

May 10, 2016

**Information regarding compensation components of the Executive Officer of ALSTOM published in compliance with AFEP-MEDEF recommendations**

At its meeting held 10 May 2016, the Board of Directors acknowledged the recommendations of the Nominations and Remuneration Committee and fixed the following elements related to the global remuneration of Mr. Henri Poupart-Lafarge, Executive Officer of ALSTOM.

**Fixed and variable remuneration for the 2015/16 financial year**

The variable part of the remuneration of the CEO is a capped percentage of the fixed part. It is linked to the achievement of objectives set in advance for the fiscal year by the Board of Directors, upon proposal of the Nominations and Remuneration Committee. These targets consist, on one hand, of collective goals for the Group and, on the other hand, on specific qualitative objectives linked to the achievement of personal goals which are reviewed annually and based on Group strategic priorities. The objective achievement rate and the amount of the variable part are determined by the Board of Directors, upon proposal of the Nominations and Remuneration Committee, at the meeting during which the Board approves the accounts for the fiscal year.

At its meeting held on 28 January 2016, the Board of Directors has determined that the fixed remuneration of the CEO is set at € 750,000 per year and that the variable part would be capped at 170% of it (as from the 2016/17 financial year) and that, provided objectives set are met, the variable remuneration target represents 100% of his fixed remuneration.

For the fiscal year 2015/16 the Board of Directors, taking into account the circumstances of the appointment of Mr. Henri Poupart-Lafarge during the year, confirmed the objectives that had been allocated to him for his previous role as President of the Transport sector for the 2015/16 financial year and extended them as such for the period from 1 February to 31 March 2016. It was therefore established that, for that period,

- the variable part linked to financial objectives could range between 0 to 120% of the fixed remuneration with a target at 60%;
- the variable part linked to the specific objectives could range between 0 to 40% with a target at 40%.

At its meeting of 10 May 2016, upon proposal of the Nominations and Remuneration Committee, the Board found that

- the four performance criteria based on financial targets (operating income and margin, free cash flow and margin on orders received, all measured at mid-year and at year end), should be assessed at 61.4% for a target of 60%;

- the personal goals, based on 5 performance criteria related to strategic priorities (definition of Alstom organization after the conclusion of the operations with General Electric, sales performance, operational and financial performance, Company's image and Alstom employee safety), should be assessed at 36.5% for a 40% target.

Total variable compensation of the Chairman and CEO for the 2015/16 financial year amounts to 97.9% of his fixed compensation, i.e. € 120,369 for the period from 1 February to 31 March 2016.

#### **Fixed and variable remuneration for the 2016/17 financial year**

At its meeting held on 10 May 2016, upon proposal of the Nominations and Remuneration Committee, the Board of Directors confirmed that the fixed remuneration of the CEO would not be changed; it would thus remain fixed at € 750,000 per year.

The Board also confirmed the 2016/17 scheme of variable compensation that he had retained for 2015/16: it will include a component linked to collective objectives (adjusted EBIT, free cash flow, margin on orders received and employee safety) ranging from 0 to 120% of fixed remuneration with a target of 60% and a component related to personal goals (organization and governance, implementation of the strategy, sales performance, operational and financial performance, Company's image) between 0 and 50% with a target at 40%.

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