



Annual Shareholders' Meeting
20 June 2024
28, avenue George V
75008 Paris

ALSTOM
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Agenda



1. Insights on the Board of Directors and at the outcome of the 2024 AGM
2. AGM Resolutions
3. Focus on Chief Executive Officer, Chairman of the Board and Board Members remuneration

01

Insights on the Board of Directors and at the outcome of the 2024 AGM

Composition of the Board of Directors (May 2024)

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



Henri Poupert-Lafarge
Chairman and CEO



Yann Delabrière
Lead Independent Director



Philippe Petitcolin
Independent Director*



Bpifrance Investissement
rep. by **José Gonzalo**




Daniel Garcia Molina
Employee Representative



Gilles Guilbon
Employee Representative



Baudouin Prot
Independent Director



Benoit Raillard
Observer



Bi Yong Chungunco
Independent Director



Sylvie Kandé de Beaupuy
Independent Director



Sylvie Rucar
Independent Director



Jay Walder
Observer since 12 March 2024*



Clotilde Delbos
Independent Director



Frank Mastiaux
Independent Director



CDPQ
Rep. by **Kim Thomassin**

* The Board of Directors of 12 March 2024 appointed Mr. Petitcolin as Board member to replace Mr. Walder who had resigned and appointed Mr. Walder as Observer

Board attendance

98% in 2023/24

Number of meetings

9 Board meetings and
3 Executive Sessions in
2023/24

Independence

8 Board members (82%)
(excl. Employee rep. and Observers)

Gender diversity

45%
(excl. Employee rep. and Observers)

Nationalities represented at Board level

8

Committees' activity in 2023/24

Audit and Risks

Chair: Sylvie Rucar

4 members

5 meetings

100% attendance

75% independence

Nominations and Remuneration

Chair: Yann Delabrière

7 members

5 meetings

97% attendance

83% independence

Ethics and Compliance

Chair: Sylvie Kandé de
Beaupuy

3 members

3 meetings

88 % attendance

100% independence

Integration

Chair: Frank Mastiaux

4 members

2 meetings

100 % attendance

67 % independence

- An ad hoc Committee was also set up further to the 4 October 2023 announcement to review the deleveraging plan prepared by the Group

ad hoc Committee

Yann Delabrière (Chair)
Chairman and CEO

Members of the Audit
and Risks Committee

Baudouin Prot

Benoît Raillard

Board members standing for renewal/ratification at the 2024 AGM



Mr. Philippe Petitcolin

- Independent Director
- Strong industrial and CEO track record



CDPQ represented by Ms. Kim Thomassin

- Non independent Director
- Ms. Kim Thomassin is Executive Vice-President and Head of Québec at CDPQ. She leads CDPQ's investment strategy in Québec and financing and support activities for medium and large companies in the province.



Mr. Jay Walder

- Independent Director (Observer since 12 March 2024), 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

Mr. Yann Delabrière and Mr. Frank Mastiaux, whose Board mandates expire at the outcome of the AGM, do not stand for renewal

Focus on structure of governance

- Further to the 4 October 2023 announcement, the structure of governance has been reviewed in executive sessions and led to the decision by the 14 November 2023 Board of Directors to split the functions of Chairman and CEO as part of organization changes to improve Board efficiency
- The NRC and executive sessions selected Mr. Philippe Petitcolin as the candidate meeting all the criteria required for the position of Alstom future Chairman of the Board:
 - A long and successful experience of top executive functions (former CEO) in large global industrial business
 - A good track record and credibility in terms of development, transformation and acquisition / integration
 - A strong Board experience
- At the outcome of the 2024 AGM, Mr. Philippe Petitcolin will be appointed as Chairman and Mr. Henri Poupart-Lafarge will be confirmed in his role as CEO

Mr. Philippe Petitcolin

- He has held various positions within Europrim, Filotex (an affiliate of Alcatel-Alstom) and Labinal (now Safran Electrical & Power) before joining Snecma (now Safran Aircraft Engines) in 2006 as Chairman and Chief Executive Officer
- From 2011 to 2015, he held several executive and non-executive positions within Safran Group and on 23 April 2015, he was appointed a Director of Safran by the AGM and Chief Executive Officer by the Board of Directors on the same day and served as such until December 2020
- In 2015, he also became a Board member of the European Aerospace, Security and Defence Industries association (ASD), Vice Chairman of GIFAS (Groupement des Industries françaises aéronautiques et spatiales) and was also appointed to the Board of Belcan Corporation, an engineering services provider
- In March 2021, he was appointed Chairman of the Board of Directors of the defence company KNDS. He is also currently a Director of EDF and Pernod Ricard and Chairman of the Supervisory Board of Diot-Siaci.

