Alstom Investor Day
May 11th, 2022
Agenda

Introduction
Henri Poupart-Lafarge, Chairman and Chief Executive Officer

Rolling Stock and Components
Danny Di Perna, Executive VP and Chief Operating Officer

Stabilise
Danny Di Perna, Executive VP and Chief Operating Officer

Integrate
Benjamin Fitoussi, President Rolling Stock and Components – Development & Operations

Transform
Benjamin Fitoussi, President Rolling Stock and Components – Development & Operations

Questions & Answers
Introduction

Henri Poupart-Lafarge, Chairman and Chief Executive Officer
A successful first year integrating Bombardier Transportation, setting foundation for effective turnaround

Very robust commercial momentum and high customer satisfaction
Backlog execution delivered as per target

One Alstom team: Global key processes and IT tools convergence on track

Integrated R&D plan for further competitiveness and innovation as a differentiator

Synergies delivered as planned in first year, run-rate better than expected

8.1
Net Promoter Score

80%
Key global processes converged

100%
Products convergence validated

€102m
Synergies delivered in 2021/22

Integration acceleration, synergies on-track and confirmed financial trajectory
Our One Alstom team at the heart of our journey

A SUCCESSFUL FIRST YEAR OF INTEGRATION

1 million connections to our learning platforms in 6 months

86% employees are aware of the new Alstom Values

80% employees are proud to work for Alstom

SOLID PEOPLE FOUNDATION AND A GREAT DYNAMIC

- An attractive employer, with 9,000 permanent new hires in 2021/22

- A learning organization grooming talents and reaching 4,500 experts & +750 internal trainers

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1. Alstom Employee engagement survey 2021

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Services
Our strong order booking demonstrates customer confidence

€4.2 BILLION OF SERVICES ORDERS BOOKED IN 2021/22

- DALLAS (10 YEARS OPERATION & MAINTENANCE – US)
- SANTIAGO M7 (20 YEARS FULL MAINTENANCE – Chile)
- TRANSDEV (10 YEARS MAINTENANCE SUPPORT – France)
- METROLINX (94 BiLevel OVERHAUL – Canada)

... SECURING FUTURE SALES AND MAINTAINING GROWTH

> 1.1 Book-To-Bill Ratio each year over the past 5 years

50+ Contracts 20+ years in length

ILLUSTRATION OF LONG TERM PARTNERSHIP: METROREX (Romania)

- Since 2004 MAINTENANCE AND OVERHAUL
  - Over 60 different types of refurbishment
  - Increasing train availability from 56% to 99.96%

- Contract renewed in 2022
  15 YEARS FULL MAINTENANCE AND OVERHAUL
  - 82 Metro trains
  - 8.5 million km per year in average

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Signalling
Progressing well, in line with our ambition

#2 IN A MARKET UNDER CONSOLIDATION

In € - Sales linked to all Signalling activities (estimated)

Global competitor 1 (*) 2.8 Bn
ALSTOM (**) 2.5 Bn
Global competitor 2 (***), ~2.4/2.5 Bn
Global competitor 3 0.3 Bn
All other main competitors 1.7 Bn

Accessible UNIFE market for European Companies (70% of total market, excluding Russia, China)
(*) Proforma figure based on Alstom estimation and FY 2021 results for Global competitor 1 (subject to EU approval and pending closing of M&A transaction) (**) including Signalling activities into Systems (***) Alstom estimation

STRONG COMMERCIAL ACHIEVEMENTS IN 2021/22

- **Mainline**: Cambridge (UK), Bursa–Yenisehir–Osmaneli (Turkey), Stuttgart (Germany)
- **Supporting new products for Urban CBTC**: Urbalis Fluence* introduced through Grand-Paris L18 (France) & Torino L1 (Italy)
- **Captured long-term service contract**: BHP Billiton (Australia)

* Urbalis Fluence, train-to-train communication based control system, world-first implementation for Métro Européenne de Lille

CONVERGING PRODUCTS AND SOLUTIONS CONVERGENCE

ATLAS
(Ex-Alstom)

Ebicab
(Ex-Bombardier Transportation)

Trackside solutions

MAINLINE Onboard

Urbalis Fluence
(Ex-Alstom)

