



# Combined Shareholders' Meeting 2020

29 October 2020

**ALSTOM**  
• mobility by nature •

# Introduction

---

Henri POUPART-LAFARGE,  
Chairman and CEO

Combined Shareholders' Meeting, 29 October 2020

# Opening

---

Emmanuelle PETROVIC,  
General Counsel

Combined Shareholders' Meeting, 29 October 2020



## Special Meeting results

1. Elimination of double voting rights  
and corresponding amendment to the Articles of Association
2. Powers to carry out formalities

# Agenda and Resolutions

---

## AGENDA

Page 3

of the Meeting Brochure

## RESOLUTIONS

Pages 37 to 71

of the Meeting Brochure

# Context of the Meeting: acquisition project of Bombardier Transportation

---

Henri POUPART-LAFARGE,  
Chairman and CEO

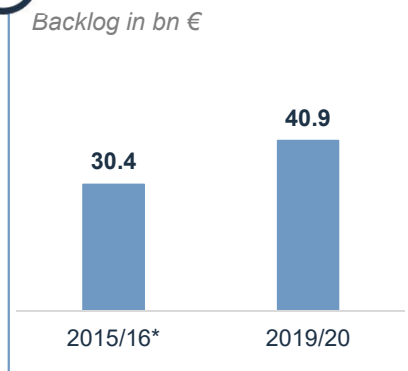
Combined Shareholders' Meeting, 29 October 2020



# Alstom: a leading market position and compelling financial track record

## Record backlog in the industry

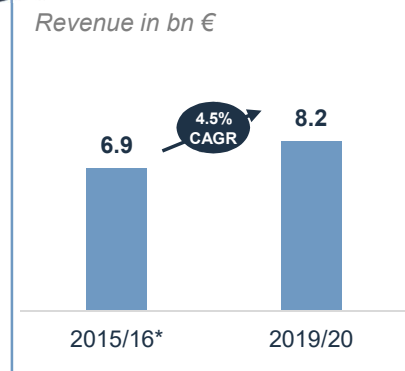
Backlog in bn €



\*as per IAS11 standards

## Top growth performance

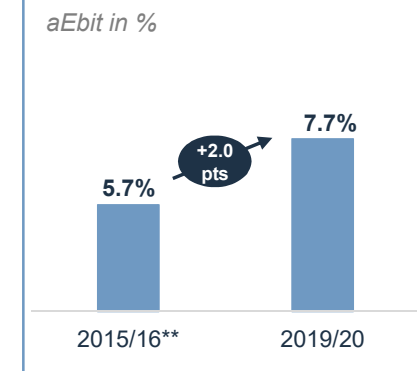
Revenue in bn €



\*as per IAS11 standards

## Significant profitability improvement

aEbit in %



\*\*aEBIT restated to include CASCO contribution

## A clear strategy : “Alstom in Motion” 2019 – 2023 strategic plan



# Resilient growth of rail markets supported by recent announcements in favour of rail

- ✔ Strong support shown by governments to local rail operators<sup>1</sup>
- ✔ Confirmed long term rail investment plans
- ✔ Massive government packages in favour of sustainable mobility
- ✔ Shift from air to rail accelerating<sup>2</sup>



**€672bn Resilience and Recovery instrument** earmarked to climate neutrality investments



### Germany Climate Plan

- €86bn of spending for rail confirmed despite Covid-19 crisis



### French « Plan de relance »

- €4.7bn directed to rail transportation and €1.2bn for daily mobility
- €2bn for green and low carbon hydrogen capacity



7,000 km of **network to be electrified** by 2021



INVEST Act includes **\$60bn funding for rail**

**UNIFE anticipates 2.3%<sup>3</sup> sustained CAGR between 2017-2019 and 2023-2025 for OEM market despite Covid-19 crisis**

<sup>1</sup> Germany: DB will receive €5.5 billion as part of the recovery plan; UK: Go-Ahead and FirstGroup get extensions to Covid rail bail-outs in Sep 2020; Canada: \$600M made available to Toronto Transit Commission

<sup>2</sup> France: possible ban on airplanes connections served by train in less than 2h30, Austria Airline: replacing Vienna – Salzburg flights with a train service; <sup>3</sup> UNIFE Market Study 2020, central scenario (V-shape)



# Bombardier Transportation, a reference in rail mobility

- Strong historical track record of **market leadership**
- **A broad product portfolio** in all market segments, with strategic products
- **Comprehensive expertise** ranging from component manufacturing to rail operations
- **A balanced industrial footprint** between best-cost and high-tech countries
- **Largest installed base worldwide** with a fleet of 100,000 vehicles



