UNIVERSAL REGISTRATION DOCUMENT 2023/24

including the annual financial report

ALSTOM
• mobility by nature •

CONTENTS

AFR

The Content of the
Annual Financial
Report is identified
in the summary table
with the help of this
pictogram.

UNIVERSAL REGISTRATION DOCUMENT 2023/24

INCLUDING THE ANNUAL FINANCIAL REPORT

Société anonyme with share
capital 2,690,037,476 euros.

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93400 Saint-Ouen-sur-Seine (France)

RCS: 389 058 447 Bobigny

AUTORITÉ DES MARCHÉS FINANCIERS
AMF

This Universal Registration Document has been filed on 15 May, 2024 with the AMF, as competent authority under Regulation (EU) 2017/1129, without prior approval pursuant to Article 9 of the said regulation. The Universal Registration Document may be used for the purposes of an offer to the public of securities or admission of securities to trading on a regulated market if completed by a securities note and, if applicable, a summary and any amendments to the Universal Registration Document. The whole is approved by the AMF in accordance with Regulation (EU) 2017/1129.

The English language version of this document is a free translation of the original, which was prepared in French. In all matters of interpretation, views or opinions expressed in the original language version of the document in French take precedence over the translation. It is available on the website of Alstom.


Citadis
ALSTOM

1

DESCRIPTION OF GROUP ACTIVITIES

AFR

The Content of the Annual Financial Report is identified in the summary table with the help of this pictogram.

Alstom, creating mobility solutions that people enjoy riding, and lead societies to a low carbon future.

Mobility is at the heart of everything we do – it's in our DNA. Our global footprint, spanning more than 64 countries, paired with a strong local presence allows us to be where mobility needs us most. Over 84,700 employees strive to optimise transport in a way that is efficient, sustainable, and connected.

As a leader in rail technology, Alstom offers the broadest product portfolio in the industry – from high-speed trains, metros, monorails and trams, to integrated systems, customised services, infrastructure, signalling, and digital mobility solutions.

Over 150,000 vehicles in commercial service worldwide attest our strengths in project management and innovation, design and technology. For decades we have enabled millions of people every day to reach their destinations.

Our "Alstom in Motion 2025" strategy focuses on sustained growth, green and digital innovation, and operational efficiency, in an agile, inclusive, and responsible corporate culture – as One Alstom Team.

At a glance

KEY FIGURES 2023/24

Orders: 18.9 billion euros

Sales: 17.6 billion euros

Adjusted Ebit Margin: 5.7%

FCF: (557) million euros

Scope 1+2 emissions: 139 kton (SBTi targets validated)

Scope 3 sold product: 4.0 GWh (SBTi targets validated)

Taxonomy alignment on Sales: 60%

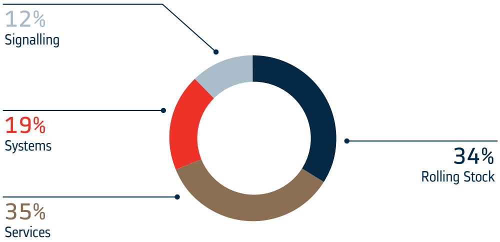
Women in Management: 24.7%

CONSOLIDATED ACCOUNTS

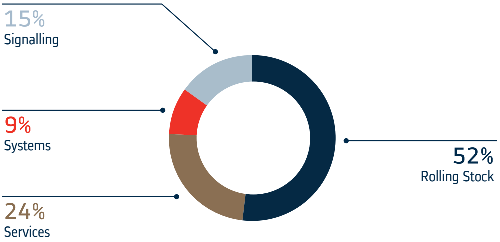
in € millions, as of year ended 31 March	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Sales	7,306	7,951	8,072	8,201	8,785	15,471	16,507	17,619
Adjusted EBIT	421	514	606	630	646	767	852	997
Adjusted EBIT margin	5.8%	6.5%	7.5%	7.7%	7.3%	5.0%	5.2%	5.7%
Free cash flow	182	128	153	206	-703	-992	199	-557
Dividend per share	0.25	0.35	5.5	0.0	0.25	0.25	0.25	0

PRODUCT LINES CONTRIBUTIONS TO ORDERS AND SALES

ORDER INTAKE 2023/24 BY PRODUCT LINES



SALES 2023/24 BY PRODUCT LINES



RATING

Alstom’s debt is rated by the rating agency Moody’s Investors Service. On October 12th, 2023, the rating agency issued a Baa3 rating with a negative outlook, confirming Alstom's Investment Grade rating. This rating and its outlook have been confirmed by Moody's Investors Service on May 8th, 2024.

Moody’s Investors Service	2021/07/17	2023/05/10	2023/10/12
Long-term rating	Baa2	Baa3	Baa3
Outlook	Negative	Stable	Negative
Short-term rating	P-2	P-2	P-3

Message from Henri Poupart-Lafarge Chairman and Chief Executive Officer of Alstom

"I am confident we are on the right path towards a brighter future, defined by innovation sustainability and excellence."

Alstom is at a pivotal time in its evolution, as the company's growth story is one of both opportunity and challenges. Since the acquisition of Bombardier Transportation in 2021, we doubled in size, employees, orders, sales, and backlog and increased our reach and production sites. Alstom has been on a journey to first integrate, then stabilise and now to transform to a more resilient, competitive and agile group.

This past year was a difficult one, highlighting the need for us to accelerate change. With the Board of Directors, we reacted energetically and decided to launch a comprehensive operational, commercial, and cost efficiency plan, to maintain a solid and sustainable Investment Grade rating, secure our mid-term objectives and instilling the mechanisms needed for long term sustainable growth.

The market for sustainable and smart mobility solutions remains strong, despite higher interest rates and some market volatility. We saw commercial success across multiple geographies and positive momentum for our services and systems activities. In 2023/24, the Group booked 18.9 bn euros of orders and registered 17.6 bn euros in sales, 6% up versus last year. With a strong backlog of 91.9 bn euros we remain the market leader in rail mobility solutions.

Thanks to the relentless focus of our teams, we made significant progress in the execution of our plan and increased our production output by more than 12%.

We are reinforcing the Group's balance-sheet to achieve a reduction in our net debt position by 2 bn euros by March 2025 through a series of inorganic measures, in addition to our plan to improve profitability and cash generation. And we are implementing governance changes including the election of Philippe Petitcolin as a Board Member, then Chairman of the Board at the next Shareholders' General Meeting. This will allow me as Chief Executive Officer, to fully focus on our day to day operations and ensuring we are well-positioned for future growth.

The 84,700 employees at Alstom work every day to enable the transition to a truly sustainable global transport system. Together we are working to reduce emissions throughout the lifecycle of the solutions we design, manufacture, operate, and maintain. This year, we achieved a 39% reduction in our direct and indirect emissions (Scope 1&2) and a 13% reduction in the CO2 emissions intensity (Scope 3) of our passenger transport solutions sold, compared to a baseline of 2021/22.

We are committed to energy efficiency, the use of greener materials, noise and emissions reduction, and promoting circular economy principles. Last year, 87% of our newly developed solutions were eco-designed. Additionally, 23.4% of our newly developed rolling stock has recycled content, lowering resources consumption and environmental footprint.

That is why over the last 13 research years, Alstom was included in the World and Europe Dow Jones Sustainability Indices (DJSI) and this year ranked among Corporate Knights' 100 most sustainable corporations in the world. We also improved our rating in CDP climate change questionnaire to score A.

Despite our immediate challenges, we maintain a long-term view of our industry and customer needs Alstom is developing smarter and greener mobility solutions and dedicated 549 million euros to R&D this year. We continue to advance our digital solutions to give customers more freedom and flexibility in their operations and the ability to protect the integrity and security of rail systems against digital vulnerabilities.

We are improving our engineering and manufacturing capabilities for better overall efficiency. Industry 4.0 and Engineering 2.0 with the benefits of using Artificial Intelligence, robotics and automation, model-based system engineering or digital twins, are becoming part of the new ways of working across the product lines.

Throughout our journey, we have been focused on the development of products and services that support our customers reduce their environmental footprint, improve passenger experience and optimise operations and maintenance.

I am proud of the unwavering dedication of our employees to making Alstom stronger and our solutions better. I am confident we are on the right path towards a brighter future, defined by innovation, sustainability and excellence.

Henri Poupart-Lafarge

1.1 Presentation of Alstom Group

1.1.1 THE MAJOR MILESTONES IN THE CONSTRUCTION OF THE GROUP

Alstom Group comes from the combination of many railway pioneers, most of them created during the 19th century all over Europe and North America, as well as from significant investments world-wide, creating today a unique 21st century global rail company.

In France, Alstom is the heir of **Alsthom** (created in 1928 from the merger of **Société ALSacienne de Constructions Mécanique**s founded in 1872 with a factory in **Belfort** with the French subsidiary of **THOMson-Houston Electric Company**), of the railway division of **Jeumont-Schneider** (a subsidiary of Schneider & Cie, founded in 1836 in **Le Creusot**), of Compagnie Industrielle du Matériel Ferroviaire (**CIMT**) (founded in 1918 with a factory in **Valenciennes**) and Ateliers de construction du Nord de la France (**ANF**) (founded in 1882 with a factory also in Valenciennes) as well as of **Brissonneau et Lotz** (with a factory in **Aytré**, close to La Rochelle), among others.

In Germany, Alstom inherited from the railway businesses of German electric giant **AEG** (with a factory created in 1911 in **Hennigsdorf**), of automotive pioneer **Daimler-Benz** and Swedish-Swiss electric giant **ABB-Henschel** (having a factory in **Kassel** dating back to 1810) which merged their rail activities under the name **Adtranz**, as well as from **Linke-Hoffmann-Busch** (founded in 1834 in Poland then transferred to **Salzgitter** after WWII) and from other railway companies.

Through Swedish electric pioneer **Asea** (the “A” letter of ABB), Alstom took over the cradle of Swedish rail industry in **Västerås** founded at the end of the 19th century.

In Italy, Alstom is the heir of **Fiat Ferroviaria**, the railway division of Italian automotive giant **Fiat**, with sites in **Savigliano** and **Sesto**, and of the signalling department of **SASIB** (founded in 1915 in **Bologna**).

In Spain, Alstom descends from **La Maquinista Terrestre y Maritima**, with a factory founded in 1855 in Barcelona and transferred by Alstom to **Santa Perpetua**.

In the United Kingdom, **Midland Railway** which started building rolling stock in 1840 in **Derby** and further became part of **British Railways** is a parent of Alstom.

In Austria, Alstom is the heir of **Lohner Werke** (founded in 1810 in **Vienna** as a carriage-maker which turned into a tram manufacturer).

In Canada, Alstom is the heir of the transport division of Quebec industrial giant **Bombardier** which started to build metro trains on Alstom technology for the 1976 Olympic Games in Montreal in the site of **La Pocatière** and further bought several international and local rail industry companies (e.g. **Hawker Siddeley** with its factory in **Thunder Bay**) to become a world railway leader.

In the United States, Alstom descends from two main railroads signalling actors, **General Railway Signal** (**GRS**) and the signalling division of **General Electric** (**GE**). It is also the heir of one of the first American railroads, **New York and Erie Railroad**, founded in 1832, whose shops became the Alstom **Hornell** factory.

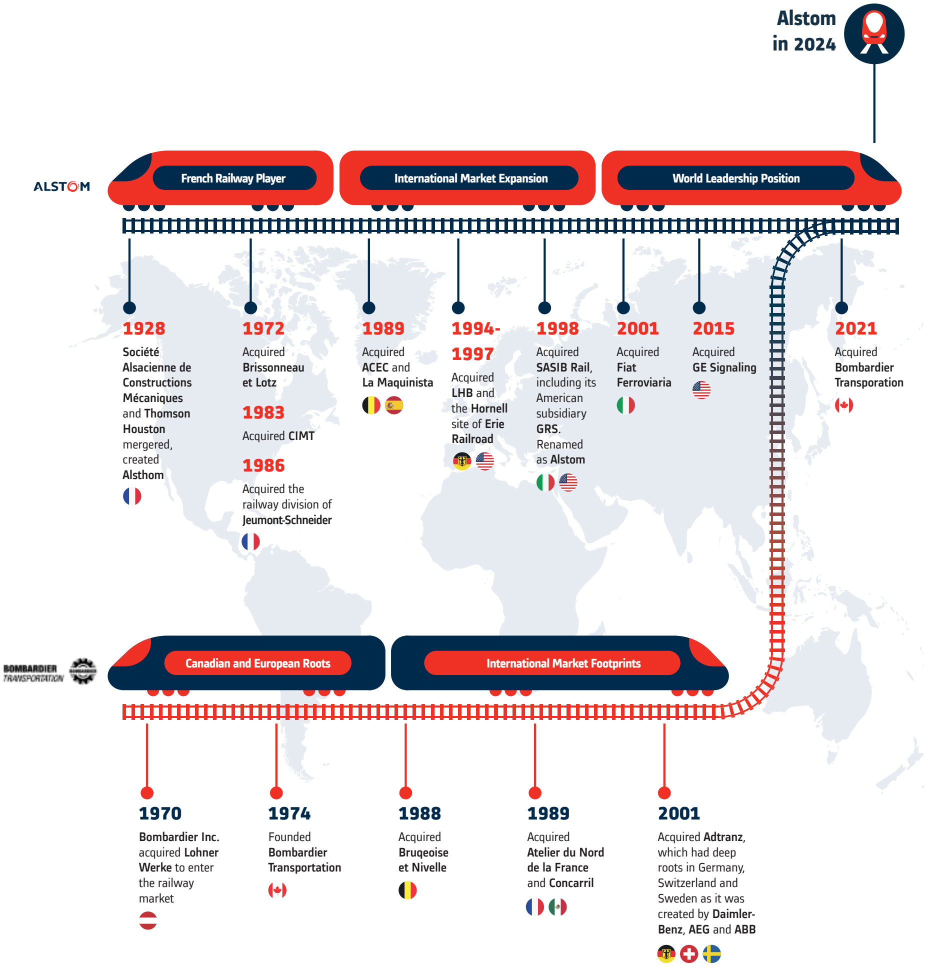
Alstom did not only grow in Europe and Northern America, it also developed its activities on all continents.

In China, Alstom and its predecessors started to invest in joint-ventures as soon as 1986, when GRS had created the first joint-venture in the railway field called **CASCO** in Shanghai. Today Alstom has 11 joint-ventures in the country for rolling stock and components, but also for signalling and services, and is the most active foreign railway manufacturer in the country.

In India, Alstom and its predecessors started to invest in 2006, with Bombardier **Savli** factory to serve the Delhi Metro. Today Alstom has 6 manufacturing sites in the country with 10,878 employees.

Alstom and its ancestors also invested in Central and Latin America, notably through the take-over of the main Mexican rolling stock company, Concarril (founded in 1952 in **Sahagun**) and through the construction of a new factory in 2015 in **Taubate**, Brazil.

Alstom invested on the African continent with a joint-venture in **Johannesburg**, South Africa, called Gibela to produce 600 regional trains and another joint-venture nearby, called Ubunye, to supply Gibela with rolling stock components



Alstom in 2024

ALSTOM

French Railway Player

International Market Expansion

World Leadership Position

1928
Société Alsacienne de Constructions Mécaniques and **Thomson Houston** mergered, created **Althom**

1972
Acquired **Brissonneau et Lotz**

1983
Acquired **CIMT**

1986
Acquired the railway division of **Jeumont-Schneider**

1989
Acquired **ACEC** and **La Maquinista**

1994-1997
Acquired **LHB** and the **Hornell** site of **Erie Railroad**

1998
Acquired **SASIB Rail**, including its American subsidiary **GRS**. Renamed as **Alstom**

2001
Acquired **Fiat Ferroviaria**

2015
Acquired **GE Signaling**

2021
Acquired **Bombardier Transporation**

BOMBARDIER TRANSPORTATION

Canadian and European Roots

International Market Footprints

1970
Bombardier Inc. acquired **Lohner Werke** to enter the railway market

1974
Founded **Bombardier Transportation**

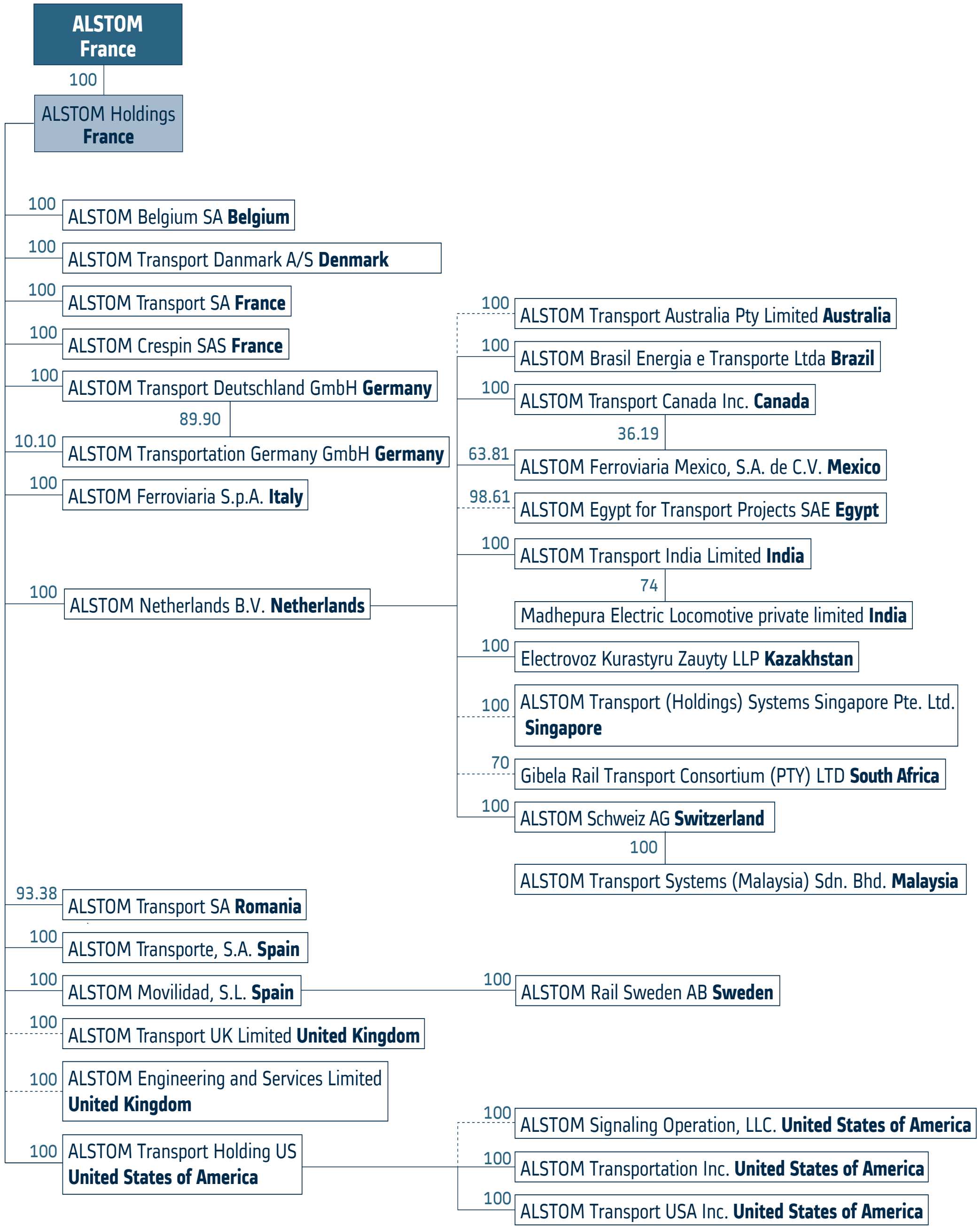
1988
Acquired **Bruqeoise et Nivelle**

1989
Acquired **Atelier du Nord de la France** and **Concarril**

2001
Acquired **Adtranz**, which had deep roots in Germany, Switzerland and Sweden as it was created by **Daimler-Benz**, **AEG** and **ABB**

1.1.2 SIMPLIFIED ORGANISATION CHART OF THE GROUP AS OF 31 MARCH 2024

The full list of companies included in the scope of consolidation as of 31 March 2024 is set forth in Note 37 to the consolidated financial statements.



——— Direct owning percentage, also corresponding to the direct controlling percentage (voting rights)

------- Indirect owning percentage, also corresponding to the indirect controlling percentage (voting rights)

1.1.3 INDUSTRIAL FOOTPRINT

Alstom designs solutions that are very diverse and adapted to the cities, regions and countries they serve. Its organisational structure covers the entire world and relies on a network of offices, engineering centres and manufacturing sites, warehouses and maintenance centres, which guarantees the smooth and uninterrupted supply of these various solutions.

With the acquisition of Bombardier Transportation in January 2021, the Group has access to further strategic industrial capacities with competitive industrial footprint across both mature markets, such as Western Europe, North America, Australia, and growing markets, including Eastern Europe, Mexico and India. Bombardier Transportation brings hubs of expertise for locomotives and bogies in Germany, monorail and people movers in Canada, suburban and regional trains in France and the United-Kingdom, traction in Sweden, along with engineering centres in best cost countries such as Thailand and in India. For example, specialised components skillset at Vadodara site, formerly part of Bombardier Transportation, complements and accentuates rolling stock capabilities already present at Bangalore site. It brings also seven well-established joint-ventures in China.

With those immediate strategic additions to Alstom's already diversified footprint, the enlarged Group has access to deeper industrial expertise and is closer to its customers. Its commercial and industrial proximity allows for the precise monitoring of changes in customer needs and the ability to respond quickly.

MAIN ENGINEERING AND MANUFACTURING LOCATIONS

* Engineering locations only.

In 2023/24, Alstom has further invested into a world class high performing manufacturing environment with a standardised global digital backbone, smart tooling, further steps in process automation, robotisation and automated testing. These investments reduce our ergonomic risks, make our processes fully repeatable and reliable, boost significantly our productivity, accelerate our time to market and strengthen our overall quality. For instance:

- In the continuity of the strategy for robotized carbody shell welding, a new aluminum line is under deployment in Wroclaw , combining machining solution with a robot welding gantry, new assets able to produce structural Sub-assemblies.
- Increased bogie welding capacity through a new welding robot cell under deployment in Matranovak, and recently retrofitted robot welding cell in Savli.

On engineering competencies, our – already 20-year-old – "World-class Engineering" campaign asserts our technological bandwidth with the presence of Master Experts and Senior Experts across all technical domains and spread throughout our engineering sites in every region, thus making the best use of diversity and integration. This campaign is based on a successful growth, supported by engineering training academies with a focus on filling competency gaps and training engineers.

Alstom leads the design of eco-friendly solutions and contributes to sustainable mobility while embedding the highest levels of safety, quality, reliability and availability in our design, focusing on listening to our customer – and further stakeholders – requirements on green innovation. These aim to improve our products energy efficiency, use environmentally-friendly, natural, recycled and recyclable materials, as well as reduce emissions.

Our key investments in digital have paved the way for a more integrated and efficient engineering organisation. For example:

- PLM4A (Product lifecycle management for Alstom) is an enterprise-wide programme to enable ONE product lifecycle management for all the Alstom product lines;
- Augmented Reality and Virtual Reality platforms are being used for training special processes like painting & welding, as well as aesthetic design and mechanical design validations; including industrialisation and maintainability;
- Intelligent automation has been deployed globally to replace manually intensive activities such as weight calculations, automatic assembly creation, KPI calculations and visualisation;
- Advanced Validation on functional Test Means allowing early integration and validation on digitalized test benches, in order to shorten test activities on physical trains;
- Artificial Intelligence and Machine Learning have been used to explore automatic requirement identification and language translation;
- Chatbot solutions developed to improve knowledge and access to referential material.

These initiatives are reducing our time to market and strengthening our overall quality and productivity.

We are now a 84,748 people company (to be compared with 80,183 in fiscal year 2022/23) with 184 nationalities, located in 254 sites.

EMPLOYEES AT 31 MARCH 2024

Africa/Middle East/ Central Asia	Asia-Pacific	Europe	Americas	Total
5,720	16,571	47,173	15,284	84,748

With an order book worth 91.9 billion euros, the Group has recruited almost 11,500 (11,464 permanent contracts) talents worldwide since April 2023. This includes around 6,500 engineers and managers, mostly in Europe and Asia-Pacific, and around 5,000 workers and technicians, primarily in Europe, North America and Latin America. These hires are for projects relating to rolling stock, signalling and services. Globally, engineering accounts for half of the permanent position openings.

In China, the presence of the Group is strengthened by 7,613 people working in non-consolidated joint-ventures such as Casco and Bombardier Sifang (Qingdao) Transportation Ltd.

1.2 Alstom's activities in 2023/24

1.2.1 ROLLING STOCK

Alstom is the market leading rolling stock and component supplier covering all customer needs from light rail vehicles to very high-speed trains. We are offering mobility operators and network providers products and solutions throughout the entire rail value chain. As a global market player with local reach, we are always close to our customers. At Alstom, we focus on a modular product approach that seeks to maximize synergies, providing our customers with the best value. Supported by the ecodesign processes Alstom wants to optimize the total cost of ownership and product circularity, ensuring that our products are both efficient in operation and environmentally friendly during production, operation and at the end of their lifecycle. Through innovative products, we make rolling stock smarter and help customers streamline their operations. Our digital offerings enable customers to have future-proof railway solutions, ensuring that they are staying at the cutting edge of transportation technology.

Key Indicators

- 6.4 billion euros order intake (-38%)
- 9.1 billion euros sales (+4%)
- 36,000+ employees
- 70 sites

Year Highlights

- Orders:
  - 3 major frame agreements with Akiem, RAILPOOL and Northrail for up to 200 Traxx™ locomotives
- Deliveries:
  - Alstom presented Italy's first hydrogen-powered train & 1st of its new Coradia™ BEMU train for Germany
  - Delivery of the 300th WAG12B electric locomotive to Indian Railways from Nagpur Depot
  - Alstom inaugurated the RER NG, the New Generation train for the RER D and RER E lines in Île-de-France

1.2.1.1 Light Rail Vehicles

With its Citadis™ product range Alstom is the world leader in trams & light rail (source Alstom), offering a comprehensive range of solutions on the market with large footprint on most continents.

With this product range, Alstom is setting the standard in the market, with an over 30-year track record and around 8,000 vehicles ordered or already in successful revenue service, in more than 140 cities around the world.

Our light rail portfolio features the latest technology and innovations such as the world's first homologated obstacle detection assistance system or the latest catenary-free options. They were tested in various market applications, both for legacy networks as well as for greenfield projects, for the benefit of drivers, passengers, and other traffic participants.