Urbalis 400
(Ex-Alstom)

Cityflo 650
(Ex-Bombardier Transportation)

MAINLINE Wayside

Minimal gap approach on all CBTC for new projects

URBAN

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Turnkey
Sustain our leadership and deliver strong results

STRONG MARKET DRIVERS

- Strong underlying urban railway transportation market
- Increasing complexity of railway solutions
- New turnkey projects in some emerging countries

ALSTOM’S KEY ASSETS

- Metro Turnkey leader for several years
- Proven track record in system integration and optimization activities
- Largest portfolio of solutions on the market
- Bundling with long-term service contracts
- Established local partners network (e.g. Tren Maya & Tel Aviv tram)

STRONG ACHIEVEMENTS IN 2021/22

- Strong commercial performance with record order intake and 100% hit rate
- Back on the tram Turnkey market – preferred bidder of Tel Aviv Green Line
- Automated People Mover brownfield solid commercial performance (Miami, Tampa, Atlanta)
Rolling Stock and Components

Danny Di Perna
Executive VP and Chief Operating Officer
Alstom is the market leader in Rolling Stock & Components

RSC IS A LARGE AND STEADY MARKET
UNIFE accessible market 2020-2022 (WRMS 2020) – Average in € Bn / year

+1.6%¹

€45 bn

Regional/Commuter 30%
Urban 11%
Wagons 17%
Light Rail 19%
HS/VHS 5%
Locomotives 10%

ALSTOM: A CLEAR RSC MARKET LEADER
RSC Market shares 2019-2021, in % including turnkey share

38%

Alstom 15%
Comp. 1 14%
Comp. 2 8%
Comp. 3 7%
Comp. 4 3%
Comp. 5

RECENT WINS

AUSTRALIA
100 Flexity™ low-floor Next generation Trams
€700 MILLION

SWEDEN
25 Zefiro Express high-speed trains
€650 MILLION

NORWAY
30 Coradia Nordic™
€380 MILLION

CHILE
37 Metropolis™ trains, signalling system and 20-year maintenance
€355 MILLION

GERMANY
130 Coradia Stream™ inter-regional trains and 30-year maintenance
€2.5 BILLION

UK
HS2 Very high Speed 54 trains & 12-year maintenance
€1.1 BILLION

¹ CAGR of 1.6% based on 2020-2022 to 2023-2025 period

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An industry leading product portfolio

PLATFORM & TECHNOLOGIES ENABLE CUSTOMISATION & STANDARDISATION

COVERING ALL SEGMENTS

A significant installed base: ~30% of global installed fleet

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Component building blocks drive competitiveness and product performance

**COMPLETE SPECTRUM OF GREEN & CLEAN SOLUTIONS**

- H₂, GREEN TRACTION, BATTERY
- PREDICTIVE MAINTENANCE
- INTERIORS: CLEAN SURFACES

**BROADEST COMPONENT PORTFOLIO IN THE INDUSTRY**

- Bogies & Drives
- Traction
- Train Control & IS

**VERTICALISED WITH SELECTIVE M&A**

Vertical integration of core components and key technology bricks to further leverage service business & enhance competitiveness

- Brakes pads specialist (major consumable)
- Disk brakes specialist

Medium power H₂ fuel cell specialist allowing Alstom to master this key technology brick throughout its whole lifecycle
A unique global-local presence and capability

WORLD-CLASS COMPETENCIES

- +50 Production sites in 22 countries
- 24m hours manufacturing across all key regions
- 16m hours engineering delivered in our Excellence hubs

WELL BALANCED CAPABILITIES BETWEEN CUSTOMER PROXIMITY AND COST COMPETITIVENESS

Rolling Stock & Components Key Sites

- SIEGEN
- KATOWICE
- DERBY
- BARCELONA
- SAHAGUN
- HORNEll
- LA ROCHELLE
- QINGDAO
- MADHPURA
- SAVIGLIANO

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Technology investments targeted for a greener, smarter and more inclusive mobility

**KEEPING THE EDGE IN ZERO EMISSION SOLUTION**
- Partnership to decarbonise freight with an H2 solution
- First battery train tested in passenger operation with Deutsche Bahn
- Hybrid Régiolis tested in France

