



Governance roadshow

March/April 2024

ALSTOM
• mobility by nature •

Agenda



1. Insights on the Board of Directors and Committees: composition
2. Insights on the Board of Directors and Committees : main governance works in 2023/24
3. Insights on the Board of Directors and Committees : results of the assessment exercise for 2023/24
4. Insights on 2023/24 corporate officers' remuneration
5. Insights on 20 June 2024 AGM

01

Insights on the Board of Directors and Committees: composition

Composition of the Board of Directors (March 2024)



Henri Poupert-Lafarge
Chairman and CEO



Daniel Garcia Molina
Employee Representative



Philippe Petitcolin
Independent Director



Bpifrance Investissement
represented by **José Gonzalo**



Yann Delabrière
Lead Independent Director



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
Independent Director /
Observer since 12
March 2024



Clotilde Delbos
Independent Director



Frank Mastiaux
Independent Director



CDPQ represented by Kim Thomassin



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

Board Attendance

98% in 2023/24

Number of meetings

9 Board meetings and
3 Executive Sessions in
2023/24

Foreign nationalities represented at Board level

6 (40%)

Gender diversity

45%
*(excluding Employee rep. and
Observers)*

Independence

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

Insights on the Board of Directors: Committees in 2023/24

Audit and Risks

Chair: Sylvie Rucar
4 members
5 meetings
100% attendance
67% 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

- Committees are all **chaired by an independent** Board member and are at least 2/3 composed of independent Board members
- The Chairman and CEO **is not a member of any of the Committees** (he may only attend if invited by the Chair)
- Chairs of the Committees may **exchange directly with Management** and Committees are free to resort to **outside advisors and experts**
- The Audit Committee has regular **executive sessions with the External Auditors** without Management being present
- **The internal rules of the Committees** have been revisited by the 12 March 2024 Board of Directors to reflect the CSRD impact

Board members standing for renewal/ratification



Mr. Philippe Petitcolin

- Independent Director
- Future Chairman of the Board
- 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. She leads CDPQ's investment strategy in Québec and financing and support activities for medium and large companies in the province.



Mr. Frank Mastiaux

- Independent Director, Chair of the Integration Committee & member of the NRC
- Former CEO of EnBW Energie, Germany's third largest energy supply company
- Extensive knowledge in CSR impacts and challenges



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

- Lead Independent Director
- Chair of the Nominations and Remuneration Committee
- Strong financial and executive background with various CEO roles in industrial companies

02

Insights on the Board of Directors and Committees: main governance works in 2023/24

Insights on the Board of Directors and Committee: main governance works in 2023/24 (1/5)

- **In depth works in respect of :**

- The structure of governance of the Company
- The selection of the future Chairman of the Board of Directors
- The Board skills matrix
- The CSRD impact

Insights on the Board of Directors and Committee: main governance works in 2023/24 (2/5)

- **Structure of governance of the Company**

- Detailed review of the governance structure in place conducted by the Board of Directors all through year 2022/23, in the context of the renewal of Mr. Henri Poupart-Lafarge as Chairman and CEO.
- The Board of Directors unanimously concluded that the combination of functions was then the best structure of governance in Alstom current situation (see details in 2022/23 URD, page 189), the situation being monitored regularly in executive sessions to make sure of its adequacy and relevance at all times
- Further to the 4 October 2023 announcement, the structure of governance has indeed been reviewed in executive sessions and led to the decision taken by the 14 November 2023 Board of Directors to split the functions of Chairman and CEO as part of organization changes to improve accountability and financial discipline

Insights on the Board of Directors and Committee: main governance works in 2023/24 (3/5)

- **Selection of the future Chairman of the Board of Directors**

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 near Europe located candidate with a preference for France
- 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 Dutch defence company KNDS. He is also currently a Director of EDF and Pernod Ricard and Chairman of the Supervisory Board of Diot Siaci.

