

# ENGIE EMPLOYEE SHARE OWNERSHIP PLAN

## LINK 2022

### Country supplement

#### THE USA

You have been invited to invest in shares of ENGIE S.A. in the context of the **2022 ENGIE Employee Share Ownership Plan LINK 2022 ("LINK 2022 ")**.

This document contains local offer information and a summary of principal tax consequences relating to your investment.

#### GENERAL DISCLAIMER

*This document is provided to you in addition to the documents relating to LINK 2022 and in particular the information brochure, the Terms and Conditions of LINK 2022, the Link 2022 Free Share Allocation Plan and the Terms and Conditions of the SAR. For additional details, please refer to the Regulations of the International Group Savings Plan (Plan d'Epargne de Groupe International or "PEGI") of ENGIE. All documents are made available to you on the Offer website <https://link.engie.com/2022>.*

*If you do not understand either the contents of the documents (in particular, the information brochure, the participation forms, the Terms and Conditions of LINK 2022, the Link 2022 Free Share Allocation Plan, the Terms and Conditions of the SAR and this country supplement) relating to LINK 2022, the nature of the investment in any proposed offers (the Classic Offer and the Multiple Offer), or the comparative risks and benefits associated with LINK 2022, you should contact an authorised financial advisor.*

*Participation in LINK 2022 is completely voluntary. The LINK 2022 offer is made on a discretionary basis and does not form any part of your terms of employment. In particular, any benefits derived from LINK 2022 do not constitute salary for the purposes of any retirement or other benefit plans nor for the purposes of calculating any severance or similar payment. Your participation in LINK 2022 does not give rise to a contractual entitlement to continued employment.*

## **Local Offer information**

### **1. Issuing Company**

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ENGIE S.A. (Euronext Paris: ENGI – ISIN code: FR0010208488), a French société anonyme with its registered office at 1 Place Samuel de Champlain, 92400 Courbevoie, France, and identified at the Trade and Companies Registry under number 542 107 651 RCS Nanterre (hereinafter the "Company").

Information regarding the Company is available on its website ([www.engie.com](http://www.engie.com)) and in particular in the universal registration document available on this website.

### **2. Maximum amount**

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The maximum amount of the ENGIE shares to be offered to employees in the US under LINK 2022 is limited to an amount of USD 10 million. This limit applies in addition to the maximum amount offered under LINK 2022 to all employees, as described in the LINK 2022 brochure.

In the event the participation requests exceed this limit, the reduction procedure indicated in the Terms and Conditions will apply.

### **3. Securities law notice**

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This document is directed at employees eligible to participate in LINK 2022 only.

The shares and offered hereby will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), or under any state securities laws, and neither the U.S. Securities and Exchange Commission nor any state securities commission has approved or disapproved the securities or passed on the adequacy or accuracy of this Country Supplement or any other documents delivered to you in connection with LINK 2022. Any representation to the contrary is a criminal offense.

The shares are offered pursuant to exemptions provided by the Securities Act, and certain state securities laws and certain rules and regulations promulgated pursuant thereto. The securities may not be sold, transferred or otherwise disposed of within the United States in the absence of an effective registration statement under the Securities Act or an exemption from the registration requirements under the Securities Act and applicable state securities laws. In connection with any proposed sale or other transfer of the shares, the custodian, Société Générale, may require an opinion of U.S. counsel that an exemption from registration is available.

### **4. Exchange rate**

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Your participation in LINK 2022 is in Euro. Consequently, for the purposes of your participation, the amount of your payment in US dollar (USD) will be converted into Euro using the exchange rate set by ENGIE on the date the Subscription Price is determined, planned to be on 15 November 2022.

Your investment can be affected (positively or negatively) by the fluctuations in the currency exchange rate between the Euro and the US dollar. The value of your investment in US dollar will depend on the exchange rate on the day of exit.

As a result, if the Euro has strengthened against the US dollar, you will see a positive impact on the value of your investment because of the exchange rate, regardless of changes in the ENGIE share price. On the other hand, if the Euro has weakened against the US dollar you will see a potential negative impact because of the exchange rate.

If you opted for the Multiple Offer, please note that only the Euro amount of your investment is protected

## 5. Shares offered

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The ENGIE shares offered within the framework of LINK 2022 will be (i) existing shares previously repurchased by the Company and/or (ii) new shares to be issued.

Existing shares offered within the framework of LINK 2022 are ordinary shares of the Company, listed on the Euronext Paris stock market.

