



# Flagging memo

## **TotalEnergies SE**

Annual general meeting: 26 May 2023

*Proposals are flagged by Climate Action 100+ initiative for signatories to take into consideration during proxy season. Please note that the below information is provided by and accredited to the investor who is publicly predeclaring their voting intention and rationale to other Climate Action 100+ signatories, for routine votes as well as management or shareholder resolutions.*

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## Organisation requesting a 'flag' on a resolution

- As lead investors of the TotalEnergies Climate Action 100+ engagement, MN (on behalf of client PMT) supports the flagging of the following resolution: [Large consortium of investors files climate resolution at TotalEnergies | MN](#)
- Proponent: Follow This
- Co-filers:
  - MN
  - PGGM Investments
  - Achmea IM
  - A.s.r AM
  - Degroof Petercam AM
  - Edmond de Rothschild AM
  - La Banca Postale AM & Tocquville Finance
  - La Financière de l'Echiquier
  - Mandarin Gestion
  - Man Group
  - Messieurs Hottinguer & Cie Gestion Privée
  - Ofi Invest AM
  - Sanso IS
  - Sucomore AM
- [Stemmen op aandeelhoudersvergaderingen - PMT](#)
- [A large consortium of investors files climate resolution at TotalEnergies | PGGM](#)

## Resolution text

MN supports flagging one shareholder resolution by Follow This and stating their intention to vote **FOR**.

### Shareholder resolution text

*By an advisory vote, shareholders support the Company, through the action of its Board of Directors, to align its existing 2030 reduction targets covering the greenhouse gas (GHG) emissions of the use of its energy products (Scope 3) with the goal of the Paris Climate Agreement target: 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.*

*The strategy to achieve these targets is entirely up to the Board of Directors. You have our support.*

Full resolution text [here](#).

## Summary of why resolution is being flagged

TotalEnergies has the engineering prowess, financial muscle, and global market-making capabilities to rapidly scale the transition to renewables. TotalEnergies demonstrated leadership as the first oil major to set an ambitious net-zero target for its scope 3 emissions in 2020, concomitant to the first shareholder climate resolution put to a vote; unfortunately, the target was limited to Europe. The present resolution covers the global scope 3.

Furthermore, while up until now, the company set global scope targets, none of them put the company's strategy in line with the Paris Accord. At the time of the filing of this resolution, TotalEnergies has set an absolute Scope 1 and 2 target of 40% by 2030, net-zero target by 2050, and an intensity target on its global scope 3 reduction of >20% by 2030.

We believe that TotalEnergies could lead and thrive in the energy transition by meeting the increasing demand for energy services while reducing GHG emissions to levels consistent with the global intergovernmental consensus specified by the Paris Accord.

## **Conclusion**

- MN will vote in favour of the shareholder resolution by Follow This, asking TotalEnergies to align its existing 2030 reduction targets covering the greenhouse gas (GHG) emissions of the use of its energy products (Scope 3) with the goal of the Paris Climate Agreement target.
- The purpose of this advisory resolution is to support the board on setting GHG reduction targets in line with the Paris Agreement in order to safeguard long term shareholder value.
- In 2022, a board decision prevented a similar (binding) shareholder resolution from being put to a vote.