



Annual Shareholders' Meeting
11 July 2023
28, avenue George V, 75008
Paris

Agenda



1. Insights on the Board of Directors and Committees and situation at the outcome of the 2023 AGM
2. AGM Resolutions
3. Focus on Chairman & CEO and Board Members remuneration

01

Insights on the Board of Directors and Committees

Composition of the Board



Henri Poupart-Lafarge
Chairman and CEO



Yann Delabrière*
Lead Independent Director



Bi Yong Chungunco*



Clotilde Delbos*



Daniel Garcia Molina
Board Member rep. employees



Gilles Guilbon
Board Member repr. employees



Sylvie Kandé de Beaupuy*



Frank Mastiaux*



Baudouin Prot*



Sylvie Rucar*



Kim Thomassin
CDPQ Permanent Representative



Jay Walder*



Benoit Raillard
Censor

- Audit Committee
- Nominations and Remuneration Committee
- Ethics and Compliance Committee
- Integration Committee

* Independent Board members

** Excluding Board members rep. employees

Number of meetings

7 Board meetings and
5 executive sessions in
2022/23

Independence**

8 Board Members (80%)

Board attendance

99% in 2022/23

Gender diversity**

50 % of each gender

Foreign Nationalities

6 (50%)

○ **Expiration of 3 mandates** at 2023 AGM

○ **Ratification of 1 mandate** at 2023 AGM

The appointment of Bpifrance Investissement as new independent Board Member will also be proposed at the 2023 AGM

Skills matrix

	Transport / Industry / Knowledge of Alstom business	Equipment Supplier Industry	Governance of large companies (revenues > 7b)	Finance / Management / Risk Management	Legal / M&A	Ethic and Compliance	Human Resources Management	CSR / Sustainability	Digitalization and cybersecurity	International Experience
Ms. CHUNGUNCO					X	X	X			X
Mr. DELABRIERE	X	X	X	X	X		X		X	X
Ms. DELBOS	X		X	X	X	X	X			X
Mr. GARCIA MOLINA	X			X			X	X		X
Mr. GUILBON	X			X			X	X		X
Ms. KANDE DE BEAUPUY	X		X		X	X	X			X
Mr. MASTIAUX	X	X	X	X		X		X	X	X
Mr. POUPART- LAFARGE	X	X	X	X	X	X	X	X	X	X
Mr. PROT			X	X	X	X	X	X		X
Mr. RAILLARD		X	X	X	X		X		X	X
Ms. RUCAR	X		X	X	X	X		X		X
Ms. THOMASSIN (rep. CDPQ)	X		X	X	X	X	X	X		X
Mr. WALDER	X		X							X

Committees

Audit

Chairwoman: Sylvie Rucar
3 members
4 meetings
100% attendance
67% independence

Nominations and Remuneration

Chairman Yann Delabrière
5 members
6 meetings
100% attendance
100% independence

Ethics & Compliance

Chairwoman: Sylvie Kandé de Beaupuy
3 members
9 meetings
100 % attendance
100% independence

Integration

Chairman: Frank Mastiaux
4 members
3 meetings
93 % attendance
67 % independence

- Committees are all **chaired by an independent** Board member with NR Committee and E&C Committee being fully independent
- The Chairman and CEO **is not a member of any of the Committees**
- **Integration Committee** created in January 2021 initially for 2 years was extended to 2 further years **until January 2025.**

Board mandates renewal / ratification at 2023 AGM



Mr. Henri Poupert-Lafarge

- Chairman and CEO since 2016
- Started his career in 1992 at the World Bank in Washington, before joining the French Ministry of Economy and Finance in 1994.
- Joined Alstom in 1998



Ms. Sylvie Rucar

- Board member since 2015
- Independent / Chairwoman of the Audit Committee
- Has held senior and executive positions with PSA and Société Générale in the finance field



Mr. Jay Walder

- Co-opted in November 2022
- Independent / Member of the Integration Committee
- Former CEO of companies active in transportation / mobility fields (Virgin Hyperloop, New York MTA)
- Extensive knowledge of the US market

Ms. Sylvie Kandé de Beaupuy

- Board member since 2017
- Independent / Chairwoman of the E&C Committee
- Former lawyer
- Has held senior and executive positions with Airbus and Technip in the ethics and compliance field

Appointment of a new independent Board Member

- **Bpifrance Investissement** is the management company that handles Bpifrance's equity investments. **Bpifrance** is the French national investment bank which finances businesses – at every stage of their development – through loans, guarantees, equity investments and export insurances. Bpifrance also provides extra financial services (training, consultancy) to help entrepreneurs meet their challenges (innovation, export...).
- Bpifrance, through its **fund Lac1**, holds 28,545,000 Alstom shares i.e. 7.49% of the current share capital of Alstom. The purpose of Lac1 fund is to invest on a long-term basis in the capital of publicly listed French multinationals and to be involved in their governance.