**€7.4 bn<sup>1</sup>** of revenue



**€ 32 bn<sup>1</sup>** backlog



*People Mover – Bangkok*



*Multilevel – New Jersey*





*Aventra – London overground*

<sup>1</sup> As of Dec 2019, respectively \$ 8.3 bn and \$ 35.8 bn converted at 1.1234 EUR/USD rate; Bombardier Transportation's backlog figure has not been reviewed for methodological consistency with Alstom's

# Establishing unparalleled commercial reach to feed sustainable growth

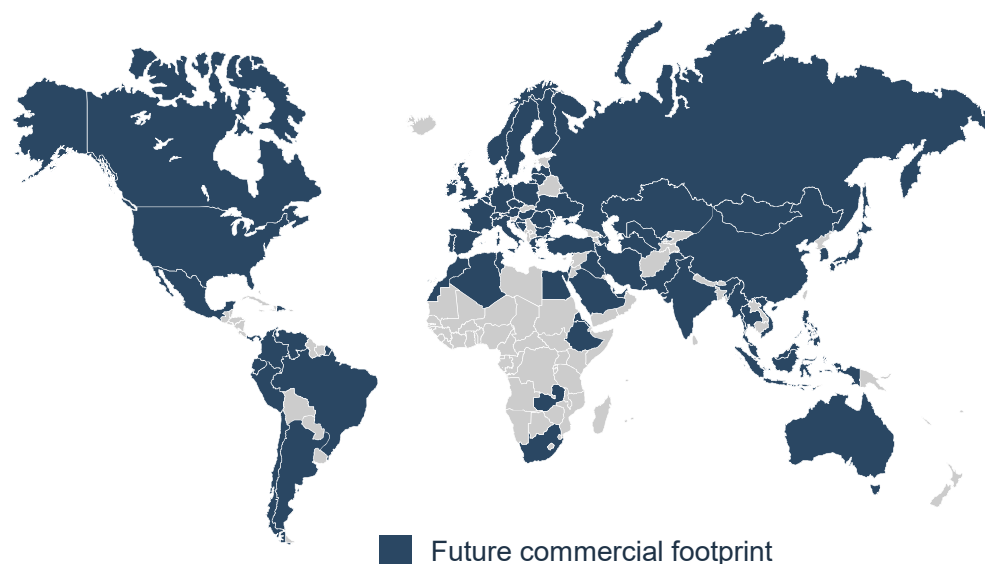
## ✓ Acquiring strong presence in strategic and growing markets

Strong presence	Market trends
	UK to invest ~£53bn <sup>1</sup> by 2024 DB & Germany to invest ~€86bn by 2030 <sup>2</sup>
	China to spend ~€100bn on country's railways in 2020 <sup>3</sup>
	Significant investment expected in rail infrastructure <sup>4</sup>

## ✓ Critical size on all continents

**BOMBARDIER TRANSPORTATION** Presence in over **70 countries**

**ALSTOM** Presence in over **60 countries**



▶ Bringing Alstom's global expertise to a wider set of clients

<sup>1</sup> Network Rail's CP6 delivery plan <sup>2</sup> Financial Times, Jan 2020; <https://www.ft.com/content/086f62b8-36c8-11ea-a6d3-9a26f8c3c3ba4>; <sup>3</sup> Reuters, Dec 2019, <https://www.reuters.com/article/china-infrastructure-goals-1226-thur-idCNKBS1YU08V>; <sup>4</sup> Ontario Line PPP procurement starts, June 2020, <https://www.railwaygazette.com/projects-and-planning/ontario-line-ppp-procurement-starts/56705.article>; US INVEST Act,

© ALSTOM SA, 2019. All rights reserved. Information contained in this document is indicative only. No representation or warranty is given or should be relied on that it is complete or correct or will apply to any particular project. This will depend on the technical and commercial circumstances. It is provided without liability and is subject to change without notice. Reproduction, use or disclosure to third parties, without express written authorisation, is strictly prohibited.

# Acceleration of the AiM strategic roadmap, strengthening each product line



## What Bombardier Transportation brings

### Rolling Stock

- Specific **products** catering and **complementary and large** markets



Aventra  
(UK)



San Francisco  
metro

- **Attractive & profitable** niches



E-locomotive  
TRAXX



Monorail  
Innovia



People Mover  
Innovia

### Services



**€12.6bn** backlog <sup>1,2</sup>



**€1.9bn** sales <sup>1,2</sup>

- **100k vehicles installed fleet** for further development with low capital intensity
- **Additional solutions** in digital / predictive maintenance
- **Experience** in operations



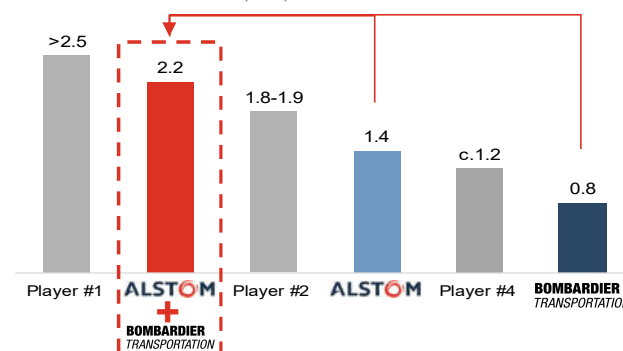
NJ TRANSIT  
The Way To Go.



