addition to disclosure about methodology and other matters that would be required by the proposed GHG emissions disclosure rules)? <a href="#">TotalEnergies supports the overall alignment of the financial and climate-related organizational boundaries and has not currently identified cases where it is impractical.</a>	Agreed as proposed.  See comments.
	119. Alternatively, should we require registrants to use the organizational boundary approaches recommended by the GHG Protocol (e.g., financial control, operational control, or equity share)? Do those approaches provide a clear enough framework for complying with the proposed rules? Would such an approach cause confusion when analyzing information in the context of the consolidated financial statements or diminish comparability? If we permit a registrant to choose one of the three organizational boundary approaches recommended by the GHG Protocol, should we require a reconciliation with the scope of the rest of the registrant's financial reporting to make the disclosure more comparable? <a href="#">A homogeneous reporting amongst companies will enable benchmarking and foster progress though comparison between registrants and TotalEnergies would recommend 2 types of boundaries: a consolidated vision (as per financial statements) and an operated one (adding an indication of the emissions from the operated facilities).</a>	See comments
	120. Should we require a registrant to disclose its operational boundaries, <u>as proposed</u> ? Should we require a registrant to discuss its approach towards the categorization of emissions (e.g., as direct or indirect emissions) and emissions sources (e.g., stationary or mobile) when describing its operational boundaries, <u>as proposed</u> ?	Agreed as proposed
	121. The <u>proposed</u> operational boundaries disclosure is based largely on concepts developed by the GHG Protocol. Would requiring a registrant to determine its organizational boundaries pursuant to the GAAP applicable to the financial statement metrics included in the financial statements but its operational boundaries largely pursuant to concepts developed by the GHG Protocol cause confusion? Should we require a registrant to apply the GAAP applicable to its financial statements when determining whether it "controls" a particular source pursuant to the definition of Scope 1 emissions, or particular operations pursuant to the definition of Scope 2 emissions, <u>as proposed</u> ? If not, how should "control" be determined and would applying a definition of control that differs from applicable GAAP result in confusion for investors?	Agreed as proposed

Section	Question	Response
	<p>122. Should we require a registrant to use the same organizational boundaries when calculating its Scopes 1 and 2 emissions, <u>as proposed</u>? Are there any circumstances when a registrant's organizational boundaries for determining its Scope 2 emissions should differ from those required for determining its Scope 1 emissions? Should we also require a registrant to apply the same organizational boundaries used when determining its Scopes 1 and 2 emissions as an initial step in identifying the sources of indirect emissions from activities in its value chain over which it lacks ownership and control and which must be included in the calculation of its Scope 3 emissions, <u>as proposed</u>? Are there any circumstances where using a different organizational boundary for purposes of Scope 3 emissions disclosure would be appropriate? <a href="#">TotalEnergies supports considering similar organizational boundaries for Scope 1, 2 and 3 emissions. However, for Scope 3 emissions, in order to avoid double-counting within those boundaries, a calculation on a single point in the value chain is often preferred, as previously discussed. In the oil and gas industry, some companies report their Scope 3 emissions looking at a given point on the value chain (be it production, processing or sales), following an existing standard such as IPIECA ; others use their own methodology adding various point on the value chain. This leads to different final calculated figures amongst registrants, not allowing for a proper benchmarking for investors. A SEC standard on CO2 accounting on a value chain, avoiding double counting, would be a very significant step to align reporting in the oil and gas sector.</a></p>	<p>Agreed as proposed.</p> <p>See comments.</p>
	<p>123. Should we require a registrant to be consistent in its use of its organizational and operational boundaries once it has set those boundaries, <u>as proposed</u>? Would the proposed requirement help investors to track and compare the registrant's GHG emissions over time?</p>	<p>Agreed as proposed</p>
	<p>124. Should we require a registrant to disclose the methodology for calculating the GHG emissions, including any emission factors used and the source of the emission factors, <u>as proposed</u>? Should we require a registrant to use a particular set of emission factors, such as those provided by the EPA or the GHG Protocol?</p> <p><a href="#">TotalEnergies strongly supports standardization of methodologies and would recommend that the SEC provide a common set of emission factors, in order to enable benchmarking between registrants. It should be clarified for example, when companies express KPI in terms of volume of energies, whether they should use emission factors based on Low Heating Values or based on High Heating Values. This simple methodological choice can account for up to 10% of the KPI in certain cases. Comparing two registrants' KPIs with different assumptions on the Heating Value is currently impractical for investors.</a></p>	<p>Agreed as proposed with additional comment</p>
	<p>125. Should we permit a registrant to use reasonable estimates when disclosing its GHG emissions as long as it also describes the assumptions underlying, and its reasons for using, the estimates, <u>as proposed</u>? Should we permit the use of estimates for only certain GHG emissions, such as Scope 3 emissions? Should we permit a registrant to use a reasonable estimate of its GHG emissions for its fourth fiscal quarter if no actual reported data is reasonably available, together with actual, determined GHG emissions data for its first three fiscal quarters when disclosing its GHG emissions for its most recently completed fiscal year, as long as the registrant promptly discloses in a subsequent filing any material difference between the estimate used and the actual, determined GHG emissions data for the fourth fiscal quarter, <u>as proposed</u>? If so, should we require a registrant to report any such material difference in its next Form 10-Q if domestic, or in a Form 6-K, if a foreign private issuer? Should we permit a domestic registrant to report any such material difference in a Form 8-K if such form is filed (rather than furnished) with the Commission? Should any such reasonable estimate be subject to conditions to help ensure accuracy and comparability? If so, what conditions should apply?</p>	<p>Agreed as proposed</p>
	<p>126. Should we require a registrant to disclose, to the extent material, any use of third-party data when calculating its GHG emissions, regardless of the particular scope of emissions, <u>as proposed</u>? Should we require the disclosure of the use of third-party data only for certain GHG emissions, such as Scope 3 emissions? Should we require the disclosure of the use of third- party data for Scope 3 emissions, regardless of its materiality to the determination of those emissions? If a registrant discloses the use of third-party data, should it also be required to identify the source of such data and the process the registrant undertook to obtain and assess the data, <u>as proposed</u>?</p>	<p>Agreed as proposed</p>

Section	Question	Response
	<p>127. Should we require a registrant to disclose any material change to the methodology or assumptions underlying its GHG emissions disclosure from the previous year, <u>as proposed</u>? If so, should we require a registrant to restate its GHG emissions data for the previous year, or for the number of years for which GHG emissions data has been provided in the filing, using the changed methodology or assumptions? If a registrant's organizational or operational boundaries, in addition to methodology or assumptions, change, to what extent should we require such disclosures of the material change, restatements or reconciliations? In these cases, should we require a registrant to apply certain accounting standards or principles, such as FASB ASC Topic 250, as guidance regarding when retrospective disclosure should be required?</p> <p>TotalEnergies supports disclosure of material change to the methodology or assumptions underlying its GHG emissions disclosure from the previous year, as well as restatement from previous years, when practically feasible. For example, when a company increases the details of its reporting, with additional data, it is not always feasible to access such data from previous years. Absence of restatement should therefore be explained.</p>	<p>Agreed as proposed with additional comments</p>
	<p>128. Should we require a registrant to disclose, to the extent material, any gaps in the data required to calculate its GHG emissions, <u>as proposed</u>? Should we require the disclosure of data gaps only for certain GHG emissions, such as Scope 3 emissions? If a registrant discloses any data gaps encountered when calculating its Scope 3 emissions or other type of GHG emissions, should it be required to discuss whether it used proxy data or another method to address such gaps, and how its management of any data gaps has affected the accuracy or completeness of its GHG emissions disclosure, <u>as proposed</u>? Are there other disclosure requirements or conditions we should adopt to help investors obtain a reasonably complete understanding of a registrant's exposure to the GHG emissions sourced by each scope of emissions?</p>	<p>Agreed as proposed</p>
	<p>129. When determining the materiality of its Scope 3 emissions, or when disclosing those emissions, should a registrant be required to include GHG emissions from outsourced activities that it previously conducted as part of its own operations, as reflected in the financial statements for the periods covered in the filing, in addition to emissions from activities in its value chain, <u>as proposed</u>? Would this requirement help ensure that investors receive a complete picture of a registrant's carbon footprint by precluding the registrant from excluding emissions from activities that are typically conducted as part of operations over which it has ownership or control but that are outsourced in order to reduce its Scopes 1 or 2 emissions? Should a requirement to include outsourced activities be subject to certain conditions or exceptions and, if so, what conditions or exceptions?</p> <p>Considering the complexity and uncertainties associated with scope 3 disclosure, TotalEnergies believes that the proposal to track changes of operatorship, would complexify unnecessarily this reporting, and would be overly burdensome for registrants.</p>	<p>Not agreed, see comment</p>
	<p>130. Should we require a registrant that must disclose its Scope 3 emissions to discuss whether there was any significant overlap in the categories of activities that produced the Scope 3 emissions? If so, should a registrant be required to describe any overlap, how it accounted for the overlap, and its effect on the total Scope 3 emissions, <u>as proposed</u>? Would this requirement help investors assess the accuracy and reliability of the Scope 3 emissions disclosure?</p>	<p>Agreed as proposed</p>
	<p>131. Should we permit a registrant to present its Scope 3 emissions in terms of a range as long as it discloses its reasons for using the range and the underlying assumptions, <u>as proposed</u>? Should we place limits or other parameters regarding the use of a range and, if so, what should those limits or parameters be? For example, should we require a range to be no larger than a certain size? What other conditions or guidance should we provide to help ensure that a range, if used, is not overly broad and is otherwise reasonable?</p> <p>Scope 3 disclosure – upstream and downstream - will remain a challenge for many companies during the next few years, until clear methodologies and estimation tools are put in place for each of the 15 categories defined by the GHG Protocol. Providing accurate and faithful estimates will be subject to a large magnitude of uncertainty. TotalEnergies therefore suggests to allow Scope 3 disclosure with a 5 to 10% uncertainty range.</p>	<p>Agreed as proposed. See comment.</p>

Section	Question	Response
	<p>132. Should we require a registrant to follow a certain set of published standards for calculating Scope 3 emissions that have been developed for a registrant's industry or that are otherwise broadly accepted? For example, should we require a registrant in the financial industry to follow PCAF's Global GHG Accounting &amp; Reporting Standard for the Financial Industry when calculating its financed emissions within the "Investments" category of Scope 3 emissions? Are there other industry-specific standards that we should require for Scope 3 emissions disclosure? Should we require a registrant to follow the GHG Protocol's Corporate Value Chain (Scope 3) Accounting and Reporting Standard if an industry-specific standard is not available for Scope 3 emissions disclosure? If we should require the use of a third-party standard for Scope 3 emissions reporting, or any other scope of emissions, how should we implement this requirement? TotalEnergies strongly supports standardization of methodologies and would therefore support that the SEC publish a set of standards that a given industry should follow. In the Oil &amp; Gas sector, an API/IPIECA methodology standard has been developed for calculating Scope 3 emissions. TotalEnergies would support the SEC requiring following such standard, providing that SEC clarifies some aspects of the standard to ensure that it is applied homogeneously; the standard is not precise enough and gives way to many interpretations in the Oil &amp; Gas sector (for example, on the choice of boundaries on the value chain: a single point? If yes, Production, processing or sales? If no, which methodology? some companies add various points on the value chain, mirroring what is done to calculate the company's total revenue).</p>	<p>See answer below</p>
<p><b>- G3 -</b> <b>The Scope 3 Emissions Disclosure Safe Harbor and Other Accommodations</b></p>	<p>133. Should we provide a safe harbor for Scope 3 emissions disclosure, <u>as proposed</u>? Is the scope of the proposed safe harbor clear and appropriate? <b>Yes.</b> For example, should the safe harbor apply to any registrant that provides Scope 3 disclosure pursuant to the proposed rules, <u>as proposed</u>? <b>Yes.</b> Should we limit the use of the safe harbor to certain classes of registrants or to registrants meeting certain conditions and, if so, which classes or conditions? For example, should we require the use of a particular methodology for calculating and reporting Scope 3 emissions, such as the PCAF Standard if the registrant is a financial institution, or the GHG Protocol Scope 3 Accounting and Reporting Standard for other types of registrants? Should we clarify the scope of persons covered by the language "by or on behalf of a registrant" by including language about outside reviewers retained by the registrant or others? <b>Yes.</b> Should we define a "fraudulent statement," <u>as proposed</u>? Is the level of diligence required for the proposed safe harbor (i.e., that the statement was made or reaffirmed with a reasonable basis and disclosed in good faith) the appropriate standard? Should the safe harbor apply to other climate-related disclosures, such as Scopes 1 and 2 emissions disclosures, any targets and goals disclosures in response to proposed Item 1505 (discussed below), or the financial statement metrics disclosures required pursuant to Proposed Article 14 of Regulation S-X? Should the safe harbor apply indefinitely, or should we include a sunset provision that would eliminate the safe harbor some number of years, (e.g., five years) after the effective date or applicable compliance date of the rules? Should the safe harbor sunset after certain conditions are satisfied? If so, what types of conditions should we consider? What other approaches should we consider?</p> <p>The Commission has proposed a separate safe harbor specifically for Scope 3 emissions, providing that disclosure of Scope 3 emissions by or on behalf of a registrant would be deemed not to be a fraudulent statement unless it is shown that such statement was made or reaffirmed without a reasonable basis or was disclosed other than in good faith. TotalEnergies supports such a targeted safe harbor for Scope 3 emissions, given the modeling, assumptions, estimates and third-party data that will be required to produce compliant disclosures. While the PSLRA protections apply to forward-looking statements, additional protection is needed for companies to include climate-related data that relies on third-party data or accepted third-party methodologies to such an extent that the registrant should not be potentially held liable for information that they cannot materially control. Applying a separate safe harbor cover Scope 3 emissions would ensure registrants have adequate protection for these disclosures.</p> <p>TotalEnergies requests precise definitions from the Commission with respect to the scope of persons covered in order to avoid confusion when preparing the disclosure and to ensure consistency across registrants. Last, TotalEnergies recommends that such safe harbor should apply indefinitely given the number of assumptions and estimates relied on to produce Scope 3 emissions data and that are outside of a registrant's control.</p>	<p>Agreed as proposed.</p> <p>See comments.</p>