Appointment of a new independent Board Member

Bpifrance Investissement would be represented by Mr. José GONZALO

Executive Director at Bpifrance, Direct Investment

Mr. José Gonzalo is a graduate of Sciences Po Paris and the University Paris Dauphine. He has 27 years of experience in mergers and acquisitions: after starting his career in the mergers and acquisitions department of La Compagnie Financière Rothschild, he joined the Orange Group where he held the positions of Director of Development and Director of Mergers and Acquisitions in subsidiaries and at headquarters. He then joined Capgemini in 2009 as Head of Mergers and Acquisitions before joining Bpifrance. He joined Bpifrance in 2014 and he is today **Executive Director of investing activities in Small, Medium and Large Companies.**

Mr. José Gonzalo was born 9 May 1965



Combination of functions of Chairman and CEO

On the occasion of the renewal of Mr. Henri Poupart-Lafarge's mandate as Board member:

- The Board of Directors made a thorough assessment of Alstom structure of governance through:
 - An overall *in abstracto* and *in concreto* assessment combining regulatory approach (France and abroad), situation of comparable companies, position of investors & proxies and Alstom context
 - The results of the external assessment process of the functioning of the Board and Committees
 - Several dedicated NRC meetings / executive sessions of the Board of Directors.
- The Board of Directors reviewed its internal rules to reinforce the powers of the LID who is now authorized to convene the Board of Directors in case the Chairman of the Board is unable to do so and to chair the meetings of the Board in case the Chairman is absent.

As a conclusion:

- The Board members are unanimous on the combination of functions being the best structure of governance in Alstom current situation, especially due to the strong existing safeguards in place (role of LID, high percentage of independent Board members, Committees chaired by independent Board members, executive sessions of the Board and Audit Committee...), Alstom governance structure being reviewed regularly by the Board of Directors in executive sessions

Chairman and CEO / Lead Independent Director

The 9 May 2023 Board of Directors:

- Confirmed the continuation of the **combination of the functions** of Chairman of the Board and Chief Executive Officer and decided that at the outcome of the 2023 AGM, Mr. Henri Poupart-Lafarge will be renewed as Chairman of the Board of Directors, subject to the renewal of his office as Board member, and as Chief Executive Officer.
- Renewed the mandate of Mr. Yann Delabrière **as Lead Independent Director** for a period of one year at the outcome of the 2023 AGM until the expiry of his office as Board member (i.e. until the 2024 AGM).

Detailed information in respect of these decisions and of the thorough assessment made by the Board of Directors in respect of Alstom's structure of governance are given in Chapter 5 of the 2022/23 Universal Registration Document.

Situation at the outcome of the 2023 AGM

- At the outcome of the Shareholders' Meeting of 11 July 2023 and subject to favorable votes of the shareholders:
 - The proportion of independent Board Members would be **82%** (Board members representing employees being excluded in the calculation of this percentage), with **9 Board Members considered independent** according to the Company and the AFEP-MEDEF Code.
 - The proportion of **women would be 45%** (Board members representing employees being excluded in the calculation of this percentage)
 - **Six foreign nationalities** would be represented (i.e. 43%)
 - One Board Member, Mr. Henri Poupart-Lafarge, would perform the **combined functions** of Chairman and Chief Executive Officer
 - One Board Member, Mr. Yann Delabrière, would perform the functions of **Lead Independent Director**