**OPTIMIZING TOTAL COST OF OWNERSHIP**
- Avelia Horizon under dynamic test in H2 2022 in Velim test center

**ENHANCING PASSENGER COMFORT**
- PEPA™ filter, an antiviral HVAC filter that catches and kills viruses, including the coronavirus

Unrivalled core R&D capabilities

- **Energy consumption**
  - -20%
  - +20%
  - -20%

- **Capacity**
  - +20%

- **Virus reduction**
  - -99.8%

- **Bacteria reduction**
  - -99.9%
Ambition to grow profitability and strengthen our leading market position

GROW PROFITABLY AND DELIVER TO CUSTOMER COMMITMENTS

- Market share target by FY2024/25
  +3 to 4pp
- aEBIT target by FY2024/25
  High single digit

STRATEGIC ORIENTATION AND KEY INITIATIVES

PLATFORMS
- Platforming standardisation & components building blocks
- Tendering focused on optimizing design solutions driving profitable growth
- Green mobility innovation and technology roadmap

DEVELOPMENT & OPERATIONS
- Leverage best-cost engineering hubs & manufacturing sites
- Cost reduction enabled with new supply chain scale
- Use Design-to-Cost methodology for design efficiency
- Adherence to Quality Gate process
A clear path towards growth and profitability restoration

GROW PROFITABLY...

- Execute project backlog:
  - on-time
  - at current GM
- Continue technical resource deployment:
  - current backlog
  - new early-phase

STABILISE

INTEGRATE

TRANSFORM

Three steps to get to high single digit aEBIT by 2024/25

1. Manage industrial & material & labor inflation

2. Secure delivery of electronic component material & plan for longer order lead-times

3. Continue to mitigate supply chain & logistics risk of material supply

... MITIGATE GLOBAL HEADWINDS

16
Process rigour and execution focus create value for customers and stakeholders

INTEGRATE

STABILISE

PROFITABLE GROWTH

TRANSFORM
2.1

STABILISE
Turning around difficult projects

Danny Di Perna
Executive VP and Chief Operating Officer
A Rolling Stock and Components backlog of €41bn, comprising ~130 active projects

PROJECT BACKLOG BREAKDOWN PER SEGMENT

- **Light Rail**
  - 26 projects
  - ~€3bn backlog

- **Regional**
  - 27 projects
  - ~€10bn backlog

- **Urban**
  - 26 projects
  - ~€7bn backlog

- **High-Speed**
  - 9 projects
  - ~€5bn backlog

- **Commuter**
  - 22 projects
  - ~€12bn backlog

- **Locomotives**
  - 16 projects
  - ~€4bn backlog

~130 projects screened to define actions for turnaround
FY2021/22 key Rolling Stock and Components backlog and sales information

- £41 bn
- £8.6 bn
- ~130 Projects
- ~110 Projects
- ~20 Projects
- £2.3 bn

A portion of the backlog needs technical expertise and project management support

1. Projects with Residual Value above £50m as of 31 March of 2022

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A comprehensive portfolio risk assessment completed

130 PROJECTS THOROUGHLY ASSESSED (H1 2021/22)

HIGHLIGHTING MAIN ROOT CAUSES

- Incomplete or partial compliance in requirements management process
- Inadequate project planning, scheduling and gate management process
- Resource and competencies not sufficiently focused on critical project execution
- Supply management – more focus on requirements and quality control
- Product policy not sufficiently aligned to meet customer requirements

Significant progress achieved to reduce High Criticality project risks
Project stabilisation action plan deployed with expert task forces

TASK FORCE EXPERT GROUPS LAUNCHED

- Inject development experts
- Review all customer requirements
- Align project scheduling and resources
- Enforce Design for Quality and Project Management standards
- Punctual support on demand and extensive visibility on critical project progress

~60 Projects supported by HQ
~50 Subject-matter experts from HQ
~250 Resources mobilised in regions for critical projects
>40 Maturity Assessment reviews performed (over the last 12 months)
>600 Project Reviews (15 streams per maturity assessment)
Systematic process and actions deployed to reduce project risks are yielding results

**APPROACH TO SUPPORT CRITICAL PROJECTS**

- **Systematic and comprehensive maturity assessment** based on common set of 15 criteria