Section	Question	Response
	<p>134. Should we provide an exemption from Scope 3 emissions disclosure for SRCs, <u>as proposed</u>? Should the exemption not apply to a SRC that has set a target or goal or otherwise made a commitment to reduce its Scope 3 emissions? Are there other classes of registrants we should exempt from the Scope 3 emissions disclosure requirement? For example, should we exempt EGCs, foreign private issuers, or a registrant that is filing or has filed a registration statement for its initial public offering during its most recently completed fiscal year from the Scope 3 disclosure requirement? Instead of an exemption, should we provide a longer phase in for the Scope 3 disclosure requirements for SRCs than for other registrants?</p>	<p>Not applicable (TotalEnergies not an SRC)</p>

Section	Question	Response
<b>- H -</b> <b>Attestation of Scope 1 and Scope 2 Emissions Disclosure</b>	135. Should we require accelerated filers and large accelerated filers to obtain an attestation report covering their Scope 1 and Scope 2 emissions disclosure, <u>as proposed</u> ? Should we require accelerated filers and large accelerated filers to obtain an attestation report covering other aspects of their climate-related disclosures beyond Scope 1 and 2 emissions? For example, should we also require the attestation of GHG intensity metrics, or of Scope 3 emissions, if disclosed? Conversely, should we require accelerated filers and large accelerated filers to obtain assurance covering only Scope 1 emissions disclosure? Should any voluntary assurance obtained by these filers after limited assurance is required be required to follow the same attestation requirements of Item 1505(b)–(d), <u>as proposed</u> ?	Agreed with proposed rule, no request to deviate or go beyond what is proposed
	136. If we required accelerated filers and large accelerated filers to obtain an attestation report covering Scope 3 emissions disclosure, should the requirement be phased-in over time? If so, what time frame? Should we require all Scope 3 emissions disclosure to be subject to assurance or only certain categories of Scope 3 emissions? Would it be possible for accelerated filers and large accelerated filers to obtain an attestation report covering the process or methodology for calculating Scope 3 emissions rather than obtaining an attestation report covering the calculations of Scope 3 emissions? Alternatively, is there another form of verification over Scope 3 disclosure that would be more appropriate than obtaining an attestation report?	See answer to question 135
	137. Should the attestation requirement be limited to accelerated filers and large accelerated filers, <u>as proposed</u> ? Alternatively, should the attestation requirement be limited to a subset of accelerated filers and large accelerated filers? If so, what conditions should apply? Should the attestation requirement only apply to well-known seasoned issuers? Should the attestation requirement also apply to other types of registrants? Should we create a new test for determining whether the attestation requirements apply to a registrant that would take into account the resources of the registrant and also apply to initial public offerings? For example, should we create a test similar to the SRC definition, which includes a separate determination for initial registration statements, but using higher public float and annual revenue amounts?	Agreed as proposed.
	138. Instead of requiring only accelerated filers and large accelerated filers to include an attestation report for Scope 1 and Scope 2 emissions, should the proposed attestation requirements also apply to registrants other than accelerated filers and large accelerated filers? If so, should the requirement apply only after a specified transition period? Should such registrants be required to provide assurance at the same level as accelerated filers and large accelerated filers and over the same scope of GHG emissions disclosure, or should we impose lesser requirements (e.g., only limited assurance and/or assurance over Scope 1 emissions disclosure only)?	Not applicable
	139. Should we require accelerated filers and large accelerated filers to initially include attestation reports reflecting attestation engagements at a limited assurance level, eventually increasing to a reasonable assurance level, <u>as proposed</u> ? What level of assurance should apply to the proposed GHG emissions disclosure, if any, and when should that level apply? Should we provide a one fiscal year transition period between the GHG emissions disclosure compliance date and when limited assurance would be required for accelerated filers and large accelerated filers, <u>as proposed</u> ? Should we provide an additional two fiscal year transition period between when limited assurance is first required and when reasonable assurance is required for accelerated filers and large accelerated filers, <u>as proposed</u> ?	Agreed as proposed.
	140. Should we provide the same transition periods (from the Scopes 1 and 2 emissions disclosure compliance date) for accelerated filers and large accelerated filers, <u>as proposed</u> ? Instead, should different transition periods apply to accelerated filers and large accelerated filers? Should we provide transition periods with different lengths than those proposed? Should we require the attestation to be at a reasonable assurance level without having a transition period where only limited assurance is required? Should we instead impose assurance requirements to coincide with reporting compliance periods?	Agreed as proposed.

Section	Question	Response
	<p>141. Under prevailing attestation standards, “limited assurance” and “reasonable assurance” are defined terms that we believe are generally understood in the marketplace, both by those seeking and those engaged to provide such assurance. As a result, we have not proposed definitions of those terms. Should we define “limited assurance” and “reasonable assurance” and, if so, how should we define them? Would providing definitions in this context cause confusion in other attestation engagements not covered by the proposed rules? Are the differences between these types of attestation engagements sufficiently clear without providing definitions?</p>	<p>Agreed as proposed. No request for further definition.</p>
	<p>142. <u>As proposed</u>, there would be no requirement for a registrant to either provide a separate assessment and disclosure of the effectiveness of controls over GHG emissions disclosure by management or obtain an attestation report from a GHG emissions attestation provider specifically covering the effectiveness of controls over GHG emissions disclosure. Should we require accelerated filers and large accelerated filers to provide a separate management assessment and disclosure of the effectiveness of controls over GHG emissions disclosure (separate from the existing requirements with respect to the assessment and effectiveness of DCP)? Should we require management to provide a statement in their annual report on their responsibility for the design and evaluation of controls over GHG emissions disclosure and to disclose their conclusion regarding the effectiveness of such controls? Instead of, or in addition to, such management assessment and statement, should we require the registrant to obtain an attestation report from a GHG emissions attestation provider that covers the effectiveness of such GHG emissions controls as of the date when the accelerated filer or large accelerated filer is required to comply with the reasonable assurance requirement under proposed Item 1505(a)? If so:</p> <p>(i) Would it be confusing to apply either such requirement in light of the existing DCP controls over GHG emissions provide meaningful disclosure to investors beyond the existing requirement for DCP?</p> <p>(ii) Would a separate management assessment and statement on the effectiveness of requirements that would apply to the proposed GHG emissions disclosure?</p> <p>(iii) Should we specify that the separate management assessment and statement must be provided by the accelerated filer’s or large accelerated filer’s principal executive and principal financial officers, or persons performing similar functions? Should we clarify which members of the accelerated filer or large accelerated filer’s management should be involved in performing the underlying assessment?</p> <p>(iv) What controls framework(s) would the effectiveness of the registrant’s controls over GHG emissions disclosure be evaluated against, if any?</p> <p>(v) For the GHG emissions attestation provider, what requirements should be applied to such GHG emissions disclosure controls attestation requirement? For example, what attestation standards should apply? Should other service provider(s) in addition to or in lieu of the GHG emissions attestation provider be permitted to provide such attestation over the effectiveness of the GHG controls?</p> <p>(vi) Should we limit such a requirement to accelerated filers and large accelerated filers only or should it apply to other registrants as well?</p> <p>(vii) What would be the potential benefits and costs of either approach?</p> <p>(viii) Should we require a certification on the design and evaluation of controls over GHG emissions disclosures by officers serving in the principal executive and principal financial officer roles or persons performing similar functions for an accelerated filer or large accelerated filer? Would a certification requirement have any additional benefits or impose any additional costs when compared to a requirement for management to assess and disclose in a statement in the annual report the effectiveness of controls over GHG emissions?</p>	<p>Agreed with proposed rule. No request to go beyond what is proposed</p>

Section	Question	Response
<p>- H2 -</p> <p><b>GHG Emissions Attestation Provider Requirements</b></p>	<p>143. We considered whether to require registrants to include the GHG emissions metrics in the notes or a separate schedule to their financial statements, by amending Regulation S-X instead of Regulation S-K.</p> <p>(i) Would there be benefits to including this information in a registrant's financial statements? For example, would requiring the GHG emissions disclosure to be included in the financial statements improve the consistency, comparability, reliability, and decision-usefulness of the information for investors? Would it facilitate the integration of GHG metrics and targets into the registrant's financial analysis? Would such placement cause registrants to incur significantly more expense in obtaining an audit of the disclosure? If so, please quantify those additional expenses where possible.</p> <p>(ii) Should we require a registrant to include the GHG emissions disclosure in its audited financial statements so that the disclosure would be subject to the existing requirements for an independent audit and ICFR? If so, we seek comment on the following aspects of this alternative:</p> <p>(a) If GHG emissions disclosure is subject to ICFR, or an internal control framework similar to ICFR, would GHG emissions disclosure be more reliable compared to what is currently proposed? What are the benefits or costs?</p> <p>(b) Should the GHG emissions disclosure be included in a note to the registrant's financial statements (e.g., in the note where the proposed financial statement metrics as discussed above in Section II.F would be included) or in a schedule, or somewhere else? If the GHG emissions disclosure was required in the financial statements, should it be subject to a reasonable assurance audit like the other information in the financial statements? If in a schedule, should the GHG emissions disclosure be disclosed in a schedule similar to those required under Article 12 of Regulation S-X, which would subject the disclosure to audit and ICFR requirements? Should we instead require the metrics to be disclosed as supplemental financial information, similar to the disclosure requirements under FASB ASC Topic 932-235-50-2 for registrants that have significant oil- and gas- producing activities? If so, should such supplemental schedule be subject to ICFR requirements? Instead of requiring the GHG emissions disclosure to be included in a note to the registrant's audited financial statements, should we require a new financial statement for such metrics?</p> <p>(c) PCAOB auditing standards apply to the audit of a registrant's financial statements. If GHG emissions disclosure is included in a supplemental schedule to the financial statements, should we allow other auditing standards to be applied? If so, which ones? What, if any, additional guidance or revisions to such standards would be needed in order to apply them to the audit of GHG emissions disclosure? to provide assurance? What are the costs and benefits of such approach? Would the reliability of the audits and therefore the information disclosed be affected if assurance providers other than registered public accounting firms are permitted to conduct these audits? Please provide supporting data where possible. If we should allow for assurance providers that are not registered public accounting firms, what qualifications and oversight should they have, and what requirements should we impose on them? Should we direct the PCAOB to develop a separate registration process for service providers that are not otherwise registered? What expertise, independence and quality control standards should apply?</p> <p>(d) What are the costs and benefits of employing registered public accounting firms to perform audits of GHG emissions disclosure and related attestation of internal controls? Are there potential cost savings in employing registered public accountants that currently perform audits of financial statements and attestation of ICFR to review GHG emissions disclosure and any related internal controls? If we require GHG emissions disclosure to be presented in the financial statements, should we permit entities other than registered public accounting firms to provide assurance of this information, as proposed for the current attestation requirements under Regulation S-K? If not limited to registered public accounting firms, who should be permitted to provide assurance of GHG emissions disclosure? Should we permit environmental consultants, engineering firms, or other types of specialists</p> <p>(e) What would be the other potential benefits and costs of such an approach?</p>	<p>No request to deviate or go beyond what is proposed</p>

