

### **Total's reaction to Oxfam's report "The money Pipeline"**

In response to the case study published by Oxfam on the tax treaty between Uganda and the Netherlands, Total would like to remind that the Group is mindful of its responsibility towards the countries in which it operates and would once again like to emphasize that it abides by a responsible tax policy ([sustainable-performance.total.com](https://sustainable-performance.total.com)) :

- The formation of Total affiliates is not driven by tax reasons but by business objectives.
- TOTAL does not pursue short term or aggressive tax planning strategies and refrains from putting in place artificial tax structures.
- TOTAL has been present in the Netherlands for more than 50 years and operates locally in all business segments of the oil and gas industry. Around 1500 employees work for the various TOTAL companies doing business in the Netherlands, among which more than 200 in the Exploration & Production activities. The various affiliates incorporated by Total in the Netherlands rely on this established technical base and cannot be viewed as artificial.
- Another important reason why TOTAL has decided to incorporate a number of its E&P subsidiaries in the Netherlands (among which TOTAL E&P Uganda) is the possibility for companies to hold their statutory accounts in US Dollars, which is not permitted by law in France. This possibility enables the Group to mitigate its exposure to foreign exchange volatility. This feature is critical in the oil and gas industry, which is financed, operates and trades in US Dollars.
- The legitimate application of a tax treaty should not be viewed as tax optimization.
- Tax treaty negotiations are a matter of national sovereignty and Total does not interfere in such matters.

As a permanent member of the Extractive Industries Transparency Initiative (EITI) since its creation in 2002, Total fully supports initiatives for greater transparency and accountability.

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

Total has taken a step further since 2019 with the public endorsement of the B Team's Responsible Tax Principles.