**RISK CRITICALITY INDEX EVOLUTION**

<table>
<thead>
<tr>
<th>Date</th>
<th>Score</th>
<th>Change</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>April 2021</td>
<td>3.4</td>
<td>-26%</td>
<td>Deep dive legacy projects</td>
</tr>
<tr>
<td>March 2022</td>
<td>2.5</td>
<td>-20%</td>
<td>Stabilise and secure new projects</td>
</tr>
<tr>
<td>March 2023</td>
<td>2</td>
<td>~2</td>
<td>End of stabilisation robust process</td>
</tr>
</tbody>
</table>

Risk Criticality Index score methodology:
1: Project on track as per requirements and plan
2: Minor gaps impacting project objectives with a secured action plan
3: Significant gaps impacting project objectives
4: Project schedule and financial performance not to plan

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Project Management best practices being deployed on all new projects

LEVERAGING STANDARD DEVELOPMENT PROCESS TOOLS…

![Illustrations]

CLEAR OBJECTIVES

- 100% Launch Gate Review on time
- 12 weeks Critical Project Review 0 with 1st maturity assessment

…AND LESSONS LEARNED FROM DIAGNOSIS AND PROBLEM SOLVING

- Project staffing core team
- Contract awareness
- Savings review
- Risk & Opportunities review
- Establish clear KPIs dashboard
- Configuration management discipline
- End-to-end project schedule optimization
- Validation strategy optimization
Reinforced action plan to mitigate inflation cost effect

**INCREASED PRESSURE OVER H2 2021/22**

**Evolution of relevant cost items indexes**
Indexed, Yearly evolution 2019-2025E, Base = 2019

**MULTI-DISCIPLINARY ACTION PLAN**

1. **Price adjustment** on new tenders mirroring cost increase
2. Commercial contract **pricing adjustment formulas**
3. Reinforced **selectivity** for fix and firm price contracts
4. **Back-to-back** with suppliers for fix and firm contracts
5. **Long term** planning and secure material supplies
6. Apply stringent cost measures to mitigate headwinds


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25
Supply chain turbulence mitigated in 2021/22

SUPPLY CHAIN CONSTRAINTS

Electronic components material capacity issues

- Semiconductor chip shortages aggravated by the pandemic
- Electronic components and systems deliveries potentially impacting production flow
- Ordering lead times significantly expanded

Disruption on goods delivery

- International freight activities under pressure
- Delays on freight activities increasing

DOUBLE DOWN ON ACTION PLAN IN FY 2022/23

1. Crisis cell to optimise scarce material allocation
2. In-depth analysis of semiconductor needs across the complete value chain
3. Longer-term planning and commitments with suppliers to secure allocation
4. Develop and use alternate sources
5. Product adaptation and redesign for interchangeability to reduce dependencies
6. Adapt production process (i.e., re-sequencing) to mitigate component shortage
INTEGRATE
Working as One

Benjamin Fitoussi
President Rolling Stock
and Components –
Development & Operations
INTEGRATE
Work as One

OUR TARGET

Bring back the operational performance to nominal in March 2023 and deliver the committed synergies

1
WORK AS ONE ALSTOM

2
ALIGN AND OPTIMISE OUR PRODUCT PORTFOLIO

3
BRING OUR OPERATIONS TO THE REQUIRED LEVEL OF PERFORMANCE

4
PURSUE CASH FOCUS PROGRAM
Now able to operate as ONE COMPANY

80% convergence

- KPIs & DATA MANAGEMENT aligned
- >80% RSC PROCESSES converged
- REGIONAL and SITE deployment at full speed
- >90% RSC sites engaged

Digital systems boosting process alignment & performance

Engineering:
- Digital suite with PLM (Delmia/Catia)
- Worldwide connected network

Manufacturing:
- Advanced Operations System powered by SAP

Supply Chain & Procurement:
- Powered by SAP Ariba

GSI roll-out
- Global Single Instance
- 15,000 users Today
- +12,000 users in 35 additional sites By 2025

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Operational performance growing with integration