As the case may be, the request for admitting the newly issued shares to trading on the Euronext Paris regulated market will be sent as soon as possible after the completion of the capital increase. The shares will be admitted on the same quotation line as the existing shares and will be fully assimilated to them as soon as they are admitted for trading.

## 6. Custody

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Your ENGIE shares will be held in your name in an account maintained by *Société Générale Securities Services* within the framework of the PEGI. More information regarding custody of your shares will be provided to you following the offering period.

As any shareholder of ENGIE S.A., you will benefit from the right to receive dividends, if any are paid out by ENGIE S.A., and the right to vote in the general shareholders' meetings.

## 7. Holding period and early release events

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In consideration of the benefits granted under LINK 2022, your investment must be held for a five-year period ending on 21 December 2027 inclusive, except in the case of the following early release events:

- Termination of your employment contract;<sup>1</sup>
- Your death; or
- Your disability<sup>2</sup>.

If applicable, you should not conclude that an early release event is available unless you have described your specific case to your employer and your employer has confirmed that it applies to your situation, upon your providing of the requisite supporting documentation.

Early releases are possible only after the completion of LINK 2022, which is scheduled to take place on 22 December 2022.

If you are affected by any of these events, you (or your heirs as the case may be):

- **will get the SAR payment automatically** in accordance with the terms and conditions of the Terms and Conditions of the SAR plan. In accordance with the terms of the SAR plan, if an early release event (described above) does not qualify as a permitted payment time or event under Section 409A of the U.S. Internal Revenue Code of 1986 (the "Code"), such that receipt of the SAR payment would result in the imposition of penalty taxes under Section 409A of the Code, then the SAR payment will be made on the Target Date;

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<sup>1</sup> Your employment contract will not be considered terminated unless you incur a "separation from service" within the meaning of U.S. Treasury Regulation 1.409A-1(h).

<sup>2</sup> As determined in accordance with U.S. Treasury Regulation 1.409A-3(i)(4).

- **may, but are not obliged to**, ask for the release of all or part of the ENGIE shares you acquired under the Classic and/or Multiple offers.

If you opted for the **Multiple Offer**, after the SAR payment has been automatically made, if you do not sell your ENGIE shares at that time, **your investment in ENGIE shares will no longer be protected** in case of decrease of the share price below the Reference Price after the plan maturity.

## **8. Compliance with Section 409A**

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It is the intention of your employer that payments and benefits provided under LINK 2022 comply with (or qualify for an exemption from) Section 409A of the US Internal Revenue Code and the regulations and guidance promulgated thereunder (collectively "Section 409A").

## **9. Specified Employee**

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Notwithstanding anything to the contrary in this country supplement, if you are deemed on the termination date to be a "specified employee" within the meaning of that term under Section 409A(a)(2)(B), then with regard to any payment or the provision of any benefit that is considered deferred compensation under Section 409A payable on account of a "separation from service," such payment or benefit shall not be made or provided until the date which is the earlier of (A) the expiration of the six (6)-month period measured from the date of such "separation from service," and (B) the date of your death, to the extent required under Section 409A. Upon the expiration of the foregoing delay period, all payments and benefits delayed pursuant to this paragraph shall be paid or reimbursed to you in a lump sum, and any remaining payments and benefits due under this supplement shall be paid or provided in accordance with the normal payment dates specified for them herein.

## **10. No Acceleration; Employee Action/Timing of Payments**

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For purposes of Section 409A, (a) you may not, directly or indirectly, designate the calendar year of any payment; (b) no acceleration of the time and form of payment of any deferred compensation to you, or any portion thereof, shall be permitted if prohibited under Section 409A, and (c) any payment to be made after receipt of an executed and irrevocable release of claims within any specified period, in which such period begins in one taxable year and ends in a second taxable year, will be made in the second taxable year.

## **11. Release of investment**

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Your investment will be released at the end of the five-year lock-up period on 22 December 2027. You may choose to sell your shares on the market or continue to keep your shares.

- **If you opted for the Classic Offer:**

The value of your investment is not guaranteed and will follow the performance of the ENGIE share, which may go up as well as down. You may not recover full the amount of your investment at the maturity of the Classic Offer.

- **If you opted for the Multiple Offer:**

The SAR payment will be paid to you, after any applicable taxes and social security contributions, in accordance with the Terms and Conditions of the SAR.

