



Implementation of a worldwide employee share plan, “Link 2018”

Paris, France, 15 February 2018

ENGIE S.A. today announces the implementation of "Link 2018", a worldwide employee share plan, in 18 countries (the "**Offer**").

I. OFFEROR

ENGIE S.A. (the "**Company**") is a public limited liability company (*société anonyme*) with share capital of 2 435 285 011 euros, having its registered office at 1 place Samuel de Champlain, 92400 Courbevoie (France), and is registered with the Register of Commerce at Nanterre (*Registre du commerce et des sociétés de Nanterre*) under registration number 542 107 651.

The Company's corporate documents, statutes, minutes of shareholders' meetings and press releases are available on its website (www.engie.com).

Information on the Company's shareholding structure, historic and up-to-date financial information (consolidated and internal financial statements), the auditors' reports and the risk disclosure on the shares can be found in the Company's reference document (*Document de Référence*), which is available on its website.

II. PURPOSE OF THE OFFER - LEGAL FRAMEWORK

The aim of the Offer is to align employees' interests more closely with the development of the ENGIE group through providing employees with the opportunity to directly or indirectly acquire shares of the Company (the "**Share**" or "**Shares**").

In accordance with the 14th and 15th resolutions of the Company's combined general shareholders' meeting of 12 May 2017, the general shareholders' meeting has given the Board of Directors, with the option to sub-delegate, powers to increase share capital, on one or multiple occasions, without preferential subscription rights, for the benefit of (i) employees who are members of the ENGIE group's



saving plan, and (ii) any entity incorporated as part of the implementation of the ENGIE group's worldwide employee share plan.

The 16th resolution of the same general shareholders' meeting authorised the Board of Directors to allocate free shares for a 38-month period, in accordance with the provisions of articles L.225-197-1 et seq. of the French Commercial Code (*Code de commerce*), for the benefit of all the employees and corporate officers of the ENGIE group and/or the employees participating in the ENGIE group worldwide employee share plan.

In addition, following the transfer by the French state of 100 million of the Company's shares by private placement on 10 January 2017 and 99.9 million of the Company's shares on 5 September 2017, in accordance with the provisions of article 31-2 of the Order 2014-948 of 20 August 2014 relating to the governance and share capital transactions in public companies (the "**Order**"), 22,211,111 Company shares (being approximately 1% of the share capital) must be offered to eligible employees and former employees of the ENGIE group.

In this context, the Company has already acquired 11.1 million of Company shares from the French State, concurrently with an accelerated institutional placement on 5 September 2017, for the Company to offer them to eligible employees and former employees of the ENGIE group within one year, in accordance with article 31.2 of the Order. It is intended that the French State will transfer to the Company at the Reference Price (as defined below) all or some of the 11,111,111 remaining shares dependent on the quantity of Company shares requested during the implementation of the Offer.

III. NUMBER OF SHARES THAT CAN BE OFFERED AND SOURCE OF THE SHARES

In accordance with the decision of ENGIE's Board of Directors of 13 December 2017, the maximum number of Shares to be issued under the Offer is fixed at 35 million shares (the "**Global Envelope**"), being 1.43% of the share capital on the date of the Board of Director's decision. This Global Envelope comprises two sub-envelopes: (i) one sub-envelope shared by the Link + and Link Multiple formulae, and limited to 300 million euros, and, within that, (ii) one sub-envelope specific to the Link + formula, limited to 135 million euros. An additional ceiling of 0.5% of the share capital will also be considered under the 15th resolution of the Company's combined general shareholders' meeting of 12 May 2017, to allow for allocating the Stock Appreciation Right ("**SAR**") in countries where the company mutual fund (the "**FCPE**") will not be offered.

Shares to be transferred under this Offer will come first from those acquired or to be acquired from the French State, for a maximum of 22,211,111 shares, following the private placements of ENGIE shares made by the French State in January and September 2017. In some countries, for local tax and regulatory reasons, shares to be allocated may be new shares issued in accordance with the provisions of the 14th and 15th resolutions of the combined general shareholders' meeting of 12 May 2017. In the event that those Shares acquired from the French State are not sufficient to meet all requests, the remaining Shares to be transferred under the Offer would arise as a result of a capital increase reserved for employees who are members of the Company's saving plan in accordance with the 14th resolution of the Company's combined general shareholders' meeting of 12 May 2017 and/or of a transfer of existing shares acquired by the Company under its share buy-back programs.