Gate review go on time

Defects per unit

Delivery on time

Key open quality issues

Manufacturing throughput

Physical inventory

First article inspection

Engineering on-time

Operational performance back to nominal by March 2023
Align and optimize our product portfolio

A CLEAR ROADMAP TO EXTEND MARKET COVERAGE AND TIME-TO-Market WHILE IMPROVING COSTS

From Day 1  | FY 2021/22  | FY 2022/23  | FY 2023/24

INVENTORY  >  CONVERGE  >  RATIONALISE  >  STANDARDISE AS PART OF TRANSFORM

A DEFINED DECISION TREE

Option A
Confirm obvious platform choices

Option B
Optimize through “best-of-both” approach

Option C
Maintain specific product approach

AT ALL LEVELS OF THE BILL OF MATERIAL

Project Oriented  →  Product Oriented

Train

Sub-system

Components

Parts

• Improved market coverage
• Best product selection for tenders and ongoing project to drive costs reduction

10% R&D Optimization

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Convergence finalised, rationalisation on-going on tenders

ILLUSTRATION AT ROLLING STOCK LEVEL

**Regional platform**
- Coradia Stream™
- Talent™ 3

**Urban platform**
- Metropolis™ Large Gauge
- Movia™ India
- Metropolis™ for India

**Commuter platform**
- Metra US double deck coaches

100%
Platform convergence already validated

ILLUSTRATION AT SUB-SYSTEM AND COMPONENT LEVEL

**Before acquisition**

- **BOGIES & DRIVES**
  - 7 product families
  - 74 active products

- **TRACTION**
  - 8 platforms
  - 66 active products

- **TC&IS**
  - 2 different platforms
  - >50 different products

- **Fasteners/ cables/ Raw Mat**
  - Eg cables 250 ref BT and 130 ref Alstom

**Today**

- 35 active products
- 20 reference solutions

- 43 active products
- 20 reference solutions

- Repeat Orders without Cyber Security can remain with MITRAC
- New Projects and Reference Solutions to migrate to AGATE4
- Parts list unified and rationalised

-47%
Converters

-42%
Bogies references

-50%
TCMS references

-50%
Preferred Parts list
Establish best-in-class project execution and capabilities

Achieve **excellence** in our tender and project execution

Continuous improvement focus and **right-first-time culture**

Best-in-class partner for our customers

PM2020: FROM A METIER BASED TO A SUB-SYSTEM BASED ORGANISATION

**TREN MAYA**
Complete deployment

**NORSKE TOG**
Currently onboarding

**CAIRO**
Ready to deploy

**PROJECT MANAGEMENT**
ARCHITECTURE & INTEGRATION
SUB-SYSTEMS MANAGEMENT

~12 projects
On-boarded by March 2022

~30 projects
On-boarded by March 2023

2025 Targets

90% Gate Reviews Go On Time

90% Delivery On Time

90% Manufacturing Throughput

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Procurement on-track to capture value, leveraging Group size

**SOURCING SUMMITS**
- Understanding of ex-AT and ex-BT strategies, spend and supplier base
- Initial Value Capture ambition

**SUPPLIER DAY**
- 300 suppliers invited
- Introduction to Value Capture objectives and processes

**NEGOITIATIONS DONE WITH TOP 600 SUPPLIERS**
- 3 waves
- Great success despite difficult context of inflation

**4 LEVERS MOVING FORWARD**
- Co-development
- Design-to-cost
- Standardisation specifications
- Demand management

- Panel optimization based on QCD performance
- Claim settlement on legacy projects
- Recurring value capture, one-off specific efforts

**55% BCC PURCHASING IN 2021/22**

- March 2021
- April 2021
- March 2022
- March 2023

- 1st Supplier day
- 2nd Supplier day
- Q1 2021/22
Driving the right quality standards across our value chain

STRENGTHEN QUALITY COMPETENCE

- Engineering (Right First Time)
- Industrial (Zero Defect Program)
- Supplier Quality in Region

Quality Academy

Year 2021/22:
2,655 trainers
2,565 training sessions
49,011 people trained

LEAN AND EFFICIENT PROCESSES

- Development For Quality
- Focus major production Ramp-Ups
- First Article Inspection, Statistic Control Critical Processes