Insights on the Board of Directors and Committee: main governance works in 2023/24 (4/5)

- **Board skills matrix**

- New methodology deployed:
 - Validation by the Board of Directors of a revisited list of skills corresponding to the Group's priorities and major challenges
 - Board members / Censor invited to select his/her relevant skills in the matrix, to justify them with specific experience, expertise and/or degree and to rate his/her level of expertise on a scale of 1 to 3
 - The 2023/24 URD:
 - Will include a short paragraph reflecting the key skills and knowledge brought by each member to the Board to better make the link to the matrix
 - The matrix will reflect the key skills and associated level of each Board member + the percentage of Board members per skills

Insights on the Board of Directors and Committee: main governance works in 2023/24 (5/5)

- **CSRD impact**

- Has especially led to a revisit of the Internal Rules of the Audit Committee and the Board of Directors (effective 12 March 2024):
 - ▶ Internal Rules of the Audit Committee :
 - New name "Audit and Risks Committee"
 - Revised role and responsibilities (is now legally in charge of the Sustainability Reporting)
 - Coordination with other Committees with respect to Sustainability Information specific to each
 - ▶ Internal Rules of the Board of Directors
 - Role in the elaboration of the CSR strategy and Sustainability Information
 - Role in the effective coordination of the Committees' works on Sustainability Information
- In parallel and given the rising importance of sustainability topics, works led by the Nominations and Remuneration Committee in respect of the most appropriate structure of Committees for the Company / Works to be finalized by the future Chairman of the Board

03

Insights on the Board of Directors and Committees:
results of the assessment exercise for 2023/24

Insights on the Board of Directors and Committee: results of the assessment exercise for 2023/24

- External evaluation every 3 years and internal assessment the two other years
- Assessment for 2023/24 done internally (questionnaires and 1to1 between the LID and each Board member/Censor) of which outcome and action plan will be displayed in the 2023/24 URD, with key focuses on :
 - Business performance oversight
 - Strategic planning
 - Leadership

04

Insights on 2023/24 corporate officers' remuneration

Insights on 2023/24 corporate officers' remuneration (1/2)

- Upon proposal of Mr. Henri Poupart-Lafarge and on recommendation of the Nominations and Remuneration Committee, the Board of Directors of 14 November 2023 has decided to tighten the short-term incentive scheme applicable to the Chairman and 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 which will apply to the payout of the collective and individual objectives short-term incentive of the Chairman and CEO. This new criterion will apply under identical conditions to the payout of the short-term incentive of the Alstom Leadership Team.
- New criterion applicable to the short-term incentive scheme of the Chairman & CEO for FY 2023/24

Free Cash-Flow 2023/24 (M EUR)	Impact on STI payout
Actual FCF < (750)	Payout of the entire STI is at zero
(750) ≤ Actual FCF < (300)	Payout of the FCF KPI is at zero, and payout of the entire STI is reduced by 50%
(300) ≤ Actual FCF < 0	Payout of the FCF KPI is at zero, and payout of the entire STI is not impacted
0 ≤ 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

Insights on 2023/24 corporate officers' remuneration (2/2)

- Upon proposal of the Board members, and on recommendation of the Nominations and Remuneration Committee, the Board of Directors of 14 November 2023 also 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.
- New criterion conditioning the payment of remuneration of Board members for H2 2023/24

Free Cash-Flow 2023/24 (M EUR)	Impact on H2 remuneration
Actual FCF < (750)	No payment of H2 remuneration
$(750) \leq \text{Actual FCF} < (300)$	Payment of H2 remuneration is reduced by 50%
$(300) \leq \text{Actual FCF}$	Normal payment of H2 remuneration

- This information was made public on the web site at the outcome of the 14 November 2023 Board meeting