Please note that, at the end of the 5-year lock-up period, the **SAR payment will be made automatically**, and irrespective of whether you request the sale of your ENGIE shares: if you do not sell your ENGIE shares at that time, your investment in ENGIE shares will no longer be protected in case of decrease of the share price below the Reference Price after the plan maturity.

## **12. Advertisement for Russian/Belarus nationals and natural persons residing in Russia or Belarus**

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Under the provisions of Regulation (EU) No 833/2014 and Regulation (EU) No 765/2006, as amended, the LINK 2022 offer is not open to Russian nationals and natural persons residing in Russia, nor to Belarusian nationals and natural persons residing in Belarus, unless they are nationals of a Member State of the European Union or a natural person holding a temporary or permanent residence permit in a Member State of the European Union.

## **13. Free Shares under the Classic Offer**

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Under the Classic Offer, Free Shares will be delivered to you at the end of the five-year period, i.e. on 22 December 2027, except in the following cases:

- **in case of your death**, your heirs can request that the Free Shares be delivered within six months of the death. If no such request is made within six months of the death, your heirs will lose the right to the Free Shares,
- **in case of your disability prohibiting you from exercising any professional activity**, the Free Shares can be delivered to you by anticipation within 3 months as from the notification of your disability to the human resources department of your employer,
- **in case of termination of your employment contract**, you will keep the rights to the Free Shares which will be delivered to you on 22 December 2027, except in case of resignation where you will lose your rights to the Free Shares.

## Tax Information

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*The following is a brief summary of the tax and social security regime that should apply to you if you are tax resident in the USA at all relevant times and participate in LINK 2022.*

*If you are not tax resident in the USA, you should consult your own tax advisor regarding the applicable tax regime.*

*This summary lists only some of the tax and social security consequences which may result from participating in LINK 2022 and it is for information purposes only. Therefore, this summary should not be treated as the opinion of your employer, its advisors or ENGIE S.A. nor should it be relied upon as being either complete or conclusive.*

*The tax and social security consequences listed below are described in accordance with the law and practices applicable in the USA in June 2022. These laws and practices may change over time.*

### Tax treatment of the Classic Offer

#### 1. Taxation at the time of participation

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##### A. Discount

You will recognize ordinary **compensation income** in an amount equal to the excess of (i) the Reference Price over (ii) the price you paid for the shares.

The "discount" will be taxed at **ordinary income tax rates** (the same as other compensation, up to 37%) and will be subject to employment taxes. You will have an adjusted basis in each share equal to the sum of the acquisition price and the amount recognized as income by you for such share.

The amount of compensation recognized will be subject to applicable **employment taxes**, including Social Security and Medicare.

Your portion of social security taxes are paid at the rate of 6.2% up to the first \$ 147,000 of your wages for 2022. Wages in excess of \$147,000 are not subject to social security taxes. Your portion of Medicare taxes are paid at the rate of 1.45%. In addition, your portion of Medicare tax will be increased by 0.9% if you are a "high income" taxpayers<sup>3</sup>.

Your **employer will withhold both income tax and employment taxes** on the amount recognized as compensation. You will have to **report the income** on your annual tax return.

##### B. Payment facility

The advance will be **considered a taxable benefit** if the amount of any financing extended by your employer combined with all other loans granted to you by your employer, **exceeds \$10,000**. In such a case, imputed interest will be imposed on the total amount of the advance, based on interest rates published by the Internal Revenue Service. The imputed interest will be considered part of your compensation.

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<sup>3</sup> Generally, for those whose tax filing status is "single", if they have adjusted gross income (AGI) of more than \$200,000; for married couples filing a joint return, if their AGI is more than \$250,000; and for married couples filing separate returns, if their AGI is \$125,000.

## 2. Taxation during the 5-year lock-up period

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### A. Taxation of dividends in France

Dividends paid by ENGIE S.A. on the ENGIE shares you hold, if any, will be **subject to a 12.8% withholding tax in France** (provided such dividends are paid to your bank account in the US).

### B. Taxation of dividends in the USA

Under the Classic Offer, the **U.S. dollar value of any distributions** on the shares (paid out of current or accumulated earnings and profits of the Company (as determined for U.S. federal income tax purposes)), **before reduction for any French withholding tax** paid by the Company with respect thereto, will be **taxable as dividend income**.

Subject to certain limitations, you generally will be entitled to a **credit against, or deduction** in computing, your U.S. federal income tax liability **for any French withholding taxes** withheld by the Company.