On a day-to-day basis, Alstom's light rail products & services provide urban & suburban transit customers and operators with best-in-class reliability and high availability. Our user-centric approach guarantees a dedicated and enhanced experience for each passenger. The light rail orders, recently won by Alstom, will complement, and contribute to further improving sustainable development and environmental friendliness thanks to the latest fleet renewals.

This year, Alstom signed the AlUla turnkey tramway project in Saudi Arabia. Citadis™ trams will run on the world's longest battery-powered, catenary-free tramway line.

1.2.1.2 Urban

With its wide range of solutions for urban transport needs, Alstom supports its customers in providing safe, reliable, and economic passenger transport. Its Metropolis™ metro cars, as well as the Innovia™ automated people mover and monorail vehicles, are the backbone of urban passenger transport in many countries around the globe. With the range from low to mass transit capacities, Alstom can offer optimized solutions for the individual needs of its customers for new or existing networks. Our efficient and reliable urban solutions are based on proven in-house components. With 50 years of experience in developing and manufacturing driverless urban rail solutions, 2,500 Innovia cars and 6,000 fully driverless metro cars in use, Alstom has proven to be the first choice for autonomous urban solutions. With a special focus on passenger experience, low noise and energy consumption, optimized lifecycle costs as well as minimized environmental impact, Alstom's Metropolis™ and Innovia™ products help cities and urban areas to grow and to serve today and tomorrow's transport needs.

Alstom has been selected by Fideicomiso para el Desarrollo del Sistema de Transporte Masivo (FITRAM) of the Dominican Republic to deliver an integrated Innovia monorail system for the city of Santiago de los Caballeros. Alstom's scope within the contract includes system integration, testing and commissioning of the full system and the supply of Innovia monorail trains as well as Urbalis Flo™ GOA4 driverless signalling.

1.2.1.3 Commuter

The worldwide demand for dedicated railway solutions that enable commuting between cities and their surroundings areas is increasing and in line with the urbanisation trend. According to United Nations' World Cities Report 2022, the worldwide urbanisation rate is expected to increase steadily from 56.2% in 2020 to 68.4% in 2050. Alstom is the market leader in the commuter market segment with a worldwide presence. For more than 60 years, Alstom has delivered over 40,000 commuter cars responding to the needs of railway operators and passengers across all continents, based on a large product portfolio. Alstom's Adessia commuter range reaches all types of commuter service worldwide. The Adessia Stream™ provides single-deck electric and hybrid multiple units, the Adessia Max™ provides high-capacity solutions, and the Adessia™ coaches provides double-deck and single-deck solutions developed for networks in North America. With a contract for 60 Adessia™ single-deck coaches, for the Connecticut Department of Transportation, for its statewide rail system, Alstom demonstrated its ability for successful introduction of this fully new development completing its famous double-deck coach cars portfolio with single-deck solutions. Hybrid Multiple Units with battery or hydrogen fuel cell technology extend our portfolio of electrical vehicles and support the transition to more sustainable mobility and the decarbonisation of transport in urban areas, allowing for the extension of commuter networks through non-electrified lines and subsequently offering citizens wider access to the public transport.

Our commuter solutions are thought to minimize the operating costs of our business partners, while ensuring the highest level in terms of safety and availability. Offering eco-conceived products and designing trains with a focus on experience and inclusivity for all groups of passengers, are among our highest priorities.

1.2.1.4 Regional trains

Worldwide, Alstom has sold over 4,000 Coradia™ regional trains, demonstrating its long-standing expertise in the design, supply, and maintenance of rolling stock.

The Coradia platform offers operators and transport authorities the most comprehensive solution range in the market to fulfil the needs and expectations of passengers.

The broad product portfolio covers all main market segments, from regional to intercity: Coradia Stream™ - single-deck low-floor EMU, Coradia Max™ - high-capacity EMU, Coradia Stream H™ and Coradia Stream B™, zero direct carbon emission solutions with hydrogen and battery power supplies.

Coradia Stream™ for the Nordics is designed to run in wintry conditions and withstand extremely cold temperatures.

Coradia Stream™ is a proven solution, with more than 700 trains ordered by customers throughout Europe, including Italy, the Netherlands, Romania, Denmark, and Norway.

In the double deck segment, more than 500 Coradia Max™ high-capacity trains have been ordered by customers, including CFL Luxemburg's national operator, several German public transit authorities and RENFE in Spain.

In addition to Coradia Max™, Alstom offers further double deck solutions, such as Omneo™, a product specifically designed for France, that combines capacity, comfort, and accessibility. Today more than 500 trains have been ordered with 400 in service.

Moreover, Alstom is ideally positioned to support its customers in the transition away from diesel, with a wide range of green-traction solutions.

In 2016, Alstom launched Coradia iLint™, a hydrogen fuel cell powered train for non-electrified lines. It can accommodate up to 300 passengers and run at up to 140 km/h. Coradia iLint™ has a proven autonomy in daily service of more than 1,000 km between refuellings. Alstom is the pioneer of hydrogen powered passenger trains with two fleets in daily service in Germany, already covering over 2.5 million kilometres in passenger operation.

From late 2024, Alstom will start to deliver 10 Coradia Stream H™ trains to Italian operators FNM and FSE.

With its BEMU prototype, Alstom was the first manufacturer to provide a homologated battery train for passenger service. This technology is now being applied to commercial products. In 2020, Alstom signed its first contract ever for battery powered trains with Coradia Continental™ B-EMU for VMS in Germany.

This year, Alstom has signed two additional Coradia Max contracts (Netz Mitte Schleswig-Holstein and Teilnetz Ostsee-Alster), totalling to 270 ordered Coradia Max in Germany. In addition, we continue to win business with Coradia Stream ("POP" for Trenitalia and STA for OBB), and OMNEO in France.

1.2.1.5 High-speed

Alstom offers the largest range of high-speed trains in the market, from articulated and non-articulated trainsets to tilting technology, single or double-decker architectures, concentrated or distributed traction. Four current flagship products represent the culmination of 40 years of expertise and more than 2,900 high-speed trains sold with Alstom™ technology in 25 countries.

Avelia Stream™ (formerly Pendolino™) high-speed trains ensure excellent flexibility and seamless cross-border service. Based on a single-deck, distributed traction architecture, Avelia Stream™ can leverage the experience of more than 500 trainsets running in 15 countries.

Avelia Stream™ Nordic solution was designed for peak performance through all seasons and has undergone extensive testing in winter conditions.

Avelia Horizon™ brings its predecessor's (Avelia™ Euroduplex™) benefits to a further level, offering 20% more capacity together with high comfort and minimising total cost of ownership, thanks to new articulated double deck coaches. Energy consumption and maintenance costs are reduced respectively by 20% and 30%.

Combining proven technologies, Avelia Liberty™ offers flexibility and comfort with accessibility and reduced operating costs in a train made in the USA.

In addition to its proprietary product range, Alstom™ provides its high-speed and very high-speed technology and experience as member of a consortium or as a supplier to other manufacturers.

1.2.1.6 Locomotives

The manufacturing of locomotives for the purpose of passenger or freight transportation is at the heart of the business activities and expertise of Alstom™ with over 175 years of corresponding experience. More than 5,700 locomotives have been sold throughout the world in the 21st century, demonstrating that its locomotives provide responses well adapted to operators' demands.

Alstom locomotives can cross borders and operate on the many freight and passenger corridors in Europe, being able to run on any of the four main power supply voltages (15 / 25 kV AC, 1.5 / 3 kV DC) and under the most conventional signalling systems as well as with the European Train Control System (ETCS). The latest generation Traxx Universal and Traxx Passenger locomotives platform, together with the leading signalling system Onvia (formerly known as Atlas), substantiate the highly innovative locomotive platform on the European rail transportation market.

Alstom has also developed several heavy haul locomotives forming the Traxx Hauler portfolio. It includes locomotives (double BoBo type, up to 25 tons/axle) for heavy freight operations in India, Kazakhstan and Azerbaijan, that guarantee high reliability and operational performances also under extreme conditions. Another representative of the Traxx Hauler portfolio is the South African 6-axle, electric multi-system locomotive that excels in energy efficiency and reliability. The most powerful member of the Traxx Hauler portfolio is the IORE locomotive, an electric, double CoCo type, up to 30t axle load workhorse. It pulls trains of up to 10,000 t above the arctic circle, in Sweden and Norway.

The Traxx Passenger portfolio includes dedicated 4-axle locomotives running at speeds up to 200 km/h on three continents, namely Europe (widespread), Asia (Kazakhstan, Azerbaijan) and North America (USA, Canada). Apart from using multiple power sources and being based on very different norms and standards, they excel in operating reliably under harsh climate conditions.

Finally, Alstom's Traxx Shunter portfolio comes with environmentally friendly locomotives for shunting, short haul and track works operation. The Traxx Shunter H (Hydrogen) as well as the Traxx Shunter B (Electric-Battery) are emission-free variants, while the Electric-Diesel variant comes with significant fuel savings compared to standard diesel shunting locomotives.

Within the last 12 months, Alstom has been able to secure three major frame agreements with the leasing companies Akiem, Railpool and Northrail for up to 200 Traxx Universal locomotives.

1.2.1.7 Components

Components are the core of Alstom's smart & innovative technologies.

With the widest components portfolio in the railway industry, Alstom offers best-in-class proven components, internally and to original equipment manufacturers (OEM), operators and asset owners, for safer and environmentally friendly travel.

Its range of state-of-the-art systems and products includes bogies, motors, dampers, brake friction pair (discs and pads), switchgear, traction and auxiliary converters, transformers, green traction solutions, interiors elements, train control and information systems.

In addition, Alstom's offer is completed by an extensive range of services including engineering consultancy.

Alstom, with its strong innovation capabilities driving the market, is focusing on 4 pillars:

1. **Energy saving:** alternative energy sources, next generation of batteries, systems with maximized energy recuperation, new motor technologies increasing energy efficiency.
2. **Total cost of Ownership:** light structures as frameless bogies, alternative materials, new traction architectures with SiC (Silicon Carbide) technologies.
3. **Digitalization:** 100% connectivity and information tailored to offer enhanced passenger experience, cybersecurity, artificial Intelligence for digital maintenance assistance.
4. **Sustainability:** ecodesign with sustainable and natural materials, 100% recyclable and healthy interiors. Last but not least, Alstom remains the pioneer in battery & fuel-cell based traction solutions, allowing catenary-free and decarbonized operations.

With a comprehensive 360° market view and over 50 years of experience and references in more than 60 countries, Alstom's worldwide presence enables the company to support local manufacturing, maintenance, and repairs, providing customers access to unrivalled expertise in components.

In 2023, we have further strengthened our interiors organisation along two main axis: 1-expand our capabilities, in particular in our components development sites in Bangalore, India, Saint-Bruno and Canada, with the aim to support more efficiently all Alstom train integration sites worldwide and 2-accelerate and widen our R&D efforts for more innovative, ecodesigned, modern, safe and evolutive train' interiors. Our latest innovations would be included in more than 2/3rd of our Rolling Stock Tenders, supporting Alstom's differentiation strategy and focus on delivering excellent passenger experience. This includes our smart lighting solution, which adapts lighting intensity, temperature, and color to the external environment, which is progressively becoming the standard solution for most of our rolling stock platforms.

Among the latest innovative traction solutions, we can choose from various converter technologies such as silicon carbide (SiC) or 3-level topology bricks, depending on the customer's local needs.

With silicon carbide technology and permanent magnet motor propulsion systems, implemented on traction converters for Chengdu Metro Line 7 (China), Alstom is able to offer not only quieter operations, but also a power consumption reduced by up to 30%.

Having consolidated our bogies & drives portfolio under a new brand landscape, we continue our journey towards enhancing our product management approach and increasing standardization. Highlights of this fiscal year included:

A new motor manufacturing line in Coimbatore, India, was opened to cover the increasing local demand with local products and increased domestic value added. In a second step, we target to address the export market as well.

The order intake of our Le Creusot bogie service division achieved a record high winning overhaul contracts on French and on international markets.

Our Alstom Dispen™ dampers brand celebrated its 40th anniversary.

The motor development site in Ornans inaugurated a brand-new testing facility, subsidised by the French government.

Our component development site in Siegen, Germany, surpassed the threshold of 10,000 ordered Flexx Eco™ inboard bearing bogies offering up to 25% saving on lifecycle cost compared to conventional bogies.

1.2.2 SERVICES

With our unmatched expertise as an OEM, operator and maintainer, broadest portfolio and 16,000 services experts around the world, we support customers over the entire asset lifecycle. We have the largest global footprint, with over 254 sites across 40 countries, ensuring we are always where our customers need us. Driven by customer and passenger satisfaction, we bring reliability, availability and performance to new levels.

Key indicators

- 6.6 billion euros orders (+3%)
- 4.3 billion euros sales (+12%)
- 17,000+ employees
- 254 sites

Year Highlights

- Orders:
  - 30-year maintenance contract for 40 Coradia Stream™ high capacity regional trains with NaSH (Germany)
  - 10-year maintenance contract for 20 state-of-the-art trams for historical site AlUla in Saudi Arabia
  - Mid-life modernisation contract for 28 Citadis™ Regio with significant passenger comfort improvements in Kassel, Germany
  - Comprehensive components' overhaul of 130 Citadis™ trams of Bordeaux, France
- Deliveries:
  - REM, Montreal, Canada: start of first phase of operation and maintenance of 16.6 km for automatic light metro system including a new digital fleet control centre
  - Valley Line, Edmonton, Canada: start of operation and maintenance of the 13-km light rail system
  - Riyadh Metro, Saudi Arabia: successful completion of the trial run on lines 4 and 6, launch of commercial service without passengers in November 2023 and start of trial run for line 5 in December 2023

1.2.2.1 FlexCare Perform^{TM} | Rolling Stock Maintenance

With more than 40 years' experience and state-of-the-art capabilities, Alstom delivers rolling stock maintenance solutions, on both Alstom and non-Alstom rolling stock assets. Long term partner to our customers with more than 50 contracts above 20 years, Alstom maintains and optimises the lifecycle costs of over 35,500 vehicles worldwide, covering the full range of fleets (LRV, APM, metro, regional, mainline, high & very-high-speed trains, as well as locomotives and freight wagons). Our scalable services from technical support with spares (TSSSA), to fully outsourced maintenance schemes, are adjusted to customer needs and operational requirements. Leader in Green Mobility, we continuously innovate and adapt to the needs of our customer fleets, hence able for instance to maintain green vehicles (hydrogen-powered, battery, or hybrid).

Enhanced through innovative digital solutions and advanced maintenance analytics, our rolling stock maintenance activities, maximise asset availability, performance and reliability.

This fiscal year, Alstom completed the acquisition of Reuschling in Germany, a company specialising in maintenance, repair and refurbishment of shunting locomotives expanding our expertise and market reach for this type of rolling stock.

Several long-term maintenance contracts were signed this year, the longest being 30-year full maintenance of 40 Coradia Stream™ High-capacity for Nahverkehrsverbund Schleswig-Holstein in Germany. Furthermore, our customers have once again demonstrated their trust and confidence towards us with the award of a ten-year maintenance contract for the VLocity and Classic fleets in Victoria state in Australia and an eight-year services contract extension with CrossCountry in the United Kingdom.

1.2.2.2 FlexCare Sustain^{TM} | Parts and Component Overhauls

Alstom provides flexible and sustainable parts supply, component repair and overhaul solutions to keep fleets running safely and reliably for the long run. We offer a single-entry point to the largest supplier panel, and quick and efficient local support. Our network of over 50 repair centres, Parts Hubs and 10 dedicated Components Service Centres for key subsystems (bogies & drives, brakes, traction, TCMS, etc.) deliver overhauls and specific repairs worldwide. Two new Component Service Centres were opened this year focusing on passenger information system (PIS) and brake friction. In addition, to further strengthen our expertise in braking systems and components, we finalised the acquisition of Ametsis, Spain-based company specialising in the design, manufacture and maintenance of this key subsystem. We continue developing additive manufacturing to deliver fast and sustainable rail parts, printing our 150,000th part in 2023.

Our rail marketplace StationOne™ allow seamless ordering and shortest delivery lead time. This year, the number of orders via this platform increased four times compared to the previous fiscal year, demonstrating strong growth and demand in key markets such as Germany, Netherlands, Sweden, France, and Spain. Additionally, StationOne™ signed an agreement with Railpool to digitalise 'procure to pay' process for locomotives' spare parts.

The year was marked with important contracts such as Technical Support & Spares Supply Agreement for the Metropolis™ rolling stock running on Singapore's Circle Line (CCL) for nine years, comprehensive obsolescence management services with SBB in Switzerland, Citadis™ sub-systems' overhaul in Bordeaux, France or bogie overhaul for Amsterdam's metro fleet.

1.2.2.3 FlexCare Modernise™ | Asset Life Management

Alstom's Life, Green and Smart modernisation solutions address a wide range of customer needs such as minimising lifecycle cost, reducing environmental impact, and enhancing passenger comfort and train performance.

Our services are scalable and adjusted to our customers' requirements: from performing modernisation engineering studies, validating solutions, obtaining regulatory certifications, and delivering associated kits so that customers can complete their projects internally, to leading the entire project up to industrialisation, testing and train recommissioning.

We leverage, for instance, digital services for smart modernisation offering, or 3D printing for rapid prototyping and repair.

This year, among other contracts, Alstom was awarded contract by Le Mans Metropole Communauté Urbaine in France for the tram extension from 32 to 44 meters, increasing transport capacity by 40%.

1.2.2.4 Train Operations and System Maintenance

As train manufacturer, operator and maintainer, Alstom offers efficient, innovative, and integrated solutions where performance optimisation and passenger experience is key. Our train operations & system maintenance offering covers the full spectrum of customer needs, including operations for all types of fleets, maintenance for trains, rail systems and infrastructure, as well as turnkey and Private Public Partnership (PPP) solutions.

With close to 50 projects currently in service, we have established long-term collaborations with many of our customers, some spanning over 40 years. We ensure that our customers gain the maximum value from their assets and enable system availability often exceeding contracted values. Our efficient interface management provides seamless coordination between partners, third-party maintainers and operators, regulatory agencies and more.

Demonstrating our commitment to safety and operational excellence, our team responsible for operating and maintaining the Maryland Area Regional Commuter (MARC) in USA has achieved an incredible milestone of ten consecutive years without a single lost time accident.

Alstom announced its intention to introduce a new passenger rail service across England and Wales. Working in partnership with rail development and delivery specialist SLC Rail, the open-access operation will be known as the Wrexham, Shropshire and Midlands Railway (WSMR) and service could begin as early as 2025.

1.2.2.5 Digital Solutions

Digitalisation of railway services is crucial to optimise fleet and system performance. Alstom's portfolio of digital solutions responds to individual needs of our customers and helps them overcome business challenges. We offer modular and future-proof solutions to optimise operations and maintenance activities, and enhance passenger experience, helping to reach and exceed reliability, performance and profitability targets.

Our offering includes digital maintenance solutions like HealthHub™, which uses powerful advanced analytics to define efficient maintenance interventions. With smart data acquisition tools like TrainScanner and InfraScanner we are able to automate manual inspection and provide key insights to enable a shift towards condition-based and predictive maintenance. Our digital operations solutions support operators with real-time information on fleet performance, energy monitoring and optimisation, and remote capabilities like train wake-up and software updates. With passenger comfort and safety in mind, we also support operators in providing excellent travel experience through passenger information and entertainment, as well as CCTV applications ensuring secure journeys. Leveraging the latest virtual (VR) and augmented (AR) reality technology, we offer cutting-edge simulation solutions, providing training and real-time support for product introduction, train operation, and maintenance activities. We currently have over 35 customers worldwide implementing our eXtended Reality (XR) solutions including simulators, VR and eTraining. Finally, our Alstom Customer Portal supports our responsive digital customer relationship management, offering our customers a single entry point to our digital solutions.

Smart modernisation

Alstom's Smart Modernisation is a part of FlexCare Modernise™ portfolio and offers solutions that bring trains up to date with upgraded performance, new functionalities, and innovative technologies. With a catalogue of close to 100 solutions to improve energy efficiency, operational performance, passenger experience, and digital services, we empower operators to stay competitive and keep their fleets up to date with the latest industry innovations. Our operation performance solutions extend to upgrading subsystems to improve the safety, fluidity, frequency, and city integration of train operations. Energy performance improvements focus on monitoring and upgrading the main energy consuming subsystems of trains, such as driver advisory systems that can reduce traction energy consumption by up to 15%. Passenger experience solutions focus on upgrading interiors, accessibility, comfort, accessories, information, and connectivity systems.

1.2.3 SIGNALLING

Key indicators

- 2.3 billion euros orders (-20%)
- 2.6 billion euros sales (+9%)
- 19,000+ employees (incl. Systems)
- 30+ engineering sites (incl. Systems)

Year Highlights

- Orders:
  - In November 2023, Alstom won a 300 million euro contract to equip 2 RER lines in the Île-de-France region with the latest NExTEO signalling technology.
  - For Signalling and Infrastructure Services, a Long-Term Service Support contract signed with Sydney Metro (City & Southwest) for 10 years, and renewal of a Technical Support and Spares Supply Agreement with PKP PLK in Poland for a further 2 years.
  - As part of the national plan to deploy ETCS on all trains in Italy, a major framework agreement has been signed to convert legacy system (SCMT) with ETCS on more than 850 vehicles.
- Deliveries:
  - In India for NCRTC, a flagship project on the new commuters' corridors in the Delhi area, Alstom is delivering a complete solution, capitalising on its expertise on ETCS/ERTMS projects, including latest development in train automation (ATO), capacity increase (ETCS Hybrid Level 3) and modern radio communication (LTE).
  - Entering revenue service, Alstom has supplied one of its widely proven and constantly upgraded CBTC system for the Red Line in Tel Aviv, Israel.
  - Alstom was the proud theme sponsor of the 2023 Collegiate Penetration Testing Competition (CPTC), the world's largest offense-based collegiate cybersecurity competition started by the Rochester Institute of Technology's ESL Global Cybersecurity Institute. This sponsorship introduced, for the very first time, a cybersecurity rail transportation theme to the global competition involving over 100 schools across the globe.

To grow sustainable mobility, we need to increase capacity and efficiency on our existing public transportation systems, to persuade people to choose to travel by collective transport instead of personal vehicles, to transport more merchandise by train than by truck. Digitalisation can help achieve this: by putting the control of the train in the hands of the digital signalling system, speed and braking are perfectly optimised, allowing our customers to run more trains at faster speeds and shorter intervals. Digital signalling and control therefore improve the overall passenger experience through increased capacity, reduced delays and shorter journeys.

Alstom makes every effort to reduce costs associated with this business by relying increasingly on outsourcing its electronic systems production and by establishing engineering centres in new regions, such as in Bangalore (India). In order to optimise its development efforts, Alstom's signalling products and solutions rely on shared processes.

Alstom's offer is focused on two separate segments of the market: main line networks and urban networks – for which Alstom offers complete and integrated solutions, which are customisable, based on the needs of its customers. In addition, it also offers passenger security solutions, and control centres for network management.

On April 19th, 2024, Alstom annonced the sale of its North American conventional signalling business.

1.2.3.1 Mainline Train Control

Our mainline digital signalling solutions are ranging from freight traffic to regional and commuter, intercity and high-speed lines and help our customers to optimize traffic, ensure efficiency and gradually automate operations with a competitive total cost of ownership.

European Train Control System solution

ETCS/ERTMS standard (European Train Control System/European Rail Traffic Management System) aims at replacing the different national train control and command systems to have a unique European train control system in order to improve interoperability and efficiency. It is designed to gradually replace the existing incompatible systems throughout Europe.

The ETCS/ERTMS standard has now been adopted by rail operators for different types of rail operations from suburban to very high-speed rail and by operators from many countries outside Europe. Having played a key role in defining these ETCS/ERTMS standards, Alstom's answer to these challenges through complete solutions integrating all of the network's data in order to automatically adapt the speed and distance between trains, including whenever the train crosses borders.

Freight train control solutions

In low-density railway networks, and for customers operating in harsh and remote locations, traditional signalling systems can prove difficult and expensive to install and maintain. Using satellite positioning and virtually no wayside infrastructure, Alstom's flexible and resilient answer is the Incremental Train Control System (ITCS). ITCS offers proven performance in daily revenue service since 2001 with over 2,000 km in operation having been deployed on freight and mixed traffic lines in the USA, China, Australia, and Colombia.

1.2.3.2 Urban Train Control

Increasing urbanisation, security, environmental pollution, and the lack of adequate mobility solutions are the main challenges that urban transportation faces today. Alstom constantly upgrades its urban signalling solutions, enhancing transport capacity and providing maximum operational flexibility.

As part of its range of products for urban networks, Alstom offers both onboard and on-track products (interlocking and trackside equipment) and solutions (automated control system, control center).

Communications Based Train Control (CBTC) solutions

Alstom's Urbalis™ family of CBTC solutions have equipped more than 180 lines over the world. Some of the most recent contracts being Istanbul UAG M12 (Turkey) being equiped with Urbalis Flo™ (formerly known as Cityflo™ 650) and Panama City L1 (Panama) being equiped with Urbalis Forward™ (formerly known as Urbalis™ 400).

To further improve urban transport capacity, Alstom developed Urbalis Fluence™, the next generation CBTC with its world-first implementation for Métropole Européenne de Lille. It is the first urban signalling solution with more on-board intelligence and direct train-to-train communication. The solution offers operators greater transport capacity, reducing headways to 60 seconds while ensuring the highest operational availability and improved total cost of ownership through a 20% reduction in the amount of equipment, energy savings of up to 30% and adds up to 20% in line capacity. Highest operational flexibility is achieved by enhanced on-board intelligence and autonomous train-centric decision making in case of incidents.

Conventional Train Control solutions

Our legacy Cityflo™ solutions assists and supervises the driver in some crucial functions, such as speed control and calculation, emergency stop signals, vigilance system. From trams to light rail vehicles to metros, our solutions deliver the highest levels of safety while meeting operator demand for flexible, high-performance and cost-effective solutions.

1.2.3.3 Interlocking

Based on the overall level of network traffic, Alstom interlocking systems, Onvia Lock™ (formerly known as Smartlock™ and Ebi™ Lock) will allow – or not – a train to continue its journey when it crosses a given point machine by following a safe itinerary that avoids all risks of conflict with other trains' itineraries, whether on urban, freight, or main line networks. They are interfaced with onboard control systems and control centres. For Onvia Lock™ , Alstom has more than 1,900 interlockings deployed in more than 50 countries worldwide.