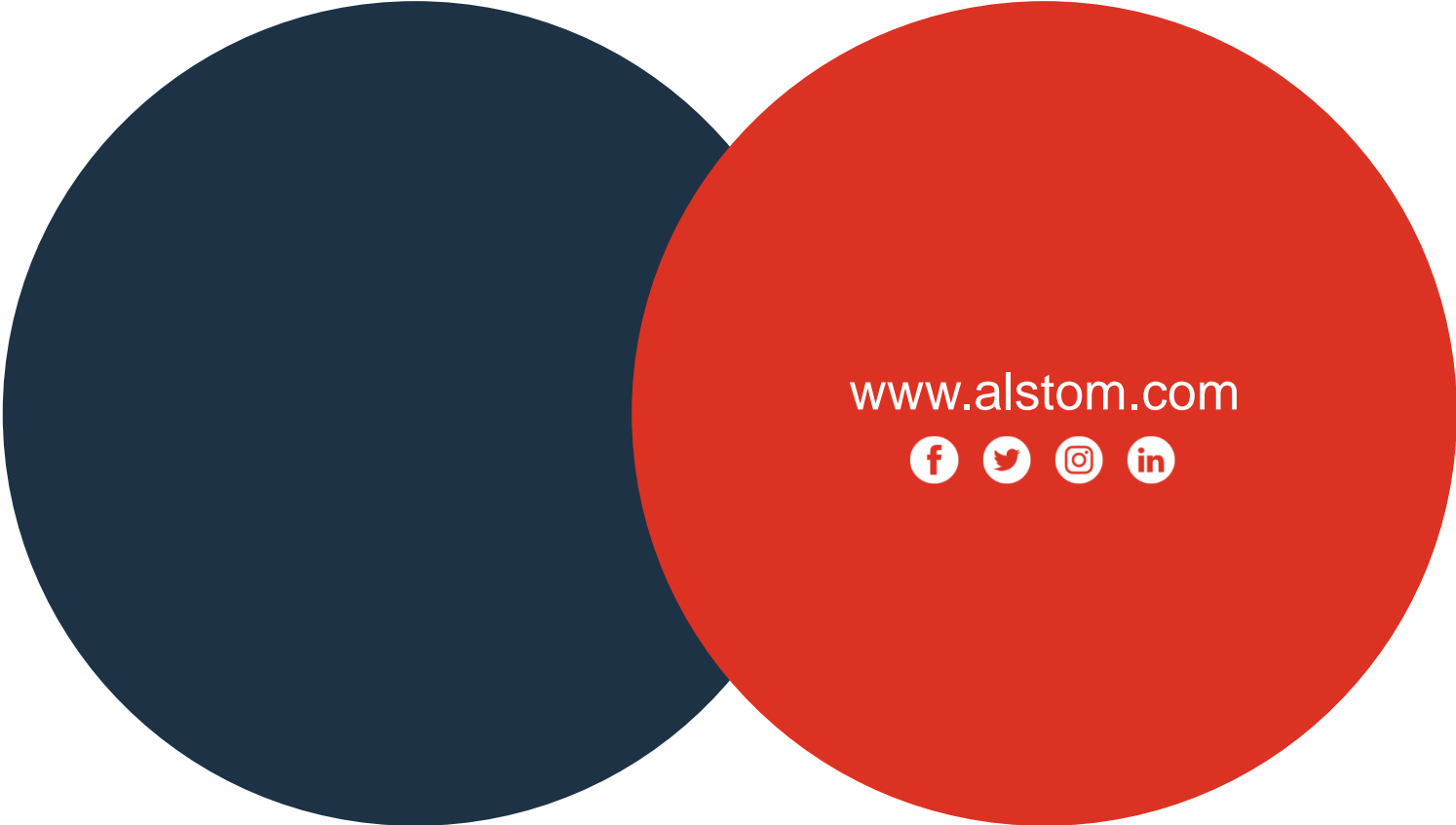
05

Insights on 20 June 2024 AGM

Insights on 20 June 2024 AGM

- Ordinary part (main, apart from Board mandates)
 - No dividend
 - Remuneration policy of the Chairman of the Board of Directors
 - Remuneration policy of the CEO
 - Appointment of Sustainability auditor(s)

- Extraordinary part
 - Modification of the AoA to raise the age of the Chairman
 - Renewal of the financial authorizations



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