Section	Question	Response
	<p>144. Should we require a registrant to obtain a GHG emissions attestation report that is provided by a GHG emissions attestation provider that meets specified requirements, <u>as proposed</u>? Should one of the requirements be that the attestation provider is an expert in GHG emissions, with significant experience in measuring, analyzing, reporting, or attesting to GHG emissions, <u>as proposed</u>? Should we specify that significant experience means having sufficient competence and capabilities necessary to: (a) perform engagements in accordance with professional standards and applicable legal and regulatory requirements and (b) enable the service provider to issue reports that are appropriate under the circumstances, as proposed? Should we instead require that the GHG emissions attestation provider have a specified number of years of the requisite type of experience, such as 1, 3, 5, or more years? Should we specify that a GHG emissions attestation provider meets the expertise requirements if it is a member in good standing of a specified accreditation body that provides oversight to service providers that apply attestation standards? If so, which accreditation body or bodies should we consider (e.g., AICPA)? Are there any other requirements for the attestation provider that we should specify? Instead, should we require a GHG emissions attestation provider to be a PCAOB-registered audit firm?</p>	<p>Agreed as proposed</p>
	<p>145. Is additional guidance needed with respect to the proposed expertise requirement? Should we instead include prescriptive requirements related to the qualifications and characteristics of an expert under the proposed rules? For example, should we include a provision that requires a GHG emissions attestation provider that is a firm to have established policies and procedures designed to provide it with reasonable assurance that the personnel selected to provide the GHG attestation service have the qualifications necessary for fulfillment of the responsibilities that the GHG emissions attestation provider will be called on to assume, including the appropriate engagement of specialists, if needed?</p>	<p>No specific comment.</p>
	<p>146. Should we require the GHG emissions attestation provider to be independent with respect to the registrant, and any of its affiliates, for whom it is providing the attestation report, <u>as proposed</u>? Should we specify that a GHG emissions attestation provider is not independent if such attestation provider is not, or a reasonable investor with knowledge of all relevant facts and circumstances would conclude that such attestation provider is not, capable of exercising objective and impartial judgment on all issues encompassed within the attestation provider's engagement, as proposed? The proposed provision is based on a similar provision regarding the qualification of an accountant to be an independent auditor under Rule 2-01 of Regulation S-X. Is Rule 2-01 an appropriate model for determining the independence of a GHG emissions attestation provider? Is being independent from a registrant and its affiliates an appropriate qualification for a GHG emissions attestation provider?</p>	<p>Agreed as proposed</p>
	<p>147. Should we specify that the factors the Commission would consider in determining whether a GHG emissions attestation provider is independent include whether a relationship or the provision of a service creates a mutual or conflicting interest between the attestation provider and the registrant, including its affiliates, places the attestation provider in the position of attesting to such attestation provider's own work, results in the attestation provider acting as management or an employee of the registrant, including its affiliates, or places the attestation provider in a position of being an advocate for the registrant and its affiliates, <u>as proposed</u>? Should we specify that the Commission also will consider all relevant circumstances, including all financial and other relationships between the attestation provider and the registrant, including its affiliates, and not just those relating to reports filed with the Commission, <u>as proposed</u>?</p>	<p>No specific comment</p>
	<p>148. Should we adopt all of the proposed factors for determining the independence of a GHG emissions attestation provider, or are there factors we should omit? Are there any additional factors that we should specify that the Commission will consider when determining the independence of a GHG emissions attestation provider? For example, should we include any non-exclusive specifications of circumstances that would be inconsistent with the independence requirements, similar to those provided in 17 CFR 210.2-01(c) (Rule 2-01(c) of Regulation S- X)?</p>	<p>No specific comment</p>

Section	Question	Response
	149. Should the definition of “affiliates” be modeled on Rule 2-01, <u>as proposed</u> , or should we use a different definition? Would defining the term differently than proposed cause confusion because the rest of the proposed independence requirement is modeled on Rule 2-01? Many accountants are likely familiar with the proposed definition given their required compliance with Rule 2-01, would non-accountants understand how to comply with and apply this concept?	No specific comment
	150. Should the term “attestation and professional engagement period” be defined <u>in the proposed manner</u> ? If not, how should “attestation and professional engagement period” be defined? Alternatively, should the Commission specify a different time period during which an attestation provider must meet the proposed independence requirements?	No specific comment
	151. Should we include disclosure requirements when there is a change in, or disagreement with, the registrant’s GHG emissions attestation provider that are similar to the disclosure requirements in Item 4.01 of Form 8-K and 17 CFR 229.304 (Item 304 of Regulation S-K)?	No specific comment
	152. Accountants are already required to comply with the relevant quality control and management standards when providing audit and attest services under the PCAOB, AICPA, or IAASB standards. These quality control and management standards would apply to accountants providing GHG attestation services pursuant to those standards as well. Should we require the GHG emissions attestation provider to comply with additional minimum quality control requirements (e.g., acceptance and continuance of engagements, engagement performance, professional code of conduct, and ethical requirements) to provide greater consistency over the quality of service provided by GHG emissions attestation providers who do not (or cannot) use the PCAOB, AICPA, or IAASB attestation standards? If so, what should the minimum requirements be?	No specific comment
	153. <u>As proposed</u> , the GHG emissions attestation provider would be a person whose profession gives authority to statements made in the attestation report and who is named as having provided an attestation report that is part of the registration statement, and therefore the registrant would be required to obtain and include the written consent of the GHG emissions provider pursuant to Securities Act Section 7 and related Commission rules. This would subject the GHG emissions attestation provider to potential liability under Section 11 of the Securities Act. Would the possibility of Section 11 liability deter qualified persons from serving as GHG emissions attestation providers? Should we include a provision similar to 17 CFR 230.436(c), or amend that rule, to provide that a report on GHG emissions at the limited assurance level by a GHG emissions attestation provider that has reviewed such information is not considered part of a registration statement prepared or certified by a person whose profession gives authority to a statement made by him or a report prepared or certified by such person within the meaning of Section 7 and 11 of the Act?	No specific comment

Section	Question	Response
<b>- H3 -</b> <b>GHG Emissions Attestation Engagement and Report Requirements</b>	<p>154. Should we require the attestation engagement and related attestation report to be provided pursuant to standards that are publicly available at no cost and are established by a body or group that has followed due process procedures, including the broad distribution of the framework for public comment, <u>as proposed</u>? Is the requirement of “due process procedures, including the broad distribution of the framework for public comment” sufficiently clear? Would the attestation standards of the PCAOB, AICPA, and IAASB meet this due process requirement? Are there other standards currently used in the voluntary climate-related assurance market or otherwise in development that would meet the due process and publicly availability requirements? For example, would verification standards commonly used by non-accountants currently, such as ISO 14064-3 and the AccountAbility’s AA1000 Series of Standards, meet the proposed requirements? Are there standards currently used in the voluntary climate-related assurance market or otherwise under development that would be appropriate for use under the Commission’s climate-related disclosure rules although they may not strictly meet the proposed public comment requirement? If so, please explain whether those standards have other characteristics that would serve to protect investors?</p>	<p>No specific comment</p>
	<p>155. Should we require that the attestation standards used be publicly available at no cost to investors, <u>as proposed</u>? Should we permit the use of attestation standards, even if not publicly available at no cost, provided that registrants provide access to those standards at the request of their investors?</p>	<p>No specific comment</p>
	<p>156. Should we require the GHG emissions attestation report to meet certain minimum requirements in addition to any form and content requirements set forth by the attestation standard or standards used by the GHG emissions attestation provider, <u>as proposed</u>? Should we instead require that the attestation report solely meet whatever requirements are established by the attestation standard or standards used?</p>	<p>No specific comment</p>
	<p>157. Should we adopt each of the proposed minimum requirements? Are there any proposed requirements that we should omit or add to the proposed list of minimum GHG emissions attestation report requirements?</p>	<p>No specific comment</p>
	<p>158. Regarding the proposed provision requiring the identification of the criteria against which the subject matter was measured or evaluated, would reference to proposed Item 1504(a), Item 1504(b), and Item 1504(e)’s instructions concerning the presentation, methodology, including underlying assumptions, and organizational and operational boundaries applicable to the determination of Scopes 1 and 2 emissions meet the “suitable criteria” requirement under prevailing attestation standards (e.g., AICPA SSAE No. 18, AT-C 105.A16)?</p>	<p>No specific comment</p>
	<p>159. If we require or permit a registrant to use the GHG Protocol as the methodology for determining GHG emissions, would the provisions of the GHG Protocol qualify as “suitable criteria” against which the Scope 1 and Scope 2 emissions disclosure should be evaluated?</p>	<p>No specific comment</p>

Section	Question	Response
<p>- H4 - Additional Disclosure by the Registrant</p>	<p>160. Should we require certain items of disclosure related to the attestation of a registrant's GHG emissions to be provided by the registrant in its filing that includes the attestation report (where the GHG emissions and other climate-related disclosures are presented), based on relevant information obtained from the GHG emissions attestation provider, <u>as proposed</u>? Should these additional items of disclosure instead be included in the attestation report?</p>	<p>No specific comment</p>
	<p>161. Should we require the registrant to disclose whether the attestation provider has a license from any licensing or accreditation body to provide assurance, and if so, the identity of the licensing or accreditation body, and whether the attestation provider is a member in good standing of that licensing or accreditation body, <u>as proposed</u>? In lieu of disclosure, should we require a GHG emissions attestation provider to be licensed to provide assurance by specified licensing or accreditation bodies? If so, which licensing or accreditation bodies should we specify?</p>	<p>No specific comment</p>
	<p>162. Should we require a registrant to disclose whether the GHG emissions attestation engagement is subject to any oversight inspection program, and if so, which program (or programs), <u>as proposed</u>? Should we instead require the registrant to disclose whether the attestation engagement is subject to certain specified oversight programs? If so, which oversight programs should we specify?</p>	<p>No specific comment</p>
	<p>163. Should we require a registrant to disclose whether the attestation provider is subject to record-keeping requirements with respect to the work performed for the GHG emissions attestation engagement and, if so, identify the record-keeping requirements and duration of those requirements, <u>as proposed</u>? In lieu of disclosure, should we specify that the record-keeping requirements of a GHG emissions attestation provider must be of a certain minimum duration, such as three, five, or seven years, or some other period? Should we specify that the record-keeping requirements must include certain reasonable procedures and, if so, what procedures?</p>	<p>No specific comment</p>

Section	Question	Response
<p>- H5 -</p> <p><b>Disclosure of Voluntary Attestation</b></p>	<p>164. Should we require a registrant that is not required to include a GHG emissions attestation report pursuant to proposed Item 1505(a) to disclose within the separately captioned "Climate-Related Disclosure" section in the filing the following information, if the registrant's GHG emissions disclosure was subject to third-party attestation or verification, <u>as proposed</u>:</p> <p>(i) Identify the provider of such assurance or verification;</p> <p>(ii) Disclose the assurance or verification standard used;</p> <p>(iii) Describe the level and scope of assurance or verification provided;</p> <p>(iv) Briefly describe the results of the assurance or verification;</p> <p>(v) Disclose whether the third-party service provider has any other business relationships with or has provided any other professional services to the registrant that may lead to an impairment of the service provider's independence with respect to the registrant; and</p> <p>(vi) Disclose any oversight inspection program to which the service provider is subject (e.g., the AICPA's peer review program), each <u>as proposed</u>.</p> <p>Are there other disclosure items that we should require if a registrant has obtained voluntary assurance or verification of the climate-related disclosures? Are there any of the proposed disclosure items that we should omit? Should we specify parameters or include guidance on when the services provided by a third-party would be considered "assurance" or "verification" and thus require disclosure pursuant to the proposed rules? Should a registrant be required to furnish a copy of or provide a link to the assurance or verification report so that it is readily accessible by an investor?</p>	<p>No specific comment</p>
	<p>165. Instead of requiring a registrant to disclose whether the third-party service provider has any other business relationships with or has provided any other professional services to the registrant that may lead to an impairment of the service provider's independence with respect to the registrant <u>as proposed</u>, should we require the third-party service provider to be independent, according to the standard proposed under Item 1505(b) for accelerated filers and large accelerated filers that are required to include a GHG emissions attestation report pursuant to proposed Item 1505(a)? If not, should we provide guidance as to what constitutes an impairment of a service provider's independence with respect to the registrant? Would this result in decision-useful information to an investor? Should we instead require a registrant to disclose whether the third-party service provider would be considered independent under some other independence requirement?</p>	<p>No specific comment</p>
	<p>166. <u>As proposed</u>, a registrant would be required to disclose any oversight inspection program to which the service provider is subject, such as the PCAOB's inspection program or the AICPA's peer review program. Are there other oversight programs that we should provide as examples? Would such disclosure provide decision-useful information to an investor? Is it clear what "any oversight inspection program" would include?</p>	<p>No specific comment</p>
	<p>167. <u>As proposed</u>, a registrant would not be required to disclose the voluntary assurance or verification fees associated with the GHG disclosures. Should we require GHG disclosure assurance or verification fees to be disclosed? Would such disclosure be decision-useful to investors making voting or investment decisions?</p>	<p>No specific comment</p>