1.2.3.4. Track Products

Alstom offers a complete range of Signalling Track Products and solutions (Point Machines, Axle counter and Track Circuit, Level Crossing solutions and balises) that can serve all types of railway applications. Thanks to digitalisation and high connectivity the entire portfolio is fully integrated with control systems and embeds the highest level of preventive and corrective maintenance.

1.2.3.5 Supervisory system

As the need for more efficient rail network operation increases as a result of an effort to optimise the use of assets, operators need a system that is able to provide a fully integrated monitoring and control system for all operational (train movement control, incident management, resource allocation) and functional (static in-station or onboard functions) elements of the network. This system must be easily customisable to rapidly take into account the operator's structure and operation procedures. Alstom's solutions focus on passenger safety and the management of information intended for them.

Traffic Management

Onvia Vision™ and Urbalis Vision™ (formerly known as Iconis™ and Ebi™ Screen) control centre solutions oversee and control all aspects of the traffic management.

Alstom's automated control system guarantees train adherence to schedules and automatic optimisation of routes with respect to the operational tasks needed by the several actors involved in Traffic Management to obtain a real and feasible conflict-free resource utilisation. It provides network operators with a general view of the status of network traffic and enables them to interact directly with the system at that level.

Security/Closed Circuit TeleVision (CCTV)

Protecting passengers and their belongings from any potential security threats is a central focus for Alstom. Relying on its technical know-how, which enables it to evaluate precisely the risks faced in all the segments of the rail industry, Alstom offers a state-of-the-art advanced security system that is modular, easy to integrate and operate around the clock, and that handles all functions intended to guarantee the safety and security of passengers.

1.2.3.6 Infrastructure and Signalling services

Infrastructure and signalling systems designed and delivered by Alstom ensure safe and optimised operation of the railway throughout its lifetime. Maintaining systems over such a timeframe requires a modern approach to services, especially considering rapid technological advancements and growing demands for capacity. Alstom addresses this by combining digital technologies with significant experience in developing, upgrading and maintaining signalling and infrastructure systems as reflected in our comprehensive portfolio of services. From traditional support such as provision of help desk, spare parts and repairs, to more advanced services including lifecycle management and cybersecurity, Alstom delivers the relevant product expertise, technology and processes for optimal performance of the railway system. With services provided to over 70 customers on all continents, Alstom is a long-term partner to railway operators and infrastructure owners around the world.

Some of the highlights of this year were a Long-Term Service Support contract signed with Sydney Metro (City & Southwest) for 10 years, and renewal of a Technical Support and Spares Supply Agreement with PKP PLK in Poland for a further 2 years.

1.2.3.7 Smart Mobility

Mobility Orchestration

Our mobility orchestration solution, Mastria™ is designed to meet the current and future needs of "smart cities" and coordinate all types of public transport, from rail to road. It monitors, integrates, regulates and optimizes mobility offers over the whole public transport network (trip plan, capacity adjustment) and uses advanced data analytics and algorithms to predict and anticipate impact on traffic in order to optimise Mobility Demand.

Connectivity

Nomad Digital is a world leading provider of passenger, fleet management and monitoring solutions to the transport industry. It offers a solutions portfolio to both transport operators and OEMs that facilitates a significantly enhanced passenger experience with seamless connectivity, real-time journey information and on-board entertainment. Improved fleet availability and operational efficiencies can also be achieved with its real-time monitoring solutions as well as AI and machine learning expertise providing key data insights for operations and maintenance. In total it has implemented solutions on more than 100 fleets with over 10,000 rolling stock units and serving infotainment to circa 1.7 billion passengers each year.

Data-driven rail mobility

As the digitalization of public transportation is growing, the need for combining all the data is rising, from train, track, signalling, passenger, ticketing, city event and road traffic. Alstom combines mobility data science, machine learning & Artificial Intelligence as well as its expertise to answer mobility challenges on four pillars: assets availability (condition monitoring, predictive maintenance), operations (traffic management, performance simulation), energy (consumption, simulation and optimization) and people flow (passenger demand and people flow prediction).

1.2.3.8 Cybersecurity

In a digital world driven by software and connectivity, having assurance that data and networked systems are protected is a basic requirement to ensure continuous operations. To answer to cyber threats that are constantly evolving along with global standards and regulations appearing in the various countries, Alstom has developed a market-leading cybersecurity capability that matches proven security expertise in Information Technology and Operational Technology with deep product knowledge and deployment experience.

Alstom implements cybersecurity in railway projects all over the world, covering all market segments throughout the rail cybersecurity lifecycle, from building a new line to launching a new type of train, or addressing legacy systems. Our offering covers Consulting services (scanning, pentesting), Vulnerability Management, Cybersecurity Enhancements (system/product evaluation) and Security Operations. We work with trusted partners to set best practices and benchmark standards for the rail industry, along the entire value chain and our solutions are compliant with ISO 27001, TS 50701, IEC 62443 and the future IEC 63452 cybersecurity standard.

In line with last year's trend, we continued signing Cybersecurity enhancement contracts this year, notably in the US, Australia, Italy and France.

1.2.4 SYSTEMS

Key indicators

- 3.7 billion euros orders (x3.7)
- 1.6 billion euros sales (+7%)
- 19,000+ employees (incl. Signalling)
- 30+ engineering sites (incl. Signalling)

Year Highlights

- Orders:
  - Alstom was chosen to deliver the first-ever charging substation for BEMUs at the Drogheda Station near Dublin, Ireland and its respective Depot Electrification.
  - The Consortium SIF — led by Alstom and including Sofratesa — has been selected by Fideicomiso para el Desarrollo del Sistema de Transporte Masivo (FITRAM) of the Dominican Republic to deliver an integrated Innovia monorail system with 13-kilometre and 14-station for the city of Santiago de los Caballeros.
  - In January 2024, Alstom signs contract with The Royal Commission for AlUla for the Tramway Project in the Kingdom of Saudi Arabia worth more than 500 million euros.
- Deliveries:
  - In July 2023, Alstom has completed the delivery of the first train of the Tren Maya turnkey project to the Federal Government and Fondo Nacional de Fomento al Turismo (FONATUR) of Mexico.
  - Alstom's automated Innovia monorail system enters service on Bangkok's MRT Pink and Yellow Line in 2023
  - In Rio de Janeiro, Brazil, Alstom's Infrastructure teams delivered with success the extension of VLT Tramway line, with its catenary free solution, APS™.
  - Alstom has successfully completed the first ever delivery of its APS™ solution to a non-Alstom Tramway manufacturer and its related 10 km long catenary-free infrastructure for Halic Golden Horn line in Turkey .

1.2.4.1 Infrastructure

Alongside its expertise in the execution of track, electrification and electromechanical equipment projects, Alstom develops innovative infrastructure solutions to achieve reduced costs, faster delivery and improved energy efficiency of urban and mainline transport projects. As track works play a significant role in the duration of a project, Alstom designed Appitrack™, an automated track-laying solution, for slab track and plinth, capable of installing urban tracks up to four times faster compared to traditional methods. Alstom also co-developed HAS™, a track solution composed of concrete sleepers on resilient pads placed in a rigid boot, attenuating ground-borne noise and vibrations.

To achieve significant energy efficiency for urban and suburban rail transport networks, Alstom has created Hesop™, an advanced reversible substation featuring both the traction and recovery functions, in one single converter. Throughout the entire operational lifecycle of urban transport networks, Hesop™ has the ability to recover over 99% of the available braking energy from the trains. This energy optimisation enables the reduction of the number of substations by 20% in new built projects or increase the traffic up to 40% on existing lines. 136 Hesop™ converters have been sold worldwide.

Alstom also continues expanding its footprint with its catenary-free tramway solutions, with APS™, a technology powering trams at ground level via a segmented third rail.

1.2.4.2 Turnkey Systems

Alstom capitalised on its multidisciplinary knowledge and experience to offer integrated systems able to manage every aspect of a railway system: trains, signalling and telecommunication, infrastructure and system integration. Alstom offers these solutions both in the urban transportation market and the mainline transportation market, to answer to the challenges of rapid population growth and high density. Resulting in performance optimisation and a reduction in project delivery and the total cost of ownership. With numerous lines under construction underway around the world, Alstom continues to cement its position as a global leader for integrated systems projects. This is an area in which Alstom has an excellent track record with the most recent contracts such North South Commuter Railway, in Philippines, Santiago de los Caballeros monorail in Dominican Republic or Cluj Metro in Romania.

Alstom is number one in Metro turnkey solutions with the largest track record of lines in construction and service. Alstom has the most extensive portfolio of capabilities and technologies to build turnkey metro systems to every city's requirements.

Alstom is also pioneer in monorail solution with its sleek Innovia™ monorail vehicles running on slender guide beams, seamlessly integrated into urban environments with commercial success.

At the forefront of developing automatic people movers (APM), Alstom offers integrated Innovia™ APM system customised for every customer need with over 30 Turnkey APM systems delivered for more than 50 years with full O&M support.

Alstom complements its turnkey urban system offering with its tramway integrated systems that include rolling stocks, signaling and telecom with significant recent contracts such as AlUla Tramway in Saudi Arabia.

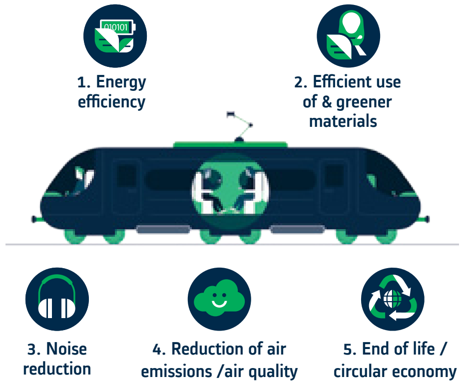
1.3 Research and development

As a major actor of transport and mobility, Alstom is focused on creating innovative and sustainable solutions for the rail transport industry. The net (before PPA) R&D/sales ratio has been sustained at ca. 3.1%, in FY 2023/24. Alstom continues investing heavily in the development of new technologies and solutions that can help improving the performance, reliability, and sustainability of rail transport systems. Alstom's key R&D priorities include:

- Digitalization: Alstom is focused on leveraging digital technologies to improve the efficiency, reliability, and safety of rail transport systems. Alstom is investing in technologies such as big data, artificial intelligence, and the Internet of Things (IoT) to develop new solutions for predictive maintenance, energy optimization, and traffic management.
- Energy Efficiency: Alstom is committed to reducing the energy consumption and carbon footprint of rail transport systems. The company is investing in technologies such as regenerative braking, lightweight materials, and energy-efficient traction systems to reduce energy consumption and emissions.
- Hydrogen Mobility: Alstom is a leader in the development of hydrogen-powered trains, which offer a clean and sustainable alternative to diesel-powered trains. The company is investing in research and development to improve the efficiency and performance of hydrogen-powered trains and to develop new solutions for hydrogen production and storage.
- Signalling and Train Control: Alstom is investing in R&D to improve the safety, capacity, and efficiency of rail transport systems through the development of advanced signalling and train control solutions. In addition, Alstom is developing new technologies such as automatic train operation (ATO) and train collision avoidance systems (TCAS) to improve safety and reduce delays.
- Passenger Experience: Alstom is investing in R&D to improve the passenger experience on trains and at stations. The company is developing new technologies such as virtual reality, augmented reality, and mobile applications to enhance the comfort, convenience, and entertainment of passengers.

All the R&D efforts are focused to address the expectations of the customers and passengers as well as addressing the environmental and sustainability impact of its offers. Alstom aims at proposing attractive solutions with high capacity and an optimised lifecycle cost to its customers. Alstom is also committed to have 100% of its main solutions covered by ecodesign approach by 2025.

ECODESIGN FIVE PRIORITIES



1.3.1 DEVELOPMENT OF THE RANGE

1.3.1.1 Rolling stock

Programs funded by "Hy2Tech" IPCEI (Important Project of Common European Interest) have been launched. This important European program will allow to further develop the components portfolio needed for hydrogen powered trains, fuel cell powerpacks, batteries and power converters. It will support the development of new hydrogen trains for regional applications, shunting locos and freight, leveraging on the experience collected with Coradia iLint™ regional trains that are now in revenue service.

Components

Alstom has further improved the performance of its components' portfolio in term of energy efficiency, weight reduction and reliability.

The new products will be even more modular, contributing to planning improvement and fix cost reduction in project execution.

Commuter Trains

The replacement of Adessia™ commuter train has been launched to address the U.K. and USA markets. This new product range will include EMU (Electrical Multiple Unit), BMU (Battery Multiple Unit), BEMU (Battery Electric Multiple Unit) and HMU (Hydrogen Multiple Unit) versions to also replace the existing Diesel trains.

Development of the Avelia™ range

The development of Avelia™ range continues. License tests of Avelia Horizon™ are planned in 2024 to enable a start of revenue service in 2025. The development of international configurations is ongoing.

Alstom has launched the development of Avelia stream™ 300, addressing the high-speed single deck segment with a first project for Italo.

Light Rail

Based on Citadis™ DNA, Alstom is developing a light rail vehicle addressing the specificities of the market in the USA with a focus on passenger experience and the possibility to operate without catenary.

1.3.1.2 Infrastructure

SRS™ for Tram & Bus – ground based, automatic & interoperable charging solution by contact

The Alstom SRS™ (Static Charging System) solution is a ground-based charging solution for trams and electric buses. It enables the rapid and efficient charging of electric vehicles, eliminating the need for overhead wires along the route. The SRS system works by using a set of power rails that are embedded in the ground at passenger stations or at the depots.

The power rails are energized only when a vehicle equipped with a special collector system stops over them. The collector system is mounted underneath the vehicle and makes contact with the power rails to transfer power to the vehicle's batteries. Main benefits are its interoperability and its compact design that allows an easy integration into a city.

The Tram version is in operation in Nice since 2018 on the lines 2&3.

The first fast city charging solution for e-bus is being implemented along the TZen 4 line in the suburbs of Paris as well as at the line's Depot.

Electrical Road – APS for Road Vehicles (ground based dynamic charging)

Alstom's APS system for Road, is a solution derived from Alstom's proven APS for Tram solution, transposed to serve the electric road vehicles market.

The APS system works by using a set of power rails that are embedded in the road surface. The rails are connected to a power source and energized only when an electric vehicle equipped with a power collector system passes over them. This collector system is mounted underneath the vehicle and makes contact with the power rails to transfer power to the vehicle.

Providing the necessary energy for its movement it also allows the electric vehicles to recharge their batteries while driving, eliminating the need for lengthy stops at charging stations.

A Pilot project is in progress, led by "Autoroutes et Tunnel du Mont-Blanc" (ATMB), where Alstom will test its APS for Road solution, at the Vallée de Chamonix-Mont Blanc helping the decarbonization of the freight road transportation. The first phase of this Pilot, will take place at the "TRANSPOLIS" experimental area, prior to proceeding to the second phase on an open route within the ATMB network.

1.3.1.3 Turnkey

Safe infrastructure for autonomous shuttle

There is a growing interest in self-driving vehicles designed to transport passengers along a predetermined route without the need for a human driver. Some autonomous shuttles are designed to operate on a dedicated route, while others can adapt to changing traffic conditions and pick up passengers on demand. They are an example of the growing trend towards autonomous vehicles and the development of smart transportation systems. These autonomous shuttles typically use advanced sensors, cameras, and software to navigate roads and avoid obstacles. Alstom is pursuing the development of an intelligent connected infrastructure which will allow efficient and safe operation for autonomous shuttles and connected vehicles among others priority vehicles. Alstom, within a consortium, will deploy its system in the center of Chateauroux with its partner Easymile**.** Easymile provides software and complete solutions for driverless mobility and goods transportation and was the first, with several mass operations around the world, to deploy fully driverless at Level 4 of autonomous driving. It is also the first autonomous vehicle solutions provider to be ISO 9001:2015 certified.

1.3.1.4 Signalling

Alstom pursues its signalling developments around three pillars: digitalisation, from hardware to software; automation for more fluidity; cyber-security for a safe and secure mobility.

Our R&D programmes address a wide range of needs:

- mainline with ERTMS train control solutions Onvia Control™ and Onvia Cab™, and interlocking Onvia Lock™;
- this includes development of Automatic Train Operation (ATO) for open systems;
- urban CBTC solutions for metros and tramways: Urbalis™ family;
- Urbalis Fluence™, is the world's and only train-to-train CBTC system that reduces the need for trackside equipment;
- operational Control Centers: Onvia Vision™ and Urbalis Vision™, maximising traffic fluidity and orchestrating operations from distance;
- operational and maintenance services HealthHub™ Signalling, capturing maintenance data and elaborating diagnostics and prognostics for the operators.

The development of world-class cutting-edge core frameworks, transversal to the whole portfolio, enables Alstom to maximise synergies and technicality: powerful multicore on-board and wayside computers and networks and telecommunication systems compatible of latest standards to ease solutions roll-outs.

Developments are well served by an engineering organisation capable to maximise our R&D investments and assets throughout Alstom technological centers.

1.3.1.5 Smart Mobility

Alstom is now a reference actor in Smart Mobility, which is a key enabler for modal shift – from private cars and other transport modes to rail transit – required to reach net-zero objectives in the transportation sector by 2050, in line with Paris Agreements.

Smart Mobility uses advanced technologies and innovative solutions to make transportation more efficient, sustainable, and safe. It involves the integration of various modes of transportation, such as public transit, ridesharing, and micro mobility options like bikes and scooters, into a seamless and interconnected network. Smart mobility solutions typically rely on data-driven approaches, including real-time traffic data, user demand data, and predictive analytics, to optimize transportation systems and improve the overall mobility experience for people. By promoting smarter, more sustainable modes of transportation, smart mobility can help reduce traffic congestion, lower carbon emissions, and enhance the accessibility and convenience of transportation systems for everyone.

Alstom has engaged on the journey to transform, along with its customers, its products/solutions portfolio, as well as its delivery model, to capture those opportunities. Acceleration of digital technologies deployment is creating new opportunities and expectations from our customers: transport operators are looking for digital solutions to improve their financial and operational performance. To this end Alstom enriched its portfolio with more advanced decision support solutions, based on data or video analytics, advanced signalling simulators and artificial intelligence. These new data driven services enable new access capabilities to the data generated by Alstom assets and Alstom digital ecosystem offers Software as a Service (SaaS) solutions while integrating advanced data science algorithms as software components to Alstom's products and platforms.

Furthermore, Alstom is well positioned to answer to tomorrow's autonomous mobility challenges thanks to its strong expertise in integrated transport system with proven records in connected/intelligent infrastructure and more than 70 driverless references.

In 2023 Alstom and SBB, the Swiss national railway company, started a series of tests with a Traxx Shunter H4 locomotive. The project involves testing a shunting driver's cab, with modifications made to the hardware and software of a Traxx Shunter H4. The aim of the project is to define the driver's cab, improve communication between the control center and the vehicle via public 4G/5G networks, and implement a fail-safe mechanism to stop the vehicle in case of communication disruptions. The project will also offer comprehensive support to SBB to test and investigate human-machine interactions. Furthermore, SBB train drivers will receive in-depth training on the use of the enhanced remote control system to ensure its safe and effective use.

1.3.1.6 Services

Research & development in Services is focused on addressing, sustainable and more efficient operation concepts. Sustainable re-tractioning initiatives include for example conversions of regional trains to full battery traction, the retrofit with hydrogen-fuelled internal combustion engines for locomotives or providing the autonomy for non-electrified lines via so-called "Last-mile" functionality.

Digital solutions within its broad scope of research & development addresses, among others, the enhancement of predictive and condition-based maintenance as well as improvement of operational efficiency and cyber-security.

1.3.2 INNOVATION

Alstom unites around 24,000 engineering professionals towards one goal: to become the leading global innovator in sustainable and smart mobility solutions.

In March 2024, Alstom's intellectual property portfolio consisted of a comprehensive and refined collection of 9,880 patented inventions as well as 966 pending patent applications, reflecting the company's dedication to innovation and progress.

1.3.2.1 Innovation strategy

Our world is recovering from the Covid-19 pandemic, passenger demand is increasing driven by demographics but at the same time the transport sector is responsible for approximately one quarter of greenhouse gas emissions and must find solutions to cope with a net-zero trajectory by 2050, in line with Paris Agreements.

Digital transformation is also an essential part of the group innovation strategy, advancing digital solutions, integrating AI into its building blocks across the whole railway system to create synergy and give its customers more freedom and flexibility in their operation. Equally important is Alstom focus on cybersecurity which ensures the integrity and security of rail systems against digital vulnerabilities that could disrupt normal operations.

The industry may also face disruptions in the supply chain because of shortage of critical materials, bottlenecks and protectionism which make resilience an important topic.

Alstom innovation strategy will thus aim at designing solutions to:

- the steady growth of transport demand in quantity but also in all its diversity;
- a resilient mobility ecosystem facing geopolitical shifts, macroeconomic challenges and climate change;
- zero-emission mobility solutions.

To fulfill these objectives, a list of key enabling technologies have been developed with a vision towards 2030.

A worldwide network of innovation champions is in place on Alstom sites in order to deploy locally the innovation process and strategy and boost the idea creation, both internally and through external ecosystems.

To reinforce the inclusion of all employees into the Innovation Dynamic, the last 3 years, Alstom has created The Innovation Race. An internal challenge to gather the best possible Innovation ideas in a limited period of time. This year "Innovate to Deliver" was the topic for the Race. With more than 1,900 ideas collected, coming from all our Regions, functions & Platforms this Race was the biggest success ever. After a quite selective process 8 of them have integrated the Incubation phase of the Innovation Collaborative Program to be further developed.

1.3.2.2 Europe's Rail Joint Undertaking

The objective of Europe's Rail Joint Undertaking is to deliver a high-capacity integrated European railway network by eliminating barriers to interoperability and providing solutions for full integration, covering traffic management, vehicles, infrastructure, and services, aiming to achieve faster uptake and deployment of projects and innovations. It will exploit the large potential for digitalisation and automation to reduce costs, increase capacity and enhance flexibility and reliability, and will be based on a solid reference functional system architecture. Alstom is a founding member investing about 35 million euros by 2029/30 (o/w circa 4 million euros in 2023/24 and circa 10 million euros in 2024/25) and together with 25 suppliers, operators and infrastructure managers participates in the Innovation and System pillars. The innovation projects are in phase 1 running until 2026 and will be followed by phase 2 and 3 until 2030 with a focus on demonstration and deployment. The innovation projects are developing:

- Interfaces between Traffic Management Systems, and Centralized Traffic Control applying standardized communication platform.
- Automatic Train Operation up to GoA4 demonstrator.
- New innovative methods, products, and services to minimise asset life-cycle costs and extend life cycles for infrastructure and rolling stock.
- Next generation traction battery and high-performance bogie.
- Mechanical and electronic integration of the Digital Automatic Coupler for freight.

The goal of the system pillar is to ensure that the evolution of the rail system is based on common operational visions and a layered functional architecture allowing the rail sector to converge on a strategic vision for the evolution of the Single European Rail Area. This includes Interoperability, digitalisation, standardization, and automation.

1.3.2.3 I Nove You™: Unleashing innovation from within

Alstom can only be as innovative as its people. It is the ingenuity of our employees that fuels the company's drive to shape the future of mobility. To channel this positive energy, Alstom created almost 16 years ago I Nove You™. It is Alstom's annual contest to recognize innovations already demonstrated. Alstom teams start new, creative, innovative projects, and showcase them to the whole company. This internal idea contest not only promotes innovation initiatives and rewards the best innovation projects, but also contributes to the recognition of the technical and business competencies of the teams involved. Innovation champions and Regional leaders are deeply involved to boost submissions by supporting employees.

This year's edition has been a success again, with over 1,500 projects being submitted within 6 categories. and involving more than 3,100 participants from all regions and all product lines.

The I Nove You™ programme already recognised solutions that are now successfully available to our customers. For instance, "Virtual homologation software for railway dynamics", the 2023 special prize in the "cost efficiency" category offers features that enable the use of virtual homologation, either partially or entirely, for railway dynamics. This helps to speed up the process of introducing new products to the market and cuts down on the costs associated with the approval of rolling stock.

In the past, successful products and solutions were awarded a prize: Rail Buckle, a data based solution to anticipate rail deformations due to climate change, Coradia iLint™, the world's first hydrogen train, StationOne™, the online platform for spare parts, or HealthHub™, Alstom's digital maintenance suite, Hesop™, a reversible substation that can reinject up to 99% of braking energy into the network or Healthier Mobility solutions like PEPA™ filter, an antiviral HVAC filter that catches and kills viruses.

1.4 Value creation model

TRENDS **1** POPULATION GROWTH AND INTENSIFIED URBANIZATION

OUR RESOURCES

HUMAN

- **84,748** employees of **184** nationalities
- **23,961** engineers
- **9,880** pantented patents and 966 pending applications

FINANCIAL

- Orders: **€18.9 bn**
- Equity: **€8.8 bn**
- Free cash flow: **€-557 m**
- Adjusted operating margin: **5.7%**

NATURAL

- **-24.1%** energy intensity of our products vs 2014
- **75%** of electricity from renewable sources
- **91%** waste recovery
- **92%** of products can be reused or recycled

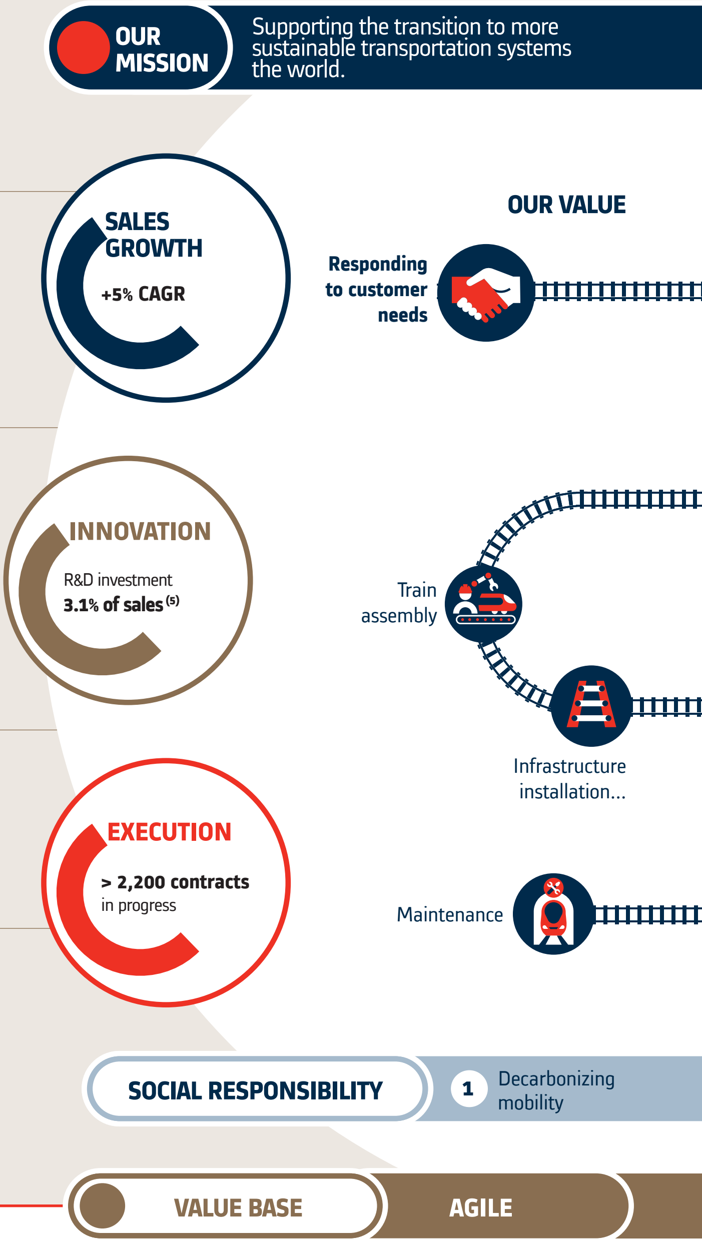
INDUSTRIAL

- **254** sites in **64** countries
- Industrial CAPEX: **€307 m**

SOCIETAL

- **1,000** customers in **77** countries
- **ISO 37001** anti-corruption certification [(1)]
- **91%** of suppliers monitored or assessed on CSR and E&C according to their level of risk
- **€2.2 m** Foundation budget

OUR BUSINESS MODEL



OUR MISSION Supporting the transition to more sustainable transportation systems the world.