02

AGM Resolutions

Resolutions

- **On an ordinary basis:**

- Resolutions 1 to 3 : approval of the annual and consolidated financial statements and dividend proposal:
 - 0,25 € per share
 - Payable in shares or in cash (7 September 2023)
- Resolution 4 : absence of related-party agreements
- Resolutions 5 to 9 : Board mandates (see slides supra)
- Resolutions 10 and 11: Say on Pay ex-ante (unchanged / focus infra)
 - Remuneration policy applicable to the Chairman and CEO
 - Remuneration policy applicable to the Board Members
- Resolutions 12 and 13 : Say on Pay ex-post (focus infra)
 - Remuneration report
 - Say on Pay ex-post of the Chairman and CEO
- Resolution 14 : share buy-back program (up to 5% of the share capital / €45: maximal nominal purchase price)

Resolutions

- **On an extraordinary basis:**

- Resolution 15: cancellation of shares
- Resolution 16 to 27: renewal of the financial authorizations voted by the 12 July 2022 AGM and the authorization in respect of free grant of shares voted by the 28 July 2021 AGM, being outlined that the Company now favors a policy of annual renewal of all its financial delegations and authorizations:
 - The overall caps of the **authorizations to increase the capital by issuing shares with maintenance or cancellation of the preferential subscription rights** would be slightly increased respectively from € 911 000 000 to € 920 000 000 (with maintenance of preferential subscription rights) and € 260,000,000 to € 265,000,000 (with cancellation of preferential subscription rights) and would still be within the limits of 35% (with preferential subscription rights) and 10% (without preferential subscription rights) of the Company's share capital.
 - The authorization in respect of **free grant of shares** would be increased from 5,000,000 to 6,000,000 shares to take into account the Group's headcount subsequent to the acquisition of Bombardier Transportation and therefore the potential increase of plan beneficiaries

Resolutions

- **On an extraordinary basis:**

- Focus on the authorization in respect of **free grant of shares** :

- Overall amount : 6 million shares

- Duration : 26 months covering two annual plans for top managers including Chairman and CEO

- Limits applicable to the Chairman and CEO per plan, within a global cap of 200,000 shares under the AGM authorization:

- IFRS2 value capped at 100% of target short-term remuneration
 - 2.5% of overall envelope authorized by AGM
 - 10% of total allocation under relevant plan.

- Past annual allocations (2021 and 2022) :

- Around 2.5 million shares annually for usual beneficiaries (around 1,500 top managers)
 - Out of which 76,000 shares for the Chairman and CEO

03

Focus on Chairman & CEO and Board Members remuneration

Focus on resolution 10 : Remuneration policy of the Chairman and CEO (Package upon renewal / unchanged)

Item	Contents	Evolution
Fixed remuneration	€ 950,000	No change
Short-term variable remuneration	100% of annual fixed remuneration (max at 170%) for 60% assorted to collective objectives, for 40% to specific objectives to the Chairman & CEO. Discretionary adjustment power by the Board (+/- 15%) Clawback in case of fraud, embezzlement of accounts, material error or gross misconduct (two fiscal years)	No change
Long-term variable remuneration	Performance shares subject to achievement of performance conditions. Ceilings : IFRS2 value capped at 100% of target short-term remuneration, 2.5% of overall envelope authorized by AGM, 10% of total grants under relevant plan. Holding requirement : 100% of vested shares until holding registered shares represent 3 years of last annual gross remuneration	No change
Benefits in kind	Company car, health, death & disability coverage, unemployment insurance coverage	No change
Compensation at the term of the office	See below	
<i>Non-compete undertaking</i>	2-year period, 1.5 times average gross annual compensation (last 3 FY)	No change
<i>Condition for retaining remuneration in performance shares under vesting period</i>	Upon decision of the Board, only in case of forced departure, no early vesting authorised, number of shares maintained reduced in proportion to the time spent with the Company relative to the length of the vesting period of each plan	No change
<i>Supplemental pension plans</i>	Defined contribution plans : <ul style="list-style-type: none"> « Article 82 » (10% of fixed remuneration between 8 & 12 annual SS caps, 20% of fixed compensation above 12 annual SS caps, 20% of annual variable compensation, with a cumulated max. reference at €2 million, no contribution paid if variable is at zero) « Article 83 » (1% of annual compensation up to 4 annual SS caps, 4% of annual compensation between 4 & 8 annual SS caps, 11% of annual compensation between 8 & 12 annual SS caps) 	No change
Multi-year remuneration	None	No change
Exceptional remuneration	None	No change
Remuneration tied to Board membership	None	No change
Severance indemnity	None	No change