### Signalling

- **Becoming #2 in Signalling**

Based on 2018 sales (€bn)



- **Complementary and strategic** signalling markets
- **Data analytics experience** to boost Alstom's Signalling services strategy

1. Globally; 2. As of 31-Dec-2019, respectively \$14.1 bn and \$2.1 bn converted at 1.1234 EUR/USD rate; Bombardier Transportation's backlog figure has not been reviewed for methodological consistency with Alstom's

# Acquiring industrial capacity in strategic and complementary geographies

## ✓ Attractive Bombardier Transportation footprint



7 production sites through JVs (8,000+ employees) covering the entire value chain (rolling stock, signalling and services)



Rail vehicles  
Rail control  
Components



Rail vehicles  
Rail control  
Components



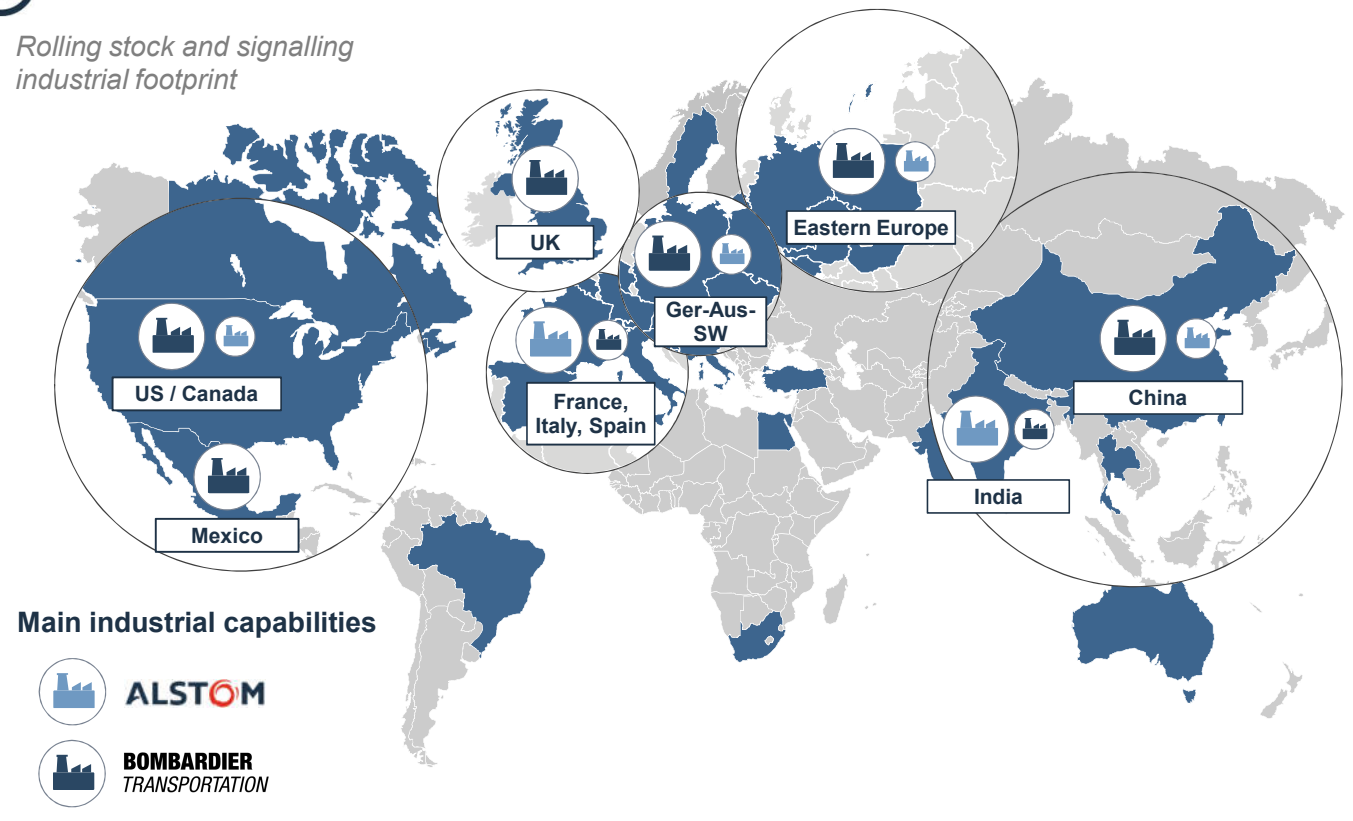
Rail vehicles  
Rail control



Rail vehicles  
Components

## ✓ Alstom's footprint balanced across mature and emerging markets

*Rolling stock and signalling industrial footprint*



# Strong value created for shareholders

## A strengthened profile in a growing market



Revenue: **€15.7bn<sup>1</sup>**  
(Global critical size)