Composition of the Board of Directors after the 2024 AGM

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



Henri Poupart-Lafarge (55)
CEO
Mandate exp. 2027



Philippe Petitcolin (72)
Chairman of the Board
Mandate exp. 2028



Baudouin Prot (73)
Independent Director
Mandate exp. 2026



Bpifrance Investissement rep. by J. Gonzalo (59)
Mandate exp. 2027



Jay Walder (65)
Independent Director
Mandate exp. 2028



Gilles Guilbon (60)
Employee Representative
Mandate exp. 1st Jan 2025



Daniel Garcia Molina (53)
Employee Representative
Mandate exp. 1st Jan 25



Sylvie Rucar (68)
Independent Director
Mandate exp. 2027



Bi Yong Chungunco (62)
Independent Director
Mandate exp. 2026



Sylvie Kandé de Beaupuy (67)
Independent Director
Mandate exp. 2027



Clotilde Delbos (57)
Independent Director
Mandate exp. 2026



CDPQ Rep. by K. Thomassin (53)
Mandate exp. 2028



Benoit Raillard (60)
Observer

Gender diversity

50%
(excl. Employee rep. and Observer)

Independence

8 Board members (80%)
(excl. Employee rep. and Observer)

Nationalities represented at Board level

7

02

AGM Resolutions

Resolutions

- **On an ordinary basis:**

- **Resolutions 1 to 3** : approval of the annual and consolidated financial statements / no dividend
- **Resolution 4** : absence of related-party agreements
- **Resolutions 5 to 8** : Board mandates (see slides supra)
- **Resolutions 9 and 10** (Sustainability auditors): PricewaterhouseCoopers and Mazars
- **Resolutions 11 to 17** (Say on Pay):
 - Approval of the adjustments to the 2023/24 remuneration policies for the Chairman & CEO and members of the Board (resolutions 11 and 12)
 - Three ex-ante Say on Pay votes (resolutions 13 to 15):
 - Remuneration policy for the CEO
 - Remuneration policy for the Chairman of the Board
 - Remuneration policy for the Board members
 - Two ex-post Say on Pay votes (resolutions 16 and 17):
 - Remuneration report
 - Say on Pay ex post for the Chairman and CEO
- **Resolution 18** : share buy-back program (up to 5% of the share capital / €45: maximal nominal purchase price)

Resolutions

- **On an extraordinary basis:**

- **Resolution 19:** cancellation of shares
- **Resolutions 20 to 30:** renewal of the financial authorizations voted by the 11 July 2023 AGM being reminded that the Company now favors a policy of annual renewal of all its financial delegations and authorizations:
 - The overall cap of the **authorizations to increase the capital by issuing shares with maintenance of preferential subscription rights** would be increased from € 920 000 000 **to € 1 345 000 000** (corresponding to c. 50% of Company's share capital as at today) / Common cap to all financial authorizations
 - The overall cap of the **authorizations to increase the capital by issuing shares without preferential subscription rights** would remain identical ie € 265,000,000 corresponding to c. 10% of the Company's share capital as at today
 - The authorization in respect of **free grant of shares** would be remain 6,000,000 shares (with sub ceilings unchanged)
- **Resolutions 31 and 32:** amendments to the Articles of Association
 - Notification of crossing of thresholds provided for by the Articles of Association (from 0,5% to 1%)
 - Age of the Chairman (80)

03

Focus on Chief Executive Officer, Chairman of the Board and Board Members remuneration

Resolution 11: adjustment to the Chairman and CEO 2023/24 remuneration policy

The Board of Directors of 14 November 2023 decided to tighten the short-term incentive scheme applicable to the Chairman & CEO for FY2023/24, as it was set by the 9 May 2023 Board of Directors, by introducing an additional and demanding criterion reflecting the achievement of the Group Free Cash-Flow adjusted targets for FY2023/24 applying to the payout of the collective and individual objectives short-term incentive of the Chairman and CEO. This new criterion applies under identical conditions to the payout of the short-term incentive of the Alstom Leadership Team.

| Free Cash-Flow 2023/24 (M EUR) | Impact on STI payout |
|--|--|
| Actual FCF < (750) | Payout of the entire STI is at zero |
| $(750) \leq \text{Actual FCF} < (300)$ | Payout of the FCF KPI is at zero, and payout of the entire STI is reduced by 50% |
| $(300) \leq \text{Actual FCF} < 0$ | Payout of the FCF KPI is at zero, and payout of the entire STI is not impacted |
| $0 \leq \text{Actual FCF}$ | Normal calculation of the payout of the STI |

This information was made public on the web site at the outcome of the 14 November 2023 Board meeting and practical application is presented on slides infra.