Focus on resolution 11: Remuneration policy of the Board Members (unchanged)

- **Fixed part as a Board member** 30,000 € / year
- **Additional fixed part attached to Chairmanship:**
 - ▶ Lead independent Director 30,000 €
 - ▶ Audit 20,000 €
 - ▶ All other Committees 15,000 €
- **Variable part** depending on effective attendance
 - ▶ Board of Directors 4,000 € / Meeting
 - ▶ All Committees 3,500 € / Meeting

Focus on resolution 12 : Remuneration report

- Remuneration ratio:
 - Describes the ratios between the Chairman and Chief Executive Officer's remuneration level and the average and median compensation of employees other than corporate officers in France (**making up over 97% of French headcount at the end of 2022**) and their annual evolution, the evolution of the Group's performance, that of the Chairman and Chief Executive's compensation and of the average remuneration of employees within this same scope over the five most recent fiscal years. The ratio at the scope of the listed company (Alstom SA) is not presented to the extent that such Company does not have any employees.
 - From this year onwards, the information presented **also includes average and median compensation calculated in respect of all employees of the Alstom group throughout the world.**

Focus on resolution 13: Say on Pay ex-post of the Chairman and CEO

Elements	Amounts	Description
Annual fixed remuneration	€950,004 paid in 2022/23	€950,000 since 1 st April 2021. Will remain unchanged for 2023/24
Variable remuneration	€1,231,248	Details on the following slides
Benefits in-kind	€15,243	Company vehicle; health, life and disability insurance policy; private unemployment insurance coverage
Performance shares	A target number of 50,667 shares was allocated by the 10 May 2022 Board of Directors under PSP 22 (can vary between 0 and 76,000 shares in the event of outperformance)	Vesting is subject to achievement of 5 performance conditions (four internal, one relative)

Focus on resolution 13: Say on Pay ex-post of the Chairman and CEO

Elements	Amounts	Description
Non-compete undertaking	No payment	<ul style="list-style-type: none">• 18-month remuneration• Protection for a period of two calendar years• Implementation on decision by the Board
Supplemental pension scheme	Article 83: €26,784 Article 82: €394,381 (provision)	Defined contribution pension scheme: <ul style="list-style-type: none">• Article 83: no exit before retirement age• Article 82: no exit before the end of the term of office• As at 31 March 2023, the estimated amounts of the annual pensions since the appointment as CEO is around €228,121

Focus on resolution 13: Say on Pay ex-post of the Chairman and CEO

- 2022/23 STI : collective objectives

	Target	Cap	Performance level for the FY	Achievement level for the FY	Amount (in €)
COLLECTIVE OBJECTIVES	60%	120%			
Free cash-flow	20%	40%	€199 million	26.6%	252,700
Adjusted EBIT	15%	30%	€852 million	20.2%	191,948
Margin on orders received	9%	18%	Confidential	18%	171,000
Rate of reported accidents with and without time off work	4%	8%	1.8 accidents per million hours worked	4%	38,000
Rate of completion by managers of the annual integrity questionnaire	4%	8%	99% of managers completed the questionnaire	8%	76,000
Percentage of management positions held by women	4%	8%	23.9% women in the Executives & Professionals category	4.8%	45,600
Percentage reduction in greenhouse gas emissions (scope 1 & 2)	4%	8%	5%	8%	76,000
2022/23 OVERALL ANNUAL PERFORMANCE				89.6%	€851,248

Focus on resolution 13: Say on Pay ex-post of the Chairman and CEO

- 2022/23 STI: specific objectives to the Chairman and CEO

	Comment	Target	Achievement level for the FY	Amount (in €)
Strategy	The Board of Directors assessed this objective to be achieved at 80%	12%	9.6%	91,200
One Alstom	The Board of Directors assessed this objective to be achieved at 80%	8%	6.4%	60,800
New economic environment	The Board of Directors assessed this objective to be achieved at 120%	12%	14.4%	136,800
Customer relations	The Board of Directors assessed this objective to be achieved at 120%	8%	9.6%	91,200
2022/23 OVERALL ANNUAL PERFORMANCE			40%	€ 380,000