Backlog of **€71bn<sup>2</sup>**



Significant increase in  
**# clients and geographies**

## Improved operational performance for the combined entity



Recover **Bombardier Transportation's EBIT margin** at a standard level



An objective of **~€400m of run rate cost synergies** achieved after 4 to 5 years<sup>3</sup>



Clear levers

- Strong cultural and business fit
- Alstom's successful track-record in profitability recovery

Double-digit EPS<sup>4</sup>  
accretion from  
year 2 post closing

<sup>1</sup> Unaudited pro forma combined revenue for the 12-month period ended March 31, 2020; <sup>2</sup> Calculated by adding up Alstom backlog as of March 2020 (€40.9bn) and Bombardier backlog as of March 2020 (\$33.1bn converted at 1.1034 EUR/USD rate – see appendix 9c of the amendment to the URD 2019/20). Bombardier Transportation's backlog figure has not been reviewed for methodological consistency with Alstom's; <sup>3</sup> Post closing; <sup>4</sup> Post cost synergies and implementation costs, and before PPA amortization

# Bombardier Transportation acquisition well on track

## UPDATE

- **Sale and Purchase Agreement**, and Bombardier and CDPQ Investment Agreements signature announced on September 16<sup>th</sup> 2020:
  - **Net proceeds expected now up to €5.3bn<sup>1</sup>** against a range of €5.8 - €6.2bn previously agreed
  - **Transaction's strategic rationale and objectives confirmed**
  - Maintained financing structure, preserving Alstom's strong Baa2 rating
  - **Clearance process** from relevant regulatory authorities and anti-trust authorities ongoing, with European Commission's approval provided on July 31<sup>st</sup> 2020, subject to compliance with some commitments

## NEXT STEPS

- Rights issue: Q4 CY20 – H1 CY21, subject to market conditions and to EGM approval
- Expected closing: Q1 CY21

1. Preliminary contractual purchase price estimated at €5.3bn, after taking into account estimated potential post-closing adjustments and obligations linked to Bombardier Transportation's net cash protection mechanism. The final purchase price amount will be determined on the basis of Bombardier Transportations accounting books as of 31 December 2020 and the transaction completion date and of the mechanisms set forth in the acquisition contract.

# Resolutions

---

- Governance
- Financial authorisations
- Compensation
- Results of the votes

# Governance

---

Henri POUPART-LAFARGE,  
Chairman and CEO

Combined Shareholders' Meeting, 29 October 2020





## Board of Directors: Resolutions 1 and 2



- Appointment of CDPQ represented by Ms Kim Thomassin  
Executive Vice-President and Head of Investments in Québec and  
Stewardship Investing with CDPQ  
*Non independent Board member*



- Appointment of Mr. Serge Godin  
Founder and Executive Chairman of the Board of Directors of CGI Inc.  
*Independent Board member*