SALES GROWTH
+5% CAGR

INNOVATION
R&D investment
3.1% of sales [(5)]

EXECUTION
> 2,200 contracts in progress

OUR VALUE

SOCIAL RESPONSIBILITY 1 Decarbonizing mobility

VALUE BASE **AGILE**

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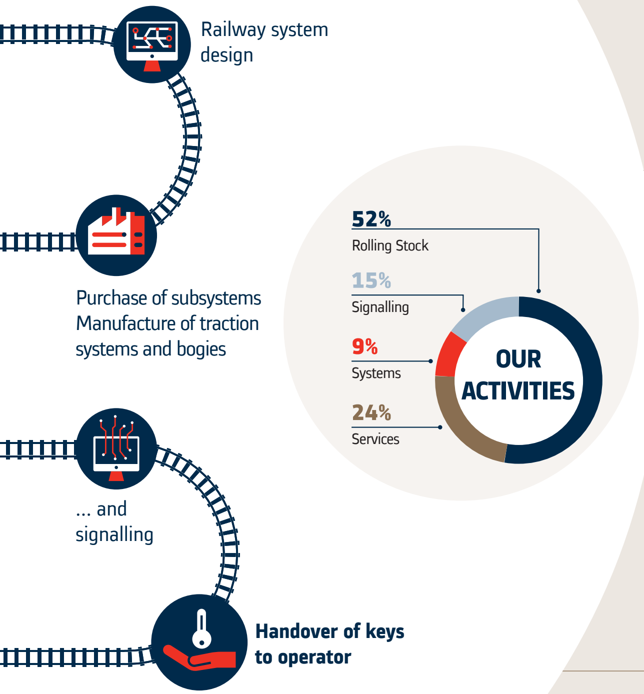
(1) For countries and operational sites in all its regions.

2 CLIMATE CHANGE AND ENVIRONMENTAL PRESSURES

3 ECONOMICS AND PUBLIC FINANCE

Inclusive, environmentally-friendly transport, safe and efficient, promoting a socially responsible economic model.

CHAIN



2 Committed employer

3 Positive impact on the community

4 Responsible partner

INCLUSIVE **RESPONSIBLE**

OUR VALUE CREATION

EMPLOYEES

- **90.7%** of employees trained
- **Top Employer** worldwide certification
- **80%** of employees are proud to work for Alstom (2)

SHAREHOLDERS

- Sales: **€17.6 bn**
- **0%** payout ratio (3)

CLIMATE AND ENVIRONMENT

- Climate commitments validated by SBTi
- **8.4 g** CO2e/ton.km and **4.0 g** CO2e/pass.km
- **87%** of newly developed solutions are eco-designed
- **83%** of Alstom employees work on **ISO14001** certified sites
- **-27%** reduction in the energy intensity of our operations vs. 2021/22

SUPPLIERS

- **182** suppliers enrolled in sustainable procurement training program
- Founding member of **«Railsponsible»**

CUSTOMER AND COMPANY

- Alstom trains carry nearly **90 m** people every day
- Customer satisfaction (4) of **8.4**
- Effective tax rate of **28%** (5)
- **358,722** beneficiaries of local actions
- **+356,000** direct and indirect jobs supported

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(2) Employee engagement survey 2023.
(3) % of Net Income, group share. Proposed at June 2024 Shareholders' meeting.
(4) Net Promoter Score.
(5) Before PPA.

1.5 Market trends and opportunities

1.5.1 MARKET DRIVERS

The rail transportation market is supported by solid and long-term drivers. World strong demographical growth, soaring urbanisation, growing environmental or health concerns supported by regulations as well as shifting consumer behaviours are favouring investment in sustainable rail transport, both for rail infrastructure, rolling stock and related services.

1.5.1.1 Demography and Urbanisation

The world's population is expected to increase by 2 billion by 2050, up to almost 10 billion, and it could peak at nearly 11 billion around 2100 (according to"City Population by city, 1975-2070", United Nation 2022). This dramatic growth will have implications for generations to come, among which increasing urbanisation and accelerating migration.

By 2050, 75% of the world's population should live in cities.

Demographic growth and changes in lifestyles will strongly push demand for transport. ITF (International Transport Forum) anticipates that transport demand for passengers will double by 2040 ("ITF Transport Outlook 2021 Reshape scenario", which is the middle scenario) .

This growth will benefit to rail transport in particular, as public transportation needs to be promoted vs. individual mobility, notably for sustainability, energy or economic reasons.

In industrialised countries and dense urbanised metropolitan regions, rail transit will continue playing a strong role, preventing traffic congestion and space occupancy in cities and urban areas, while offering safe, reliable and clean mass transit solutions. Sustainable urbanisation and infrastructure will be critical to create social and environmental value improving the quality of life of all.

Rail transportation already brings an efficient and green answer to future mobility challenges in terms of capacity, punctuality, security, reduction of noise, pollution and energy consumption.

1.5.1.2 ESG, Sustainability and energy

Today more than 90% of the world population lives in areas where air pollution exceeds the threshold recommended by the World Health Organisation while CO_2 emissions from transport continue to grow.

Transportation contributes significantly to worldwide emissions (around a fourth of greenhouse gas emissions from energy combustion) and offer a strong potential to curb them. Climate change consequences and air pollution impact on public health drive actions from governments, cities and regulation bodies, but also from transport operators and citizens.

Rail is clearly positioned today among motorised transport as emitting the least carbon by transported passenger. In a context where alignment with the Net Zero Emissions Scenario pathway will require a faster shift from carbon-intensive modes such as private cars, trucks and airplanes to rail, the environmental efficiency of rail is recognised by multiple governments with encouragement to modal shift.

Furthermore, even though all transportation modes will decrease their emissions in the decades to come, in a world where energy is a key parameter – or even the key parameter – for development, energy scarcity and resilience will be a key topic for coming decades. Especially, green energy availability for all is clearly challenged, and energy prices evolution is quite uncertain. If transportation is to double in volume by 2050 for passenger and goods, energy efficiency will become a key driver in the future.

As computed by IEA (International Energy Agency), energy intensity of passenger or freight transport modes is highly in favor of rail transport: average consumption per passenger kilometer is only 0.2 Megajoules for rail compared to 1.8 Megajoules for aviation or road. Even if all transport modes are decarbonized tomorrow, this 1 to 9 factor in terms of energy pushes for a reinforcement of rail among various transport modes. This modal shift will benefit Alstom who is the global leader for rail transportation.

1.5.1.3 Macroeconomy and public funding

Economic growth is obviously a driver of Alstom's business. Passengers and goods transportation, purchasing power of passengers, as well as governmental funding are globally linked to Gross Domestic Product (GDP) expansion.

Until 2019, worldwide urban and mainline passenger traffic and freight rail traffic were growing steadily. From 2020, passenger traffic was badly hit, worldwide, by Covid-19 crisis, especially when lockdowns or trip restrictions were implemented. However, 2022 has seen a strong traffic recovery all over the world and 2023 is confirming this trend with most countries having recovered or almost recovered 2019 traffic levels.

Despite rising interest rates, world GDP for coming years is forecasted to grow. Purchasing power of passengers is expected to increase as a result of the enlargement of the world middle class, both in relative and absolute numbers, to almost 5 billion people in 2030. Middle class should increase by one third to reach 4.8 billion people in 2030.

Additionally, governmental funding is expected to continuously support rail. In a context of growing environmental concern and energy prices volatility, rail, which requires 9 times less energy per passenger-km travelled than private vehicles and airplanes, is considered as strategic by governments in mature and emerging countries.

Sustainable transport is at the top of political agenda everywhere in the world and clearly, funding for rail is far more efficient in terms of decarbonization of transportation vs. investing in decarbonizing other transport modes. Therefore investment in infrastructure and efficient, sustainable transport solution should positively affect mainline and urban segments.

- In February 2021, Canada announces CAD14.9 billion of funding for public transport over the next eight years, on the top of already ambitious projects such as the Greater Toronto area electrification project with 680 km electrification and investment into rolling stock for a total value up to CAD17 billion.
- The European Parliament endorsed in February 2021 the Regulation of the Recovery & Resilience Facility (RRF) which will make available a total of 672.5 billion euros to Member States, combining grants and loans, to contribute to their National Recovery Plans. Estimates provided by the Commission and complemented by UNIFE's own research show that the amounts allocated to sustainable mobility projects in the 26 National Recovery Plans amounts to 72.2 billion euros – out of which, there is between 55 and 58 billion euros in identified rail investments(1). This represents around 11.5% of the total funding requested under the RRF. Some contracts have already been signed with funding coming from these National Recovery Plans, such as several projects, including ERTMS roll-out, in Italy which has the highest amount for railway projects in its National Recovery Plan (almost 30 billion euros).
- In the United-Kingdom, the Government announced in November 2021 its "Integrated Rail Plan"; a pledge to spend £96 billion on enhancing the high-speed rail network in the Midlands and the North of the country including High-Speed 2. This is in addition to Network rail's existing plans to deliver a "digital railway" involving the roll-out of ETCS signalling across main lines, potentially enabling more trains to run. In December 2022, UK Government has published its Railway Plan in England and Wales for the period of April 2024 to March 2029 (CP 7): Network Rail commits to a budget of £44 billion (i.e. around 53 billion euros) over the five-year period, including 1.85 billion pounds for signalling.
- In the United States, Congress passed the Infrastructure Investment and Jobs Act (IIJA) in November 2021 and it is now law. The IIJA provides a historic level of infrastructure investment over five years with rail spending at $66 billion – Amtrak budget multiplied by four vs regular budget – and 108 billion dollars to modernise transit.
- JICA, the Japanese governmental financing institution, has committed for loans related to railway or urban transport projects for 8.3 billion euros in its fiscal year 2022-2023, whereas it was only 4.2 billion euros in fiscal year 2021-2022, 2.1 billion euros in fiscal year 2020-2021 and 2.3 billion euros in fiscal year 2019-2020.
- Due to operational difficulties in 2022 and to ensure that rail will play its role in German climate protection goals for 2030 (particularly doubling number of passengers and increasing significantly share of rail freight transport), Deutsche Bahn and German Ministry of Transport want to turn particularly busy sections of the German rail network into a "high-performance network". In February 2023, a preliminary plan for a programme of 40 short, medium and long-term infrastructure projects has been produced by Deutsche Bahn as a basis of discussion with the government. With a top priority to modernize existing network and stations, Deutsche Bahn has maintained high level of Gross Capex in 2022 (15.4 billion euros), a still higher level in 2023 (16.9 billion euros) and plans to expand this level to 21 billion euros in 2024 thanks to its own investments and to governmental subsidies.
- In France, 200 km of new metro lines and 68 metro stations – project called Grand Paris Express – will be opened by 2030 for a global investment of 35 billion euros. This is the largest project in Europe regarding automatic metro. In February 2023, the French Prime Minister has announced a plan of 100 billion euros until 2040 for rail transport. This plan includes implementation of metropolitan RERs (Réseau Express Régional) in other cities than Paris.
- In Saudi Arabia, NEOM was launched by Saudi Arabia's Public Investment Fund (PIF) as part of the kingdom's Vision 2030 to redefine urban living, with the objective to be the mobility model for the next century, overcoming dependence on the car and eliminating the need for roads. Budget for creating sustainable transport infrastructure (with three underground railway lines, one for high-speed passenger transport, one for metro services and one for freight transport) in this new city could reach tens of billion euros. First contracts for the tunnels of this rail transportation system have been signed in 2022 and several consultants have been appointed in 2023 for this project.
- In Australia, numerous railway projects across the country, notably in New South Wales, Victoria & Queensland, are flowering thanks to sustained State & Federal governments funding.
- In February 2024, the Indian government has allocated a capital outlay of 2,550 billion INR (i.e. approximately 28.2 billion euros) to Indian Railways in the Indian Union Budget 2024-2025 vs budgetary support of 2,430 billion INR in fiscal year 2023-2024 and 1,370 billion INR in fiscal year 2022-2023. This amount is 9 times higher than allocation by the Indian government to Indian Railways in fiscal year 2013-2014. The amount for 2023-2024 included 375 billion INR (i.e. approximately 4.2 billion euros) for new rolling stock and fleet modernization vs 79 billion INR in fiscal year 2022-2023.

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(1) The UNIFE Handbook on National Recovery Plans – what's in for Rail? – December 2021.

Additionally, the OEM market should benefit directly or indirectly of investments in public transports and hydrogen infrastructure. For instance:

- France is planning to spend 7 billion euros in hydrogen by 2030(1), with the objective to develop green hydrogen production capabilities (with an objective of 6.5 GW electrolysers installed by 2030) and heavy mobility use cases such as railway.
- On July 15, 2022, European Commission approved up to 5.4 billion euros of public support by fifteen Member States for "Hy2Tech" IPCEI (Important Project of Common European Interest) in the hydrogen technology value chain. 4 Alstom projects in France and Italy were selected, totalling 350 million euros of dedicated potential funding.
- In Germany, 9 billion euros is to be spent on hydrogen, with 7 billion euros to boost domestic hydrogen production capabilities (5 GW by 2030, with a further 5 GW to be installed by 2040 at the latest) and further 2 billion euros to be spent on forging partnerships with countries where hydrogen can be efficiently produced(2).
- Spain foresees a mobilisation of nearly 9 billion euros during the period 2020-2030 in industrial, mobility and electricity sectors, reaching by 2030 an installed capacity of 4 GW electrolysers. In mobility, the Hydrogen Roadmap requests two railway lines by 2030, and the main national operator has announced the cancellation of diesel trains acquisition to switch to hydrogen.

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(1) https://www.economie.gouv.fr/presentation-strategie-nationale-developpement-hydrogene-decarbone-france.
(2) https://www.reuters.com/article/us-health-coronavirus-germany-stimulus-idUSKBN23B10L.

1.5.2 MARKET PERSPECTIVE

1.5.2.1 Market evolution

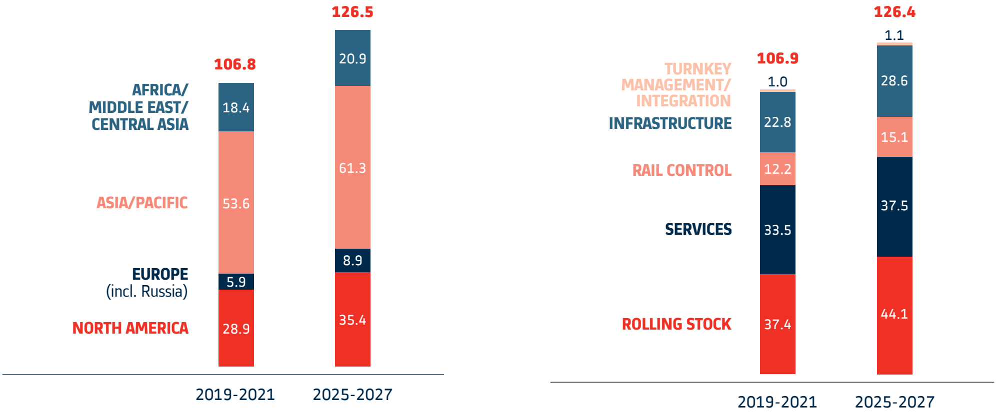
According to the latest UNIFE market study, published on 20 September 2022, despite the effects of the Covid-19 crisis, the annual worldwide accessible market for the 2025-2027 period is estimated at 126,5 billion euros (compared to 106,9 billion euros for the 2019-2021 period). This represents an average annual growth rate of 2.9% as compared with the 2019-2021 period (source: UNIFE World Rail Market Study 2022, 20 September 2022).

The previous UNIFE market study, published on 1 October 2020, was forecasting an annual contraction in the annual worldwide accessible railway market in 2020, followed by a rebound in 2021.

This contraction followed by a rebound in 2021 (confirmed in 2022 and 2023) can be seen from the global levels of order intakes obtained by main railway industry companies (global level of order intakes for the 9 main rolling stock manufacturers, Alstom, Bombardier Transportation, Siemens Mobility, Hitachi Rail, Stadler Rail, CAF, Thales Transportation, CRRC for its export activity, Rotem Railway Solutions, KHI Rolling Stock, has been of around 53.1 billion euros for calendar year 2019, 42.0 billion euros for calendar year 2020, 57.4 billion euros for calendar year 2021, 65.2 billion euros for calendar year 2022, and 75.2 billion euros for calendar year 2023, which is a historical record. This is why the annual worldwide accessible market for the 2019-2021 perd (9 billion euros) was only a little lower than the annual worldwide accessible market for the 2017-2019 period (110,1 billion euros) as mentioned in UNIFE World Rail Market Study 2020, 1 October 2020, despite Covid-19 crisis. 2022 and 2023 are confirming the good perspective for the years to come.

UNIFE ACCESSIBLE MARKET

(average in € billion/year)



This rapid recovery of the rail market is due to several factors: a governmental support to rail operators during peak of Covid-19 crisis in most of countries, which has helped to mitigate negative financial impact of traffic losses, sales of non-core assets owned by rail operators to cover Covid-19 remaining financial losses (as the sales of Ermewa, wagon leasing company, and 50%-stake in Akiem, locomotive leasing company, by French Railways SNCF, the sale by German Railways DB of Arriva, its subsidiary for European rail operation outside Germany; DB is also planning to sell its logistics arm called DB Schenker), recovery programmes for the rail industry so that massive investments in rail have been decided and have started to turn into orders and traffic recovery worldwide during the years 2022 and 2023 up to levels above 90% of pre-Covid traffic levels and sometimes even higher than pre-Covid traffic levels (especially for high speed in Europe), which has allowed rail operators to be again profitable (all the more that they had made efforts during the crisis to cut their costs) and to think again of investments on their own budgets.

All the regional accessible markets are planned to grow except CIS accessible market due to the current geopolitical situation in Ukraine and to the related sanctions against Russia.

Western Europe remains the largest regional accessible market with Germany taking the lead, due to big projects for additional high-speed trains and renewals of commuter fleets in different German cities.

Africa-Middle East, Eastern Europe and Latin America are expected to have the strongest growth rates, with 7,1% for Africa-Middle East, boosted by the Saudi Arabian NEOM mega-project of new city served by three railway networks (high-speed, metro, freight). High level of oil price since 2021 is positively impacting growth rate in this region.

Indian accessible market is also forecasted to grow strongly due to heavy investments in main lines rolling stock, especially locomotives and eletrical multiple units (EMUs) and due to the fact that Indian Railways plan to rely not only on their own factories for these new fleets but also on foreign suppliers.

Americas accessible market should also benefit from investment plans decided in US and Canada.

1.5.3 COMPETITIVE POSITION

The acquisition by Alstom of Bombardier Transportation, which was among the main global competitors of Alstom, has been completed on 29 January 2021. This acquisition strengthens Alstom’s leadership in the growing sustainable mobility market by reaching a critical size in all geographies and integrating further solutions and assets to better serve its customers worldwide. Alstom is among the leaders in all the major segments of the railway industry: urban and mainline rolling stock, signalling, services and integrated solutions.

Alstom has various competitors in the railway industry acting globally or locally and covering to some extent Alstom’s portfolio.

Siemens is its main global competitor in the rail transportation market, focusing its expansion on signalling as well as other digital activities (such as Mobility as a Service or MaaS), as part of the global digital strategy of Siemens Group. In the rolling stock field, Siemens is mainly focussing on Germany-Austria, US and UK, as well as, recently India, and has benefitted from the good health of German-Austrian and US markets during 2023. Siemens Mobility has experienced a record order intake for its fiscal year 2022-2023 at 20.6 billion euros (13.2 billion euros in 2021-2022).

Furthermore, Hitachi affirms itself as a global actor following the acquisition of Ansaldo Breda in 2015 and completion of acquisition of whole Ansaldo STS at the beginning of 2019. Its position will still grow with the ongoing purchase of Transportation division of Thales (mainly active in signalling and ticketing fields), which has obtained approvals from EU and UK competition authorities and should be finalized as soon as Hitachi Rail has sold its main line signalling business in France, UK and Germany, which is a condition to the approvals mentioned above.

The Chinese train manufacturer CRRC, even if leader in terms of global revenues, is mainly active on its domestic protected market. However, the company has also expressed important international ambitions, especially in Latin America, with several contracts won in 2022 and 2023 in this region. In 2020, CRRC finalised the acquisition of Vossloh locomotives factory in Kiel (Germany), giving this group a foothold in Europe, which has concretized in shunting locomotive orders in 2021 and 2022 for different customers.

Stadler Rail, a Swiss train manufacturing company, has recently strongly increased its order book with a level of yearly orders around 4 billion euros during the years 2018-2021 and with a record order intake of 8.5 billion euros in 2022, representing a book-to-bill of 2.3. 2023 has seen a decrease order intake a 7 billion euros, but still representing a book-to-bill reaching almost 2. Stadler Rail is also starting a diversification in signalling.

The Spanish train manufacturer CAF has also decided to diversify its activity in signalling and in integrated solutions, especially in tramway systems, and has also experienced a very good order intake in 2022 with a record amount of 6.2 billion euros, including 5.3 billion euros for railway segment. 2023 has also seen a decrease in order intake at 4.8 billion euros even if book-to-bill is still above 1.25.

Some manufacturers with a less diversified portfolio of products and industrial sites that are more geographically concentrated (Japanese Kawasaki Heavy Industries with 1.2 billion euros of railway revenues in 2023, Korean Hyundai Rotem with 1.1 billion euros of railway revenues in 2023, Czech Skoda Group with 0.8 billion euros of revenues in 2022, Spanish Talgo with 0.7 billion euros of revenues in 2023, Polish Pesa with 0.3 billion euros of revenues in 2022, etc.) compete with Alstom in specific market segments, such as trains or signalling.

Today, with the acquisition of Bombardier Transportation, Alstom considers itself to be ranked first(1) in the addressable market of passenger rail industry in all the continents(2).

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(1) Alstom view based on orders intake published by competitors in their financial publications, UNIFE data and press releases.
(2) Excluding China for Asia.

1.6 Strategy

Alstom, through its strategic plan "Alstom in Motion 2025" (AiM 2025) has the clear ambition to be a leading global innovating player for sustainable transportation and smart mobility, and to create greater value for passengers, customers and shareholders. AiM 2025 is based on three strategic pillars (Grow, Innovate and Deliver) as well as strong Corporate Social Responsibility convictions.

1.6.1 STRATEGIC PLAN

1.6.1.1 Grow & become the reference partner for customers

Alstom aims to achieve a substantial sales growth thanks to its unique positioning and positive commercial trends in the rail industry, already reflected in Alstom backlog. Alstom benefits from a strong position in its strategic markets and an extensive product range combined with a global footprint, allowing strong customer intimacy and satisfaction. Also, this should allow Alstom to continue to grow its sales faster than the market focusing on high-margin products and attractive markets, expanding its services activities and signaling business while ensuring profitable growth in the rolling stock and components sector.

1.6.1.2 Innovate for a smarter, greener and inclusive mobility for all

Alstom expands its leadership in rail innovation in several areas of smart and green mobility solutions, such as virtualization and digital railways, performance improvement and knowledge of assets behavior, as well as new solutions design and cybersecurity. To this end, to offer energy efficient solutions and better total cost of ownership to its customers, Alstom invests continuously in R&D integrating technologies and digital applications as a core element of innovation and product development.

1.6.1.3 Reach best-in-class delivery, powered by digital

Alstom is targeting best-in-class project delivery, leveraging its scale and assets, its digitalized processes, and its culture of excellence in project execution and operations. This ambition is supported by clear strategic initiatives In several domains, such as product development efficiency, standard and automated processes and cost-efficient flexible footprint, reinforcing its supply chain resiliency and robust project planning and management

1.6.1.4 Corporate Social Responsibility at the center of Alstom’s strategy

Alstom has strong Corporate Social Responsibility convictions aiming for net zero emission in transport as well as social equity and inclusion by increasing the availability and efficiency of public transport. The Group is well on track to meet its ESG 2025 targets responding to increased expectations on sustainability performance from stakeholders. Its priorities are: Enabling decarbonisation of mobility, Caring for our people, Creating a positive impact on society and Acting as a responsible business partner, with specific targets highlighted in Chapter 6 of this document.

1.6.2 MIDTERM FINANCIAL TRAJECTORY AND OBJECTIVES

Financial trajectory for FY 2024/25

The outlook for FY 2024/25 is based on following main assumptions(1):

- Supportive market demand
- FY 2024/25 downpayments consistent with FY 2023/24
- Balance sheet deleveraging plan fully executed in FY 2024/25
- End of integration of Bombardier Transportation in FY 2024/25

FY 2024/25 Outlook:

- Book to bill above 1
- Sales organic growth: around 5%
- aEBIT margin around 6.5%
- Free Cash Flow generation within the 300 million euros to 500 million euros range
- Seasonality driving:
  - negative FCF in the first half of FY 2024/25 within a range of (300) million euros to (500) million euros
  - margin development to be more second-half weighted

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(1) please refer to Chapter 2, section 2.2 for detailed description of assumptions.