Currently and through the 2022 taxable year, the maximum rate of tax on dividends paid by a U.S. corporation to individual U.S. shareholders is generally reduced to 20%. This tax rate may also apply to dividends paid by a non-U.S. corporation, such as the Company, to its individual U.S. shareholders if certain requirements are satisfied including, among others, such non-U.S. corporation not being a “passive foreign investment company” for U.S. federal income tax purposes.

In general, FICA taxes are not imposed on dividend income. However, your dividend income may be subject to a 3.8% Medicare tax. This tax is imposed on net investment income, which generally includes income from dividends, if a taxpayer’s modified adjusted gross income is higher than a threshold amount. The amount of net investment income subject to this tax is the lesser of (a) total net investment income; or (b) the amount of a taxpayer’s modified adjusted gross income that exceeds \$200,000 (\$250,000 for married couples filing jointly) for 2022.

## 3. Taxation at the end of the 5-year lock-up period (or in case of early release)

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Upon the sale of shares, the **capital gain** will be taxed as:

- Long-term capital gain at a maximum rate of 20%<sup>4</sup> if you sell the shares **more than one year** from the acquisition date.
- Short-term capital gain, at a maximum rate of 37% (your ordinary income rate) if you sell the shares **one year or less** from the acquisition date.

The one-year period starts as of the day after the shares are transferred to your account with the custodian. You will have to **report your gain or loss on your annual tax return**.

The capital gain is equal to positive difference between (i) the amount realized on the disposition and (ii) your tax basis in such shares (i.e. acquisition cost of such shares including both your investment and any amount recognized as income in connection with the purchase).

If the shares are sold at a loss (equal to the negative difference between the selling price and your tax basis in such shares), then the loss will be treated as a capital loss, and will be long-term or short-term depending on whether the shares were held for one year prior to sale.

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<sup>4</sup> The tax rate for long-term capital gains in the U.S. is currently 20% for individuals with taxable income above \$459,750 (\$517,200 for married couples filing jointly) and 15% for individuals with taxable income more than \$41,675 but less than or equal to \$459,750 (more than \$83,350 but less than or equal to \$517,200 for married couples filing jointly) in 2022.

In general, **Social Security taxes are not imposed** on capital gains from the sale of shares. However, a **3.8% Medicare tax** will be applied on net investment income of certain high-income taxpayers, which would generally include any capital gains.

#### **4. Tax treatment of the Free Shares**

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##### **A. In France**

You should not be subject to tax or social charges in France with respect to the grant, delivery or sale of your Free Shares. Any dividend received with respect to ENGIE shares will be subject to a French withholding tax of 12.8%.

##### **B. In the USA**

###### **a) Upon grant of the rights to receive Free Shares**

No income tax is payable upon the grant of the conditional right to receive Free Shares from ENGIE.

In general, Social Security/Medicare taxes are not imposed upon grant of the conditional right to receive Free Shares. However, as you are entitled to receive Free Shares whether or not you continue in employment with ENGIE or a member of the ENGIE group (see item 13 of the Section "*Local Offer information*" for applicable conditions), you will be **subject to Social Security and Medicare taxes** on the fair market value of the Free Shares when they cease to be subject to a substantial risk of forfeiture (i.e. **at the time of assessment of the presence condition**), but you will not be subject to income tax until the Free Shares are delivered.

Your **employer is required to withhold** Social Security/Medicare taxes from your wages at prescribed rates.

###### **b) Upon delivery of the Free Shares**

When Free Shares are delivered, you will be subject to individual **income tax as ordinary income** equal to the fair market value of Free Shares on the date of delivery.

Your **employer is required to withhold** income taxes from your wages at prescribed rates. The tax obligations may be satisfied by withholding shares to be delivered or other compensation owed to you. You will be **responsible for paying any amount of tax that you owe above the amount withheld** by your employer when you file your annual tax return with the U.S. Internal Revenue Service or, if earlier, at the time estimated tax payments are required.

###### **c) If dividends are paid**

The U.S. dollar value of any distributions on the shares will be **taxable as dividend income**. Please refer to Section 2. above.

###### **d) At the time of sale of the Free Shares**

Upon the sale of the Free Shares, the **capital gain** will be taxed as (i) long-term capital gain at a maximum rate of 20% if you sell the shares more than one year from the delivery date and (ii) short-term capital gain, if you sell the shares one year or less from their delivery. Please refer to Section 3. above.