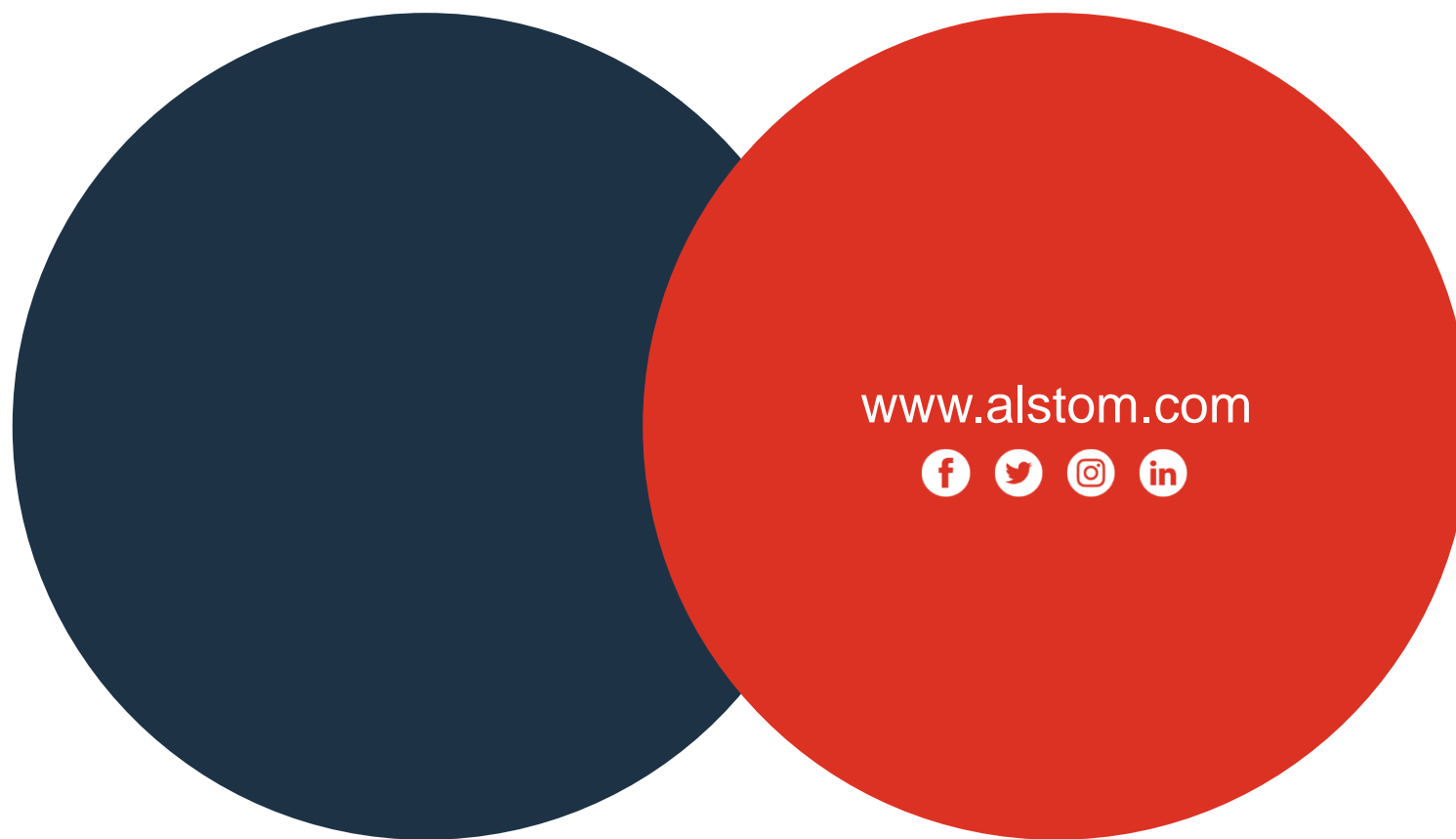
Focus on resolution 13: Say on Pay ex-post of the Chairman and CEO

- 2022/23 STI pay out (on the basis of an annual fixed remuneration of € 950,000) :

	Weight	Achievement	Points	Value
Collective Objectives	60%	149.3%	89.6	€851,248
Specific Objectives	40%	100%	40	€380,000
TOTAL	100%		129.6	€1,231,248

Total annual variable remuneration for 2022/23 : **€1,231,248**, to be paid only after the positive vote of the 11 July 2023 AGM

Total of annual fixed and variable remuneration for 2022/23: **€2,181,248**



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