Lean 6σ Belt Program

Year 2021/22:
25 6σ Ambassadors
1060 people qualified

CUSTOMER SATISFACTION

- Reliability Growth & Warranty
- Reactivity, Return of Experience
- Prevention in Tender Phase

Customer survey program

Customer Satisfaction

Pre-aq Mar’21 Mar’22 Mar’23 Mar’25

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Pursue Cash Focus programme

**AMBITION**

- Optimise Cash across Alstom entire value chain

**KEY INITIATIVES**

- Cash-based selectivity in tenders
- Alignment strategic & tactical planning
- Cash conscious supplier contracts
- Optimise hard inventories level
- Increased CAPEX planning
- Enhance cash culture through training and personal objectives

**2024/25 OBJECTIVES**

Free Cash Flow: 80% conversion from adjusted net income
Synergies on-track and run-rate target\(^1\) uplifted to €475 – 500m from FY 2025/26 onwards

SYNERGIES RUN RATE (IN € MILLION)\(^2\)

- **Bonds Financing**
- **Procurement Synergies**
- **Real Estate**
- **Management Overlaps**
- **Footprint**
- **Production Efficiency**
- **Tenders and Best Use of Products**
- **R&D Processes**

2025/26 SOURCES OF UPLIFT

- Incremental *industrial efficiency* and best use of products through massification
- Incremental procurement synergies

FY 2021/22   FY 2022/23   FY 2023/24   FY 2024/25   FY 2025/26

1. Initial target was annual run rate of €400m by the fourth to fifth year after closing.
2. Graph for illustrative purpose, not at scale.

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37
TRANSFORM
Growing profitably

Benjamin Fitoussi
President Rolling Stock
and Components –
Development & Operations
TRANSFORM

1. ACCELERATE THE EFFORT OF STANDARDISATION / MODULARIZATION

2. GET THE BEST OF OUR DIVERSE FOOTPRINT AND SCALE ADVANTAGE

3. FURTHER DIGITALIZE OUR OPERATIONS

4. LEVERAGE OUR PEOPLE SKILLS AND CAPABILITIES
Recent RSC orders are based on standardised, reliable and proven platforms

Illustration of major 2021/22 wins based on “best-seller” products

**CORADIA STREAM™**
- 29 High-Capacity electric double-deck multiple units for DB Regio
- Up to 40 electric inter-regional trains to Romanian Railway Reform Authority

More than 700 Coradia Stream™ sold within 5 years

**METROPOLIS™**
- 55 large gauge Metros for Cairo L1
- 36 Metropolis trains for São Paulo Metropolitan Train System L 8 / 9
- 29 fully automated Metropolis trains to Taipei as part of a turnkey project

More than 60 customers worldwide

**X’TRAPOLIS™**
- Up to 750 new commuter rail cars for Ireland’s DART
- 25 six-car trains for Melbourne’s suburban rail network
- 42 trains for Tren Maya

5,500 X’trapolis™ cars ordered so far in the world
Platform product management and standardisation
68 components, 48 buy modules

**PRODUCT**
- Standard Operability & Performance
- Variability management
- Standard architecture & interface
- Standard Design rules
- Standard Modules

**TENDER**
- Reference Solution 1
- Reference Solution xx

**PROJECT**
- Assess Standardisation Coeff (Re-use level) minimum at every project gate!

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**STANDARDISATION COEFF**
Measurement in tender & project. Deviation per red Sol (%)

**ILLUSTRATION - INTERIOR**
Front end architectural design

**INTERIOR DESIGN**
- Generic concept
- DSB
- RENFE

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Increased Engineering efficiency by leveraging Best Cost Countries (BCC) site specialisation

- Aligned organisation model
- Deployed target processes
- Massify specialisation & return of experience:
  - New development sites organized by product
  - 10 train sites & 9 components sites
- BCC capacity today at 32% ahead of Plan
- Continuous built up of BCC sites e.g. in Poland, India and Mexico

POLAND | EUROPEAN PROJECT SUPPORT
> Katowice

INDIA | GLOBAL RSC DEVELOPMENT
> Bangalore  
> Hyderabad  
> Vadodara

MEXICO | LOCAL PROJECT SUPPORT
> Sahagun

30%  
March 21
32%  
March 22
> 40%  
2025

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A unique global-local manufacturing footprint to meet growing demand for localisation while delivering competitiveness