#### **5. Reporting obligations**

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In any year in which you recognize income or gains related to the Engie shares you acquired, you will be required to report the relevant amount(s) on your annual federal income tax form (e.g., Form 1040) and any applicable state or local tax form.



You may be required to report to the IRS certain information with respect to your ownership of the ENGIE shares. Generally, any such reporting would be filed with your annual tax return<sup>5</sup>. You should consult your own tax advisors regarding these rules and any other reporting requirements you may have as a result of your acquisition, ownership, or disposition of the shares.

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<sup>5</sup> The IRS requires taxpayers to include a Form 8938 with the annual federal income tax form to disclose "specified foreign financial assets" if the total foreign financial assets that an individual holds outside the United States exceed a minimum threshold that, depending on individual circumstances, can be as low as \$50,000. Generally, foreign securities, including Engie shares, and foreign financial accounts are considered to be "specified foreign financial assets".

In addition, the Bank Secrecy Act requires U.S. persons who own a foreign bank account, brokerage account, mutual fund, unit trust or other financial account to file a FinCEN Form 114, Report of Foreign Bank and Financial Accounts ("FBAR"), annually with the Department of Treasury if: (i) the person has a financial interest in or signature or other authority over one or more accounts in a foreign country, and (ii) the aggregate value of the person's foreign financial accounts exceeds \$10,000 at any time during the calendar year.

Foreign securities held in accounts maintained by U.S. financial institutions generally do not need to be counted against the filing thresholds for Form 8938 and FBAR.

## Tax treatment of the Multiple Offer

### 1. Taxation at the time of participation

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#### A. Discount

You will recognize ordinary **compensation income** in an amount equal to the excess of (i) the Reference Price over (ii) the price you paid for the shares.

The "discount" will be taxed at **ordinary income tax rates** (the same as other compensation, up to 37%) and will be subject to employment taxes. You will have an adjusted basis in each share equal to the sum of the acquisition price and the amount recognized as income by you for such share.

The amount of compensation recognized will be subject to applicable **employment taxes**, including Social Security and Medicare.

Your portion of social security taxes are paid at the rate of 6.2% up to the first \$ 147,000 of your wages for 2022. Wages in excess of \$147,000 are not subject to social security taxes. Your portion of Medicare taxes are paid at the rate of 1.45%. In addition, your portion of Medicare tax will be increased by 0.9% if you are a "high income" taxpayers<sup>6</sup>.

Your **employer will withhold both income tax and employment taxes** on the amount recognized as compensation. You will have to **report the income** on your annual tax return.

#### B. Payment facility

The advance will be **considered a taxable benefit** if the amount of any financing extended by your employer combined with all other loans granted to you by your employer, **exceeds \$10,000**. In such a case, imputed interest will be imposed on the total amount of the advance, based on interest rates published by the Internal Revenue Service. The imputed interest will be considered part of your compensation.

### 2. Taxation during the 5-year lock-up period

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#### A. Taxation of dividends in France

Dividends paid by ENGIE S.A. on the ENGIE shares you hold, if any, will be **subject to a 12.8% withholding tax in France** (provided such dividends are paid to your bank account in the US).

#### B. Taxation of dividends in the USA

Under the Multiple Offer, the **U.S. dollar value of any distributions** on the shares (paid out of current or accumulated earnings and profits of the Company (as determined for U.S. federal income tax purposes)), **before reduction for any French withholding tax** paid by the Company with respect thereto, will be **taxable as dividend income**.

Subject to certain limitations, you generally will be entitled to a **credit against, or deduction** in computing, your U.S. federal income tax liability **for any French withholding taxes** withheld by the Company.

Currently and through the 2022 taxable year, the maximum rate of tax on dividends paid by a U.S. corporation to individual U.S. shareholders is generally reduced to 20%. This tax rate may also apply to dividends paid by a non-U.S. corporation, such as the Company, to its individual U.S. shareholders if

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<sup>6</sup> Generally, for those whose tax filing status is "single", if they have adjusted gross income (AGI) of more than \$200,000; for married couples filing a joint return, if their AGI is more than \$250,000; and for married couples filing separate returns, if their AGI is \$125,000.

certain requirements are satisfied including, among others, such non-U.S. corporation not being a “passive foreign investment company” for U.S. federal income tax purposes.

In general, FICA taxes are not imposed on dividend income. However, your dividend income may be subject to a 3.8% Medicare tax. This tax is imposed on net investment income, which generally includes income from dividends, if a taxpayer’s modified adjusted gross income is higher than a threshold amount. The amount of net investment income subject to this tax is the lesser of (a) total net investment income; or (b) the amount of a taxpayer’s modified adjusted gross income that exceeds \$200,000 (\$250,000 for married couples filing jointly) for 2022.