When implementing the Offer outside of France, the Company will carry out a free share allocation plan in accordance with the aforementioned decision of the Board of Directors, taken under the authority given by the Company's combined general shareholders' meeting of 12 May 2017 in its 16th resolution, with a limit of 0.25% of share capital on the day of the Board of Director's decision, being 6,088,212 ENGIE shares. The Shares to be delivered under this free share allocation plan will be existing shares.

IV. NATURE OF THE SHARES AND ADMISSION TO TRADING ON A REGULATED MARKET

The Shares under the Offer are ordinary shares of the Company, admitted to trading on Euronext Paris under the ISIN code FR0010208488.

The Company is also included in the following indices: CAC 40, BEL 20, DJ Euro Stoxx 50, Euronext 100, FTSE Eurotop 100, MSCI Europe and Euronext Vigeo (World 120, Eurozone 120, Europe 120 and France 20).

Admission of the new Shares to trading on the Euronext Paris market will be requested once the Shares have been issued.

When the Shares have been admitted to trading on the Euronext Paris exchange, the Shares will be completely assimilated with the Company's shares already admitted to trading on the exchange and will be traded on the same quotation line.

V. RIGHTS ATTACHED TO THE SHARES

The Shares issued under the Offer will be completely assimilated with the existing shares.

The Shares will carry the same dividend rights.

Where Shares are held through a company mutual fund (FCPE), voting rights attached to these shares will be exercised by the supervisory board of the FCPE.

Where Shares are held directly, voting rights will be exercised directly by the employee shareholders.

The Shares are subject to a lock-up period (see the last point of paragraph VII below).

VI. TERMS FOR SETTING THE OFFER PRICE

A share reference price (the "**Reference Price**") will be calculated, which will be equal to the average of the daily volume-weighted-average prices (VWAP) for each of the twenty trading days preceding the date on which the Company CEO, acting on the Board of Director's authority, sets the dates of the revocation period, which legally corresponds to the subscription period. A 20% or 30 % discount will be applied depending on the chosen formula (e), rounded up to the nearest Euro cent (the "**Offer Price**"). It is expected that the Reference Price and the Offer Price will be fixed on 21 June 2018, and communicated to all Beneficiaries immediately.

The Reference Price and Offer Price will be fixed in Euros. The Beneficiaries' investments in the Offer must be paid in Euros, or in their local currency using the exchange rate set on 21 June 2018.



VII. TERMS AND CONDITIONS OF THE OFFER

▪ The scope of Link 2018

The scope of the Offer includes:

- the Company; and
- the companies having their registered office in Austria, Belgium, Brazil, Chile, France, French Polynesia, Germany, Italy, Luxembourg, Monaco, the Netherlands, New Caledonia, Oman, Spain, Switzerland, the United Arab Emirates, the United Kingdom, and the United States of America, and being members of the ENGIE group's saving plan (the "PEG") or group's international savings plan (the "PEGI"):

- (i) which are a fully consolidated subsidiary of the ENGIE group; or
- (ii) where the majority of the share capital is held directly or indirectly by the Company;

with the exception of GRTgaz, in accordance with the French Energy Code (*Code de l'Energie*).

▪ Beneficiaries

The beneficiaries of the Offer (the "**Beneficiaries**") are persons that fulfil, on the last day of the revocation period (intended to be 25 June 2018), one of the following conditions: (i) being an employee (or belonging to a category of eligible persons who are members of the PEG or the PEGI schemes under article L.3332-2 of the French Labour Code (*Code du travail*)) of one of the companies included in the scope of Link 2018, and who has been such an employee, whether or not for a continuous period, for a period of at least three months since 1 January 2017, (ii) being actively employed in the shared services of (1) GRDF SA and ENEDIS SA (formerly ERDF SA) and (2) EDF SA and ENGIE SA, (iii) being a former employee of an ENGIE group company, having left for retirement or early retirement and still holding assets in the PEG or PEGI, or (iv) being a former employee of an ENGIE group company member of the PEG or PEGI, having held an employment contract or a remunerated activity for a period of at least five years with one of the companies within the scope of Link 2018 and still holding assets in the PEG or PEGI.

▪ Proposed formulae

Beneficiaries may participate in the Offer through (i) three formulae within the framework of PEG and (ii) two formulae within the framework of PEGI.