Customers are looking for reliable, tailored and competitive solutions delivered close to them

PROXIMITY
- Commercial reach in 70+ countries
- Delivery sites located in strategic markets
- Manufacturing hubs in all key regions

WORLD-CLASS CAPABILITIES
- Excellence hubs in key geographies
- Sharing our worldwide expertise with our customers
- Global competencies networks

CUSTOMER INTIMACY

TENDERS WON THANKS TO ABILITY TO DELIVER LOCAL CONTENT

ALSTOM SAHAGUN PLANT
ALSTOM HORNELL PLANT
ALSTOM DERBY & CREWE PLANTS
ALSTOM DANDENONG PLANT

TREN MAYA (MEXICO)
AMTRAK HIGH-SPEED (BUY AMERICAN ACT)
HS2 VERY HIGH SPEED (UK)
LIGHT RAIL TRAMS (AUSTRALIA)
Leveraging Best Cost Countries (BCC) footprint boosts competitiveness

AN AMBITIOUS BEST COST COUNTRIES ROADMAP FOR MANUFACTURING

BCC Roadmap: Mar ‘22 43% Mar ‘25 60%

A FOOTPRINT ENABLING TO MANUFACTURE AT THE BEST COSTS CLOSE TO OUR CUSTOMERS

Illustration – Engineering and manufacturing BCC footprint

EXAMPLES OF RECENT INVESTMENTS

- Light Rail Carbody: Ceska Lipa
- Locos assembly: Nur Sultan
- Bogie frames: Matranovak
- Metro assembly: SAVLI
- Transformers: FEZ
- Alu Carbody: Wroclaw

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Roadmap to transformation in Germany, Austria and Switzerland

- **Maintain market position** through competitive offering & strengthened project execution.

- **Invest in innovation, engineering, digitalisation and software**

- **Competitiveness** with adapted manufacturing capacity & leverage of Eastern Europe

- **Develop Services** business

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**GERMANY**
- Planned reduction of around 900 to 1300 manufacturing positions over next 3 years
- Over 700 new positions in engineering, digitalization and software

**AUSTRIA**
- Concentrate & specialize on Light Rail product platform

**SWITZERLAND**
- Reduction of ~150 positions & shift to Services

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€150M RESTRUCTURING COSTS FOLLOWED BY €100M OF COSTS AVOIDANCE PER YEAR FROM 2024/25 ONWARDS

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Drive the digital transformation journey

**Increase** automation and digitalisation

- **SERIAL WATERTIGHTNESS**
  - TARDES, FRANCE
- **WELDING ROBOT**
  - LE CREUSOT, FRANCE

**Deploy** innovative digital reality scope

- **ADDITIVE MANUFACTURING**
- **AUGMENTED REALITY**
- **3D SCANNING**
- **ALSTOM META-OMNIVERSE**

**2025 Targets**

- **-6%¹** RSC Engineering hours
- **-10%¹** RSC Manufacturing hours
- **100%¹** Converged processes
- **75%¹** Business process digitalisation

**PLM4A:** an enterprise-wide programme to enable ONE product lifecycle management

¹ compared to March 2021
4 Investing in people with World Class Engineering & Manufacturing programme

**AMERICAS:**
- 25 Manufacturing experts
- 87 Engineering experts

**DACH:**
- 13 Manufacturing experts
- 103 Engineering experts

**EUROPE:**
- 61 Manufacturing experts
- 204 Engineering experts

**FRANCE:**
- 86 Manufacturing experts
- 282 Engineering experts

**AMECA:**
- 3 Manufacturing experts
- 6 Engineering experts

**APAC:**
- 16 Manufacturing experts
- 56 Engineering experts

Expertise is key for Alstom’s success and development
Rolling Stock and Components journey ahead

1. **Significant improvement in project stabilization** achieved in 2021/22 - back to nominal performance expected by March 2023

2. **Operating already as One Team, with best-in-class converged processes and product portfolio** by March 2025

3. **Clear plan to deliver the targeted operational recovery, synergies fully on-track**

4. **Uniquely positioned to capture market growth** thanks to product, market reach and scale