

Investors file shareholder resolution at TotalEnergies to ensure alignment of its short, medium and long-term emission reduction targets with a 1.5C scenario

- Despite improvements, TotalEnergies has failed to meet investor expectations on aligning its reduction targets with the Paris Agreement
- Coalition of 11 co-filers represent more than the required 0.5% of shareholder capital for filing a resolution

A group of 11 investors have filed a shareholder resolution at TotalEnergies ahead of the AGM on 25th May 2022. In this resolution, the group urges the company to set and publish targets that are consistent with the Paris Climate Agreement.

The initiative is led by asset manager MN (on behalf of client PMT). The other co-filing investors are Achmea Investment Management, Aegon Asset Management, APG (on behalf of clients bpfBOUW, SPW and PPF APG), BPL Pensioen, DPAM, Edmond de Rothschild Asset Management, Greater Manchester Pension Fund, La Financière de l'Echiquier, PGGM Investments and Van Lanschot Kempen.

In total the co-filers represent about 0.8% of TotalEnergies' shareholder capital.

Bas Bijleveld, Senior Advisor Responsible Investment & Governance at MN: "We appreciate the open dialogue we had with TotalEnergies and acknowledge the progress the company made over the last years. However, its current efforts are not enough to stop global warming. With this shareholder resolution we encourage the company to become the first oil- and gas giant that has its targets for 2030 completely 1.5-degree aligned and be an example for others in the sector."

Despite repeated engagement by shareholders, TotalEnergies' short and medium term GHG carbon emission intensity reduction targets are not aligned with a 1.5C scenario, according to the [Climate Action 100+ Net Zero Company Benchmark assessment](#).

Most co-filers of the resolution, including MN, are members of Climate Action 100+, the world's largest engagement initiative on climate change. Climate Action 100+ has been engaging with TotalEnergies since early 2017 to ensure alignment of emission reduction targets with a 1.5C pathway. This has included a [statement at the 2021 AGM](#) and a letter to the Board from MN in January 2022.

The latest investor led resolution is similar to the one the company accepted onto the Notice of Meeting as Resolution A in 2020 ([Link](#)) which received 16.8% of the support ([Link](#)).

The filed resolution proposes an amendment to Article 20 of TotalEnergies' Articles of Association. The resolution proposes the following text:

The management report will contain, in addition to information on the situation of the Company and its operations during the past financial year, and the other elements required by the provisions of the laws and regulations in force, the strategy of the Company as defined by the Board of Directors to set and publish targets that are consistent with the goal of the Paris Climate Agreement: to limit global warming to well below 2°C above pre-industrial levels and to pursue efforts to limit the temperature increase to 1.5°C. These quantitative targets should cover the short-, medium-, and long-term greenhouse gas (GHG) emissions of the company's operations and the use of its energy products (Scope 1, 2, and 3). The report will contain the Board's strategy and underlying policies for reaching these

targets and the progress made on the past fiscal year, at reasonable cost and omitting proprietary information.”

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