Mid to long-term ambitions

- The Group's ambition is to deliver **around 5% average sales growth** over the mid to long term, thanks to a **book-to-bill above 1**, largely driven by Services, Signalling and Systems product lines. Rolling stock is expected to grow above market rate, Services and Signalling at high-single digit rates and Systems at double digit rates.
- On profitability, Alstom's ambition is to consistently deliver an **adjusted EBIT margin between 8% and 10%** over the mid to long term. This improvement from 5.7% in fiscal year 2023/24 will be driven by:
  - Continuous improvement of gross margin in backlog thanks to quality order intake and completion of legacy projects.
  - Improved execution through operational excellence initiatives and industrial optimisation.
  - Cost efficiency programs across indirect procurement and overheads.

Considering the slight dilution from disposals and the revised timing of the impact from industrial optimisation, the Group expects to reach this profitability range in FY 2026/27, versus FY 2025/26 previously.

- Free Cash Flow:
  - Alstom expects **free cash flow conversion to trend towards 100%** of adjusted net income over the cycle. Yearly performance is subject to short-term working capital volatility, notably from the phasing of downpayments.
  - Over the next three years, the Group expects to deliver **at least 1.5 billion euros in free cash-flow over FY 2024/25 to FY 2026/27**, despite Contract Working Capital being a headwind over that period.
- Capital allocation priorities
  - Priority to deleveraging and maintaining Investment Grade rating
  - Dividends policy to be re-evaluated once zero net financial debt is reached
  - M&A policy:
    - Pursue bolt-on acquisitions (Innovation, Digital, Services)
    - Dynamic portfolio management

1.6.3 OTHER STRATEGIC ACQUISITIONS AND PARTNERSHIPS

Early January 2024, Alstom has completed the sale of its 20% stake in Russian railcar manufacturer Transmashholding (TMH), for an amount of 75 million euros, contributing to the de-risking of the company's portfolio.

Alstom has expanded its services capabilities in Europe through targeted bolt-on acquisitions: first, the acquisition of Ametsis, a Spanish company specialized in maintenance of braking systems expands and strengthens Alstom's expertise in a key element in the overall technical performance of trains. Second, Alstom has acquired Reuschling Service in Germany, a company operating in maintenance and accident repair of shunting locomotives with a focus on alternative drive solutions for clean shunting traffic, remote-controlled vehicle operation and the digital automatic coupler.

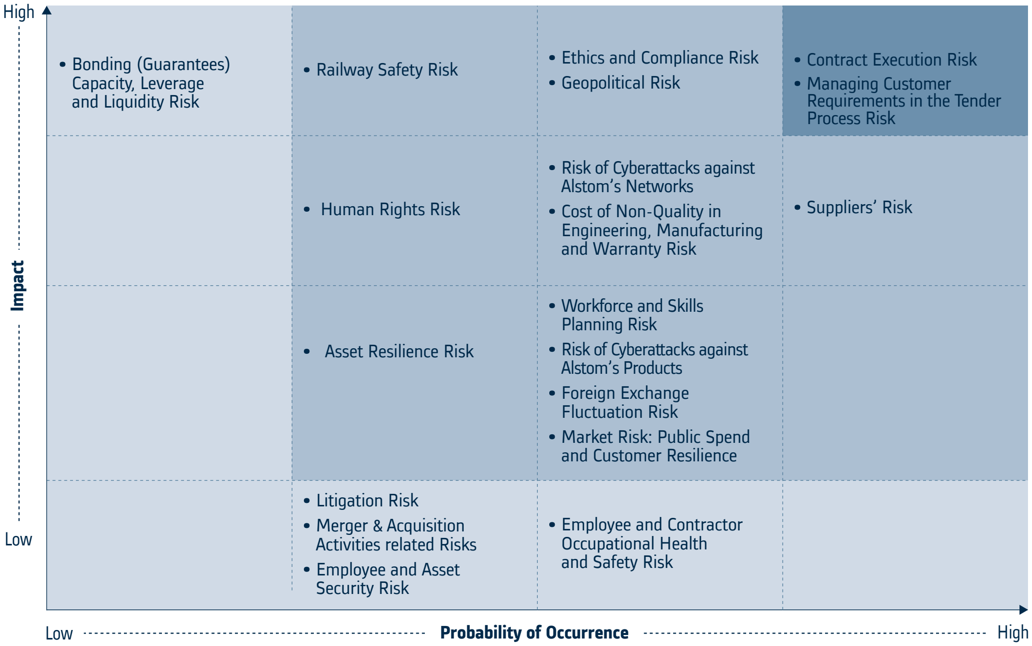
Furthermore, an acquisition of a key supplier in Turkey has been closed to secure and further de-risk the global supply chain for critical components and parts.

On April 19th 2024, Alstom has entered into a binding agreement with Knorr-Bremse AG to sell its North American conventional signalling business for a purchase price of around 630 million euros.

The perimeter to be sold had revenue of approximately 300 million euros in FY 2023/24. This transaction is an important milestone in the implementation of the group's deleveraging plan. The closing of the transaction is subject to customary conditions, including regulatory approval, and is expected to take place as soon as Summer 2024. Alstom will continue serving the North American C&S market with next-generation signalling and train control technology, notably Communications-Based Train Control (CBTC) and European Train Control System (ETCS) solutions.

1.7 Enterprise risk management

The key risks selected and presented below are the ones considered by the Group as specific to its business and having a potential impact on its activity. For more details, pleaser refer to Chapter 4.



• Bonding (Guarantees) Capacity, Leverage and Liquidity Risk	• Railway Safety Risk	• Ethics and Compliance Risk • Geopolitical Risk	• Contract Execution Risk • Managing Customer Requirements in the Tender Process Risk
	• Human Rights Risk	• Risk of Cyberattacks against Alstom's Networks • Cost of Non-Quality in Engineering, Manufacturing and Warranty Risk	• Suppliers' Risk
	• Asset Resilience Risk	• Workforce and Skills Planning Risk • Risk of Cyberattacks against Alstom's Products • Foreign Exchange Fluctuation Risk • Market Risk: Public Spend and Customer Resilience	
	• Litigation Risk • Merger & Acquisition Activities related Risks • Employee and Asset Security Risk	• Employee and Contractor Occupational Health and Safety Risk	

1.8 Governance and stakeholders

1.8.1 DISTRIBUTION OF SHARE CAPITAL

To the Company's knowledge and based on notifications received by the Company, the table below indicates the share ownership and voting rights of shareholders holding more than 5% of the Company's share capital at 31 March 2024:

	Capital at 31 March 2024				Capital at 31 March 2023				Capital at 31 March 2022			
	Number of shares	% of capital(1)	Number of voting rights	% of voting rights(1)(2)	Number of Shares	% of capital(1)	Number of voting rights	% of voting rights(1)(2)	Number of Shares	% of capital(1)	Number of voting rights	% of voting rights(1)(2)
Public	216,931,168	56.45%	216,931,168	56.45%	239,951,714	63.07%	239,951,714	63.07%	268,856,041	72.00%	268,856,041	72.00%
Caisse de Dépôt et Placement du Québec(3)	66,832,600	17.39%	66,832,600	17.39%	66,138,621	17.38%	66,138,621	17.38%	65,367,765	17.51%	65,367,765	17.51%
Causeway Capital Management	35,796,400	9.31%	35,796,400	9.31%	18,762,900	4.93%	18,762,900	4.93%	14,964,560	4.01%	14,964,560	4.01%
Bpifrance Investissement	28,845,500	7.51%	28,845,500	7.51%	28,545,000	7.50%	28,545,000	7.50%				
BlackRock Inc.	24,741,935	6.44%	24,741,935	6.44%	17,093,380	4.49%	17,093,380	4.49%	18,293,570	4.90%	18,293,570	4.90%
Bouygues S.A.	594,512	0.15%	594,512	0.15%	588,230	0.15%	588,230	0.15%	581,441	0.16%	581,441	0.16%
Employees(4)	10,548,953	2.75%	10,548,953	2.75%	9,373,609	2.46%	9,373,609	2.46%	5,328,369	1.43%	5,328,369	1.43%
TOTAL	**384,291,068**	**100.00%**	**384,291,068**	**100.00%**	**380,453,454**	**100.00%**	**380,453,454**	**100.00%**	**373,391,746**	**100.00%**	**373,391,746**	**100.00%**

(1) % calculated based on the share capital and voting rights as of 31 March of each year and not on the basis of the share capital and voting rights on the date of the declaration.

(2) On 29 October 2020, the Special Meeting (which brought together the shareholders holding double voting rights) and the Combined General Meeting approved the elimination of the double voting rights mechanism from the Company's Articles of Association, thereby ensuring the principle of "one share, one vote" is applied to all shareholders, effective 29 January 2021.

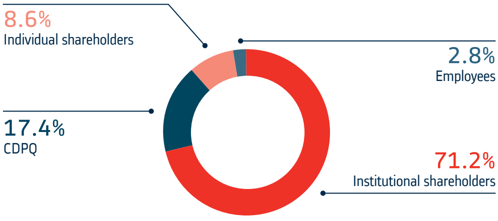
(3) It is reminded, as indicated in Section 5.1.3.5 of Chapter 5 of this Document that Caisse de Dépôt et Placement du Québec undertook, in an investment agreement , until 16 September 2030, that its shareholding will not exceed 22% of the ordinary shares issued by Alstom without Alstom's agreement.

(4) Shares held by current and former Group employees as at 31 March 2024, of which approximately 1.45% of the capital and voting rights held through a company mutual fund.

1.8.1.1 Shareholding structure

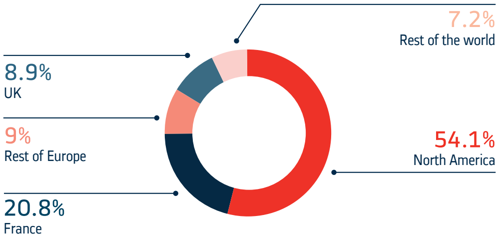
According to a shareholder study carried out by IHS Markit as of 31 March 2024, the share capital was distributed as follow:

SHAREHOLDING BY TYPE



Source: Alstom

SHAREHOLDING BY GEOGRAPHIC ZONE



Source: Alstom

1.8.2 BOARD OF DIRECTORS

Presentation of the Board of Directors:

HENRI POUPART-LAFARGE
Chairman and CEO

YANN DELABRIÈRE *●
Lead independent director

BI YONG CHUNGUNCO *🔺

CLOTILDE DELBOS *🔴

DANIEL GARCIA MOLINA △
Board member representing employees

JOSE GONZALO 🔴●
Permanent representative of Bpifrance Investissement

GILLES GUILBON ●
Board member representing employees

SYLVIE KANDÉ DE BEAUPUY *🔺

FRANK MASTIAUX *△●

PHILIPPE PETITCOLIN *

BAUDOUIN PROT *🔺●

SYLVIE RUCAR *🔴●

KIM THOMASSIN 🔴△●
Permanent representative of Caisse de Dépôt et Placement du Québec

JAY WALDER △
Observer

BENOIT RAILLARD
Observer

◯ **Ratification / Appointment submitted at the 2024 AGM**
⭕ **Mandate expiring at the 2024 AGM and proposed for renewal**
◌ **Mandate expiring at the 2024 AGM**

🔴 Audit Committee
● Nominations and Remuneration Committee
🔺 Ethics and Compliance Committee
△ Integration Committee

At the outcome of AGM 2024 and subject to the positive vote of all resolutions related to the Board composition by the AGM 2024, the Board of directors would be composed of 12 members and 1 observer (Mr. Benoit Raillard being also reappointed as observer by the Board of directors for a period of 4 years). As announced by the Company in its press release dated 15 November 2023, the split of functions of Chairman of Board and of CEO will become effective at the outcome of the 2024 AGM. On that date, Mr Philippe Petitcolin, independent Board member, will take up the position of Chairman of the Board while Mr. Henri Poupart- Lafarge will continue to be Chief Executive Officer.

Number of meetings
Board meetings **9**
and
Executive Sessions **3**
in 2023/24

Board attendance
98%
in 2023/24

Independence**
8
Board members (82%)

Gender diversity**
45%
of each gender

Number of nationalities represented at the Board
8

Audit and Risks
Chair: Sylvie Rucar
4 members
5 meetings
100% attendance
75% independence

Nominations and Remuneration
Chair: Yann Delabrière
7 members
5 meetings
97% attendance
83% independence

Integration
Chair: Frank Mastiaux
4 members
2 meetings
100% attendance
67% independence

Ethics & Compliance
Chair: Sylvie Kandé de Beaupuy
3 members
3 meetings
88% attendance
100% independence

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* Independent Board members.
** Excluding Board members representing employees and Observers


Metropolis
ALSTOM

2

MANAGEMENT REPORT ON CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

AFR

The Content of the Annual Financial Report is identified in the summary table with the help of this pictogram.

2.1 Main events of fiscal year ended 31 March 2024

2.1.1 SALE OF NORTH AMERICAN SIGNALLING BUSINESS TO KNORR-BREMSE AG

On 19 April 2024, Alstom announced that it had entered into a binding agreement with Knorr-Bremse AG, to sell Alstom's North American conventional signalling business for a purchase price of around 630 million euros.

This transaction is part of the comprehensive company action plan that Alstom announced on 15 November 2023, aimed at reinforcing its leadership position in the rail industry. Closing of the transaction is only subject to customary conditions, including regulatory approval, and is expected to take place as soon as summer 2024.

Proceeds for Alstom at closing, net of expected tax and transaction costs, are expected to be around 620 million euros.

As of 31 March 2024, the corresponding assets have been classified as Assets Held for Sale in the consolidated Balance Sheet (see Note 9.2 in chapter 3).

2.1.2 "AUTUMN" RESTRUCTURING PLAN

On 15 November 2023, Alstom announced that it was implementing a comprehensive operational, commercial and cost efficiency plan (the "Autumn" plan). The Autumn plan aims at accelerating the third phase of the Bombardier Transportation merger roadmap (optimization). As part of this efficiency plan, Alstom announced an overhead cost reduction initiative of around 1,500 FTE representing close to 10% of total S&A positions.

This plan was presented to the employee representation bodies during the second semester, and negotiations are ongoing in view of implementing as from the first semester of the fiscal year 2024/25.

A total cost of 115 million euros has been booked during the period, with a remaining balance in provision of 110 million euros in the consolidated Balance Sheet (see Note 22 in chapter 3) as of 31 March 2024.

2.1.3 ONE ALSTOM TEAM – AGILE, INCLUSIVE AND RESPONSIBLE

Decarbonization is at the heart of Alstom's strategy. The Group is reducing its Scope 1 & 2 emissions reaching 139 ktonCO2e (representing a 39% decrease compared to March 2022), while collaborating with suppliers and customers on reducing its Scope 3 footprint. First results of this collaboration can be seen through the reduction of emissions intensity of sold product reaching 4.0 gCO2e/pass.km (i.e. (13)% compared to March 2022). Alstom CO2e emissions reduction targets had been validated on the 6th of July 2023 by the independent Science Based Targets initiative (SBTi) as in line with requirements to reach Paris Agreement commitments.

The supply of electricity from renewable sources has also been expanded. Alstom signed a significant Power Purchase Agreement focused on solar development in Spain. The solar farm is expected to begin operations early 2025 with a 10-years contract. The project will cover the equivalent of 80% of Alstom's electricity consumption in Europe, so this is a major step in reaching the target of 100% electricity consumption from renewables.

Regarding Diversity & Inclusion, the Alstom in Motion (AiM) 2025 strategy targets to reach 28% of women managers, engineers and professionals' roles by 2025. As of end of March 2024, 24.7% of manager, engineer and professional roles are held by women. Alstom will continue to accelerate its efforts in the coming months.

Alstom's Corporate Social Responsibility performance is regularly evaluated by various rating agencies; the Group maintained its presence among the CAC40 ESG index for the third consecutive year and the DJSI for the 13th consecutive year. Alstom improved its scoring to ECOVADIS questionnaire with a score of 77/100 and kept AA score with the MSCI agency. In addition, in 2024, Alstom improved its CDP rating, moving from B to A-. Those results reflect Alstom's strong position and strategy on Sustainability.

In addition, Alstom, published, for the second year, European Taxonomy-aligned KPIs about Sales, Capex and Opex, pursuing strong analysis initiated last year. EU Taxonomy-aligned sales amounted to 60% and ranked Alstom among best in class, confirming the importance of the sector in which Alstom operates in achieving the EU's ambition of carbon neutrality by 2050. The EU Taxonomy purpose is to redirect capital flows towards sustainable activities and help navigate transition to a low carbon economy.

2.1.4 KEY FIGURES FOR ALSTOM IN THE FISCAL YEAR 2023/24

The Group's key performance indicators ("KPIs") for the fiscal year 2023/24 are presented below.

(in € million)	Year ended 31 March 2024	Year ended 31 March 2023	% Variation March 2024/March 2023 Actual
Orders Received(1)	18,947	20,694	-8%
Sales	17,619	16,507	7%
Adjusted Gross Margin before PPA & impairment(1)	2,523	2,325	9%
aEBIT(1)	997	852	17%
aEBIT %(1)	5.7%	5.2%	
EBIT before PPA & impairment(1)	356	366	
EBIT(4)	(22)	(90)	
Adjusted Net Profit(1)(2)	44	292	
Net Profit (Loss) – Group share(3)	(309)	(132)	
Free Cash Flow(1)	(557)	199	

(1) Non – GAAP. See definitions in section 2.10 ("Definitions of non-GAAP financial indicators").
(2) Based on Net profit (loss) from continuing operations, excluding amortisation expenses of the PPA, net of corresponding tax.
(3) Includes Net profit (loss) from discontinued operations and excl. non-controlling interests.
(4) Includes PPA from Chinese joint ventures counted as share in net income of equity investees in the Notes for (10) million euros.

(in € million)	Year ended 31 March 2024	Year ended 31 March 2023	% Variation March 2024/March 2023 Actual
Orders Backlog	91,900	87,387	5%
Gross Margin % on backlog(1)	17.5%	16.9%	
Capital Employed(1)	11,627	11,728	
Net Cash/(Debt)(1)	(2,994)	(2,135)	
Equity	8,778	9,102	

(1) Non – GAAP. See definitions in section 2.10 ("Definitions of non-GAAP financial indicators").

The Group's aEBIT as a percentage of sales increased from 5.2% in the fiscal year 2022/23 to 5.7% in the fiscal year 2023/24, benefiting from synergies of 30bps, a steady reduction of non-performing legacy contracts sales of 30bps, an increased volume and favourable mix of 20bps, partially offset by the negative gross margin impact related to legacy portfolio deviations of (30)bps.

2.1.5 ORGANIC GROWTH

For comparison purposes, the figures in 2.1.4 above have been adjusted for foreign exchange variations resulting from the conversion of the original currency to Euro. The below tables show the conversions of prior year actual figures to a like-for-like set of numbers:

	Year ended 31 March 2024	Year ended 31 March 2023			March 2024/March 2023	
(in € million)	Actual figures	Actual figures	Exchange rate and scope impact	Comparable figures	% Var Actual	% Var Org.
Orders Received	18,947	20,694	(336)	20,358	-8%	-7%
Sales	17,619	16,507	(395)	16,112	7%	9%

	Year ended 31 March 2024	Year ended 31 March 2023			March 2024/March 2023	
(in € million)	Actual figures	Actual figures	Exchange rate impact	Comparable figures	% Var Actual	% Var Org.
Orders Backlog	91,900	87,387	(275)	87,112	5%	5%

The actual figures for orders received and sales of the fiscal year 2022/23 are restated to reflect March 2024 average rates, March 2023 backlog is restated with March 2024 closing rates of the fiscal year. This restatement showed an appreciation of the Euro against several currencies making up the Alstom portfolio for the fiscal year of 2022/23.

- Orders received were impacted by an unfavourable translation effect mainly due to the appreciation of the Euro (EUR) against the Australian dollar (AUD), the Indian rupee (INR), the US dollar (USD) and the Swedish krona (SEK).
- Sales were mainly impacted by the appreciation of the Euro (EUR) against the US dollar (USD), the Australian dollar (AUD), the South African rand (ZAR), the Indian rupee (INR), the Swedish krona (SEK), the Canadian dollar (CAD) and the British pound sterling (GBP).
- Backlog was significantly impacted by an unfavourable translation effect driven by the depreciation of the South African rand (ZAR), the Egyptian pound (EGP), the Chilean peso (CLP) and the Australian dollar (AUD) against the Euro (EUR). This unfavourable translation effect was partly offset by the appreciation of the British pound sterling (GBP) and the Mexican peso (MXN) against the Euro (EUR).

2.1.6 SCOPE OF CONSOLIDATION

SpeedInnov

Through its affiliate SpeedInnov, a joint venture created in 2015 with ADEME, Alstom focused on its ‘Very high-speed train of the future’ project, aiming to promote a new generation of very high-speed trainset which will reduce acquisition and operating costs by at least 20%, optimize the environmental footprint and develop the commercial offer to improve passenger experience. In this context, Alstom subscribed to a capital increase in this joint venture in an amount of 13.6 million euros in October 2023 increasing its stake from 75.48% to 76.39% with no change in the consolidation method due to the rights granted to the co-investor as per shareholder agreement, the Group assessed it has “Joint control” over the entity.

Disposal of TMH

On 14 September 2023, the Office of Foreign Assets Control (OFAC) of the US department of Treasury added JSC Transmashholding (TMH AO) to the Specially Designated Nationals and Blocked Person (SDN) List. TMH AO is the Russian holding company of TMH Group and is 100% owned by TMH Limited.

The Group further assessed potential exposures arising from the new OFAC sanctions and made the decision to sell its stake in TMH Limited.

The transaction was closed early January 2024 for an amount of 75 million euros, carrying value was nil as result of previous impairment, contributing to the de-risking of the company’s portfolio. The sale resulted in a non-cash loss of (122) million euros due to the recycling of the (197) million euros Currency Translation Adjustment accounted for directly in equity since the acquisition. The net impact of the sale is presented in the line “Share in net income on equity accounted investments” of the consolidated Income Statement as of 31 March 2024.

2.2 2024/25 fiscal year outlook

Alstom has the following forecasts for the full 2024/25 fiscal year:

- Book to bill above 1;
- Sales organic growth: around 5%;
- aEBIT margin around 6.5 %;
- Free Cash Flow generation within the 300 million euros to 500 million euros range;
- Seasonality driving:
  - Negative FCF in the first half within a range of (300) million euros to (500) million euros;
  - Margin development to be more second-half weighted.

UNDERLYING OUTLOOK ASSUMPTIONS

The forecasts for the fiscal year ending 31 March 2025 presented above have been prepared in accordance with the accounting policies applied in the consolidated financial statements of the Company for the fiscal year ended 31 March 2024. The adjusted EBIT margin and free cash flow are defined in section 2.10 "Definitions of non-GAAP financial indicators".

These forecasts are based on Alstom's scope of consolidation and on foreign exchange rates available as of 31 March 2024. They are based on the following principal assumptions:

Alstom internal assumptions

- Fiscal year 2024/25 commercial activity will be fostered by market momentum resulting in an increase of the volume of orders received in Alstom's key activities and regions compared to the previous fiscal year.
- Sales improvement in the fiscal year 2024/25 as compared to the fiscal year 2023/24 will primarily come from the execution of the orders backlog.
- Adjusted EBIT margin improvement compared to the fiscal year 2023/24 will stem from several factors. Alstom will benefit from an increase in the volume of activity and will decrease the contribution of non-performing contracts to overall sales. This mix effect is explained by the progress of non-performing contracts and their replacement by contracts with higher margin. In parallel, Alstom will generate savings thanks to the overhead cost reduction plan and will maintain a strict monitoring of research and development costs.
- Standardisation of engineering tools and processes together with design to cost, and optimisation of Alstom's footprint both for engineering and manufacturing, will support the improvement of Alstom's overall performance. In addition, digital transformation, combined with effective discipline in overhead cost management and in indirect procurement, will contribute to the improvement of the adjusted EBIT margin while the integration of Bombardier will end in fiscal year 2024/25.
- Improved cash generation in fiscal year 2024/25 as compared to the fiscal year 2023/24 will mainly come from accelerated deliveries and working capital management, while the 2024/25 downpayments level shall remain consistent with 2023/24 level.
- Balance sheet inorganic deleveraging plan - as described in the subsequent events section 2.9 - will be fully executed in fiscal year 2024/25.

Macro-economic assumptions

- They exclude any major variations in currency exchange rates of the main countries outside of the Euro-zone in which the Group generates its revenues, compared to the rates in effect as of 31 March 2024.
- They assume an overall stable political environment in areas where Alstom operates or delivers products.
- They assume stabilisation of inflation at levels lower than in 2022 and 2023 in line with inflation forecasts from external agencies (IMF and ECB).

DISCLAIMER

The above summary of the Group's outlook contains forward-looking statements which are based on current plans and forecasts of Alstom's management. Such forward-looking statements are relevant to the current scope of activity and are by their nature subject to a number of important risks and uncertainties (such as those described in the chapter 4 of the Universal Registration Document filed by Alstom with the French AMF) that could cause actual results to differ from the plans, objectives and expectations expressed in such forward-looking statements. These forward-looking statements speak only as of the date on which they are made, and Alstom undertakes no obligation to update or revise any of them, whether as a result of new information, future events or otherwise.

THE GROUP HAS UPDATED ITS CAPITAL ALLOCATION PRIORITIES

- Priority to deleveraging and maintaining Investment Grade rating
- Dividends policy to be re-evaluated once zero net financial debt is reached
- M&A policy:
  - Pursue bolt-on acquisitions (Innovation, Digital, Services)
  - Dynamic portfolio management

2.3 Commercial performance

During the fiscal year 2023/24, the Group witnessed significant commercial success across multiple geographies, notably in Europe, Asia/Pacific, Africa & Middle East, and product lines, mostly in Systems, Services and Rolling Stock. Nonetheless, the recorded order intake stood at 18.9 billion euros, representing a decrease of 8% on an actual basis compared to 20.7 billion euros in fiscal year 2022/23, mostly driven by the contract awarded last year by Landesanstalt Schienenfahrzeuge Baden Württemberg (SFBW) network in Germany of almost 2.5 billion euros.