# Board of Directors will be composed of 14 members at the closing of the transaction



**Henri Poupart-Lafarge**  
Chairman of the Board and  
Chief Executive Officer



**Clotilde Delbos**  
Independent Director



**Baudouin Prot**  
Independent Director



**Gilles Guilbon**  
Director representing the  
employees (from 1st January  
2021)



**Yann Delabrière**  
Lead Independent Director



**Pascal Grangé**  
Permanent representative of  
Bouygues SA



**Sylvie Rucar**  
Independent Director



**Daniel Garcia Molina**  
Director representing the  
employees (from 1st January  
2021)



**Olivier Bouygues**



**Sylvie Kandé de Beaupuy**  
Independent Director



**Kim Thomassin**  
Permanent representative of  
CDPQ



**Bi Yong Chungunco**  
Independent Director



**Frank Mastiaux**  
Independent Director



**Serge Godin**  
Independent Director

• **Independence<sup>1</sup>: 67 %**

• **Women<sup>1</sup>: 42 %**

• **Foreign nationalities: 5**

• **Lead independent Director**

<sup>1</sup> Excluding board members representing employees

# Financial authorisations

---

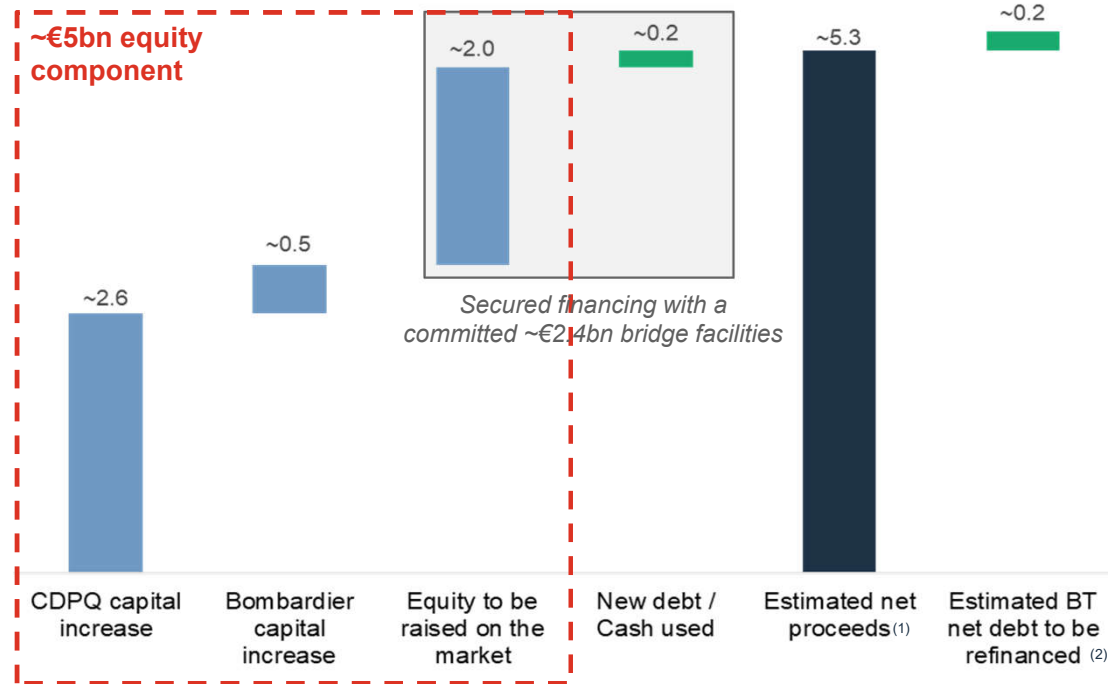


Laurent MARTINEZ,  
Chief Financial Officer

Combined Shareholders' Meeting, 29 October 2020

# Planned capital increases preserving a solid financing structure

Structure to finance net proceeds to Bombardier Transportation shareholders (€bn)

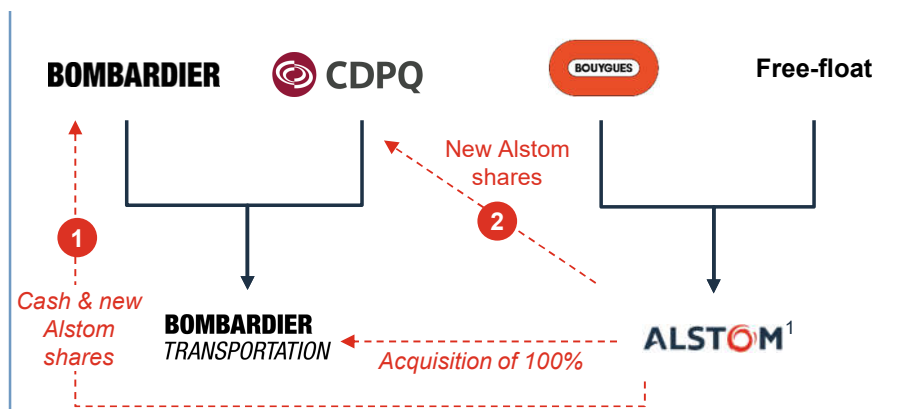


- €2bn rights issue and €400m new debt secured with a committed ~€2.4bn bridge facilities
- CDPQ and Bombardier capital increases based on fixed subscription prices (respectively €44.45 and €47.5)

1. Preliminary contractual purchase price estimated at €5.3bn, after taking into account estimated potential post-closing adjustments and obligations linked to Bombardier Transportation's net cash protection mechanism. The final purchase price amount will be determined on the basis of Bombardier Transportation's accounting books as of 31 December 2020 and the transaction completion date and of the mechanisms set forth in the acquisition contract.  
 2. From Alstom net cash, based on an estimated purchase price as described above.