Section	Question	Response
<p>- I -</p> <p><b>Targets and Goals Disclosure</b></p>	<p>168. Should we require a registrant to disclose whether it has set any targets related to the reduction of GHG emissions, <u>as proposed</u>? Should we also require a registrant to disclose whether it has set any other climate-related target or goal, e.g., regarding energy usage, water usage, conservation or ecosystem restoration, or revenues from low-carbon products, in line with anticipated regulatory requirements, market constraints, or other goals, <u>as proposed</u>?</p> <p>Are there any other climate-related targets or goals that we should specify and, if so, which targets or goals? Is it clear when disclosure under this proposed item would be triggered, or do we need to provide additional guidance? Would our proposal discourage registrants from setting such targets or goals?</p>	<p>Agreed as proposed</p>
	<p>169. Should we require a registrant, when disclosing its targets or goals, to disclose:</p> <ul style="list-style-type: none"> <li>• The scope of activities and emissions included in the target;</li> <li>• The unit of measurement, including whether the target is absolute or intensity based;</li> <li>• The defined time horizon by which the target is intended to be achieved, and whether the time horizon is consistent with one or more goals established by a climate-related treaty, law, regulation, or organization;</li> <li>• The defined baseline time period and baseline emissions against which progress will be tracked with a consistent base year set for multiple targets;</li> <li>• Any intervening targets set by the registrant; and</li> <li>• How it intends to meet its targets or goals, each <u>as proposed</u>?</li> </ul> <p>Are there any other items of information about a registrant's climate-related targets or goals that we should require to be disclosed, in addition to or instead of these proposed items? Are there any proposed items regarding such targets or goals that we should exclude from the required disclosure? If a registrant has set multiple targets or goals, should it be permitted to establish different base years for those targets or goals?</p> <p>TotalEnergies supports the setting of clear time horizons (short, medium and long term) so that companies' targets can be easily compared by investors. For example, TotalEnergies considers the following timelines for its publications in 2022: 2025 (short term), 2030 (medium term) and 2050 (long term, reflecting the Paris Agreement timeline).</p> <p>In order to evaluate companies' past performance, which we believe is as important as setting future goals, TotalEnergies believes that a minimum of five years is necessary to assess a company's past performance. TotalEnergies uses 2015, the date of the Paris Agreement, as a reference for assessing its performance on various climate related KPIs.</p>	<p>Agreed as proposed</p>
	<p>170. Should we require a registrant to discuss how it intends to meet its climate-related targets or goals, <u>as proposed</u>?</p> <p>Should we provide examples of potential items of discussion about a target or goal regarding GHG emissions reduction, such as a strategy to increase energy efficiency, a transition to lower carbon products, purchasing carbon offsets or RECs, or engaging in carbon removal and carbon storage, <u>as proposed</u>? Should we provide additional examples of items of discussion about climate-related targets or goals and, if so, what items should we add? Should we remove any of the proposed examples of items of discussion?</p> <p>TotalEnergies supports disclosure of how a registrant intends to meet its climate-related targets or goals as proposed. However, the modalities of this explanation should be left to the best judgement of the registrant so as to best adapt to its particular context.</p>	<p>Agreed as proposed.</p> <p>See comment.</p>
	<p>171. Should we require a registrant, when disclosing its targets or goals, to disclose any data that indicates whether the registrant is making progress towards meeting the target and how such progress has been achieved, <u>as proposed</u>?</p> <p>Reporting progress on a registrant's GHG emissions reduction targets based on clear metrics is a key element of a climate disclosure regime integrity and efficiency.</p>	<p>Agreed as proposed</p>

Section	Question	Response
	<p>172. Should we require that the disclosure be provided in any particular format, such as charts? Would certain formats help investors and others better assess these disclosures in the context of assessing the registrant's business and financial condition? What additional or other requirements would help in this regard?  <a href="#">A registrant should be free to determine the best format for disclosing targets and reporting on progress.</a></p>	<p>No request to go beyond what is proposed.</p>
	<p>173. If a registrant has used carbon offsets or RECs, should we require the registrant to disclose the amount of carbon reduction represented by the offsets or the amount of generated renewable energy represented by the RECS, the source of the offsets or RECs, the nature and location of the underlying projects, any registries or other authentication of the offsets or RECs, and the cost of the offsets or RECs, <u>as proposed</u>? Are there other items of information about carbon offsets or RECs that we should specifically require to be disclosed when a registrant describes its targets or goals and the related use of offsets or RECs? Are there proposed items of information that we should exclude from the required disclosure about offsets and RECs?</p>	<p>Agreed as proposed</p>
	<p>174. Should we apply the PSLRA statutory safe harbors as they currently exist to forward-looking statements involving climate-related targets and goals, or other climate-related forward- looking information? Should we instead create a separate safe harbor for forward-looking climate-related information, including targets and goals? Should we adopt an exception to the PSLRA statutory safe harbors that would extend the safe harbors to climate-related forward- looking disclosures made in an initial public offering registration statement?  <a href="#">Safe harbors, in general, will encourage registrants to provide detailed and robust disclosures relating to their goals and forward-looking scenarios. As set forth in various sections of the proposed rule, to the extent that disclosures incorporate or are based on an internal carbon price, scenario analysis, transition plan or climate-related targets or goals constitute forward-looking information, Private Securities Litigation Reform Act (PSLRA) safe harbors would apply.</a>  <a href="#">TotalEnergies agrees with the Commission that PSLRA safe harbors should apply due to these disclosures being similar to other types of disclosures that include forward-looking statements. Indeed, these disclosures may actually include a higher level of estimates and assumptions by nature, and therefore should be covered by the protections of the PSLRA. TotalEnergies recommends the application of PSLRA forward-looking safe harbors to climate-related and other forward-looking information and statements made in response to specified climate-related disclosure items, such as proposed Item 1502 (Strategy, business model, and outlook) and 1506 (Targets and goals).</a></p>	<p>See comment</p>

Section	Question	Response
<p data-bbox="47 188 100 212">- J -</p> <p data-bbox="47 252 219 499"><b>Registrants Subject to the Climate-Related Disclosure Rules and Affected Forms</b></p>	<p data-bbox="230 188 1973 371">175. Should the proposed climate-related disclosures be required in Exchange Act reports and registration statements, <u>as proposed</u>? Should we exempt SRCs from all of the proposed climate-related disclosure rules instead of exempting them solely from Scope 3 emissions disclosure requirements, <u>as proposed</u>? Should we exempt SRCs from certain other proposed climate-related disclosure requirements and, if so, which requirements? For example, in addition to the proposed exemption from Scope 3 emissions disclosure, should we exempt SRCs from the proposed requirement to disclose Scopes 1 and 2 emissions? Are there certain types of other registrants, such as EGCs or business development companies (“BDCs”), that should be excluded from all or some of the proposed climate-related disclosure rules?</p> <hr/> <p data-bbox="230 400 1973 488">176. Should we require foreign private issuers that report on Form 20-F to provide the same climate-related disclosures as Form 10-K filers, <u>as proposed</u>? Should we require climate-related disclosures in the registration statements available for foreign private issuers, <u>as proposed</u>? If not, how should the climate-related disclosures provided by foreign private issuer registrants differ from the disclosures provided by domestic registrants?</p> <p data-bbox="230 491 1973 735">TotalEnergies is currently required to disclose climate-related information under the French Commercial Code and European regulations (Directive 2014/95/EU of the European Parliament and of the Council of 22 October 2014 amending Directive 2013/34/EU as regards disclosure of non-financial and diversity information by certain large undertakings and groups and the Taxonomy regulation (EU) 2020/852). Such requirements include reporting on the significant GHG emissions generated by the company’s activity particularly through the use of goods and services it produces, the measures taken to adapt to the consequences of climate change, and the reduction targets set voluntarily in the medium and long term to reduce greenhouse gas emissions and the means implemented to this end. TotalEnergies also relies on existing standardized frameworks and recommendations developed by standard setters such as the Task Force on Climate-Related Financials Disclosures (TCFD), particularly for its disclosures on climate change-related challenges (covering governance, strategy, risk management and metrics).</p> <p data-bbox="230 738 1973 826">TotalEnergies continuously reviews its disclosures as regulators in the European Union (EU) and the United Kingdom propose and implement new prescriptive requirements with respect to the climate, and acknowledges that a new, comprehensive set of standards and rules will be set forth in the near future in the EU in the form of the Corporate Sustainability Reporting Directive (CSRD).</p> <p data-bbox="230 829 1973 954">TotalEnergies recommends that the Commission adopt an equivalency recognition for future reporting standards applicable to FPIs, to the extent that the SEC deems a standard to be substantially similar to the adopted rules. This would be in line with the Commission’s historical approach of allowing FPIs to comply with local regulatory disclosure requirements in lieu of SEC rules applicable to US domestic companies, i.e., the recognition of IFRS instead of US GAAP with respect to financial accounting and reporting standards.</p> <p data-bbox="230 957 1973 1114">TotalEnergies considers that such equivalency regime should be automatic and not based on a mutual recognition system. We recommend that the determination of this provision be made by the Commission in the final form of the adopted rules. An automatic equivalency recognition will secure FPIs and limit their administrative burden and compliance costs. Furthermore, the SEC should not require a registrant filing the alternative climate-related disclosure to make certain changes that it deems necessary as a condition to alternative reporting as this would be burdensome for FPIs and is not necessary if the regime is substantially similar to that of the SEC.</p> <p data-bbox="230 1149 1973 1201">Please also refer to the answer to question 189 on the recognition of alternative reporting regimes for both domestic and foreign registrants in view of harmonizing disclosures.</p>	<p data-bbox="2013 260 2136 323">Agreed as proposed</p> <hr/> <p data-bbox="2013 786 2136 818">See comments.</p>
	<p data-bbox="230 1209 1973 1273">177. Should we require a registrant to disclose any material changes to the climate-related disclosure provided in its registration statement or annual report in its Form 10-Q or Form 6-K, <u>as proposed</u>? Are there any changes that should be required to be reported on Form 8-K?</p>	<p data-bbox="2013 1225 2136 1281">Agreed as proposed</p>
	<p data-bbox="230 1297 1973 1425">178. Should we require the climate-related disclosure in the forms specified above? Is the application of the proposed rules to the forms sufficiently clear, or should we include additional clarifying amendments? For example, would the application of proposed Article 14 to Forms 20-F, F-1 and F-3 be sufficiently clear when a registrant prepares its financial statements pursuant to IFRS as issued by the International Accounting Standards Board (“IASB”) without reconciliation to U.S. generally accepted accounting principles (“U.S. GAAP”), or should we add a related instruction to those forms?</p>	<p data-bbox="2013 1345 2136 1401">No specific comment</p>

Section	Question	Response
	<p>179. Are there certain registration statements or annual reports that should be excluded from the scope of the proposed climate-related disclosure rules? For example, should we exclude Securities Act registration statements filed in connection with a registrant's initial public offering? Would such an accommodation help address concerns about the burdens of transitioning to public company status? We have not proposed to require climate-related disclosures in registration statements on Form S-8 or annual reports on Form 11-K. Should we require such disclosures?</p>	<p>No specific comment</p>
	<p>180. Should we require climate-related disclosure in Forms S-4 and F-4, <u>as proposed</u>? Should we provide transitional relief for recently acquired companies? For example, should we provide that a registrant would not be required to provide the proposed climate-related disclosures for a company that is a target of a proposed acquisition under Form S-4 or F-4 until the fiscal year following the year of the acquisition if the target company is not an Exchange Act reporting company and is not the subject of foreign climate-related disclosure requirements that are substantially similar to the Commission's proposed requirements? Should such transitional relief in this instance be for a longer period than one year and, if so, for how long should such transitional relief extend?</p>	<p>No specific comment</p>
	<p>181. We have not proposed to amend Form 40-F, the Exchange Act form used by a Canadian issuer eligible to report under the Multijurisdictional Disclosure System ("MJDS") to register securities or to file its annual report under the Exchange Act, to include the proposed climate-related disclosure requirements. Should we require a Form 40-F issuer to comply with the Commission's proposed climate-related disclosure requirements? Should we permit a MJDS issuer to comply with Canadian climate-related disclosure requirements instead of the proposed rules if they meet certain conditions or provide certain additional disclosures and, if so, which conditions or disclosures?</p>	<p>Not applicable</p>
	<p>182. The proposed rules would not apply to asset-backed issuers. The Commission and staff are continuing to evaluate climate-related disclosures with respect to asset-backed securities. Should we require asset-backed issuers to provide some or all of the disclosures under proposed Subpart 1500 of Regulation S-K? If so, which of the proposed disclosures should apply to asset-backed issuers? Are other types of climate disclosure better suited to asset-backed issuers? How can climate disclosure best be tailored to various asset classes?</p>	<p>Not applicable</p>
	<p>183. Should we adopt an alternative reporting provision that would permit a registrant that is a foreign private issuer and subject to the climate-related disclosure requirements of an alternative reporting regime that has been deemed by the Commission to be substantially similar to the requirements of proposed Subpart 1500 of Regulation S-K and Article 14 of Regulation S-X to satisfy its disclosure obligations under those provisions by complying with the reporting requirements of the alternative reporting regime ("alternative reporting provision")? If so, should we require the submission of an application for recognition of an alternative reporting regime as having substantially similar requirements for purposes of alternative reporting regarding climate-related disclosures? Should we permit companies, governments, industry groups, or climate-related associations to file such an application? Should we require the applicant to follow certain procedures, such as those set forth in 17 CFR 240.0-13?</p>	<p>See answer to question 176.</p>
	<p>184. If we adopt an alternative reporting provision, should we specify certain minimum standards that the alternative reporting regime must meet in order to be recognized and, if so, what standards? For example, should we specify that an alternative reporting regime must require the disclosure of a foreign private issuer's Scopes 1 and 2 emissions and related targets, the proposed financial statement metrics, as well as disclosures pursuant to the TCFD's recommendations regarding governance, strategy, and risk management disclosure? Should we specify that the alternative reporting regime must require the disclosure of Scope 3 emissions and, if so, should we deem the alternative reporting regime to be substantially similar even if its Scope 3 emissions requirements become effective after the Commission's phase in period for Scope 3 emissions disclosure requirements? Should we specify that the alternative reporting regime must require the disclosure of scenario analysis if a registrant uses scenario analysis in formulating its strategy regarding climate-related risks? Are there certain climate-related disclosure requirements that have been adopted or are in the process of being adopted in other jurisdictions that we should consider to be substantially similar to the Commission's rules for purposes of an alternative reporting provision? If so, which requirements should we consider?</p>	<p>See answer to question 176.</p>