Geographic breakdown					% Variation March 2024/March 2023	
Actual figures (in € million)	Year ended 31 March 2024	% of contrib	Year ended 31 March 2023	% of contrib	Actual	Organic
Europe	11,326	59%	12,759	61%	-11%	-11%
Americas	2,050	11%	2,682	13%	-24%	-23%
Asia/Pacific	3,172	17%	3,028	15%	5%	12%
Africa/Middle East/Central Asia	2,399	13%	2,225	11%	8%	10%
ORDERS BY DESTINATION	**18,947**	**100%**	**20,694**	**100%**	**-8%**	**-7%**

Product breakdown					% Variation March 2024/March 2023	
Actual figures (in € million)	Year ended 31 March 2024	% of contrib	Year ended 31 March 2023	% of contrib	Actual	Organic
Rolling stock	6,365	34%	10,348	50%	-38%	-37%
Services	6,556	35%	6,394	31%	3%	4%
Systems	3,685	19%	1,008	5%	266%	258%
Signalling	2,341	12%	2,944	14%	-20%	-19%
ORDERS BY DESTINATION	**18,947**	**100%**	**20,694**	**100%**	**-8%**	**-7%**

In **Europe**, Alstom recorded 11.3 billion euros of order intake in the fiscal year 2023/24, as compared to 12.8 billion euros in the same period last fiscal year.

In the U.K, Alstom has signed an eight-year extension to its Train Services Agreement (TSA) with CrossCountry. The contract extension, valued at around 950 million euros, further secures this long-term partnership and is evidence of the customer's trust in Alstom.

In France, Alstom will supply île-de-France Mobilités and RATP with 103 new MF19 trainsets, which is the new generation metro on rail, for a total contract value of more than 800 million euros, 100% financed by Île-de-France Mobilités. This new fleet will replace the existing rolling stock on lines 13, 12 and 8 of the Île-de-France metro as of 2027. The Group also signed a framework contract with Akiem European rolling stock leasing company for 100 Traxx^{TM} Universal multi-system (MS3) locomotives, together with an initial firm order for 65 locomotives. The total amount of the framework agreement is up to 500 million euros.

In Germany, Alstom was awarded a contract to supply 40 Coradia Stream^{TM} High Capacity electric multiple units together with full maintenance for 30 years to Nahverkehrsverbund Schleswig-Holstein (NAH.SH), valued at close to 900 million euros, and including an option for up to 55 additional trains with a corresponding full-service package. The Group also signed a contract with RAILPOOL for 50 Traxx^{TM} Universal multi-purpose locomotives.

In Romania, Alstom, as part of a consortium with the civil works companies Gulermak and Arcada, signed a contract with the Cluj-Napoca City Hall for the construction of the Cluj-Napoca Metro Line 1. Alstom's share of this state-of-the-art turnkey project reaches approximately 400 million euros.

In Italy, Alstom was awarded a contract for the supply of high-speed trains.

The prior period's performance in Europe was mainly driven by significant orders awarded by customers in Germany, France, Sweden, Romania, the U.K., and Spain.

In the **Americas**, Alstom reported 2 billion euros of order intake in fiscal year 2023/24, as compared to 2.7 billion euros in fiscal year 2022/23, driven by a contract with the Southeastern Pennsylvania Transportation Authority (SEPTA) in the United States to deliver 130 full low floor electric streetcars for Philadelphia, valued at over 667 million euros and with options to build an additional 30 streetcars. The Group was also awarded a contract by the Connecticut Department of Transportation (CTDOT) to supply 60 single-level rail coach cars valued at approximately 285 million euros with options to build an additional 313 cars, as part of CTDOT's coach renewal program for its statewide rail system.

Alstom's performance in the Americas in 2022/23 was mainly driven by the contract award to provide operations and maintenance services for the Maryland Area Rail Commuter (MARC) Camden and Brunswick Lines and for the Innovia^{TM} monorail system at Newark Liberty International Airport in the U.S.A.

In **Asia/Pacific**, the order intake stood at 3.2 billion euros in fiscal year 2023/24, as compared to 3.0 billion euros in fiscal year 2022/23. In the Philippines, Alstom in consortium with Colas Rail has been awarded a contract by Mitsubishi Corporation to provide an integrated railway system for the extension of the North-South Commuter Railway project (NSCR). Alstom's contract share is worth approximately 1 billion euros. In Australia, Alstom has been awarded a contract worth around 900 million euros to maintain the regional rolling stock VLocity and Classic fleets in Victoria, Australia for the next decade.

The performance in Asia/Pacific in fiscal year 2022/23 was driven by significant contracts with the Department of Transport Victoria in Australia, and for the Bhopal and Indore metro projects in India.

In **Africa/Middle East/Central Asia**, the Group reported 2.4 billion euros of order intake in fiscal year 2023/2024, as compared to 2.2 billion euros in fiscal year 2022/23. In Israel, Alstom, a member of the TMT Consortium (TLV Metropolitan Tramway Ltd.) and its partners Electra Ltd. & Dan Public Transportation Ltd., have reached financial closure on the contract, awarded in May 2022, to design, build, maintain, and finance the Tel Aviv Metropolitan LRT Green line by Metropolitan Mass Transit System Ltd (NTA). Alstom's share is valued at 858 million euros. In Saudi Arabia, Alstom signed a more than 500 million euros contract with The Royal Commission for AlUla (RCU) for AlUla's pioneering battery-powered tramway – the world's longest catenary-free line.

The performance in fiscal year 2023/24 was mainly driven by a contract to supply Metropolis™ trains and maintenance services for upgrading the Cairo Metro Line 1.

In summary, Alstom received the following major orders during the fiscal year 2023/24:

Country	Product	Description
Australia	Services	Ten-year maintenance of the regional rolling stock VLocity and Classic fleets in Victoria.
France	Rolling stock	Supply of 103 new MF19 trainsets Île-de-France Mobilités and RATP for lines 13, 12, 8
Germany	Rolling stock/Services	Supply 40 Coradia Stream™ high-capacity electric multiple units and 30 years of full-service maintenance to Nahverkehrsverbund Schleswig-Holstein (NAH. SH).
Israel	Systems/Services	Construction of the Tel Aviv Metropolitan LRT Green line by Metropolitan Mass Transit System Ltd (NTA) as TMT (TLV Metropolitan Tramway Ltd) consortium member
Italy	Rolling stock	Supply of high-speed trains
Philippines	Systems	Supply of an integrated railway system for the extension of the North-South Commuter Railway project
Romania	Systems	Construction of Cluj-Napoca Metro Line 1 turnkey project as part of a consortium with the civil works companies Gulermak and Arcada
Saudi Arabia	Systems	Furnish fully integrated pioneering battery-powered, catenary free tramway system
USA	Rolling stock	Supply of 130 low floor electric Citadis™ light rail vehicles to Southeastern Pennsylvania Transportation Authority (SEPTA), with options for an additional 30 streetcars
United Kingdom	Services	Eight-year extension to the Train Services Agreement (TSA) with CrossCountry to maintain, overhaul, service and clean 252 vehicles of the CrossCountry fleet.

2.4 Orders backlog

As of 31 March 2024, the backlog stood at 91.9 billion euros, providing the Group with strong visibility over future sales. This represents a 5% increase on both an actual basis and on an organic basis as compared to 31 March 2023. The increase of backlog is mostly driven by a book-to-bill ratio of 1.1 and positive contract price adjustments.

The depreciation of several currencies against the Euro (EUR) since March 2023, mainly the South African rand (ZAR) and the Egyptian pound (EGP), negatively impacted backlog for a total amount of 0.3 billion euros. This mainly affected the backlog of rolling stock products.

GEOGRAPHIC BREAKDOWN

Actual figures (in € million)	**Year ended 31 March 2024**	**% of contrib**	**Year ended 31 March 2023**	**% of contrib**
Europe	52,381	57%	49,146	56%
Americas	12,775	14%	13,796	16%
Asia/Pacific	13,390	15%	12,191	14%
Africa/Middle East/Central Asia	13,354	14%	12,254	14%
BACKLOG BY DESTINATION	**91,900**	**100%**	**87,387**	**100%**

PRODUCT BREAKDOWN

Actual figures (in € million)	**Year ended 31 March 2024**	**% of contrib**	**Year ended 31 March 2023**	**% of contrib**
Rolling stock	41,215	45%	42,806	49%
Services	34,257	37%	30,741	35%
Systems	8,682	10%	6,330	7%
Signalling	7,746	8%	7,510	9%
BACKLOG BY DESTINATION	**91,900**	**100%**	**87,387**	**100%**

2.5 Income statement

2.5.1 SALES

Alstom's sales amounted to 17.6 billion euros for the fiscal year 2023/24, representing a growth of 7% on an actual basis and 9% on an organic basis as compared to sales in the same period last fiscal year. Sales related to non-performing legacy contracts, representing sales on projects with a negative margin at completion, amounted to 1.7 billion euros during the fiscal year 2023/24.

Geographic breakdown					% Variation March 2024/March 2023	
Actual figures (in € million)	Year ended 31 March 2024	% of contrib	Year ended 31 March 2023	% of contrib	Actual	Organic
Europe	10,185	58%	9,936	60%	3%	3%
Americas	3,466	19%	2,843	17%	22%	27%
Asia/Pacific	2,424	14%	2,378	15%	2%	8%
Africa/Middle East/Central Asia	1,544	9%	1,350	8%	14%	24%
SALES BY DESTINATION	**17,619**	**100%**	**16,507**	**100%**	**7%**	**9%**

Product breakdown					% Variation March 2024/March 2023	
Actual figures (in € million)	Year ended 31 March 2024	% of contrib	Year ended 31 March 2023	% of contrib	Actual	Organic
Rolling stock	9,123	52%	8,784	53%	4%	7%
Services	4,272	24%	3,817	23%	12%	14%
Systems	1,578	9%	1,476	9%	7%	9%
Signalling	2,646	15%	2,430	15%	9%	12%
SALES BY DESTINATION	**17,619**	**100%**	**16,507**	**100%**	**7%**	**9%**

In **Europe**, sales reached 10.2 billion euros, accounting for 58% of the Group's total sales and representing an increase of 3% on an actual basis compared to fiscal year 2022/23. The increase was mainly driven by the continued execution of large rolling stock contracts, including the Coradia Stream™ trains in the Netherlands, the Regio 2N regional trains, the Avelia™ high-speed trains for SNCF as well as EMU trains for the Paris Metro for RATP in France, the Coradia Stream™ regional trains for Trenitalia in Italy, the ICE 4 trains for Deutsche Bahn in Germany, the Aventra™ trains in the United Kingdom and the double-deck M7-type multifunctional coaches for SNCB in Belgium. The ramp-up of Services contracts in the United Kingdom has also been a strong contributor to this growth. On the other hand, large Rolling Stock contracts such as the S-Bahn Stuttgart trains for Deutsche Bahn in Germany and the Francilien suburban trains for SNCF in France are close to completion, therefore generating lower levels of sales as compared to the same period last year.

In the **Americas**, sales stood at 3.5 billion euros, accounting for 19% of the Group's sales and representing an increase of 22% compared to fiscal year 2022/23 on an actual basis. The increase was mainly driven by the metro cars for BART fleet of the future in San Francisco and Tren Maya project for the National Fund for the Promotion of Tourism in Mexico. The projects of Amtrak high-speed trains in the United States and the light metro system for REM in Canada remain key sales contributors within the region, together with the Metropolis™ trains for São Paulo Metropolitan Train System in Brazil.

In **Asia/Pacific**, sales amounted to 2.4 billion euros, accounting for 14% of the Group's sales and representing an increase of 2% compared to fiscal year 2022/23 on an actual basis. These sales were driven by the consistent execution of the production of electric locomotives and metro cars in India, the Bombardier movia™ cars for LTA Singapore and the VLocity™ regional trains for The Department of Transport (DoT) in Victoria in Australia.

In **Africa/Middle East/Central Asia**, sales stood at 1.5 billion euros, contributing to 9% to the Group's total sales and representing an increase of 14% on an actual basis compared to fiscal year 2022/23. The system contract for the Cairo monorail trains in Egypt, the rolling stock contract for the X'Trapolis™ Mega commuter trains in South Africa, as well as the Prima™ freight locos for Kazakh Railways and Azerbaijan Railways, are the main sales contributors within the region.

2.5.2 RESEARCH AND DEVELOPMENT ("R&D")

As of 31 March 2024, research and development gross costs amounted to (749) million euros, i.e. 4.3% of sales, reflecting the Group's continuous investment in innovation to develop smarter and greener mobility solutions, in line with the Alstom In Motion strategy which is based on three pillars: Autonomous mobility, Data factory and Mobility orchestration. Net R&D amounted to (549) million euros before PPA amortisation.

(in € million)	Year ended 31 March 2024	Year ended 31 March 2023
R&D Gross costs	(749)	(682)
R&D Gross costs (in % of Sales)	4.3%	4.1%
Funding received[1]	123	103
Net R&D spending	**(626)**	**(579)**
Development costs capitalised during the period	178	142
Amortisation expense of capitalised development costs[2]	(101)	(82)
R&D EXPENSES (IN P&L)	**(549)**	**(519)**
R&D expenses (in % of Sales)	3.1%	3.1%

(1) Financing received includes public funding amounting to 84 million euros at 31 March 2024, compared to 65 million euros at 31 March 2023.

(2) For the fiscal period ended 31 March 2024, excluding (60) million euros of amortisation expenses of the PPA of Bombardier Transportation, compared to (61) million euros at 31 March 2023.

Programs funded by IPCEI Hydrogen are ongoing. This important European program allows to further develop the components portfolio needed for hydrogen powered trains, fuel cell powerpacks, batteries and power converters. It supports the development of new hydrogen trains for regional applications, shunting locos and freight, leveraging on the experience collected with Coradia iLint™ regional trains that are now in revenue service.

The development of Avelia range continues. Homologation tests of Avelia Horizon™ are planned in 2024 to enable a start of revenue service in 2025. The development of international configurations is ongoing. Alstom has launched the development of Avelia stream™, addressing the high-speed single deck segment with a first project for Italo.

Based on Citadis™ DNA, Alstom is developing a light rail vehicle addressing the specific aspects of the US market with a focus on passenger experience and the possibility to operate without catenary.

The replacement of our existing range of commuter trains by Adessia™ has been launched to address the UK and US markets. This new product range will include EMU, BMU, BEMU and HMU versions to also replace the existing Diesel trains.

Alstom has also further extended the Coradia Stream™ range with longer cars and 15kV traction chains (primarily in Germany).

TRAXX™ Multi-system 3 – locomotives is pursuing trial tests and approvals over the course of 2024 to enable it to run on the different European corridors with Alstom ATLAS on-board signalling system. It includes the passenger version which can be operated at 200kph.

Furthermore, large gauge Metro is being redesigned with a focus on energy efficiency and manufacturability to better address the Indian market.

Alstom's services product line is focused on addressing green, sustainable and more efficient operation concepts. Green re-tractioning initiatives include for example the retrofit with hydrogen-fuelled internal combustion engines for locomotives and the ability to provide autonomy for non-electrified lines via the so-called "Last-mile" functionality supported by the IPCEI H2 program.

In addition to the HealthHub™ solution, Alstom continues to develop innovative digital solutions dedicated to operation and maintenance activities to optimise reliability and availability while maximising the useful life of components for sustainability improvement.

Alstom's Signalling Product Line continued work on (a) Onvia Control™ L2 A and Onvia Control™ L2 B European Standard convergence, driving market presence with its integration into the TRAXX platform and securing new contracts for cross-border operations, (b) Onvia Cab™ level 2 and level 3 on-board solutions together with Automatic Train Operation, and (c) footprint expansion with a new contract in Canada. Alstom continued developing CBTC solutions Urbalis Fluence™ (e.g., Nexteo), Urbalis Forward™ (e.g., Cluj Metro, Surat Metro L1&2, Bhopal & Indore Metro) and Urbalis Flo™ (e.g., Delhi Line 7 extension, Metro Santiago de los Caballeros) for metros and tramways, and Urbalis Vision Forward™ for Operational Control Centres, maximising traffic fluidity and orchestrating operations from a distance.

Alstom Signalling also plays a key role in the System and Innovation Pillar by defining a harmonised functional architecture for the rail system including migration paths and regulatory framework as well as contributing to several Flagship projects: MOTIONAL (FP1), R2DATO (FP2) and FUTURE (FP6).

Alstom Innovations continued to develop Autonomous Mobility solutions for Passengers & Freight trains.

Major milestones on the roadmap to achieve GoA4 (Grade of Automation 4) have been successfully passed under real mainline operating conditions on passenger and freight train with SNCF in France, and yard operations in the Netherlands.

Alstom has also made great strides in developing a new SaaS platform that will enhance its global digital offering. The platform streamlines applications integration and deployment in a trusted and future-proof ecosystem. The platform's data exchange and sharing capabilities not only provide enhanced value for Alstom's customers, but also enable Alstom to explore new data-driven use cases and analysis, facilitating integration of new digital services throughout the project lifetime.

Among many different use cases on data-driven features being developed, the one on analysing the quality of train services to ground communication is key to better performance: any lack of real-time radio communication between the train and the back-office signalling system can cause stoppages and disruptions (e.g. through the use of EB, or Emergency Brakes), causing operational delays. To understand the reasons for EBs if any, and anticipate radio issues, Alstom has developed Radioscopy, an AI-based solution, designed to monitor and diagnose issues on CBTC networks. Until now, the solution has been successfully deployed on six different projects, improving radio reliability.

2.5.3 OPERATIONAL PERFORMANCE

In the fiscal year 2023/24, Alstom's adjusted EBIT reached 997 million euros, representing a 5.7% operational margin, as compared to 852 million euros, or 5.2% in fiscal year 2022/23.

Selling and Administrative costs as a percentage of sales represented 6.3% for the group as compared to 6.6% on an actual basis compared to fiscal year 2022/23.

Over the period, the contribution resulting from the inclusion of the share in net income of the equity-accounted investments, whose activities are considered as part of the operating activities of the Group, amounted to 131 million euros, decreasing from the 142 million euros reported in the last fiscal year, impacted by unfavourable exchange rates. The contribution from CASCO Signal Limited joint venture and Alstom Sifang (Qingdao) Transportation Ltd. amounted to 62 million euros and 30 million euros respectively, compared to 60 million euros and 30 million euros, respectively, in fiscal year 2022/23. The contribution of the remaining joint ventures amounted to 39 million euros, as compared to 52 million euros in the same period last year.

2.5.4 FROM ADJUSTED EBIT TO ADJUSTED NET PROFIT

During the fiscal year 2023/24, Alstom recorded restructuring and rationalisation charges of (147) million euros mainly related to the reduction of overhead costs for (115) million euros (per the "Autumn" plan) and adaptations to the means of production for (32) million euros, in particular the United Kingdom for (14) million euros, Germany for (8) million euros, in France for (3) million euros, in Spain for (3) million euros and the U.S.A. for (2) million euros.

Integration costs, impairment loss and other costs amounted to (363) million euros, consisting of costs related to the integration of Bombardier Transportation for an amount of (142) million euros, (118) million euros related to some legal proceedings and other risks occurring outside the ordinary course of business mainly for two legal proceedings in U.S.A. and Turkey, and for legal fees in the context of Bombardier Transportation's integration remedies, (30) million euros related to impairments mainly on write-off of assets due to the exit from Russia, and other exceptional expenses for (73) million euros, of which (36) million euros of consequential impacts from savings plan initiated in Germany.

Overall, Alstom's other expenses for the fiscal year 2023/24 amounted to (510) million euros, a (166) million euros increase compared to fiscal year 2022/23.

Taking into consideration restructuring and rationalisation charges, integration costs, impairment loss & others, Alstom's EBIT before amortisation and impairment of assets exclusively valued when determining the PPA stood at 356 million euros, compared to 366 million euros in the same period last fiscal year.

Net financial expenses of the period amounted to (242) million euros, impacted by higher interest rates and higher average outstanding short term debt, as compared to (103) million euros in the same period last fiscal year.

The Group recorded an income tax charge of (6) million euros in the fiscal year 2023/24, corresponding to an effective tax rate before PPA of 28%, compared to (34) million euros for the same period last fiscal year and an effective tax rate of 27%.

The share in net income from equity investments amounted to (7) million euros – excluding the amortisation of the PPA from Chinese joint ventures of (10) million euros –, compared to 123 million euros in the same period last fiscal year. This year amount includes (122) million euros resulting from TMH disposal and is compensated with strong performances from CASCO joint venture as well as Alstom Sifang (Qingdao) Transportation Ltd., Jiangsu Alstom NUG Propulsion System Co. Ltd and CRRC Puzhen Alstom Transportation Systems Limited.

Net profit attributable to non-controlling interest totalled 30 million euros, compared to 24 million euros in the same period last fiscal year.

Adjusted net profit, representing the group's share of net profit from continued operations excluding PPA and impairment net of tax, amounted to 44 million euros for the fiscal year 2023/24 compared to an adjusted net profit of 292 million euros for the fiscal year 2022/23.

2.5.5 FROM ADJUSTED NET PROFIT TO NET PROFIT (LOSS)

During the fiscal year 2023/24, amortisation & impairment of assets exclusively valued when determining the PPA in the context of business combination amounted to (378) million euros before tax, compared to (456) million euros last year. Positive tax effect associated with the PPA amounts to 27 million euros, compared to 36 million euros last year.

The Group's share of net profit (loss) from continued operations including net effect from PPA after tax for (351) million euros, stood at (307) million euros, compared to (128) million euros in the same period last fiscal year.

The net profit (loss) from discontinued operations for the fiscal year 2023/24 amounts to (2) million euros. As a result, the Group's Net profit (loss) (Group share) stood at (309) million euros for the fiscal year 2023/24, compared to (132) million euros last fiscal year.

2.6 Free Cash Flow

(in € million)	Year ended 31 March 2024	Year ended 31 March 2023
EBIT before PPA	**356**	**366**
Depreciation and amortisation (before PPA)	469	441
JV dividends	310	114
EBITDA before PPA + JV dividends	**1,135**	**921**
Capital expenditure	(307)	(289)
R&D capitalisation	(178)	(142)
Financial and Tax cash-out	(428)	(173)
Other	77	101
Funds from Operations	**299**	**418**
Trade Working Capital Changes[1)]	(1,421)	162
Contract Working Capital Changes	565	(381)
FREE CASH FLOW	**(557)**	**199**

(1) Does not include restructuring provisions changes and corporate tax changes- see definition in section 2.10 ("Definitions of non-GAAP financial indicators").

The Group's Free Cash Flow stands at (557) million euros for the fiscal year 2023/24 as compared to 199 million euros during the same period last fiscal year.

Funds from Operations stand at 299 million euros, compared to 418 million euros in the last fiscal year, despite stable EBIT before PPA of 356 million euros compared to 366 million euros in the same period last fiscal year. Main variation comes from financial and tax cash-out that reached (428) million euros, compared to (173) million euros last fiscal year, mainly due to increased interest rates on the Group's short-term debt and fees paid for the Committed Guarantee Facility Agreement ("CGFA") renegotiated in July 2022.

Depreciation and amortisation excluding PPA amounted to 469 million euros (837 million euros including PPA) compared to 441 million euros in the same period last fiscal year (886 million euros including PPA). Right-of-use assets amortisation amounted to 145 million euros compared to the 132 million euros for the fiscal year 2022/23.

JV dividends amounted to 310 million euros compared to 114 million euros, including receipts as per plan for second half.

In the 2023/24 fiscal year, Alstom spent (307) million euros in capital expenditures excluding R&D, as compared to (289) million euros in the same period last fiscal year. The Capex program was focused on transformation & productivity-related investments in Europe as well as on the strategy of continuous increase of the industrial capacity in best cost countries such as Poland, Brazil, Hungary, Mexico, Kazakhstan, and India. Alstom continued to invest in energy savings and safety, reinforcing the Company's commitments for sustainable growth.

Cash generation was mainly impacted by an (856) million euros change in working capital compared to (219)million euros in the same period last fiscal year, mostly due to evolution of Trade Working Capital of which (294) million euros change in payables in light of a supply chain enhancement action plan in the last quarter and the reversal effect of the change in law on VAT in France for (380) million euros.

The Contract Working Capital is positively impacted by acceleration of deliveries from major contracts and strong collections of down payments:

- Contracts assets (representing ca. 103 days of sales as of March 2024 vs 100 days as of March 2023) increase over the period is consistent with contracts portfolio trading and revenue growth.
- Contracts liabilities increase is notably explained by the level of downpayments received over the second half of FY2023/24.
- Current provisions have been mainly impacted by reduction of provisions for risks on contracts.

	Year ended 31 March 2024	Year ended 31 March 2023
Inventories	3,818	3,729
Trade Payables	(3,444)	(3,640)
Trade Receivables	2,997	2,670
Other Assets / Liabilities	(1,705)	(2,244)
TRADE WORKING CAPITAL(1)	**1,666**	**515**

(1) Does not include restructuring provisions and corporate tax changes - see definition in section 2.10 ("Definitions of non-GAAP financial indicators").

	Year ended 31 March 2024	Year ended 31 March 2023
Contract Assets	4,973	4,533
Contract Liabilities	(7,995)	(6,781)
Current Provisions	(1,612)	(1,779)
CONTRACT WORKING CAPITAL	**(4,634)**	**(4,027)**

2.7 Net Cash/(debt)

At 31 March 2024, the Group recorded a net debt position of (2,994) million euros, compared to the (2,135) million euros that the group reported on 31 March 2023. This 859 million euros increase is driven by Free Cash Flow consumption of (557) million euros, a (61) million euros dividend pay-out, and (160) million euros lease evolution.

In addition to its available cash and cash equivalents, amounting to 976 million euros at 31 March 2024, the Group benefits from strong liquidity with:

- 2.25 billion euros Revolving Credit Facility maturing in October 2024;
- 1.75 billion euros Revolving Credit Facility maturing in January 2027;
- 2.5 billion euros Revolving Credit Facility maturing in January 2029.

The first facility has two six-month extension options remaining at borrowers' discretion. Alstom has an obligation to prepay utilizations of and cancel available commitments under the facility with proceeds from the deleverage plan disclosed in Note 36 of the consolidated financial statements.

The last two facilities have been successfully extended by one year in December 2023. At 31 March 2024, the 1.75 billion euros RCF line was drawn down for 175 million euros, while the other two lines remained undrawn.

As per its conservative liquidity policy, the 2.5 billion euros Revolving Credit Facility serves as a back-up of the Group 2.5 billion euros Negotiable European Commercial Papers program in place. With these RCF lines (175 million euros drawn on the 1.75 billion euros RCF at 31 March 2024), the 1.03 billion euros of Neu CP outstanding at 31 March 2024, the Group benefits from a 6.3 billion euros liquidity available.

2.8 Equity

The Group Equity on 31 March 2024 amounted to 8,778 million euros (including non-controlling interests), from 9,102 million euros on 31 March 2023, mostly impacted by:

- Net profit/(loss) of (279) million euros (Group share);
- Dividend paid in cash of (63) million euros;
- Recognition of equity settled share-based payment of 19 million euros related to Long Term Incentive program.