# A solid acquisition structure strengthening Alstom's long-term shareholding base

## Transaction mechanism

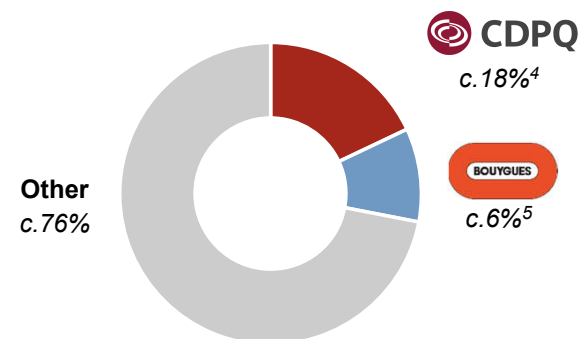


- Acquisition by Alstom of Bombardier Transportation with

- 1 cash & new Alstom shares to Bombardier Inc
- 2 new Alstom shares to CDPQ<sup>2</sup>

## CDPQ: a new long term shareholder

Indicative shareholding post equity raising<sup>3</sup>



- CDPQ strong commitment with an estimated €2.6bn investment in the transaction
- 21-month lock up commitment period from closing for CDPQ<sup>6</sup>
- Bombardier Inc will own c.3% shareholding post equity raising, three months lock-up undertaking from closing<sup>6</sup>

1. Acquisition by Alstom Holdings; 2. With potential adjustments in cash; 3. Indicative pro forma shareholding after reserved capital increases for Bombardier Inc and CDP Investissements and the capital increase with preservation of the preferential subscription right of approximately €2bn, subject to certain conditions; 4. Based on a €44.45 reference share price; 5. Following settlement and delivery of the forward sale announced on 29 September 2020; 6. Subject to certain conditions;

© ALSTOM SA, 2019. All rights reserved. Information contained in this document is indicative only. No representation or warranty is given or should be relied on that it is complete or correct or will apply to any particular project. This will depend on the technical and commercial circumstances. It is provided without liability and is subject to change without notice. Reproduction, use or disclosure to third parties, without express written authorisation, is strictly prohibited.

## Zoom on the planned capital increase with rights issue

---

- ✔ Enable current shareholders to subscribe in priority to capital increase
- ✔ Shareholders using all their rights to subscribe are not diluted
- ✔ Shareholders selling their rights are financially compensated from their dilution<sup>1</sup>

**Rights issue planned on Q4 CY20 – H1 CY21, subject to market conditions**

1. Provided the rights are sold during their negotiation period and at their theoretical value

## Financial authorisations

Resolutions	Maximum nominal amount	Comments
<b>RESOLUTION 4:</b> Delegation of competence to the Board of Directors to increase the Company's share capital with preservation of the shareholders' preferential subscription rights	€790 million	Will allow to proceed to the €2 billion Rights Issue
<b>RESOLUTION 6:</b> Delegation of powers to the Board of Directors in the framework of a capital increase with cancellation of the shareholders' preferential subscription rights reserved for CDP Investissements Inc. through the issuance of preferred shares of a new category, to be created pursuant to Resolution 5, convertible into ordinary shares	€570 million	Will allow to proceed to the capital increase reserved for CDP Investissements Inc. based on a fixed subscription price (€44.45).
<b>RESOLUTION 7:</b> Delegation of competence to the Board of Directors to increase the Company's share capital through the issuance of ordinary shares reserved for CDP Investissements Inc., with cancellation of the shareholders' preferential subscription rights	€570 million	These two resolutions are alternatives, and the choice of one or the other of such structures by the Board will have no impact on the situation of the Company's shareholders. If, in application of applicable laws and pursuant to the sixth resolution, preferred shares have been issued and are outstanding, the Board of Directors will not be entitled to use the delegation conferred to it as part of the seventh resolution.
<b>RESOLUTION 8 :</b> Delegation of competence to the Board of Directors to increase the Company's share capital through the issuance of ordinary shares reserved for Bombardier UK Holding Limited, with cancellation of the shareholders' preferential subscription rights	€120 million	Will allow to proceed to the capital increase reserved for Bombardier UK Holding Limited based on a fixed subscription price (€47.50) (subject to adjustments)
<b>RESOLUTIONS 9 and 10:</b> Delegations of competence to the Board of Directors to increase the Company's share capital under a Group or company savings plan (Resolution 9) and for the benefit of a category of beneficiaries (Resolution 10)	Overall amount of 2% of the capital	Not related to the Acquisition and not counting on the amounts of the above authorizations

# Compensation

---



Yann DELABRIÈRE,  
Lead Independent Director  
Chairman of the Nominations and Remuneration  
Committee

Combined Shareholders' Meeting, 29 October 2020



## Resolution 3: modification of the compensation policy of the Chairman and CEO / Main components (1/2)

---

- **Nature:**

- **Exceptional compensation** to the benefit of the Chairman and CEO (and of other officers and key contributors within the Group) implemented **after and subject to the closing of the acquisition**
- Exclusively composed of **performance shares**, with a **4-year acquisition period**, of which definitive vesting will be **fully subject to internal and external performance conditions** assessed in their entirety at the end of this acquisition period

- **Conditions:**

- Determined on the basis of demanding criteria taking into account the **new consolidation perimeter**, reflecting the **long-term success** of the integration of Bombardier Transportation (e.g. operational and financial turnaround of main BT projects already identified by Alstom as presenting some issues in terms of execution or delivery to clients...), of which **triggering thresholds** will be set at the level of the objectives as announced by Alstom
- Defined so as to **avoid a duplication of the objectives** targeted in the other variable compensation schemes