Section	Question	Response
	185. If we adopt an alternative reporting provision, should it be a mutual recognition system, so that, as a condition of our recognition of a particular jurisdiction as an alternative reporting regime, that jurisdiction must recognize the Commission's climate-related disclosure rules as an alternative reporting system that a registrant dual-listed in the United States and the other jurisdiction may use to fulfill the foreign jurisdiction's climate-related disclosure rules?	See answer to question 176.
	186. If we adopt an alternative reporting provision, should we require a registrant filing the alternative climate-related disclosure to make certain changes that we deem necessary as a condition to alternative reporting? For example, should we require a registrant to comply with XBRL tagging requirements as a condition to filing alternative climate-related disclosure? Are there other specific conditions that we should impose on disclosure under an alternative climate reporting provision?	See answer to question 176.
	<p>187. If we adopt an alternative reporting provision, should we require a registrant using that system to:</p> <ul style="list-style-type: none"> <li>• State in the filing that it is relying on this alternative reporting provision;</li> <li>• Identify the exhibit number of the filing where the alternative disclosure can be found; and</li> <li>• File a fair and accurate English translation of the alternative climate-related disclosure if in a foreign language?</li> </ul> <p>Would these requirements enhance the accessibility of the alternative disclosures? Are there other requirements that we should impose to enhance the transparency of the alternative climate-related disclosure?</p> <ul style="list-style-type: none"> <li>• Identify the alternative reporting regime for which the climate-related disclosure was prepared;</li> </ul>	No specific comment
	188. If we adopt an alternative reporting provision, should we permit a registrant to follow the submission deadline of the approved alternative reporting regime even if that deadline differs from the deadline for reporting under our rules? <b>Yes</b> . If so, what conditions, if any, should apply to permit the use of such alternative deadline? For example, should the registrant be required to provide adequate notice, before the due date of the Commission filing in which the alternative disclosure is required to be included? Should such notice indicate the registrant's intent to file the alternative disclosure using the alternative jurisdiction's deadline? If so, what would constitute adequate notice? For example, should the deadline for filing the notice be three, five, or ten business days before the Commission filing deadline? Should we permit a registrant to provide such notice through an appropriate submission to the Commission's EDGAR system? <b>Yes</b> . Should we permit a registrant to indicate in its Form 20-F or other report that it will file the alternative disclosure at a later date if permitted to do so by the alternative reporting regime? <b>Yes</b> . In that case, should we permit the registrant to file the alternative disclosure on a Form 6-K or 8-K? <b>Yes</b> . Should we instead require a registrant to submit the notice via a form that we would create for such purpose? Should there be any consequences if a registrant fails to file a timely notice or fails to file the alternative disclosure by the alternative regime's due date? <b>No</b> . For example, should we preclude such a registrant from relying on the alternative reporting provision for the following fiscal year?	See comments.

Section	Question	Response
	<p>189. An International Sustainability Standards Board (ISSB) has recently been created, which is expected to issue global sustainability standards, including climate-related disclosure standards. If we adopt an alternative reporting provision, should that provision be structured to encompass reports made pursuant to criteria developed by a global sustainability standards body, such as the ISSB? If so, should such alternative reporting be limited to foreign private issuers, or should we extend this option to all registrants? What conditions, if any, should we place on a registrant's use of alternative reporting provisions based on the ISSB or a similar body?</p> <p>TotalEnergies supports the recognition of an alternative reporting regime covering global sustainability standards body such as the future International Sustainability Standards Board's (ISSB) Climate Standards, for both US and non-US issuers. The ISSB Climate Standards incorporate existing sustainability frameworks with the intent to create global reporting standard for, among other topics, climate-related disclosures. The importance of consistency between international climate-related reporting frameworks has been demonstrated by the ISSB's creation of a working group with representatives from a number of jurisdictions looking to establish sustainability-related disclosure standards to ensure collaboration, and the Commission's joining of this working group indicates that, at a minimum, it recognizes the need for consistency and alignment. Structuring the alternative reporting provision in a way that would permit alternative reporting aligned with internationally recognized and respected frameworks for both domestic and foreign registrants would be consistent with the Commission's objective to ensure consistent and comparable climate-related disclosures between registrants.</p> <p>Given that a large number of multi-national companies will be subject to multiple climate-related reporting requirements, adopting an alternative reporting provision would help US investors, who will frequently operate at a global scale, to have access to these comparable climate-related disclosures. In addition, as discussed above, the Commission is a member of the working group set up by the ISSB to establish dialogue for enhanced compatibility between global baseline and jurisdictional initiatives. Therefore, allowing for reports published by sustainability reporting bodies under the alternative reporting provision would help further the Commission's goals under the proposed rules.</p> <p>TotalEnergies recommends that the final rules include an alternative reporting provision encompassing global sustainability standards without any further action required on the part of domestic or foreign registrants.</p>	See comments.
<p>- K -</p> <p><b>Structured Data Requirement</b></p>	<p>190. Should we require registrants to tag the climate-related disclosures, including block text tagging and detail tagging of narrative and quantitative disclosures required by Subpart 1500 of Regulation S-K and Article 14 of Regulation S-X in Inline XBRL, <u>as proposed</u>? Should we permit custom tags for the climate-related disclosures? <a href="#">Yes</a>.</p> <p>191. Should we modify the scope of the proposed climate-related disclosures required to be tagged? For example, should we only require tagging of the quantitative climate-related metrics?</p> <p>192. Are there any third-party taxonomies the Commission should look to in connection with the proposed tagging requirements?</p> <p>193. Should we require issuers to use a different structured data language to tag climate-related disclosures? <a href="#">It should be at the initiative of the registrant</a>. If so, what structured data language should we require? Should we leave the structured data language undefined?</p>	<p>Agreed as proposed.</p> <p>No specific comment</p> <p>No specific comment</p> <p>See comment.</p>

Section	Question	Response
<b>- L -</b> <b>Treatment for Purposes of Securities Act and Exchange Act</b>	194. Should we treat the climate-related disclosures required by proposed subpart 1500 of Regulation S-K and proposed Article 14 of Regulation S-X as filed for purposes of potential liability under the Securities Act and Exchange Act, except for the climate disclosures on Form 6-K, <u>as proposed</u> ? Should we instead treat the climate-related disclosures required by both proposed subpart 1500 of Regulation S-K and proposed Article 14 of Regulation S-X as furnished? Are there reasons why the proposed climate-related disclosures should not be subject to Section 18 liability?	Agreed as proposed.
	195. Should we only treat the climate-related disclosures required by proposed subpart 1500 of Regulation S-K as filed? Should we only treat the climate-related disclosures required by proposed Article 14 of Regulation S-X as filed? Is there some other subset of climate-related disclosures that should be treated as furnished rather than filed? For example, should we only treat as filed disclosures related to a registrant's Scopes 1 and 2 emissions, and treat a registrant's Scope 3 emissions as furnished?	No request to deviate or go beyond what is proposed
	196. Should we treat the climate disclosures on Form 6-K as filed?	No request to deviate or go beyond what is proposed
<b>- M -</b> <b>Compliance Date</b>	197. Should we provide different compliance dates for large accelerated filers, accelerated filers, non-accelerated filers, or SRCs, <u>as proposed</u> ? Should any of the proposed compliance dates in the table above be earlier or later? Should any of the compliance dates be earlier so that, for example, a registrant would be required to comply with the Commission's climate-related disclosure rules for the fiscal year in which the rules become effective?	Agreed as proposed.
	198. Should we provide a compliance date for the proposed Scope 3 emissions disclosure requirements that is one year later than for the other disclosure requirements, <u>as proposed</u> ? Should the compliance dates for the Scope 3 emissions disclosure requirements be earlier or later? Should the compliance date for the Scope 3 emissions disclosure requirements depend upon whether the registrant is a large accelerated filer, accelerated filer, or non-accelerated filer?	Agreed as proposed
	199. Should we provide different compliance dates for registrants that do not have a December 31st fiscal year-end?	Not applicable
	200. Should we include rules or guidance addressing less common situations, such as, but not limited to, reverse mergers, recapitalizations, other acquisition transactions, or if a registrant's SRC (or EGC) status changes as a result of such situations?	Not applicable
	201. Are there other phase-ins or exemptions regarding any or all of the proposed rules that we should provide?	Not applicable



# Sustainability & Climate 2022 Progress Report

ENGLISH VERSION

**EXTRACT**



**TotalEnergies**

March 2022

# To all our Stakeholders

In 2021, Total became TotalEnergies: A new name for a new ambition to become a major player in the energy transition, engaged towards getting to net zero by 2050, together with society. This choice stems from a deeply-held conviction that everyone on the planet has the right to have access to energy – reliable, affordable energy that is a source of economic and social development. At the same time, people expect a clear and responsible commitment from businesses to preserve the climate for future generations. The energy transition is under way. Our Company is transforming to provide tangible, sustainable solutions to the dual challenge of more energies, less emissions.

## Two objectives: reporting on our progress and expanding on our ambition

In 2021, our shareholders broadly supported this ambition through their vote at the Annual Shareholders' Meeting. One year later, we are publishing this Sustainability & Climate – 2022 Progress Report to show how our ambition is reflected in the deployment of our strategy and in our investment decisions, as well as to share our 2021 achievements, which demonstrate and stake out the path of our transformation for meeting our 2030 objectives and our ambition of getting to net zero by 2050, together with society.

This report also provides an opportunity for us to explain even more clearly and transparently our climate ambition, our progress, the pertinence of our 2030 objectives and our ability to meet or exceed them, and in so doing, show our stakeholders that we are already on the right track. As we promised, each year the TotalEnergies Board of Directors reviews the relevance of its ambitions, as well as the appropriateness of its strategy and targets for reducing greenhouse gas emissions in the light of progress in international and national policies, new scenarios concerning decarbonization trajectories, advances in low carbon technologies, action taken by other sectors, including its customers, and other changes in society in terms of energy transition and sustainable development.



That is why, through this report, we are expanding on the ambition we submitted to our shareholders in 2021.

For the first time, we describe our 2050 vision of a net zero TotalEnergies, together with society. Renewable electricity will account for half of its production; new decarbonized molecules from biomass (biofuels and biogas) or from renewable electricity (hydrogen and e-fuels) will represent a quarter; and hydrocarbons (oil and gas) the remaining quarter, with their residual emissions fully captured, recycled or offset.

This vision is not a mirage or greenwashing. It is based on measurable objectives to reduce our greenhouse gas emissions in the short (2025), medium (2030) and long (2050) term, covering our industrial operations (Scope 1+2) and the emissions generated by our customers' use of our energy products (Scope 3). We affirm our ambitious target of a more than 30% reduction in greenhouse gas emissions related to sales of petroleum products (Scope 3 Oil) by 2030 compared to 2015.

To that, we add phased targets for reducing methane emissions (50% from 2020 levels by 2025 and 80% from 2020 levels by 2030) to move towards zero methane and an objective of less than 0.1 million cubic meters per day for routine gas flaring at our operated assets by 2025, before eliminating flaring completely by 2030.

## Objectives aligned with society's net zero ambition

According to assessments by respected independent third parties, our target of a 40% reduction by 2030 in our net Scope 1+2 emissions compared to 2015 is in line with the commitments made by countries with a net zero pledge, including the European Union with its "Fit for 55" package. I am also pleased that Transition Pathway Initiative (TPI) announced that TotalEnergies is one of three oil and gas firms that "have set emissions reduction targets that are ambitious enough to reach net zero by 2050 and to align with TPI's 1.5°C benchmark."

This report also includes our analysis of the International Energy Agency's normative Net Zero Emissions scenario, which some observers are now using as guidance. Even though we do not think that our societies can match the scenario's trend in the short term, we do share the 2050 end-point described by the IEA for carbon neutrality. For this reason, we have decided to take the scenario into account, for testing the resilience of our portfolio and projects and ensuring the strength of our balance sheet.

Our contribution to the development of renewable energies, as called for in the Net Zero Emissions scenario, accelerated in 2021. Our investments in renewables and electricity accounted for 25% of total investments, which is more than the 20% we forecast one year ago. Combined with our investments in new molecules, this means that soon more than 30% of our investments will be devoted to decarbonized energy. In the interests of full disclosure, we are including the taxonomy of our operations for the first time, ahead of the new European regulations. Our ambition is backed by a clear and disciplined investment strategy, with the objective of channeling half of our future investments to growing renewable energies, gas and new decarbonized molecules. The other half will be used to maintain our traditional production base. In this way, we will be able to gradually build up an integrated portfolio of multi-energy assets that all share two crucial criteria for ensuring a commodity-producing company's sustainable profitability in a period of energy transition: low production costs and low CO<sub>2</sub> emissions.