There is a risk that dividends received during the lock-up period would be taxed at ordinary income rates, because the SARs will be viewed as diminishing your risk of loss with respect to the shares.

### **3. Taxation at the end of the 5-year lock-up period or in case of early release**

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#### **A. Sale of the shares**

Upon the sale of shares, the **capital gain** will be taxed as:

- Long-term capital gain at a maximum rate of 20%<sup>7</sup> if you sell the shares **more than one year** from the acquisition date.
- Short-term capital gain, at a maximum rate of 37% (your ordinary income rate) if you sell the shares **one year or less** from the acquisition date.

The one-year period starts as of the day after the shares are transferred to your account with the custodian.

The capital gain is equal to positive difference between (i) the amount realized on the disposition and (ii) your tax basis in such shares (i.e. acquisition cost of such shares including both your investment and any amount recognized as income in connection with the purchase).

If the shares are sold at a loss (equal to the negative difference between the selling price and your tax basis in such shares), then the loss will be treated as a capital loss, and will be long-term or short-term depending on whether the shares were held for one year prior to sale.

You will have to **report your gain or loss on your annual tax return**.

In general, **Social Security taxes are not imposed** on capital gains from the sale of shares. However, a **3.8% Medicare tax** will be applied on net investment income of certain high-income taxpayers, which would generally include any capital gains.

#### **B. SAR payment**

Upon settlement of the SAR, you will recognize **ordinary compensation income** in an amount equal to the payment received under the SAR. Such payment will be taxed at **ordinary income tax rates** (the same as other compensation income, up to 37%).

The amount of compensation recognized will be subject to applicable **employment taxes**, including Social Security and Medicare.

Your portion of social security taxes are paid at the rate of 6.2% up to the first \$ 147,000 of your wages for 2022. Wages in excess of \$147,000 are not subject to social security taxes. Your portion of Medicare

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<sup>7</sup> The tax rate for long-term capital gains in the U.S. is currently 20% for individuals with taxable income above \$459,750 (\$517,200 for married couples filing jointly) and 15% for individuals with taxable income more than \$41,675 but less than or equal to \$459,750 (more than \$83,350 but less than or equal to \$517,200 for married couples filing jointly) in 2022.

taxes are paid at the rate of 1.45%. In addition, your portion of Medicare tax will be increased by 0.9% if you are a "high income" taxpayers<sup>8</sup>.

Your **employer will withhold both income tax and employment taxes** on the amount recognized as compensation. You will have to **report the income** on your annual tax return.

#### **4. Reporting obligations**

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In any year in which you recognize income or gains related to the Engie shares you acquired, you will be required to report the relevant amount(s) on your annual federal income tax form (e.g., Form 1040) and any applicable state or local tax form.

You may be required to report to the IRS certain information with respect to your ownership of the ENGIE shares. Generally, any such reporting would be filed with your annual tax return<sup>9</sup>. You should consult your own tax advisors regarding these rules and any other reporting requirements you may have as a result of your acquisition, ownership, or disposition of the shares.

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<sup>8</sup> Generally, for those whose tax filing status is "single", if they have adjusted gross income (AGI) of more than \$200,000; for married couples filing a joint return, if their AGI is more than \$250,000; and for married couples filing separate returns, if their AGI is \$125,000.

<sup>9</sup> The IRS requires taxpayers to include a Form 8938 with the annual federal income tax form to disclose "specified foreign financial assets" if the total foreign financial assets that an individual holds outside the United States exceed a minimum threshold that, depending on individual circumstances, can be as low as \$50,000. Generally, foreign securities, including Engie shares, and foreign financial accounts are considered to be "specified foreign financial assets".

In addition, the Bank Secrecy Act requires U.S. persons who own a foreign bank account, brokerage account, mutual fund, unit trust or other financial account to file a FinCEN Form 114, Report of Foreign Bank and Financial Accounts ("FBAR"), annually with the Department of Treasury if: (i) the person has a financial interest in or signature or other authority over one or more accounts in a foreign country, and (ii) the aggregate value of the person's foreign financial accounts exceeds \$10,000 at any time during the calendar year.

Foreign securities held in accounts maintained by U.S. financial institutions generally do not need to be counted against the filing thresholds for Form 8938 and FBAR.