## Resolution 3: modification of the compensation policy of the Chairman and CEO / Main components (2/2)

---

- **Limits:**

- **Will not count against the limits** currently applicable to the long-term variable compensation of the Chairman and CEO as defined by the 2020/21 compensation policy or by the 2021/22 one
- IFRS value could not exceed **100% of his annual fixed short-term compensation** (850,000 €)
- Same holding requirement and prohibition on hedging instruments applicable to the long-term variable compensation as defined in the 2020/21 compensation policy
- Same conditions and limits in case of leave as are described in the 2020/21 compensation policy
- **Non recurring character** and **not intended to be replicated** in the policy of the coming fiscal years
- Possibility of a **free-share allocation plan** targeting the whole population of employees (excluding the beneficiaries of the aforementioned exceptional compensation)

# Compensation policy of the Chairman and CEO: all components (1/2)

## During the term of the office

	Following the vote of the 8 July 2020 AGM	Following the vote of the 29 October 2020 GM
Employment contract	No employment contract	Unchanged
Base remuneration	<p>€850,000</p> <ul style="list-style-type: none"> <li>• On decision by the May 2019 Board</li> <li>• Set for a minimum of two years</li> <li>• No remuneration as a Board member</li> </ul>	Unchanged
Variable annual remuneration	<p>Target 100% Maximum 170%</p> <p>Performance conditions:</p> <ul style="list-style-type: none"> <li>• Linked to the global performance of the Company</li> <li>• Linked to specific action plans</li> </ul> <p>Discretionary power of the Board of Directors to ensure that such remuneration properly reflects the Group's performance / Could only be used in case of new and exceptional circumstances / Maximum scope of more or less 15% / Within the limit of the global cap provided for in the remuneration policy</p>	Unchanged
Long term variable remuneration	<p>Performance shares</p> <ul style="list-style-type: none"> <li>• Annual eligibility</li> <li>• In case of leaving, possible keeping on decision by the Board with a <i>prorata temporis</i> discount</li> </ul>	Unchanged
Exceptional remuneration	No exceptional remuneration	Exceptional remuneration under a specific performance shares plan as per the conditions described in Chapter 7 of the Amendment to the 2019/20 URD
Benefits in-kind	<p>Company vehicle</p> <p>Health / death / disability insurance</p> <p>Private unemployment insurance coverage</p>	Unchanged

# Compensation policy of the Chairman and CEO: all components (2/2)

## After the term of the office

	Following the vote of the 8 July 2020 AGM	Following the vote of the 29 October 2020 GM
Severance indemnity	No severance indemnity	Unchanged
Non-compete undertaking	Non-compete undertaking <ul style="list-style-type: none"> <li>• 18-month remuneration</li> <li>• Protection over two calendar years</li> <li>• Wide perimeter</li> <li>• Implementation on decision by the Board</li> </ul>	Unchanged
Additional pension scheme	2 additional pension schemes under Articles 82 and 83	Unchanged

# Results of the votes

---

Emmanuelle PETROVIC,  
General Counsel

Combined Shareholders' Meeting, 29 October 2020

## Public health context (Covid-19): vote by proxy or by mail ended on 28 October 2020 at 3 pm (CET)

<b>Total number of shares</b>	<b>226,884,499</b>
<b>Total number of voting rights</b>	<b>261,721,620</b>
Number of voting by proxy or by mail shareholders	Ordinary part: 5,123 Extraordinary part: 5,123
Number of shares held by shareholders voting by proxy or by mail	Ordinary part: 156,038,942 Extraordinary part: 156,038,942
Number of voting rights held by shareholders voting by proxy or by mail	Ordinary part: 189,249,918 Extraordinary part: 189,249,918

**Quorum: 68.77%**

## Competence of the ordinary meeting

Resolutions	For	Against	Abstention*
1. Appointment of Caisse de dépôt et placement du Québec represented by Ms Kim Thomassin, as a Board member	99.58 %	0.42 %	1.43 %
2. Appointment of Mr. Serge Godin as a Board member	98.68 %	1.32 %	1.37 %
3. Approval of the modification of the compensation policy of the Chairman and Chief Executive Officer	88.43 %	11.57 %	2.98 %

\* The percentage of abstention is calculated on the basis of all votes cast (for, against and abstention).