The results obtained in 2021 back up our ambition. We installed 10 GW of renewable electricity capacity, increased our LNG sales to 42 Mt (99% of which sold to net zero countries), reduced the share of our sales from petroleum products to 44% of the total from 65% in 2015, lowered emissions from our operated facilities (Scope 1+2) by 20% from 2015 and reduced the carbon footprint of our products sold in Europe by 14% compared to 2015. All of these results allow us to deliver energy to our customers that has a more than 10% lower life-cycle carbon intensity than in 2015. In this report, you will also find, for the first time, an assessment of the Scope 1+2 emissions of our non-operated assets and our emissions on an

equity share basis, as well as the geographic spread of our Scope 1, 2 and 3 emissions by region. In carrying out our transformation and advancing on the path to net zero, we are not alone. We are working to engage customers, suppliers, researchers, start-ups and others. In 2021, we multiplied our low-carbon collaborations and partnerships and we intend to drive further progress with all the players in our value chain, especially in new mobilities.

## Working for a just transition, together with our stakeholders

Since our climate ambition is intrinsically linked to our sustainable development ambition, you will also find a discussion of our efforts to have a positive impact, initiated with our stakeholders, based on dialogue and transparency. We affirm our commitment to offering our employees around the world a safe, inclusive and stimulating work environment where they can make the most of future-oriented skills. I would like to salute their engagement: we have them to thank for allowing us to achieve the best accident rate in our sector in 2021. We developed this new ambition together – in the midst of the Covid-19 pandemic – and we are deploying it together within the framework of a just transition.

Respect for Each Other, and therefore for human rights, is a cornerstone of our Code of Conduct. In this report, we give tangible examples to describe how we ensure respect for human rights in all our operations and how we work with communities to create value in our host territories.

Care for the environment is also a key focus of our sustainable development approach. This report details our environmental requirements and our new objectives for biodiversity, for managing scarce water resources and for the circular economy.

As I write this, two realities are unfolding. On the one hand, Russia's armed aggression against Ukraine threatens people, European stability and the energy market's equilibrium. On the other, the Intergovernmental Panel on Climate Change's new report powerfully reminds us of the climate emergency. In this environment, explaining our ambition and showing how it is being put in place takes on its full meaning. Guided by our values and backed by our talents, I am confident in our ability to keep moving forward, to resolutely drive the transformation of our industrial model and to help, with our stakeholders, shape the just transition to which our societies aspire.

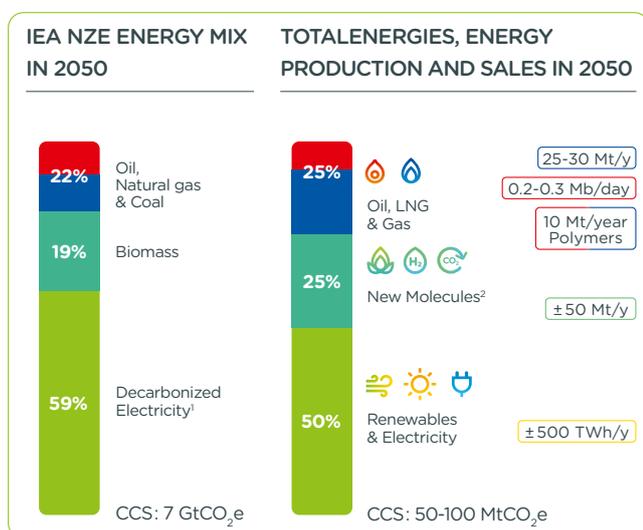


Patrick Pouyanné

## 1. Transforming to Reinvent Energy

# A Vision of a Net Zero TotalEnergies in 2050, Together with Society

The work carried out over the last year has produced a clearer picture, inspired by the IEA's Net Zero vision, of what TotalEnergies would look like, at Net Zero in 2050, together with society, an energy transition leader.



Reinventing a net zero energy system means producing decarbonized electrons and molecules and developing carbon sinks to absorb CO<sub>2</sub> from residual hydrocarbons (for producing chemicals, for example). This introduction rounds out the ambition presented to shareholders in May 2021.

### In 2050:

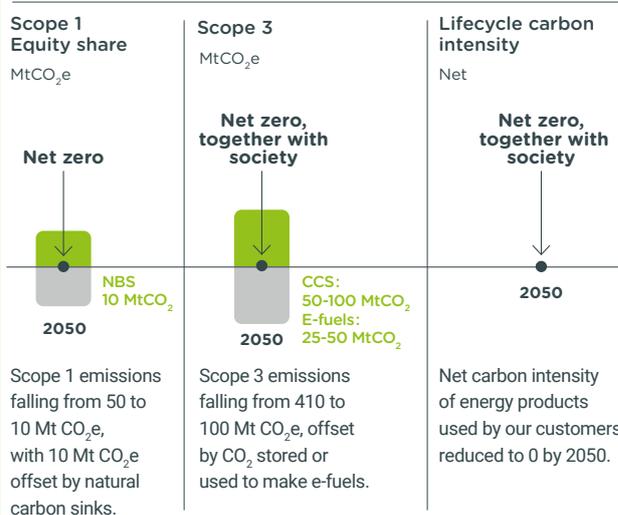
- Around half of the energy produced by TotalEnergies would be renewable electricity with corresponding storage capacity, or around 500 TWh/year. This would require developing around 400 GW of renewable capacity [2030 target: 100 GW in 10 years and 120 TWh/year].
- New molecules would account for around 25% of the energy produced by Total Energies, equivalent to 50 Mt/year, in the form of biogas, hydrogen, or synthetic liquid fuels from the following circular reaction: H<sub>2</sub> + CO<sub>2</sub> → e-fuels.
- TotalEnergies would produce around 1 Mb/day of hydrocarbons (or close to four times less than in 2030, in line with the reduction outlined in the IEA's Net Zero scenario) made up primarily of liquefied natural gas (around 0.7 Mboe/d). Very low-cost oil would account for the rest. This oil would be used, in particular, by the petrochemicals industry to produce around 10 Mt/year of polymers, of which two-thirds from the circular economy.

- These hydrocarbons would represent around 10 Mt/year of residual Scope 1 emissions, including methane emissions close to zero (below 0.1 MtCO<sub>2</sub>e/year), which would be fully offset by nature-based carbon sink solutions.

- These hydrocarbons would represent Scope 3 emissions of around 100 Mt/year. To get to net zero together with society, TotalEnergies would help “eliminate” the equivalent of 100 Mt of CO<sub>2</sub> a year produced by its customers by developing:
  - A carbon storage service for customers that would store 50 to 100 Mt/year of CO<sub>2</sub>.
  - An industrial e-fuels activity that would avoid 25 to 50 Mt/year of CO<sub>2</sub> for our customers through production with 100% green hydrogen while making up for the intermittence of renewable energies to replace fossil fuels.

In short, the Company will spend the next ten years building the projects and skills needed to make TotalEnergies a net zero energy company by 2050.

### NET ZERO IN 2050



(1) Hydropower, solar, wind and nuclear. (2) Biofuels, biogas, hydrogen and e-fuel/e-gas.

# Our Multi-Energy Offer: Ambition 2030 and Progress 2021

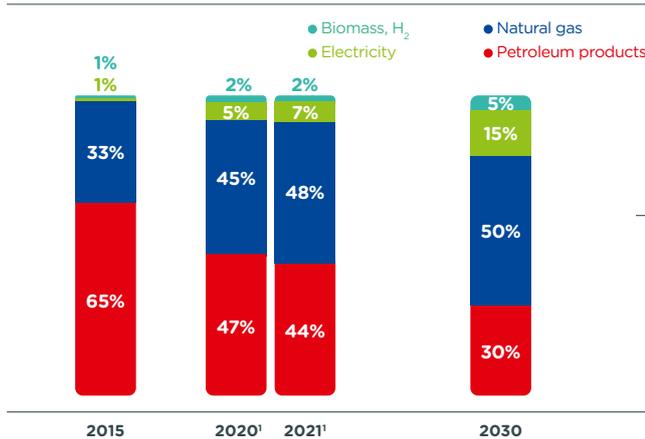
To achieve carbon neutrality, the global energy mix will have to change considerably. Today, fossil energies still account for more than 80% of the mix.

The markets for low carbon electricity and gas (natural gas, bio-gas and hydrogen) will need to expand, while coal will have to be eliminated and demand for oil will need to stabilize and then decline. TotalEnergies is already carving out a position in this energy offering of the future and diversifying its energy mix by reducing the share of petroleum products and increasing natural gas, as a transition fuel, and renewable electricity. >>

>> The energy mix of the Company's sales will shift significantly as well, and could stand at 50% gas, 30% petroleum products, 15% majority-renewable electricity and 5% biomass and hydrogen by 2030.

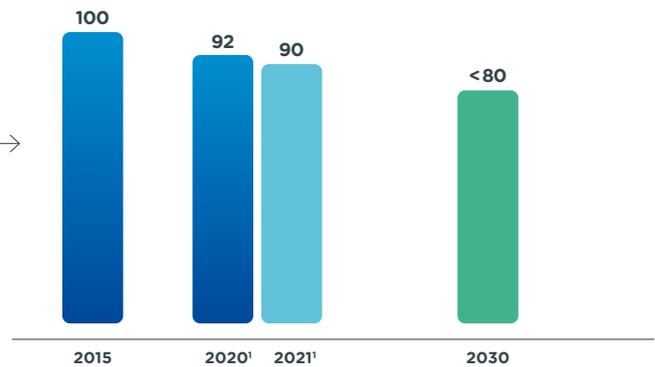
The shift towards lower carbon products will allow us to reduce the lifecycle carbon intensity of energy products sold by at least 20% by 2030.

SALES MIX



NET LIFECYCLE CARBON INTENSITY OF PRODUCTS SOLD

Base 100 in 2015



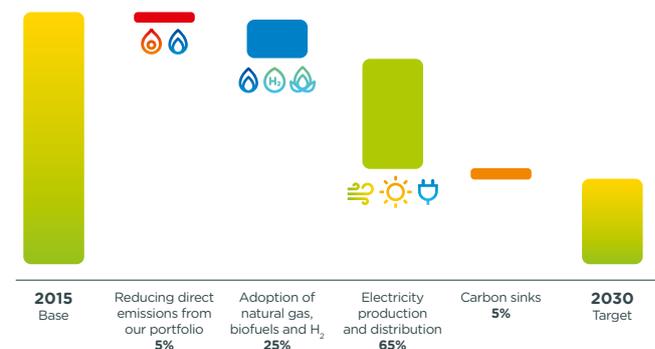
## Our products' lifecycle carbon intensity

In 2021, we continued to reshape our mix thanks to increased sales of LNG (up 10% from 2020 to 42 Mt in 2021) and electricity (up 20% from 2020 at 57 TWh) and a 10% decrease in petroleum product sales. The carbon intensity of products sold continued to improve with a 2% decline (excluding the impact of Covid-19).

Growth in electricity will account for nearly two-thirds of the decrease in lifecycle carbon intensity between 2015 and 2030. The second lever involves reducing sales of petroleum products and increasing production of gas (especially LNG) and sales of products based on biomass. Lastly, carbon sinks and lower emissions from our facilities will each contribute around 5% of the decrease in carbon intensity.

The levers for decarbonizing our mix are as follows:

LEVERS FOR CARBON INTENSITY REDUCTION (2015-2030)



1. Excluding the impact of Covid-19.

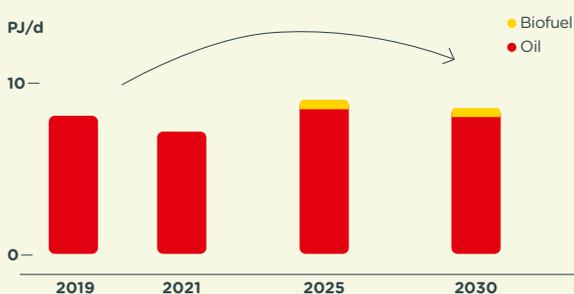
### Our production

TotalEnergies foresees oil production peaking this decade and then decreasing to around 1.4 Mb/d in 2030. It aims to increase gas production by around 50% between 2015 and 2030 (from 1.3 Mboe/d to 2 Mboe/d) and raise electricity generation to 120 TWh in 2030 from 1.7 TWh in 2015. In 2021, the Company's energy production increased by nearly a quarter compared to 2015.

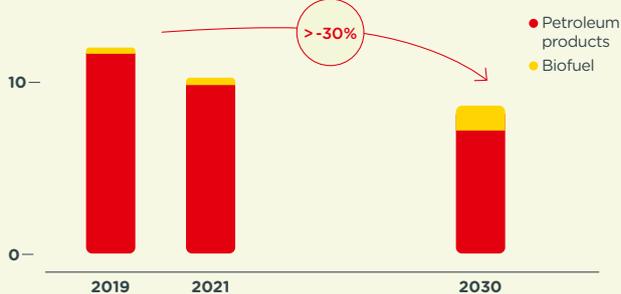
### Our sales

The Company is reducing its sales of petroleum products to align with production by 2030, around 1.4 Mb/d. Sales of gas and electricity will rise sharply, increasing by a factor of 2 for gas and by a factor of 20 for electricity over the 2015-2030 period.