2.9 Subsequent events

As announced in November 2023 and reiterated in January 2024, Alstom's Board of Directors is committed to a conservative financial policy and to protect the Group's Investment Grade rating, in particular through a ca. 2 billion euros inorganic deleveraging plan.

This plan and its execution, which have been unanimously approved by Alstom's Board of Directors on May 7, 2024, has the following components:

- Divestments for ca. 700 million euros:
  - Sale of TMH for 75 million euros realized in January 2024;
  - The announced sale of conventional signalling business in North America to Knorr-Bremse AG, which will generate proceeds of ca. 630 million euros upon closing expected during Summer 2024;
- The issuance of hybrid bonds with 50% equity content for Moody's[1] in an amount of ca. 750 million euros to be executed no later than September 2024 subject to market conditions and to AMF approval;
- A capital increase with preferential subscription rights in an amount of ca. 1 billion euros to be executed no later than September 2024 subject to market conditions and to AMF approval.

The ca. 2.4 billion euros proceeds correspond to ca. 2 billion euros of deleveraging, mainly due to the hybrid bond's 50% Moody's debt content.

Each of CDPQ[2] and Bpifrance holding respectively 17.4% and 7.5% of Alstom's capital, has declared to the Company its intention to subscribe for its pro-rata share of the capital increase.

In addition, Alstom has entered into a standby underwriting commitment with BNP Paribas, Crédit Agricole Corporate and Investment Bank, J.P. Morgan and Société Générale, acting as Joint Global Coordinators, pursuant to which they have undertaken to underwrite the remainder of the capital raise (i.e. ca. 750 million euros), subject to the satisfaction of customary conditions precedent.

The ca. 1.2 billion euros of the proceeds of asset disposals and of the capital markets transactions will be used to repay financial debt by September 2024:

- Repayment of Neu CP by 1,033 million euros;
- Repayment of RCF drawings by 175 million euros.

The remainder of the proceeds will be invested in highly liquid short-term investment (cash equivalent treatment) and will be earmarked for gross debt reduction at maturity.

Alstom Baa3 long-term issuer rating is reaffirmed, and the outlook will be changed to stable upon successful closing of the hybrid bond issuance and the rights issue.

Alstom will terminate its 2.25 billion euros credit facility agreement following execution of the deleveraging plan.

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(1) 100% equity content as per IFRS accounting standards.
(2) Caisse de dépôt et placement du Québec

2.10 Definitions of non-GAAP financial indicators

This section presents financial indicators used by the Group that are not defined by IFRS or other generally accepted accounting principles.

2.10.1 ORDERS RECEIVED

A new order is recognised as an order received only when the contract creates enforceable obligations between the Group and its customer.

When this condition is met, the order is recognised at the contract value.

If the contract is denominated in a currency other than the functional currency of the reporting unit, the Group requires the immediate elimination of currency exposure using forward currency sales. Orders are then measured using the spot rate at inception of hedging instruments.

2.10.2 BOOK-TO-BILL

The book-to-bill ratio is the ratio of orders received to the amount of sales traded for a specific period.

2.10.3 GROSS MARGIN % ON BACKLOG

Gross Margin % on backlog is a KPI that presents the expected performance level of firm contracts in backlog. It represents the difference between the sales not yet recognized and the cost of sales not yet incurred from the contracts in backlog. This % is an average of the portfolio of contracts in backlog and is meaningful to project mid- and long-term profitability.

2.10.4 ADJUSTED GROSS MARGIN BEFORE PPA

Adjusted Gross Margin before PPA is a KPI that presents the level of recurring operational performance. It represents the sales minus the cost of sales, adjusted to exclude the impact of amortisation of assets exclusively valued when determining the PPA in the context of business combination as well as significant, non-recurring "one off" items that are not expected to occur again in subsequent years.

2.10.5 ADJUSTED EBIT AND EBIT BEFORE PPA

2.10.5.1 Adjusted EBIT

Adjusted EBIT ("aEBIT") is a KPI that presents the level of recurring operational performance. This KPI is also aligned with market practice and comparable to the Group's direct competitors.

Since September 2019, Alstom has opted for the inclusion of the share in net income of the equity-accounted investments into the aEBIT even though this component is part of the operating activities of the Group (because there are significant operational flows and/or common project execution associated with these entities). This mainly includes Chinese joint ventures, namely CASCO joint-venture for Alstom as well as, following the integration of Bombardier Transportation, Alstom Sifang (Qingdao) Transportation Ltd., Jiangsu Alstom NUG Propulsion System Co. Ltd and Changchun Changke Alstom Railway Vehicles Company Ltd.

aEBIT corresponds to Earning Before Interests and Tax adjusted for the following elements:

- Net restructuring expenses (including rationalisation costs);
- Tangibles and intangibles impairment;
- Capital gains or loss/revaluation on investments disposals or controls changes of an entity;
- Any other non-recurring items, such as some costs incurred to realise business combinations and amortisation of an asset exclusively valued in the context of business combination, as well as litigation costs that have arisen outside the ordinary course of business; and
- And including the share in net income of the operational equity-accounted investments.

A non-recurring item is a significant, "one-off" exceptional item that is not expected to occur again in subsequent years.

Adjusted EBIT margin corresponds to Adjusted EBIT expressed as a percentage of sales.

2.10.5.2 EBIT before PPA

Following the Bombardier Transportation acquisition and with effect from the fiscal year 2021/22 condensed consolidated financial statements, Alstom decided to introduce the "EBIT before PPA" KPI aimed at restating its Earnings Before Interest and Taxes ("EBIT") to exclude the impact of amortisation of assets exclusively valued when determining the PPA in the context of business combination. This KPI is also aligned with market practice.

The non-GAAP measure aEBIT and EBIT before PPA KPI reconcile with the GAAP measure EBIT as follows:

(in € million)	Year ended 31 March 2024	Year ended 31 March 2023
Sales	**17,619**	**16,507**
Adjusted Earnings Before Interest and Taxes (aEBIT)	**997**	**852**
aEBIT (in % of Sales)	5.7%	5.2%
Capital Gains/(losses) on disposal of business	(0)	(30)
Restructuring and rationalisation costs	(147)	(65)
Integration costs, impairment and other	(363)	(249)
Reversal of Net Interest in Equity Investees pick-up	(131)	(142)
EARNING BEFORE INTEREST AND TAXES (EBIT) BEFORE PPA & IMPAIRMENT	**356**	**366**
PPA amortisation & impairment(1)	(378)	(456)
EARNING BEFORE INTEREST AND TAXES (EBIT)	**(22)**	**(90)**

(1) Gross amount before tax.

2.10.6 ADJUSTED NET PROFIT

The "Adjusted Net Profit" KPI restates Alstom's net profit from continued operations (Group share) to exclude the impact of amortisation of assets exclusively valued when determining the PPA in the context of business combination, net of the corresponding tax effect.

Adjusted net profit reconciles with the GAAP measure Net profit from continued operations attributable to equity holders (Net profit from continued operations – Group share) as follows:

(in € million)	Year ended 31 March 2024	Year ended 31 March 2023
Adjusted Net Profit	**44**	**292**
Amortization & impairment of assets valued when determining the purchase price allocation	(351)	(420)
NET PROFIT (LOSS) FROM CONTINUED OPERATIONS (GROUP SHARE)	**(307)**	**(128)**

2.10.7 FREE CASH FLOW

Free Cash Flow is defined as net cash provided by operating activities less capital expenditures including capitalised development costs, net of proceeds from disposals of tangible and intangible assets. Free Cash Flow does not include any proceeds from disposals of activity.

The most directly comparable financial measure to Free Cash Flow calculated and presented in accordance with IFRS is net cash provided by operating activities.

A reconciliation of Free Cash Flow and net cash provided by operating activities is presented below:

(in € million)	Year ended 31 March 2024	Year ended 31 March 2023
Net cash provided by/(used in) operating activities	**(82)**	**606**
Of which operating flows provided/(used) by discontinued operations		
Capital expenditure (including capitalised R&D costs)	(485)	(431)
Proceeds from disposals of tangible and intangible assets	8	24
FREE CASH FLOW	**(557)**	**199**

Alstom uses the Free Cash Flow both for internal analysis purposes as well as for external communication as the Group believes it provides accurate insight into the actual amount of cash generated or used by operations.

During the fiscal year 2023/24, the Group Free Cash Flow was at (557) million euros compared to 199 million euros in the same period last fiscal year.

2.10.8 CAPITAL EMPLOYED

Capital employed corresponds to assets minus liabilities, each defined as follows:

- assets: sum of goodwill, intangible assets, property, plant and equipment, equity-accounted investments and other investments, other non-current assets (other than those related to financial debt and to employee defined benefit plans), inventories, costs to fulfil a contract, contract assets, trade receivables and other operating assets;
- liabilities: sum of non-current and current provisions, contract liabilities, trade payables and other operating liabilities.

At 31 March 2024, capital employed stood at 11,627 million euros compared to 11,728 million euros on 31 March 2023.

(in € million)	Year ended 31 March 2024	Year ended 31 March 2023
Non current assets	16,243	16,845
less deferred tax assets	(673)	(596)
less non-current assets directly associated to financial debt	(115)	(108)
Capital employed – non current assets (A)	**15,455**	**16,141**
Current assets	16,319	14,551
less cash & cash equivalents	(976)	(826)
less other current financial assets	(40)	(92)
Capital employed – current assets (B)	**15,303**	**13,633**
Current liabilities	19,611	17,643
less current financial debt	(1,316)	(396)
plus non current lease obligations	471	501
less other obligations associated to financial debt	(174)	(144)
plus non current provisions	539	442
Capital employed – liabilities (C)	**19,131**	**18,046**
CAPITAL EMPLOYED (A)+(B)-(C)	**11,627**	**11,728**

2.10.9 NET CASH/(DEBT)

The net cash/(debt) is defined as cash and cash equivalents, marketable securities and other current financial assets, less borrowings. At 31 March 2024, the Group recorded a net cash level of (2,994) million euros, as compared to the net cash position of (2,135) million euros on 31 March 2023.

(in € million)	Year ended 31 March 2024	Year ended 31 March 2023
Cash and cash equivalents	976	826
Other current financial assets	40	65
Other non current assets		27
less:		
Current financial debt	1,316	396
Non current financial debt	2,694	2,657
NET CASH/(DEBT) AT THE END OF THE PERIOD	**(2,994)**	**(2,135)**

2.10.10 ORGANIC BASIS

Management report on condensed interim consolidated financial statements include KPIs presented on an actual basis and on an organic basis. Figures given on an organic basis eliminate the impact of changes in scope of consolidation and changes resulting from the translation of the accounts into Euro following the variation of foreign currencies against the Euro.

The Group uses figures prepared on an organic basis both for internal analysis and for external communication, as it believes they provide means to analyse and explain variations from one period to another. However, these figures are not measurements of performance under IFRS.

2.10.11 SALES BY CURRENCY

	Year ended 31 mars 2024 as a % of Sales
Currencies	
EUR	45.3%
GBP	10.9%
USD	10.0%
CAD	4.9%
INR	4.9%
AUD	4.4%
SEK	2.9%
MXN	2.8%
ZAR	2.7%
BRL	1.7%
KZT	1.2%
SGD	1.2%
Currencies below 1% of sales	7.1%

2.10.12 ADJUSTED INCOME STATEMENT, EBIT AND ADJUSTED NET PROFIT

This section presents the reconciliation between the consolidated income statement and the MD&A management view.

(in € million)	Total Consolidated Financial Statements (GAAP)	Adjustments (1)	(2)	(3)	(4)	Total Consolidated Financial Statements (MD&A view)
31 March 2024						
Sales	**17,619**					**17,619**
Cost of Sales	(15,406)	308		2		(15,096)
Adjusted Gross Margin before PPA & impairment(*)	**2,213**	**308**	**-**	**2**	**-**	**2,523**
R&D expenses	(609)	60				(549)
Selling expenses	(383)	-				(383)
Administrative expenses	(725)	-				(725)
Equity pick-up	-				131	131
Adjusted EBIT(*)	**496**	**368**	**-**	**2**	**131**	**997**
Other income/(expenses)	(508)			(2)		(510)
Equity pick-up (reversal)	-	-	-	-	(131)	(131)
EBIT/EBIT before PPA & impairment(*)	**(12)**	**368**	**-**	**-**	**-**	**356**
Financial income (expenses)	(242)					(242)
Pre-tax income	**(254)**	**368**	**-**	**-**	**-**	**114**
Income tax Charge	(6)	(27)	-			(33)
Share in net income of equity-accounted investments	(17)	10				(7)
Net profit (loss) from continued operations	**(277)**	**351**	**-**	**-**	**-**	**74**
Net profit (loss) attributable to non controlling interests (-)	(30)					(30)
Net profit (loss) from continued operations (Group share)/Adjusted Net Profit (loss)(*)	**(307)**	**351**	**-**	**-**	**-**	**44**
Purchase Price Allocation (PPA) & impairment net of corresponding tax effect	-	(351)				(351)
Net profit (loss) from discontinued operations	(2)					(2)
NET PROFIT (LOSS) (GROUP SHARE)	**(309)**	**-**	**-**	**-**	**-**	**(309)**

* Non-GAAP indicator, see definition in section 2.10 (“Definitions of non-GAAP financial indicators”).

Adjustments 31 March 2024:

(1) Impact of business combinations: amortisation of assets exclusively valued when determining the PPA, including net income of equity accounted investments, and including corresponding tax effect.

(2) Impact of business combinations: impairment of assets exclusively valued when determining the PPA (see Note 2.4 Use of estimates and 2.5.4 – Business Combinations of the financial statements), including corresponding tax effect.

(3) Impact of Aptis closure: reclassification of operational results as non-recurring items following Alstom’s announced and planned discontinuance of Aptis activities.

(4) Reclassification of share in net income of the equity-accounted investments when these are considered to be part of operating activities of the Group (see section 2.10.5.1. “Adjusted EBIT”).

	Total Consolidated Financial Statements (GAAP)	Adjustments				**Total Consolidated Financial Statements (MD&A view)**
(in € million)		(1)	(2)	(3)	(4)	
31 March 2023						
Sales	**16,507**					**16,507**
Cost of Sales	(14,541)	355		4		(14,182)
Adjusted Gross Margin before PPA & impairment(*)	**1,966**	**355**	**-**	**4**	**-**	**2,325**
R&D expenses	(580)	61				(519)
Selling expenses	(375)	-				(375)
Administrative expenses	(721)	-				(721)
Equity pick-up	-				142	142
Adjusted EBIT(*)	**290**	**416**	**-**	**4**	**142**	**852**
Other income/(expenses)	(369)		29	(4)		(344)
Equity pick-up (reversal)	-	-	-	-	(142)	(142)
EBIT/EBIT before PPA & impairment(*)	**(79)**	**416**	**29**	**-**	**-**	**366**
Financial income (expenses)	(103)					(103)
Pre-tax income	**(182)**	**416**	**29**	**-**	**-**	**263**
Income tax Charge	(34)	(34)	(2)			(70)
Share in net income of equity-accounted investments	112	11				123
Net profit (loss) from continued operations	**(104)**	**393**	**27**	**-**	**-**	**316**
Net profit (loss) attributable to non controlling interests (-)	(24)					(24)
Net profit (loss) from continued operations (Group share)/Adjusted Net Profit (loss)(*)	**(128)**	**393**	**27**	**-**	**-**	**292**
Purchase Price Allocation (PPA) & impairment net of corresponding tax effect	-	(420)				(420)
Net profit (loss) from discontinued operations	(4)					(4)
NET PROFIT (LOSS) (GROUP SHARE)	**(132)**	**(27)**	**27**	**-**	**-**	**(132)**

* Non – GAAP. See definitions in section 2.10 ("Definitions of non-GAAP financial indicators").

Adjustments 31 March 2023:

(1) Impact of business combinations: amortisation of assets exclusively valued when determining the PPA, including net income of equity accounted investments, and including corresponding tax effect.

(2) Impact of business combinations: impairment of assets exclusively valued when determining the PPA (see Note 2.4 Use of estimates and 2.5.4 – Business Combinations of the financial statements), including corresponding tax effect.

(3) Impact of Aptis closure: reclassification of operational results as non-recurring items following Alstom's announced and planned discontinuance of Aptis activities.

(4) Reclassification of share in net income of the equity-accounted investments when these are considered to be part of operating activities of the Group (see section 2.10.5.1. "Adjusted EBIT").

2.10.13 FROM ENTERPRISE VALUE TO EQUITY VALUE

(in € million)		Year ended 31 March 2024	Year ended 31 March 2023
Total Gross debt, incl. lease obligations	**(1)**	**4,557**	**3,579**
Pensions liabilities net of prepaid and deferred tax asset related to pensions	(2)	777	582
Non controlling interest	(3)	106	105
Cash and cash equivalents	(4)	(976)	(826)
Oher current financial assets	(4)	(40)	(65)
Other non-current financial assets	(5)	(14)	(56)
Net deferred tax liability/(asset)	(6)	(644)	(443)
Investments in associates & JVs, excluding Chinese JVs	(7)	(102)	(123)
Non-consolidated Investments	(8)	(74)	(82)
BRIDGE		**3,590**	**2,671**

(1) Long-term and short-term debt and Leases (Note 27 in chapter 3), excluding the lease to a London metro operator for 98 million euros due to matching financial asset (Notes 15 and 27 in chapter 3).

(2) As per Note 29 net of 62 million euros of deferred tax allocated to accruals for employees benefit costs (Note 8.2 in the Financial Notes of chapter 3).

(3) As per balance sheet.

(4) As per balance sheet.

(5) Other non-current assets: Loans to non-consolidated Investments for 14 million euros.

(6) Deferred Tax Assets and Liabilities – as per balance sheet, net of 62 million euros of deferred tax allocated to accruals for employees benefit costs (Note 8.2 in the Financial Notes of chapter 3).

(7) JVs – to the extent they are not included in the share in net income of the equity-accounted investments whose activity are considered as part of the operating activities of the Group/ FCF, ie excluding Chinese JVs.

(8) Non-consolidated investments as per balance sheet.

2.10.14 BOMBARDIER TRANSPORTATION PPA AMORTISATION PLAN

This section presents the amortisation plan of the PPA related to Bombardier Transportation.

(in € million)	Year ended 31 March 2024
Amortisation Plan, as per P&L booking(1)	**(3,148)**
2021	(71)
2022	(428)
2023	(436)
2024	(357)
2025	(373)
2026	(264)
2027	(213)
2028	(203)
2029	(166)
2030	(139)
2031	(107)
2032	(97)
2033	(95)
2034	(47)
Beyond	(151)

(1) Excludes PPA other than related to the purchase of Bombardier Transportation.

2.10.15 CONTRACT & TRADE WORKING CAPITAL

This section defines the Contract & Trade Working Capital and reconciles with Note 16 in the Financial Notes:

Contract Working Capital is the sum of:

- Contract Assets & Liabilities, which includes the Customer Down-Payments;
- Current provisions, which includes Risks on contracts and Warranties.

Trade Working Capital is the Working Capital that is not strictly related to contract. It includes all the elements of the working capital but

- Contract Working Capital;
- Income Tax receivables and payables;
- Restructuring provisions.

	Year ended 31 March 2024	Year ended 31 March 2023
Inventories (1)	3,818	3,729
Trade Payables	(3,444)	(3,640)
Trade Receivables	2,997	2,670
Other Assets / Liabilities	(1,705)	(2,244)
Trade Working Capital	**1,666**	**515**
Contract Assets	4,973	4,533
Contract Liabilities	(7,995)	(6,781)
Current Provisions	(1,612)	(1,779)
Contract Working Capital	**(4,634)**	**(4,027)**
Corporate Tax	(128)	(207)
Restructuring	(261)	(166)
PUBLISHED WORKING CAPITAL	**(3,357)**	**(3,885)**

(1) Inventories movement mainly impacted by (205) million euros of reclassification to fixed assets of a fleet of trains which was put on lease during the year (Non-FCF impact).

2.10.16 FUNDS FROM OPERATIONS

Funds from Operations “FFO” in the EBIT before PPA to Free Cash Flow statement refers to the Free Cash Flow generated by Operations, before Working Capital variations.

2.10.17 EBITDA BEFORE PPA + JV DIVIDENDS

EBITDA before PPA plus dividends from joint ventures is the EBIT before PPA, before depreciation and amortisation, with the addition of the dividends received from joint ventures.

2.11 Statutory auditors’ report on the profit forecasts [adjusted operating margin («% aEBIT »)] for the 2024/25 outlook

For the year ended March 31, 2024

To the Chief Executive Officer,

This is a free translation into English of the Statutory Auditors’ report issued in the French language and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

In our capacity as statutory auditors of your company and in response to your request we hereby report to you on the profit forecasts ([adjusted operating margin]) of the company Alstom SA (the “**Company**”) set out in section 2.2 2024/25 fiscal year outlook of chapter 2 “ Management report on consolidated financial statements, as of 31 March 2024” of the universal registration document.

It is your responsibility to compile the profit forecasts, together with the material assumptions upon which they are based, in accordance with the requirements of Commission Regulation (EU) 2017/1129 supplemented by Commission Delegated Regulation (EU) 2019/980 and ESMA’s guidelines on profit forecasts.

It is our responsibility to express an opinion, based on our work, as to the proper compilation of these forecasts on the basis stated.

We performed those procedures that we deemed necessary in accordance with the professional guidance of the French Institute of Statutory Auditors (“CNCC”) applicable to such engagement. Our work included an assessment of the procedures undertaken by management to compile the profit forecasts as well as the implementation of procedures to ensure that the accounting policies used are consistent with the policies applied by the Company for the preparation of the historical financial information. Our work also included gathering information and explanations that we deemed necessary in order to obtain reasonable assurance that the profit forecasts have been properly compiled on the basis stated.

Since profit forecasts, by nature, are uncertain and may differ significantly from actual results, we do not express an opinion as to whether the actual results reported will correspond to those shown in the profit forecasts.

In our opinion:

- the profit forecasts have been properly compiled on the basis stated; and
- the basis of accounting used for the profit forecasts is consistent with the accounting policies of the Company.

This report has been issued solely for the purpose of:

- the filing of the universal registration document with the French financial markets’ authority (Autorité des marchés financiers or “**AMF**”);
- if applicable, the admission to trading on a regulated market, and/or a public offer, of securities of the Company in France and in other EU member states in which the prospectus approved by the AMF is notified;

and cannot be used for any other purpose.

Paris-La Défense et à Neuilly-sur-Seine, May 15, 2024

The statutory auditors
French original signed by

Mazars		**PricewaterhouseCoopers Audit**	
Jean-Luc Barlet	Daniel Escudeiro	Cédric Haaser	Edouard Cartier


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ALSTOM

3

FINANCIAL STATEMENTS

AFR

The Content of the Annual Financial Report
is identified in the summary table with
the help of this pictogram.

3.1 CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 March 2024

3.1.1 Consolidated income statement

		Year ended	
(in € million)	Note	At 31 March 2024	At 31 March 2023
Sales	(3)	**17,619**	**16,507**
Cost of sales		(15,406)	(14,541)
Research and development expenses	(4)	(609)	(580)
Selling expenses	(5)	(383)	(375)
Administrative expenses	(5)	(725)	(721)
Other income / (expense)	(6)	(508)	(369)
Earnings Before Interests and Taxes		**(12)**	**(79)**
Financial income	(7)	47	36
Financial expense	(7)	(289)	(139)
Pre-tax income		**(254)**	**(182)**
Income Tax Charge	(8)	(6)	(34)
Share in net income of equity-accounted investments(1)	(13)	(17)	112
Net profit (loss) from continuing operations		**(277)**	**(104)**
Net profit (loss) from discontinued operations	(9)	(2)	(4)
NET PROFIT (LOSS)		**(279)**	**(108)**
Net profit (loss) attributable to equity holders of the parent		(309)	(132)
Net profit (loss) attributable to non controlling interests		30	24
Net profit (loss) from continuing operations attributable to:			
● Equity holders of the parent		(307)	(128)
● Non controlling interests		30	24
Net profit (loss) from discontinued operations attributable to:			
● Equity holders of the parent		(2)	(4)
● Non controlling interests		-	-
EARNINGS (LOSSES) PER SHARE (in €)			
● Basic earnings (losses) per share	(10)	(0.81)	(0.35)
● Diluted earnings (losses) per share	(10)	(0.80)	(0.35)

(1) Including (122) million euros loss resulting from the sale of TMH and the derecognition of the Currency Translation Adjustment (see Note 1.2) as of 31 March 2024.

The accompanying notes are an integral part of the consolidated financial statements.

3.1.2 Consolidated statement of comprehensive income

(in € million)	Note	Year ended At 31 March 2024	At 31 March 2023
Net profit (loss) recognised in income statement		**(279)**	**(108)**
Remeasurement of post-employment benefits obligations	(29)	(135)	256
Equity investments at FVOCI	(13)/(14)	(8)	9
Income tax relating to items that will not be reclassified to profit or loss	(8)	2	(6)
Items that will not be reclassified to profit or loss		**(141)**	**259**
of which from equity-accounted investments		-	-
Fair value adjustments on cash flow hedge derivatives		3	1
Costs of hedging reserve		19	57
Currency translation adjustments[1]	(23)	129	(220)
Income tax relating to items that may be reclassified to profit or loss	(8)	(8)	(5)
Items that may be reclassified to profit or loss		**143**	**(167)**
of which from equity-accounted investments	(13)	72	(73)
TOTAL COMPREHENSIVE INCOME		**(277)**	**(16)**
Attributable to:			
• Equity holders of the parent		(302)	(27)
• Non controlling interests		25	11
Total comprehensive income attributable to equity shareholders arises from:			
• Continuing operations		(301)	(23)
• Discontinued operations		(1)	(4)
Total comprehensive income attributable to non controlling interests arises from:			
• Continuing operations		25	11
• Discontinued operations		-	-

(1) Includes the CTA recycling impact for the TMH disposal (see Note 1.2) and currency translation adjustments on actuarial gains and losses for 5 million euros as of 31 March 2024 ((7) million euros as of 31 March 2023).

The accompanying notes are an integral part of the consolidated financial statements.