Focus on Say on Pay ex-post of the Chairman and CEO (resolution 17)

| Elements | Amounts | Description |
|------------------------------------|--------------------------|--|
| • Annual fixed remuneration | €950,004 paid in 2024/25 | €950,000 since 1 st April 2021 |
| • Variable remuneration | €418,428 | Amount after application of the additional Free Cash Flow condition as described below |

At its meeting on 7 May 2024, the Board of Directors decided that Mr Henri Poupart-Lafarge's variable remuneration for the 2023/24 fiscal year was as follows:

- achievement of 58.10% out of 60% at target for the collective objectives
- achievement of 30 % out of 40% at target for the personal objectives

Reduced by 50% meaning a total amount of € 418,428

Total annual variable remuneration for 2023/24 : **€418,428** to be paid only after the positive vote of the AGM

Total of annual fixed and variable remuneration for 2023/24: **€1,368,432**

- **For the record, the other elements making up the remuneration of Mr Henri Poupart-Lafarge are unchanged**

Resolution 12 : adjustment to the Board members 2023/24 remuneration policy

The Board of Directors of 14 November 2023 decided that payout of the H2 2023/24 remuneration of the Board members will be subject to the achievement of these same Free Cash-Flow adjusted targets for FY2023/24.

| Free Cash-Flow 2023/24 (M EUR) | Impact on H2 remuneration |
|--------------------------------|--|
| Actual FCF < (750) | No payment of H2 remuneration |
| (750) ≤ Actual FCF < (300) | Payment of H2 remuneration is reduced by 50% |
| (300) ≤ Actual FCF | Normal payment of H2 remuneration |

This information was made public on the web site at the outcome of the 14 November 2023 Board meeting and practical application is presented on slides infra.

Information on Performance Share Plan 21 for the Chairman and CEO

- The initial grant (**July 2021**) related to 34,000 shares at target and 51,000 shares at maximum
- Under the performance conditions related to the fiscal year 2023/24 results:
 - 40,120 performance shares, i.e. 78.67% of the initial grant, were cancelled, and
 - 10,880 performance shares, i.e. **only 21.33% of the initial grant will vest**
- These **10,880 shares** will be delivered to Mr. Henri Poupart-Lafarge on 8 July 2024.

Resolution 13 : 2024/25 remuneration policy for the CEO

It will include the two following changes compared with the 2023/24 remuneration policy:

- Modification, in the annual variable remuneration, of the proportion allocated to the collective targets and the targets specific, modified respectively **from 60 to 80%** at target performance (i.e. from 120% to 160% at maximum performance) and **from 40 to 20%** at target performance (i.e. from 50% to 25% at maximum performance)
- Inclusion, in the annual variable remuneration, of an additional condition linked to the attainment of a **positive Free Cash Flow for the fiscal year**, affecting the payment of the annual variable remuneration if it is not attained.

Resolution 13 : 2024/25 remuneration policy for the CEO

| Item | Contents | Evolution |
|--|--|-----------|
| Fixed remuneration | € 950,000 | No change |
| Short-term variable remuneration | 100% of annual fixed remuneration (max at 185%) for 80% assorted to collective objectives, for 20% to specific objectives to the 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 |

Resolution 14 : 2024/25 remuneration policy for the Chairman of the Board

| Item | Contents |
|--|--|
| Fixed annual compensation | € 450,000 |
| Short-term variable compensation | None |
| Long-term variable compensation | None |
| Benefits in kind | Company car, health, death & disability coverage |
| Compensation at the term of the office | None |
| Multi-year compensation | None |
| Exceptional compensation | None |
| Compensation tied to directorship | None |
| Severance indemnity | None |

The amount of the fixed remuneration was determined on the basis of an **in-depth study of market practices**, including a benchmark of the remuneration of chairs of boards of directors and supervisory boards of CAC 40 and Next20 companies with a split structure of governance, carried out with the help of an independent external firm. In this context, Mr. Philippe Petitcolin's annual fixed remuneration was set at €450,000, corresponding exactly to the **median of the benchmark in question** (the first quartile being €312,500, the third quartile being €687,500 and the average amounting to €578,600).