1) Two common formulae for PEG and PEGI with a 5-year lock-up period

Link Classique (Link Classic)

Beneficiaries may acquire, under PEG or PEGI (as applicable) and subject to local legal and fiscal constraints, Shares either directly or through the "Link Classic 2018" sub-fund of the FCPE "Link International" or through the "Link Classique 2018" sub-fund of the FCPE "Link France".

Favourable conditions are proposed in terms of: (i) the acquisition of the Shares with a 20% discount on the Reference Price and (ii) a free allocation of additional Shares as an employer contribution.



Terms for the free allocation of the additional Shares differ within and outside of France for legal and tax reasons. In France, employees benefit from an employer contribution in the form of free Shares within the framework of the savings plan. Outside of France, Beneficiaries receive the right to receive Shares free of charge at the end of the five-year lock-up period.

Link Multiple

Beneficiaries will receive, at maturity or in an Early Release Case (as defined below), an amount corresponding to their personal contribution and a multiple of the protected average increase in the Share price compared to the Reference Price.

Depending on the local legal and fiscal requirements, the Link Multiple formula is proposed either:

- through the "Link Multiple Int 2018" or "Link Multiple Bel 2018" sub-funds of the FCPE "Link International" or the "Link Multiple 2018" sub-fund of the FCPE "Link France"; or
- through a direct acquisition of Shares while receiving a specific right called a "Stock Appreciation Right" (or "SAR") granted by the employer.

2) Link +: Additional formula reserved to PEG with a 10-year lock-up period

Under PEG, Beneficiaries will be able to invest through the "Link + 2018" sub-fund of the FCPE "Link France", while benefiting from an employer contribution.

Beneficiaries will receive, at maturity or in an Early Release Case, an amount corresponding to their initial investment (personal contribution plus employer contribution), increased by an amount which is the greater of a guaranteed annual return on their initial investment and a multiple of the protected average increase in the Share price.

▪ Minimum amount and investment ceilings

The minimum investment amount per employee and by formula is fixed at 10 Euros.

The maximum investment amount under the Link + formula is 100 euros.

In addition, the investment of each Beneficiary to the Offer cannot exceed 25% of their annual gross remuneration for 2018. If a Beneficiary participates in the Offer during the revocation period, their investment may not exceed 2.5% of their annual gross remuneration for 2018. The rules applicable in determining compliance with these ceilings take into account the leverage effect of the Link Multiple and Link + formulae in accordance with the provisions of PEG and PEGI.

In addition, specific ceilings may apply in certain jurisdictions, in accordance with local legal requirements.

▪ Reduction procedure

The amount of individual requests may be reduced if the total number of Shares requested under Link 2018 exceeds the Global Envelope or the formula-specific sub-envelopes as indicated in paragraph III above. If such an event occurs, the requests will be reduced as follows:

- (a) the reduction shall start from the envelope with a highest over-participation percentage;
 - (b) the total amount or total number of the shares offered by that envelope will be divided by the number of participants to obtain the participation average (the "**Participation Average**");
- All requests in an amount less than or equal to the Participation Average will be fully honoured, subject to any further reduction as indicated in c) below;



- All requests in an amount greater than the Participation Average will first be honoured up to the Participation Average, being provided that if that ceiling contains sub-ceiling(s), the reduction will be carried out equally and with no priority relating to the requests under each sub-ceiling;
- The portion of the request which exceeds the Participation Average will second be reduced equally, by applying a ratio obtained by dividing the total number of remaining available shares by the total number of shares requested but not yet honoured;

(c) If after this first round of reduction, one or two envelopes remain exceeded, the reduction rules set forth in (a) and (b) above will be repeated until all the envelopes are met.

▪ **Lock-up period**

Shares and FCPE units offered in the context of the Offer must be kept by employees during a lock-up period of 5 or 10 years depending on the chosen formula. However, employees will be able to request their early availability in nine cases of early release provided by the French Labour Code (*Code du Travail*) ("**Early Release Case**"), it being specified that the number of Early Release Cases may be reduced in some countries due to local legal and fiscal constraints.

VIII. TIMELINE OF THE OFFER

The reservation period is scheduled to run from 30 April 2018 to 22 May 2018 inclusive.

The setting of the Reference Price and the Offer Price is scheduled for 21 June 2018.

Beneficiaries who have not participated in the Offer during the reservation period will be able to participate during the revocation period from 22 to 25 June 2018 inclusive.

During the same period, Beneficiaries who have participated while the Offer Price remained unknown will be able to cancel their reservation in each of the proposed formulae. Unless cancelled, such reservations will become irrevocable on 25 June 2018 at midnight, Paris time.