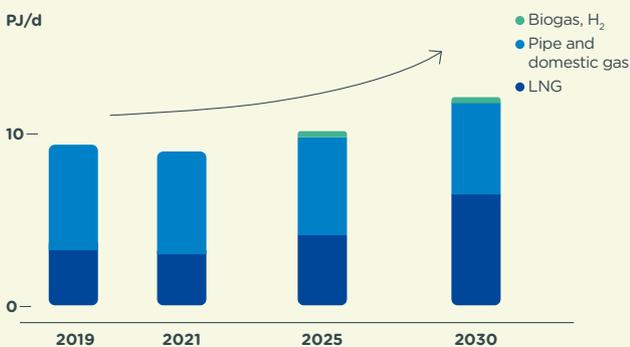
#### OIL PRODUCTION PEAKING THIS DECADE



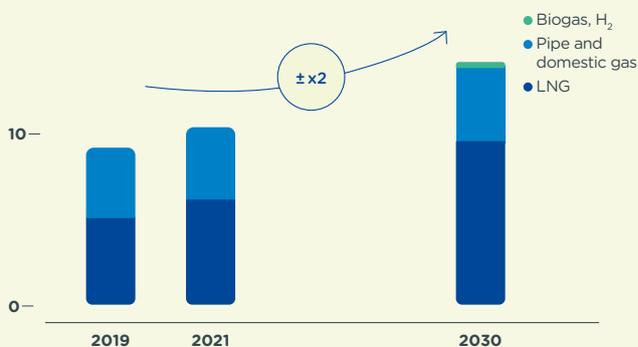
#### LIQUIDS



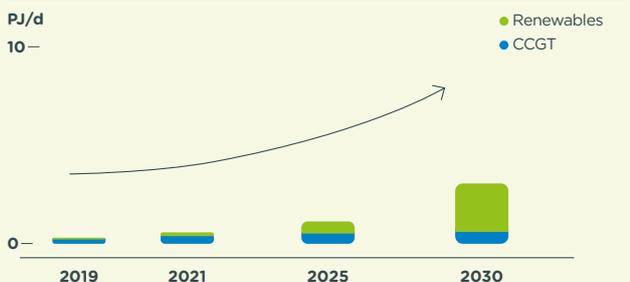
#### KEY ROLE OF GAS IN THE ENERGY TRANSITION



#### GAS



#### GROWTH OF RENEWABLES-BASED ELECTRICITY



#### ELECTRICITY



# Our ambition

## NET ZERO BY 2050, TOGETHER WITH SOCIETY

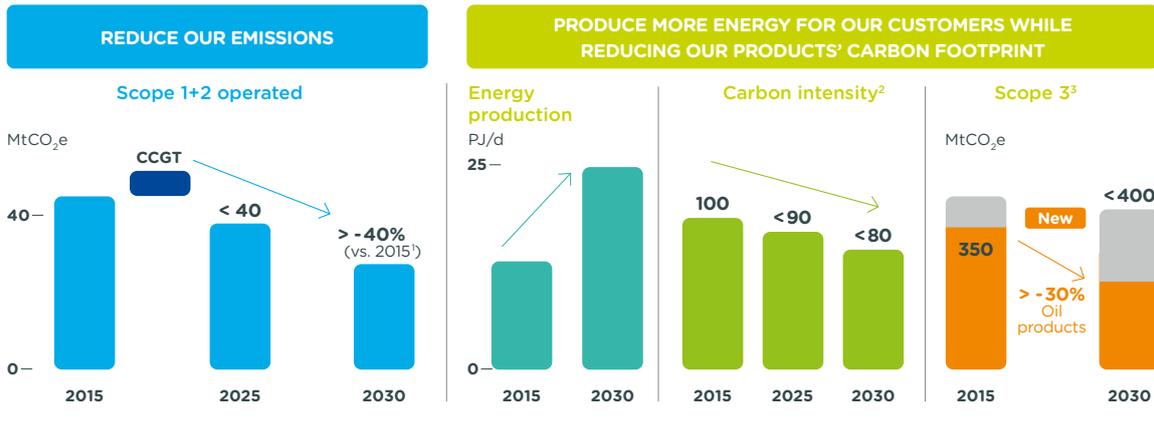
In line with the objectives of the Paris Agreement



Scope 1+2 - Net Zero by 2050

Scope 3 - Net Zero by 2050, together with society

### OUR OBJECTIVES FOR 2030



### OUR LEVERS

#### REDUCE SCOPE 1+2

**IMPROVE THE EFFICIENCY OF OUR FACILITIES**

- Achieve zero routine flaring by 2030 and less than 0.1 Mm<sup>3</sup>/d by 2025.
- Invest in emissions-reduction projects (400 projects identified, \$450 million over 2018-2025 in Downstream).
- Decarbonize our electricity purchases in Europe and the United States (Scope 2) by 2025.

**TOWARDS ZERO METHANE EMISSION**

- Reduce emissions by 80% from 2020 levels by 2030.
- Maintain methane intensity of operated gas installations below 0.1%.

**CAPTURE AND STORE CARBON FROM OUR FACILITIES**

- Develop a CCS capacity of more than 10 Mt/y by 2030<sup>5</sup>.

**OFFSET RESIDUAL EMISSIONS**

- Invest \$100 million a year to develop natural carbon sink capacity of more than 5 Mt/y by 2030.

#### DEVELOP A MULTI-ENERGY OFFER

2015

2021<sup>4</sup>

2030

New molecules  
Electricity  
Gas  
Oil products

**Electricity** ⚡ ☀️ 🌬️

- Rank among the top 5 producers of renewable electricity (wind and solar).
- Achieve the same customer recognition in electric mobility tomorrow as we have in fuel retailing today.

**Natural gas** 💧

- Cement our position among the top 3 in low carbon LNG.
- Set the standard for decarbonizing the gas value chains.

**Oil products** 🔥

- Focus on projects with low emissions and low technical costs.
- Set the standard for decarbonizing the oil value chains.

**New molecules** 🌱 ⚙️

- Develop production of biofuels and biogas.
- Become a major player in the production of clean H<sub>2</sub>.
- Become a producer of e-fuels.

#### REDUCE SCOPE 3 EMISSIONS, TOGETHER WITH SOCIETY

- Guide our customers towards lower-carbon energies.
- Promote a circular economy approach in the use of biomass and plastics.
- Develop a carbon storage offer for our customers with capacity exceeding 10 Mt/year by 2030<sup>5</sup>.
- Forge partnerships with our top 1000 suppliers to reduce emissions from our purchasing.

1. Including carbon sinks. 2. Average net carbon intensity of energy products. 3. Indirect GHG emissions related to the use by customers of energy products sold. 4. Excluding the impact of Covid-19. 5. Overall capacity that includes storage for our facilities as well as the storage offer for our customers.

# Our Progress in 2021 and our Objectives for 2030

The credibility of the Company's ambition for 2050 hinges on its ability to show the progress it has made so far, and it is firmly committed to doing that by publishing its 2021 results, which are in line – and even often in advance – with its targets:

- Emissions from operated facilities **have declined by approximately 20% since 2015**. This includes 4 Mt of emissions from CCGT power plants following the implementation of the Company's new strategy in electricity to have flexible generation capacity; the decline for operated oil & gas activities actually came to 30%.

- For indirect emissions associated with customers' use of its products:

- Scope 3 emissions worldwide have fallen since 2015. In Europe, those emissions fell by 14% (excluding Covid). On oil products alone **emissions fell by 19%** (excluding Covid);
- The lifecycle carbon intensity indicator for the energy projects it sells **has fallen by 10 points since 2015** (excluding Covid), making TotalEnergies the leader among its peers in decarbonizing its energy mix.

### Our decarbonizing progress

			2015	2020	2021	2025	2030
Our emissions (Scope 1 + 2)	Scope 1+2 (operated)	Mt CO <sub>2</sub> e	46	41 <sup>1</sup> (38)	37 <sup>1</sup> (36)	< 40	25-30 <sup>2</sup>
		vs 2015	●		- 20 <sup>1</sup> (-22%)	> -15%	> -40%
	Methane - emissions (operated)	kt CH <sub>4</sub>	94	64	49		
		vs 2015			- 48 %		
		vs 2020			- 23 %	-50% <sup>5</sup>	-80% <sup>5</sup>
	Methane - intensity (operated oil & gas)	%	0.23	0.15	0.13	far below 0.2	
Methane - intensity (operated gas)	%	< 0.1	< 0.1	< 0.1	< 0.1	< 0.1	
Routine flaring (operated)	Mm <sup>3</sup> /d	2.3	0.6	0.7	< 0.1	0	

Carbon footprint of products sold	Scope 3 Global <sup>3</sup>	Mt CO <sub>2</sub> e	410	400 <sup>1</sup> (350)	400 <sup>1</sup> (370)		< 400
	Scope 3 Global Oil <sup>3</sup>	Mt CO <sub>2</sub> e	350	320 <sup>1</sup> (270)	285 <sup>1</sup> (255)		
					-19% (-27%)		> -30% <sup>5</sup>
	Scope 1+2+3 Europe <sup>3</sup>	Mt CO <sub>2</sub> e	280	239 <sup>1</sup> (212)	241 <sup>1</sup> (222)		
			vs 2015	●		-14% <sup>1</sup> (- 21%)	
Carbon intensity <sup>4</sup>	vs 2015	-	-8% <sup>1</sup> (-10%)	-10% <sup>1</sup> (-11%)	> -10%	> -20%	



1. Data Excluding impact of Covid-19. 2. Including carbon sinks. 3. Including bulk sales and biofuels. 4. Energy products. 5.   Additional objectives in 2022.

These results reflect the progress made on the various strategic levers in the roadmap:

Our progress in the roadmap			2015	2021	2025	2030
Energy mix (products sold)	Electricity <sup>2</sup>	%	1	7 <sup>1</sup> (7)		15
	Gas <sup>3</sup>	%	33	48 <sup>1</sup> (50)		50
	Petroleum products <sup>4</sup>	%	65	44 <sup>1</sup> (41)		30
	Biomass, H <sub>2</sub> <sup>5</sup>	%	1	2 <sup>1</sup> (2)		5
Electricity	Renewable power capacity (100 %)	GW	0	10	35	100
	Production (P.G.)	TWh	2	21	> 50	120
	Customers (Europe)	millions	< 1	> 6	9	
	Charge points VE	thousands	-	> 25	150	
Gas	LNG - Sales	Mt	13	42	50	> 60
	Customers gas (Europe)	millions	< 1	2	4	
Oil products	Petroleum products – Sales	Mb/d	2.4	1.8		1.4
Circularity (biomass, H <sub>2</sub> ...)	Biofuels – Production	Mt	-	0,5	2-3	5
	Biofuels - Sales	Mt	2	3	7-8	± 15
	Biofuels - Palm oil-free		-		by 2023	
	Biogas - Production	TWh	0	< 1	2	> 5
Capex	Electricity & Renewables	%	±10 %	25 %	25 %	25 %
	CCS projects	\$ million per year		100	> 100	> 100
	NBS projects			100	100	100

1. Excluding Covid-19 impact. 2. Electricity sales. 3. Production of Exploration & Production marketable gas and sales of LNG. 4. Sales of petroleum products (from Marketing & Services and Refining & Chemicals bulk sales). 5. Biofuel retailing, sales of biomass and H<sub>2</sub>.

# Our performance indicators

## Indicators for measuring our emissions

### Scope 1

Scope 1 emissions are direct emissions of greenhouse gases from a company's sites or activities.

### Scope 2

Scope 2 emissions are indirect emissions attributable to brought-in energy (electricity, heat, steam), i.e., emissions connected with a third party's production of energy purchased.

### Scope 3

TotalEnergies reports Scope 3 GHG emissions, category 11, which correspond to indirect GHG emissions related to the use of energy products by customers, i.e. from their combustion to obtain energy. The Company follows the oil & gas industry reporting guidelines published by IPIECA, which comply with the GHG Protocol methodologies. In order to avoid double counting, this methodology accounts for the larger volume in the oil or gas value chain, i.e. the higher of production or sales. For TotalEnergies, in 2021, the calculation of Scope 3 GHG emissions for the oil value chain takes into account sales of petroleum products and biofuels (higher than production) and for the gas value chain, gas sales, either in the form of LNG or through marketing to B2B/B2C customers, which are equivalent to marketable gas production. A stoichiometric emission (oxidation of molecules to carbon dioxide) factor is applied to these sales to obtain an emission volume.

## Lifecycle carbon intensity indicator of products sold

The carbon intensity indicator measures the average greenhouse gas emissions of a unit of energy sold to our customers across its lifecycle (i.e., Scope 1+2+3), from production to final use.