Resolution 15: 2024/25 remuneration policy for the Board Members

There will be no change in the allocation rules vs the previous years and the adjustment announced 15 November 2023 and described on slide supra will not be reconducted in the 2024/25 remuneration policy

- **Fixed part as a Board member** 30,000 € / year

- **Additional fixed part attached to Chairmanship:**
 - Lead Independent Director 30,000 €*
 - Audit & Risks 20,000 €
 - All other Committees 15,000 €

- **Variable part** depending on effective attendance
 - Board of Directors 4,000 € / Meeting
 - All Committees 3,500 € / Meeting

** Would not apply anymore after the AGM*

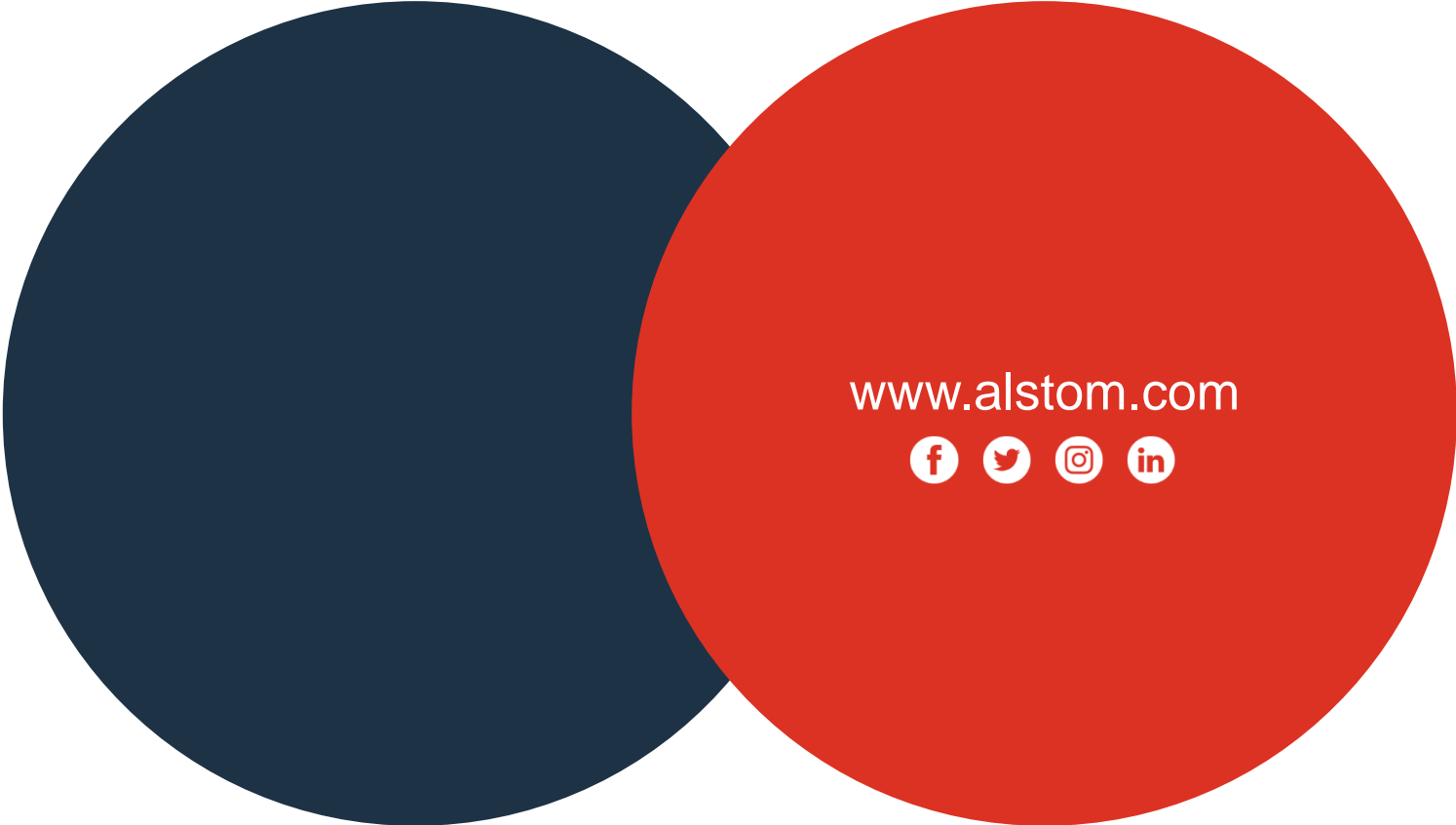
Resolution 16 : Remuneration report

○ **2023/24 remuneration of the Board members**

- After application of the adjusted free cash flow objective described above, the total gross remuneration that is payable to the Board Members for the second half of fiscal year 2023/24 was reduced by 50%
- The total gross remuneration due to the Board Members for fiscal year 2023/24 is €678,750 and represents approximately 52.20% of the total package authorised by the shareholders (vs approximately 71% for fiscal year 2022/23).

○ **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 98% of French headcount at the end of 2023**) 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.
- As a reminder: the information presented **also includes average and median compensation calculated in respect of all employees of the Alstom group throughout the world.**



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