## Competence of the extraordinary meeting

Resolutions	For	Against	Abstention*
4. Delegation to increase the share capital of the Company with preservation of the shareholders' preferential subscription rights	99.94 %	0.06 %	0.01 %
5. Approval of the creation of a class of preferred shares (the "Class B Preferred Shares") convertible into ordinary shares and of the corresponding amendments to the Articles of Association	99.87 %	0.13 %	0.01 %
6. Capital increase of the Company with cancellation of the shareholders' preferential subscription rights, through the issuance of Class B Preferred Shares reserved for CDP Investissements Inc.	99.77 %	0.23 %	0.01 %
7. Delegation to increase the share capital of the Company through the issuance of ordinary shares of the Company reserved for CDP Investissements Inc., with cancellation of the shareholders' preferential subscription rights	99.78 %	0.22 %	0.01 %
8. Delegation to increase the share capital of the Company through the issuance of ordinary shares of the Company reserved for Bombardier UK Holding Limited, with cancellation of the shareholders' preferential subscription rights	99.94 %	0.06 %	0.01 %

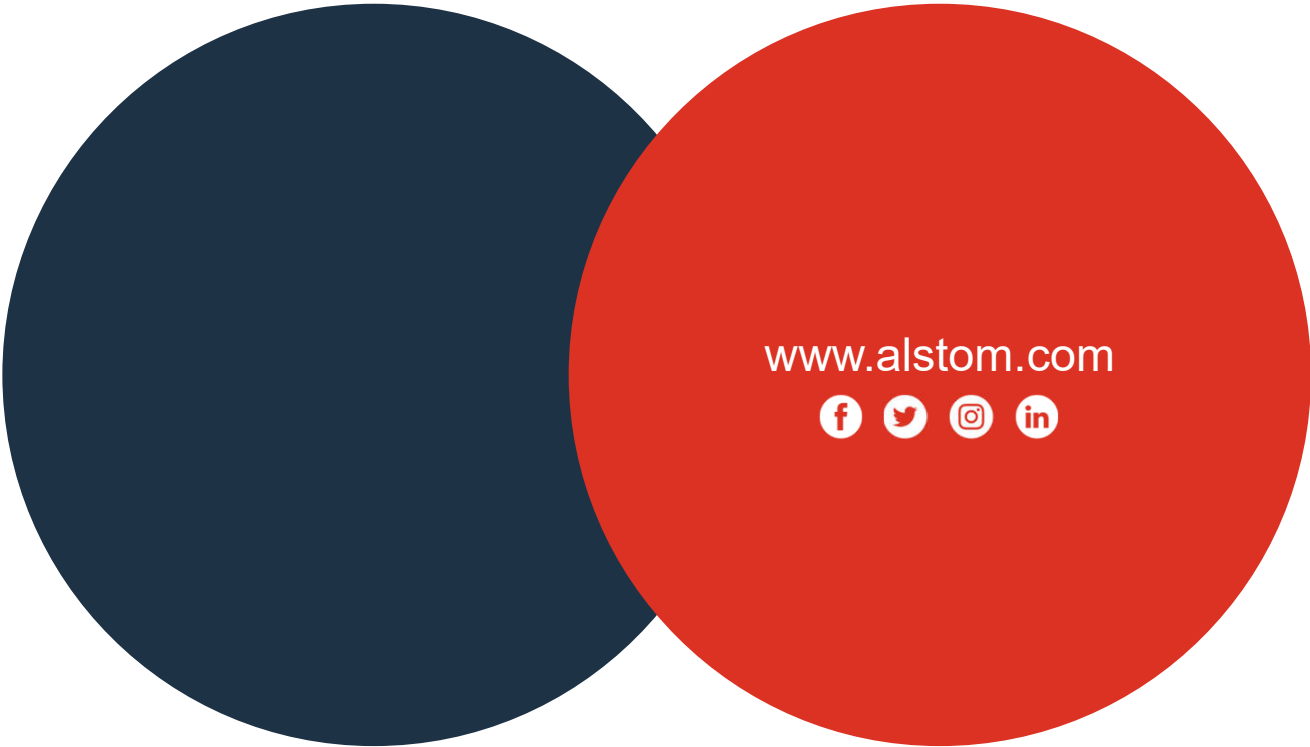
\* The percentage of abstention is calculated on the basis of all votes cast (for, against and abstention).



## Competence of the extraordinary meeting

Resolutions	For	Against	Abstention*
9. Delegation to increase the share capital of the Company through the issuance of shares or other securities reserved for participants in a company or Group savings plan, with cancellation of the shareholders' preferential subscription rights	97.55 %	2.45 %	0.01 %
10. Delegation to increase the share capital of the Company, reserved for a class of beneficiaries, with cancellation of the shareholders' preferential subscription rights	98.06 %	1.94 %	0.01 %
11. Elimination of double voting rights and amendment to Article 15 of the Articles of Association relating to shareholders' meetings	99.97 %	0.03 %	0.01 %
12. Powers to carry out formalities	99.96 %	0.04 %	0.01 %

\* The pourcentage of abstention is calculated on the basis of all votes cast (for, against and abstention).



[www.alstom.com](http://www.alstom.com)



**ALSTOM**  
• mobility by nature •