The Offer is scheduled to be completed on 2 August 2018.

These dates are indicative only and may change.

IX. HEDGING TRANSACTION

The implementation of the Link Multiple and Link + formulae requires hedging operations to be carried out by the financial institution structuring the formulae, on market exchanges and over-the-counter exchanges, by means of the purchase and/or sale of Shares, the purchase of call options and/or all other transactions, at all times and in particular from the opening day of the fixation period of the Reference Price and for the whole duration of the Offer. It is envisaged that the financial institution will implement hedging of the said call options in the same way and for the same periods as those mentioned above.

X. SPECIFIC INFORMATION CONCERNING THE INTERNATIONAL OFFER

This document does not constitute an offer to sell or a solicitation to purchase Shares. The Offer will be made only in countries where such an Offer has been registered with the competent local authorities



and in countries where all required filing procedures and/or notifications have been completed and authorisations obtained. In particular, the Shares described herein have not been and will not be registered in the United States under the Securities Act of 1933.

This document is not intended for distribution in countries in which certain procedures are required but have not yet been carried out or where any necessary authorisations have not been obtained. Accordingly copies of this document will not be distributed in such countries.

Shares being offered for sale under this Offer have not been recommended by any governmental securities commission or regulatory authority. Neither ENGIE S.A. nor any employer gives any investment advice with respect to this Offer. Investing is a personal decision that must be made by an employee, taking into account their financial resources, investment goals, personal tax situation, any other investment alternatives available and the fact that the value of a quoted share will fluctuate. In this regard, beneficiaries are encouraged to consider the diversification of their investment portfolio to ensure that the risk that they assume is not unduly concentrated on any single investment.

The Offer is proposed on a discretionary basis by the Company. Neither the Company nor the employers are required to repeat the Offer or to make similar offer in the future. The terms and conditions of the Offer do not form part of the employment contract of the employees.

XI. NOTICE CONCERNING "US PERSONS"

Units of the company mutual fund (*Fonds Commun de Placement d'Entreprise* or FCPE) cannot be offered or sold, either directly or indirectly, in the United States of America (including its territories and possessions) or to or for the benefit of a "U.S. Person", as defined in the U.S. Regulations and available on the website of the management company: <http://www.amundi.com>.

Persons wishing to subscribe for FCPE units must certify that they are not a "U.S. Person". Any unit holder must immediately inform the management company in the event that he or she becomes a "U.S. Person".

The management company may impose restrictions on (i) the holding of FCPE units by a "U.S. Person" and in particular compulsorily redeem or (ii) transfer any units held by a "U.S. Person". This power also extends to any person (a) who appears to be directly or indirectly in breach of the laws and regulations of any country or governmental authority, or (b) who could, in the view of the management company, cause damage to the FCPE that it would not otherwise have suffered.

XII. EMPLOYEE INFORMATION - CONTACTS

All documents relating to the Offer are available to the Beneficiaries on the website: <https://link.engie.com>. The Beneficiaries may also direct any questions relating to the Offer to the "Link managers".



In France, this document constitutes the press release required by the Autorité des Marchés Financiers (AMF), in accordance with Articles 212-4 5° and 212-5 6° of the AMF General Regulations, Article 19 of the AMF circular of October 21, 2016 as amended on 15 January 2018 (DOC-2016-04) and Article 3.1 of the AMF Guidelines on the employee savings funds (Guide relatif aux fonds d'épargne salariale) (DOC-2012-10) as modified on 14 March 2016.

About ENGIE

ENGIE is committed to take on the major challenges of the energy revolution, towards a more decarbonised, decentralised and digitized world. The Group aims to becoming the leader of this new energy world by focusing on three key activities for the future: low carbon generation in particular from natural gas and renewable energies, energy infrastructures and efficient solutions adapted to all its clients' needs (individuals, businesses, territories, etc.). The customers' satisfaction, innovation and digital are at the heart of ENGIE's development.

ENGIE is active in around 70 countries, employs 150,000 people worldwide and achieved revenues of €66.6 billion in 2016. The Group is listed on the Paris and Brussels stock exchanges (ENGI) and is represented in the main financial indices (CAC 40, BEL 20, DJ Euro Stoxx 50, Euronext 100, FTSE Eurotop 100, MSCI Europe) and non-financial indices (DJSI World, DJSI Europe and Euronext Vigeo Eiris - World 120, Eurozone 120, Europe 120, France 20, CAC 40 Governance).

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