

*Free translation of the original French version*

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

During its meeting held on 15 May 2018, the Board of Directors acknowledged the recommendations of the Nominations and Remuneration Committee and set the following elements related to the global remuneration of Mr. Henri Poupart-Lafarge, Chairman and Chief Executive Officer of ALSTOM.

**Fixed and variable remuneration for the 2017/18 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 the one hand of objectives related to the Group's overall performance, all quantifiable, and on the other hand of individual objectives, qualitative and / or quantifiable, related to the implementation of specific action plans which are reviewed each year and defined according to the Group's strategic priorities. The achievement rate of the objectives and the resulting variable portion of the remuneration are determined by the Board of Directors, on the proposal of the Nominations and Remuneration Committee, at the latest at the meeting at which the financial statements are closed.

During its meeting held on 3 May 2017, the Board of Directors had confirmed that the fixed remuneration of the CEO would be set at € 750,000 per year, that the variable part would be capped at 170% of it and that, provided objectives set are met, the variable remuneration target would represent 100% of his fixed remuneration.

The variable part linked to global performance objectives could range between 0 to 120% of the fixed remuneration with a target at 60%. The variable part linked to the individual objectives could range between 0 to 50% with a target at 40%.

At its meeting of 15 May 2018, upon proposal of the Nominations and Remuneration Committee, the Board found that

- the global performance objectives based on four performance indicators (adjusted EBIT, free cash flow, margin on orders received and injury frequency rate, all measured on a full year basis), should be assessed at 102.8%;
- the individual objectives based on five performance criteria related to strategic priorities (Alstom organization and governance, Group strategy, commercial performance, operational and financial performance, Company's image), should be assessed at 40.2%.

Consequently, the total variable remuneration of the Chairman and CEO for the 2017/18 financial year amounts to 143% of his fixed compensation, i.e. € 1,072,500. Its payment is subject to the

approval of the resolution setting out all the compensation elements due or awarded for the 2017/18 financial year by the shareholders at the 2018 Annual General Meeting.

### **Fixed and variable remunerations for the 2018/19 financial year**

During the same meeting held on 15 May 2018, upon proposal of the Nominations and Remuneration Committee, the Board of Directors confirmed that the fixed remuneration of the CEO would remain unchanged; it would thus stay at € 750,000 per year.

The Board of Directors has also confirmed for the 2018/19 financial year the variable remuneration scheme that it had adopted for the previous financial year: this will include a portion related to the Group's overall performance objectives (adjusted EBIT, free cash flow, margin on orders received and employee safety, to which will be added two social responsibility objectives related, on the one hand, to ethics and compliance issues, and on the other hand, to sustainable development) ranging between 0% and 120% of the fixed compensation with a target of 60% and a portion linked to individual objectives related to the implementation of specific action plans (which, for confidentiality reasons, will be detailed a posteriori) ranging between 0 and 50% with a target at 40%.

As part of the project, announced on September 26, 2017, of merger with the Siemens Mobility activities and the related changes to the governance of the new entity, the Company will publish, as soon as the Board of Directors has established these terms and conditions, based on a proposal from the Nominations and Remuneration Committee, a specific press release presenting the compensation elements of the future executive corporate officers which will be proposed to the vote of the shareholders at the general meeting voting on this transaction.