The indicator is calculated by dividing:

### The following numerator:

- Emissions related to the production and processing of the energy products used by our customers, calculated on the basis of the Company's average emissions rates;
- Emissions related to the use of energy products by TotalEnergies customers, calculated by applying stoichiometric emissions factors per product to obtain a quantity of emissions. Products not intended for combustion, such as bitumen, lubricants and plastics, are not taken into account;
- Less the CO<sub>2</sub> sequestered by Carbon Capture and Storage (CCS) and natural carbon sinks.

### By the following denominator:

- The quantity of energy sold, based on the maximum flows from each value chain, as with the calculation of Scope 3 above, in accordance with IPIECA recommendations. Average load factor and efficiency are used to obtain fossil equivalents for electricity.

The carbon intensity indicator therefore corresponds to the average emissions generated by each unit of energy used by our customers. In order to track changes in the indicator, it is expressed using a base of 100 from 2015.

GHG EMISSIONS		Operated				Equity Share			
		2021	2020	2019	2015	2021	2020	2019	2015
Scope 1 – Direct GHG emissions	Mt CO <sub>2</sub> e	34* (33)	38* (36)	41	42	49	52	55	50
<b>BREAKDOWN BY PRODUCT</b>									
Upstream Oil & Gas Operations	Mt CO <sub>2</sub> e	14	16	18	19	23	24	26	22
Integrated Gas, Renewables & Power, excluding upstream gas operations	Mt CO <sub>2</sub> e	5	3	3	-	6	5	4	-
Refining & Chemicals	Mt CO <sub>2</sub> e	15* (14)	17	20	22	19	22	25	27
Marketing & Services	Mt CO <sub>2</sub> e	<1	<1	<1	<1	<1	<1	<1	1
<b>BREAKDOWN BY REGION</b>									
Europe: E.U. 27 + Norway + UK + Switzerland	Mt CO <sub>2</sub> e	20* (19)	22* (21)	24	22	18	20	23	22
Eurasia (including Russia)/Oceania	Mt CO <sub>2</sub> e	1	1	1	5	17	17	18	13
Africa	Mt CO <sub>2</sub> e	9	10	11	12	7	7	8	9
Americas	Mt CO <sub>2</sub> e	5	4	4	4	7	7	6	5
<b>BREAKDOWN BY GHG TYPE</b>									
CO <sub>2</sub>	Mt CO <sub>2</sub> e	32	34	39	39	47	-	-	-
CH <sub>4</sub>	Mt CO <sub>2</sub> e	1	2	2	2	1	-	-	-
N <sub>2</sub> O	Mt CO <sub>2</sub> e	<1	<1	<1	<1	<1	-	-	-
Scope 2 – Indirect emissions from energy use	Mt CO <sub>2</sub> e	2* (2)	3* (3)	4	4	5	-	-	-
Including Europe: E.U. 27 + Norway + UK + Switzerland	Mt CO <sub>2</sub> e	1* (1)	2* (2)	2	2	2	-	-	-
Scope 1 + 2	Mt CO <sub>2</sub> e	37* (35,7)	41* (38)	44	46	54	-	-	-

Methane emissions	kt CH <sub>4</sub>	49	64	68	94	51	-	-	-
<b>BREAKDOWN BY PRODUCT</b>									
Upstream Oil & Gas Operations	kt CH <sub>4</sub>	48	62	66	92	48	-	-	-
Integrated Gas, Renewables & Power, excluding upstream gas operations	kt CH <sub>4</sub>	<1	<1	<1	0	2	-	-	-
Refining & Chemicals	kt CH <sub>4</sub>	1	1	1	1	1	-	-	-
Marketing & Services	kt CH <sub>4</sub>	0	0	0	0	0	-	-	-
<b>BREAKDOWN BY REGION</b>									
Europe: E.U. 27 + Norway + UK + Switzerland	kt CH <sub>4</sub>	7	12	15	9	5	-	-	-
Eurasia (including Russia)/Oceania	kt CH <sub>4</sub>	1	3	3	33	16	-	-	-
Africa	kt CH <sub>4</sub>	23	31	39	49	18	-	-	-
Americas	kt CH <sub>4</sub>	18	18	10	3	12	-	-	-

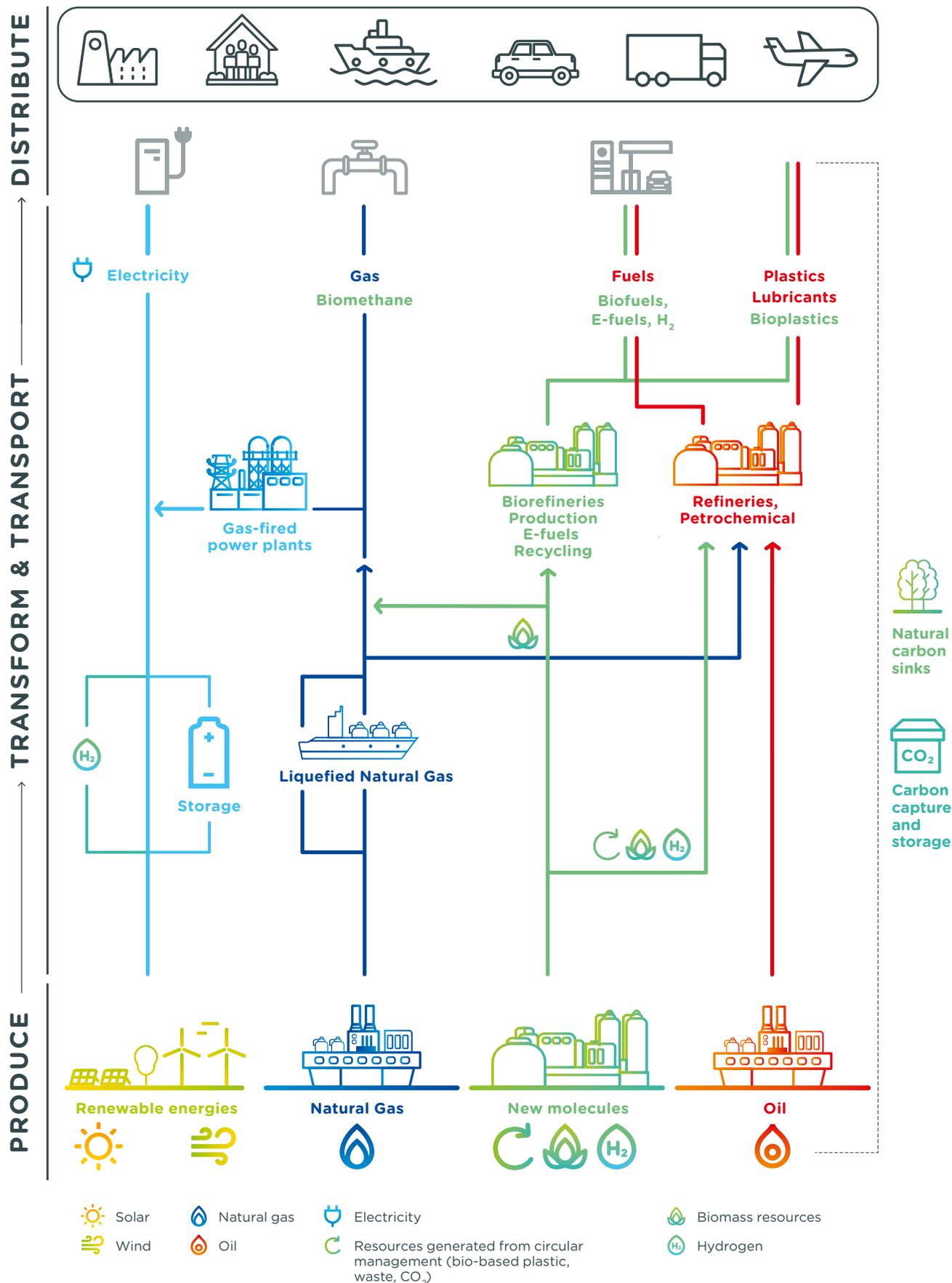
INDIRECT GHG EMISSIONS		2021	2020	2019	2015
Scope 3 <sup>(4)</sup>	Mt CO <sub>2</sub> e	400* (370)	400* (350)	410	410
<b>BREAKDOWN BY PRODUCT</b>					
Oil products	Mt CO <sub>2</sub> e	285* (255)	320* (270)	335	350
Gas	Mt CO <sub>2</sub> e	115* (115)	80* (80)	75	60
<b>BREAKDOWN BY REGION</b>					
Europe: E.U. 27 + Norway + UK + Switzerland	Mt CO <sub>2</sub> e	220* (202)	215* (190)	232	256
Eurasia (including Russia)/Oceania	Mt CO <sub>2</sub> e	79* (77)	-	-	-
Africa	Mt CO <sub>2</sub> e	68* (59)	-	-	-
Americas	Mt CO <sub>2</sub> e	33* (31)	-	-	-

INTENSITY INDICATORS		2021	2020	2019	2015
Lifecycle carbon intensity of energy products used by the customers (71 g CO <sub>2</sub> e/MJ in 2015)	Base 100 in 2025	90* (89)	92* (90)	94	100 <sup>(2)</sup>
Intensity of GHG emissions (Scope 1+2) of operated Upstream oil & gas activities <sup>1</sup>	kgCO <sub>2</sub> e/boe	17	18	19	21
Intensity of GHG emissions (Scope 1+2) of Upstream oil & gas activities <sup>1</sup> on equity basis	kgCO <sub>2</sub> e/boe	19	-	-	-
Intensity of methane emissions from operated oil & gas facilities (Upstream)	%	0,13	0,15	0,16	0,23
Intensity of methane emissions from operated gas facilities	%	<0,1	<0,1	<0,1	<0,1

OTHER INDICATORS		2021	2020	2019	2015
Net primary energy consumption (operated scope)	TWh	148	147	160	153
Global Energy Efficiency Indicator (GEEI)	Base 100 in 2010	87,0	90,2	88,0	90,8
Gas flaring (upstream oil and gas activities, operated scope; includes safety, routine and non-routine flaring)	Mm <sup>3</sup> /d	3,6	4,2	5,7	7,2
Of which routine flaring	Mm <sup>3</sup> /d	0,7	0,6	0,9	2,3 <sup>(3)</sup>

\* Excluding the impact of Covid-19. 1. This indicator doesn't include integrated LNG assets in its perimeter. 2. Indicator developed in 2018, with 2015 as the baseline year. 3. Volumes estimated upon historical data. 4. Oil products including bulk refining sales and biofuels; Natural Gas excluding minority stakes in public companies.

# Our integrated value chains



### Cautionary Note

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

This document makes reference to greenhouse gas emissions. The Company has control over emissions from the facilities it operates (Scope 1) and their indirect emissions from purchased energy (Scope 2). By contrast, it does not have control over emissions from the end use of its products by its customers (Scope 3), and trends in those emissions depend largely on external factors, such as government policies and customer choices (for additional information on the definition of Scope 1, 2 and 3, refer to the Universal Registration Document). The use in this document of expressions such as "carbon intensity of the products sold by the Company," "carbon footprint of the Company" or similar expressions, insofar as they include Scope 3 emissions, does not mean that the latter are TotalEnergies emissions.

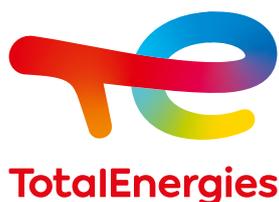
This document may contain forward-looking statements. Specifically, this document may contain statements regarding the perspectives, objectives, areas for improvement and goals of TotalEnergies, including with respect to climate change and carbon neutrality (net-zero emissions). An ambition expresses 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 prove to be inaccurate in the future and are subject to a number

of risk factors. Neither TotalEnergies SE nor any of its affiliates assumes any obligation with respect to investors or any other stakeholder to update or revise any forward-looking information or statement, objectives or trends contained in this document whether as a result of new information, future events or otherwise. Further information on risk factors that could have a significant adverse effect on the financial performance or operations of 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 on Form 20-F filed with the United States Securities and Exchange Commission ("SEC").

### Iconography

Philippe Zamora, Laurent Pascal-Capa Pictures, Augustin Detienne-Capa Pictures, Julien Lutt-Capa Pictures, Bacasi-FNC, Christel Sasso-Capa Pictures, Nedim Imre, TotalEnergies Uganda, Laurent Zylberman, Drone Vidéo Production, Alliance to End Plastic Waste, Dorian Prost.

TotalEnergies is a global multi-energy company that produces and supplies energy: oil and biofuels, natural gas and green gas, renewable energies and electricity. Its 101,000 employees are committed to making energy ever more affordable, cleaner, more reliable and accessible to as many people as possible. Present in more than 130 countries, TotalEnergies places sustainable development in all its dimensions at the heart of its projects and operations to contribute to the well-being of people.



### TOTALENERGIES SE

2, place Jean-Millier  
92 400 Courbevoie – France  
Tel.: +33 (0)1 47 44 45 46

Share capital: €6,641,697,357.50

Registered in Nanterre: RCS 542 051 180



[www.totalenergies.com](http://www.totalenergies.com)

Design and production

BABEL