3.1.3 Consolidated balance sheet

Assets

(in € million)	Note	At 31 March 2024	At 31 March 2023
Goodwill	(11)	9,093	9,380
Intangible assets	(11)	2,268	2,606
Property, plant and equipment	(12)	2,756	2,481
Investments in joint-venture and associates	(13)	882	1,131
Non consolidated investments	(14)	74	82
Other non-current assets	(15)	497	569
Deferred Tax	(8)	673	596
Total non-current assets		**16,243**	**16,845**
Inventories	(17)	3,818	3,729
Contract assets	(18)	4,973	4,533
Trade receivables	(19)	2,997	2,670
Other current operating assets	(20)	3,515	2,728
Other current financial assets	(25)	40	65
Cash and cash equivalents	(26)	976	826
Total current assets		**16,319**	**14,551**
Assets held for sale	(9)	691	-
TOTAL ASSETS		**33,253**	**31,396**

Equity and Liabilities

(in € million)	Note	At 31 March 2024	At 31 March 2023
Equity attributable to the equity holders of the parent	(23)	8,672	8,997
Non controlling interests		106	105
Total equity		**8,778**	**9,102**
Non current provisions	(22)	539	442
Accrued pensions and other employee benefits	(29)	946	923
Non-current borrowings	(27)	2,694	2,657
Non-current lease obligations	(27)	471	501
Deferred Tax	(8)	91	128
Total non-current liabilities		**4,741**	**4,651**
Current provisions	(22)	1,612	1,779
Current borrowings	(27)	1,316	396
Current lease obligations	(27)	174	144
Contract liabilities	(18)	7,995	6,781
Trade payables	(16)	3,444	3,640
Other current liabilities	(21)	5,070	4,903
Total current liabilities		**19,611**	**17,643**
Liabilities related to assets held for sale	(9)	123	-
TOTAL EQUITY AND LIABILITIES		**33,253**	**31,396**

The accompanying notes are an integral part of the consolidated financial statements.

3.1.4 Consolidated statement of cash flows

(in € million)	Note	Year ended At 31 March 2024	At 31 March 2023
Net profit (loss)		**(279)**	**(108)**
Depreciation, amortisation and impairment	(11)/(12)	836	886
Expense arising from share-based payments	(30)	19	66
Cost of net financial debt and costs of foreign exchange hedging, net of interest paid and received (a), and other change in provisions		(26)	33
Post-employment and other long-term defined employee benefits		(13)	4
Net (gains) / losses on disposal of assets		(1)	28
Share of net income (loss) of equity-accounted investments (net of dividends received)	(13)	327	2
Deferred taxes charged to income statement	(8)	(104)	(138)
Net cash provided by operating activities – before changes in working capital		**759**	**773**
Changes in working capital resulting from operating activities (b)	**(16)**	**(841)**	**(167)**
Net cash provided by / (used in) operating activities		**(82)**	**606**
Of which operating flows provided / (used) by discontinued operations		-	-
Proceeds from disposals of tangible and intangible assets		8	24
Capital expenditure (including capitalised R&D costs)		(485)	(431)
Increase / (decrease) in other non-current assets	(15)	4	24
Acquisitions of businesses, net of cash acquired		(31)	(30)
Disposals of businesses, net of cash sold		73	(65)
Net cash provided by / (used in) investing activities		**(431)**	**(478)**
Of which investing flows provided / (used) by discontinued operations	(9)	(8)	(11)
Capital increase / (decrease) including non controlling interests		-	90
Dividends paid including payments to non controlling interests		(61)	(62)
Issuances of bonds & notes	(27)	-	-
Changes in current and non-current borrowings	(27)	877	56
Changes in lease obligations	(27)	(160)	(150)
Changes in other current financial assets and liabilities	(27)	40	5
Net cash provided by / (used in) financing activities		**696**	**(61)**
Of which financing flows provided / (used) by discontinued operations		-	-
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		**183**	**67**
Cash and cash equivalents at the beginning of the period		826	810
Net effect of exchange rate variations		(33)	(53)
Transfer to assets held for sale		(2)	2
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	**(26)**	**976**	**826**
(a) Net of interests paid & received		(152)	(43)
(b) Income tax paid		(188)	(130)

The accompanying notes are an integral part of the consolidated financial statements.

3.1.5 Consolidated statement of changes in equity

(in € million, except for number of shares)	Number of outstanding shares	Capital	Additional paid-in capital	Retained earnings	Actuarial gains and losses	Cash-flow hedge	Currency translation adjustment	Equity attributable to the equity holders of the parent	Non controlling interests	Total equity
At 31 March 2022	**373,391,746**	**2,614**	**5,354**	**1,236**	**160**	**(3)**	**(450)**	**8,911**	**113**	**9,024**
Movements in other comprehensive income	-	-	-	61	242	2	(200)	105	(13)	92
Net income for the period	-	-	-	(132)	-	-	-	(132)	24	(108)
Total comprehensive income	**-**	**-**	**-**	**(71)**	**242**	**2**	**(200)**	**(27)**	**11**	**(16)**
Change in controlling interests and others	-	-	-	(1)	4	-	-	3	-	3
Dividends convertible into shares	-	-	-	(50)	-	-	-	(50)	-	(50)
Dividends paid in cash	-	-	-	(43)	-	-	-	(43)	(19)	(62)
Capital increase by issuance of new shares	2,432,331	17	35	-	-	-	-	52	-	52
Issue of ordinary shares under long term incentive plans	4,629,377	32	56	(3)	-	-	-	85	-	85
Recognition of equity settled share-based payments	-	-	-	66	-	-	-	66	-	66
At 31 March 2023	**380,453,454**	**2,663**	**5,445**	**1,134**	**406**	**(1)**	**(650)**	**8,997**	**105**	**9,102**
Movements in other comprehensive income	-	-	-	7	(134)	4	130	7	(5)	2
Net income for the period	-	-	-	(309)	-	-	-	(309)	30	(279)
Total comprehensive income	**-**	**-**	**-**	**(302)**	**(134)**	**4**	**130**	**(302)**	**25**	**(277)**
Change in controlling interests and others	-	-	-	(4)	-	-	-	(4)	1	(3)
Dividends convertible into shares	2,435,803	17	41	(58)	-	-	-	-	-	-
Dividends paid in cash	-	-	-	(38)	-	-	-	(38)	(25)	(63)
Issue of ordinary shares under long term incentive plans	1,401,811	10	-	(10)	-	-	-	-	-	-
Recognition of equity settled share-based payments	-	-	-	19	-	-	-	19	-	19
AT 31 MARCH 2024	**384,291,068**	**2,690**	**5,486**	**741**	**272**	**3**	**(520)**	**8,672**	**106**	**8,778**

The accompanying notes are an integral part of the consolidated financial statements.

3.1.6 Notes to the consolidated financial statements

Alstom is a leading player in the world rail transport industry. As such, the Company offers a complete range of solutions, including rolling stock, systems, services as well as signalling for passenger and freight railway transportation. It benefits from a growing market with solid fundamentals. The key market drivers are urbanisation, environmental concerns, economic growth, governmental spending and digital transformation.

In this context, Alstom has been able to develop both a local and global presence that sets it apart from many of its competitors, while offering proximity to customers and great industrial flexibility. Its range of solutions, one of the most complete and integrated on the market, and its position as a technological leader, place Alstom in a unique situation to benefit from the worldwide growth in the rail transport market. Lastly, in order to generate profitable growth, Alstom focuses on operational excellence and its product mix evolution.

The consolidated financial statements are presented in euro and have been authorised for issue by the Board of Directors held on 7 May 2024. In accordance with French legislation, they will be final once approved by the shareholders of Alstom at the Annual General Meeting convened for 20 June 2024.

A. MAJOR EVENTS AND CHANGES IN SCOPE OF CONSOLIDATION

NOTE 1. MAJOR EVENTS AND MAJOR CHANGES IN SCOPE OF CONSOLIDATION

1.1. Major events

Sale of North American Signalling Business to Knorr-Bremse AG

On 19 April 2024, Alstom announced that it had entered into a binding agreement with Knorr-Bremse AG, to sell Alstom's North American conventional signalling business for a purchase price of around 630 million euros.

This transaction is part of the comprehensive company action plan that Alstom announced on 15 November 2023, aimed at reinforcing its leadership position in the rail industry. Closing of the transaction is only subject to customary conditions, including regulatory approval, and is expected to take place as soon as summer 2024.

Proceeds for Alstom at closing, net of expected tax and transaction costs, are expected to be around 620 million euros.

As of 31 March 2024, the corresponding assets have been classified as Assets Held for Sale in the consolidated Balance Sheet (see Note 9.2).

"Autumn" restructuring plan

On 15 November 2023, Alstom announced that it was implementing a comprehensive operational, commercial and cost efficiency plan (the "Autumn" plan). The Autumn plan aims at accelerating the third phase of the Bombardier Transportation merger roadmap (optimization). As part of this efficiency plan, Alstom announced an overhead cost reduction initiative of around 1,500 FTE representing close to 10% of total S&A positions. This plan was presented to the employee representation bodies during the second semester, and negotiations are ongoing in view of implementing as from the first semester of the fiscal year 2024/25.

A total cost of 115 million euros has been booked during the period, with a remaining balance in provision of 110 million euros in the consolidated Balance Sheet (see Note 22) as of 31 March 2024.

1.2. Scope of consolidation

SpeedInnov

Through its affiliate SpeedInnov, a joint venture created in 2015 with ADEME, Alstom focused on its "Very high-speed train of the future" project, aiming to promote a new generation of very high-speed trainset which will reduce acquisition and operating costs by at least 20%, optimize the environmental footprint and develop the commercial offer to improve passenger experience. In this context, Alstom subscribed to a capital increase in this joint venture in an amount of 13.6 million euros in October 2023 increasing its stake from 75.48% to 76.39% with no change in the consolidation method due to the rights granted to the co-investor as per shareholder agreement, the Group assessed it has "Joint control" over the entity.

Disposal of TMH

On 14 September 2023, the Office of Foreign Assets Control (OFAC) of the US department of Treasury added JSC Transmashholding (TMH AO) to the Specially Designated Nationals and Blocked Person (SDN) List. TMH AO is the Russian holding company of TMH Group and is 100% owned by TMH Limited.

The Group further assessed potential exposures arising from the new OFAC sanctions and made the decision to sell its stake in TMH.

The transaction was closed early January 2024 for an amount of 75 million euros, carrying value was nil as result of previous impairment, contributing to the de-risking of the company's portfolio. The sale resulted in a non-cash loss of (122) million euros due to the recycling of the (197) million euros Currency Translation Adjustment accounted for directly in equity since the acquisition. The net impact of the sale is presented in the line "Share in net income on equity accounted investments" of the consolidated Income Statement as of 31 March 2024.

B. ACCOUNTING POLICIES AND USE OF ESTIMATES

NOTE 2. ACCOUNTING POLICIES

2.1. Basis of preparation of the consolidated financial statements

Alstom consolidated financial statements, for the year ended 31 March 2024, are presented in millions of Euros and have been prepared:

- in accordance with the International Financial Reporting Standards (IFRS) and interpretations published by the International Accounting Standards Board (IASB) and endorsed by the European Union and whose application was mandatory as at 31 March 2024;
- using the same accounting policies and measurement methods as at 31 March 2023, with the exceptions of changes required by the enforcement of new standards and interpretations presented here after.

The full set of standards endorsed by the European Union can be consulted at: http://www.efrag.org/Endorsement.

2.2. New standards and interpretations mandatorily applicable for financial periods beginning on 1 April 2023

Four amendments are applicable at 1 April 2023 and endorsed by European Union:

- Amendments to IAS 1 “Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies”;
- Amendments to IAS 8 “Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates”;
- Amendments to IAS 12 “Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction”;
- Amendments to IAS 12 “Income taxes: International Tax Reform – Pillar Two Model Rules”.

Due to its size, Alstom is in the scope of the Pillar two Model Rules as released by the OECD, introducing a minimum corporate income tax rate of 15%. The legislation has been enacted in France and is applicable to Alstom at 1 April 2024. The amendment to IAS 12 “Income Taxes – International Tax Reform – Pillar Two Model Rules” published by the IASB and approved by the European Union provides a temporary exception from accounting for deferred taxes arising from the implementation of the Pillar Two Rules and requires targeted disclosures. At 31 March 2024 the Group has not accounted for deferred taxes in relation with the Pillar Two Rules.

Alstom is engaged in a project of analysis of the consequences of the legislation and of process preparation to fulfil its obligations with that regard. Based on a preliminary assessment performed on financial data related to 31 March 2022 and 31 March 2023, Alstom does not expect a material impact of the Pillar two legislation on the consolidated financial statements.

All the other amendments effective at 1 April 2023 for Alstom have no material impact on the Group’s consolidated financial statements.

2.3. New standards and interpretations not yet mandatorily applicable

New standards and interpretations endorsed by the European Union not yet mandatorily applicable

- Amendments to IAS 1 “Presentation of Financial Statements: Classification of Liabilities as Current or Non-current”;
- Amendments to IFRS 16 “Leases: Lease Liability in a Sale and Leaseback”.

These two amendments will be applicable for annual periods beginning after 1 January 2024.

New standards and interpretations not yet approved by the European Union

- Amendments to IAS 7 “Statement of Cash Flows” and IFRS 7 “Financial Instruments: Disclosures: Supplier Finance Arrangements” (applicable for annual periods beginning after 1 January 2024);
- Amendments to IAS 21 “The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability” (applicable for annual periods beginning after 1 January 2025).

The potential impacts of all those new pronouncements are currently being analysed.

2.4. Use of estimates

The preparation of the consolidated financial statements in conformity with IFRS requires management to make various estimates and to use assumptions regarded as realistic and reasonable. These estimates or assumptions could affect the value of the Group’s assets, liabilities, equity, net income and contingent assets and liabilities at the closing date. Management reviews estimates on an on-going basis using information currently available. Actual results may differ from those estimates, due to changes in facts and circumstances.

The accounting policies most affected by the use of estimates are the following:

Revenue and margin recognition on construction and long-term service contracts and related provisions

The Group recognises revenue and gross margin on most construction and long-term service contracts fulfilling the requirements for revenue recognition over time, using the percentage of completion method based on cost to cost: revenue is in that case recognized based on the percentage of costs incurred to date divided by the total costs at completion. Moreover, when a project review indicates a negative gross margin, the estimated loss at completion is immediately recognised.

Recognised revenue and margin are based on estimates of total expected contract revenue and cost, which are subject to revisions as the contract progresses. Total expected revenue and cost on a contract reflect management’s current best estimate of the probable future benefits and obligations associated with the contract.

Assumptions to calculate present and future obligations take into account current technology as well as the commercial and contractual positions, assessed on a contract-by-contract basis (one performance obligation corresponding in most cases to one contract). The introduction of technologically-advanced products exposes the Group to risks of product failure significantly beyond the terms of standard contractual warranties applicable to suppliers of equipment only.

Obligations on contracts may result in penalties due to late completion of contractual milestones, or unanticipated costs due to project modifications, suppliers or subcontractors' failure to perform or delays caused by unexpected conditions or events. Warranty obligations are affected by product failure rates, material usage and service delivery costs incurred in correcting failures.

Although the Group makes individual assessments on contracts on a regular basis, there is a risk that actual costs related to those obligations may exceed initial estimates. Estimates of contract costs and revenues at completion in case of contracts in progress and estimates of provisions in case of completed contracts may then have to be re-assessed.

Estimate of provisions relating to litigations

The Group identifies and analyses on a regular basis current litigations and measures, when necessary, provisions on the basis of its best estimate of the expenditure required to settle the obligation at the balance sheet date. These estimates take into account information available and different possible outcomes.

Valuation of deferred tax assets

Management judgment is required to determine the extent to which deferred tax assets can be recognised. Future sources of taxable income and the effects of the Group global income tax strategies are taken into account in making this determination. This assessment is conducted through a detailed review of deferred tax assets by jurisdiction and takes into account past, current and future performance deriving from the existing contracts in the order book, Business Plan, and the length of carry back, carry forwards and expiry periods of net operating losses.

Measurement of post-employment and other long-term defined employee benefits

The measurement of obligations and assets related to defined benefit plans makes it necessary to use several statistical and other factors that attempt to anticipate future events. These factors include assumptions about the discount rate, the rate of future compensation increases as well as withdrawal and mortality rates. If actuarial assumptions materially differ from actual results, it could result in a significant change in the employee benefit expense recognised in the income statement, actuarial gains and losses recognised in other comprehensive income and prepaid and accrued benefits.

Valuation of assets

The discounted cash flow model used to determine the recoverable value of the group of cash generating unit to which goodwill is allocated includes a number of inputs including estimates of future cash flows, discount rates and other variables, and then requires significant judgment.

Impairment tests performed on intangible and tangible assets, as well as Right-of-Use related to leased assets are also based on assumptions. Future adverse changes in market conditions or poor operating results from underlying assets could result in an inability to recover their current carrying value.

Inventories

Inventories, including work in progress, are measured at the lower of cost and net realisable value. Write-down of inventories are calculated based on an analysis of foreseeable changes in demand, technology or market conditions in order to determine obsolete or excess inventories. If actual market conditions are less favourable than those projected, additional inventory write-downs may be required.

2.5. Significant accounting policies

2.5.1. Consolidation methods

Subsidiaries

Subsidiaries are entities over which the Group exercises control.

The Group controls an entity when (i) it has power over this entity, (ii) is exposed to or has rights to variable returns from its involvement with that entity, and (iii) has the ability to use its power over that entity to affect the amount of those returns.

Subsidiaries are fully consolidated in the consolidated financial statements from the date on which control is transferred to the Group and deconsolidated from the date that control ceases.

Inter-company balances and transactions are eliminated.

Non-controlling interests in the net assets of consolidated subsidiaries are identified in a specific line of the equity named "Non-controlling interests".

Non-controlling interests consist of the amount of those interests at the date of the original business combination and their share of changes in equity since the date of the combination. In the absence of explicit agreements to the contrary, subsidiaries' losses are systematically allocated between equity holders of the parent and non-controlling interests based on their respective ownership interests even if this results in the non-controlling interests having a deficit balance.

Transactions with non-controlling interests that do not result in loss of control are considered as transactions between shareholders and accounted for in equity.

Joint arrangements

Joint arrangements are the entities over which the Group has joint control.

The Group jointly controls an entity when decisions relating to the relevant activities of that entity require unanimous consent of the Group and the other parties who share control.

A joint arrangement is classified either as a joint operation or as a joint venture. The classification is based on the rights and obligations of the parties to the arrangement, taking into consideration the structure and legal form of the arrangement, the terms agreed by the parties in the contractual arrangement and, when relevant, other facts and circumstances (see also Note 13):

Joint operations

Joint operations are entities in which the Group has rights to the assets and obligations for the liabilities.

The Group recognises the assets, liabilities, revenues and expenses related to its interests in the joint operation. A joint operation may be conducted under a separate vehicle or not.

Joint ventures

Joint ventures are entities in which the Group only has rights to the net assets.

Interests in joint ventures are consolidated under the equity method as described in the paragraph below.

Investments in associates

Associates are entities over which the Group has significant influence. In other words, the Group has the possibility to participate in decisions related to these entities' financial and operating policies without having control (exclusive or joint).

Generally, the existence of significant influence is consistent with a level of voting right held by the Group between 20% and 50%.

If need be, accounting policies of associates will be standardized with the Group accounting policies.

Interests in associates are consolidated under the equity method in the consolidated financial statements as described in the paragraph below.

Equity method

The Group accounts for its interests in associates and joint ventures under the equity method. Wherever necessary, accounting policies of associates and joint ventures have been changed to ensure consistency with the IFRS framework.

Under the equity method, investments in associates are carried in the consolidated balance sheet at cost, including any goodwill arising and transaction costs. Earn-outs are initially recorded at fair value and adjustments recorded through cost of investment when their payments are probable and can be measured with sufficient reliability.

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the associate or joint venture recognized at the date of acquisition is recognised as goodwill. The goodwill is included within the carrying amount of the investment and is assessed for impairment as part of the investment. In case of an associate or joint venture purchased by stage, the Group uses the cost method to account for changes from non-consolidated investments category to "Investments in joint ventures and associates".

Associates and joint ventures are presented in the specific line "Investments in joint ventures and associates" of the balance sheet, and the Group's share of its associates' profits or losses is recognised in the line "Share of net income of equity-accounted investments" of the income statement whereas its share of post-acquisition movements in reserves is recognised in reserves.

Losses of an associate or joint venture in excess of the Group's interest in that associate or joint venture are not recognised, except if the Group has a legal or implicit obligation.

The impairment expense of investments in associates and joint ventures is recorded in the line "Share of net income of equity-accounted investments" of the income statement.

According to IAS 28, if the financial statements of an associate used in applying the equity method are prepared as of a different date from that of the investor, adjustments shall be made for the effects of significant transactions or events that occur between that date and the date of the investor's financial statements. In any case, the difference between the end of the reporting period of the associate and that of the investor shall be no more than three months.

2.5.2. Assets held for sale

Non-current assets held for sale are presented on a separate line of the balance sheet when (i) the Group has made a decision to sell the asset(s) concerned and (ii) the sale is considered to be highly probable. These assets are measured at the lower of net carrying amount and fair value less costs to sell.

When the Group is committed to a sale process leading to the loss of control of a subsidiary, all assets and liabilities of that subsidiary are reclassified as held for sale, irrespective of whether the Group retains a residual interest in the entity after sale.

2.5.3. Translation of financial statements denominated in currencies other than euro

Functional currency is the currency of the primary economic environment in which a reporting entity operates, which in most cases, corresponds to the local currency. However, some reporting entities may have a functional currency different from local currency when that other currency is used for the entity's main transactions and faithfully reflects its economic environment.

Assets and liabilities of entities whose functional currency is other than the euro are translated into euro at closing exchange rate at the end of each reporting period while their income and cash flow statements are translated at the average exchange rate for the period.

The currency translation adjustments resulting from the use of different currency rates for opening balance sheet positions, transactions of the period and closing balance sheet positions are recorded in other comprehensive income. Translation adjustments are transferred to the consolidated income statement at the time of the disposal of the related entity.

Goodwill and fair value adjustments arising from the acquisition of entities whose functional currency is not euro are designated as assets and liabilities of those entities and therefore denominated in their functional currencies and translated at the closing rate at the end of each reporting period.

2.5.4. Business combinations

Business combinations completed between the 1 January 2004 and the 31 March 2010 have been recognised applying the provisions of the previous version of IFRS 3.

Business combinations completed from the 1 April 2010 onwards are recognised in accordance with IFRS 3R.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the sum of fair values of the assets transferred and the liabilities incurred by the acquirer at the acquisition date and the equity-interest issued by the acquirer. The consideration transferred includes contingent consideration, measured and recognised at fair value at the acquisition date.

For each business combination, any non-controlling interest in the acquiree may be measured:

- either at the acquisition-date fair value, leading to the recognition of the non-controlling interest's share of goodwill (full goodwill method) or;
- either at the non-controlling interest's proportionate share of the acquiree's identifiable net assets, resulting in recognition of only the share of goodwill attributable to equity holders of the parent (partial goodwill method).

Acquisition-related costs are recorded as an expense as incurred.

Goodwill arising from a business combination is measured as the difference between:

- the fair value of the consideration transferred for an acquiree plus the amount of any non-controlling interests of the acquiree and;
- the net fair value of the identifiable assets acquired and liabilities assumed at the acquisition date.

Initial estimates of consideration transferred and fair values of assets acquired and liabilities assumed are finalised within twelve months after the date of acquisition and any adjustments are accounted for as retroactive adjustments to goodwill. Beyond this twelve-month period, any adjustment is directly recognised in the income statement.

Earn-outs are initially recorded at fair value and adjustments made beyond the twelve-month measurement period following the acquisition are systematically recognised through profit or loss.

In case of a step-acquisition that leads to the Group acquiring control of the acquiree, the equity interest previously held by the Group is remeasured at its acquisition-date fair value and any resulting gain or loss is recognised in profit or loss.

2.5.5. Sales and costs generated by operating activities

Identification of performance obligations

Most contracts with customers do not contain more than a single performance obligation. Only a contract which is executed in two stages starting with the supply of goods to a customer followed by services performed on the assets built (maintenance) include two distinct performance obligations. The transaction price is allocated among the performance obligations in proportion to the stand-alone selling prices of goods and services.

Contracts may provide customers with the option to acquire additional goods or services. Additional goods sold in the frame of an option subsequently exercised or through a contract modification are accounted on a cumulative catch-up basis with the first goods sold and treated, accordingly, as a single performance obligation.

Maintenance contract renewals are accounted for separately from the initial contract.

Service-type warranties are recognised as distinct performance obligations.

Measurement of sales and costs

The amount of revenue arising from a transaction is usually determined by the contractual agreement with the customer. IFRS 15 provides restrictive guidance on the transaction price estimates and especially on variable consideration and contract modifications.

The estimation of the transaction price should include variable amounts and/or variation orders to the extent that it is highly probable that no significant reversal in the amount of cumulative revenues recognized will occur when the uncertainty associated with these elements is subsequently resolved. The introduction of this constraint on the price escalation estimates on the one hand, as well as the incorporation of amendments under negotiation on the other hand, leads to recognise these effects on contract value at a later point in time, when they become enforceable.

In the case of "construction contracts" claims are considered in the determination of contract revenue only when it is highly probable that the claim will result in additional revenue and the amount can be reliably estimated.

Penalties are first taken into account as an increase of contract costs and in a second step as a reduction of contract revenue as soon as they are accepted.

Finally, a significant financial component should be introduced positively or negatively on revenue, when timing of cash receipts and revenue recognition under cost to cost method differ substantially.

Production costs include direct costs (such as material, labour and warranty costs) and indirect costs. Warranty costs are estimated on the basis of contractual agreement, available statistical data and weighting of all possible outcomes against their associated probabilities. Warranty periods may extend up to five years. Selling and administrative expenses are excluded from production costs.

Recognition of sales and costs

Revenue on sale of manufactured products is recognised according to IFRS 15 at a point in time, i.e. essentially when the control of the promised goods is transferred to the customer, which generally occurs on delivery. Revenue on short-term service contracts is also accounted for at a point in time and recognised on performance of the related service. All production costs incurred or to be incurred in respect of the sale are charged to cost of sales at the date of recognition of sales.

Revenue on most of "construction contracts" and long-term service agreements is recognised according to IFRS 15 based on the percentage of completion method as they fulfill the requirements for revenue recognition over time: the stage of completion is assessed on the cost to cost method. Revenue is recognised for each performance obligation based on the percentage of costs incurred to date divided by the total costs expected at completion. Consequently, the revenue for the period is the excess of revenue measured according to the percentage of completion over the revenue recognised in prior periods.

Cost of sales on "construction contracts" and long-term service agreements is computed based on actual costs incurred.

When the outcome of a contract cannot be estimated reliably, but the Group expects to recover the costs incurred in satisfying the contract, revenue is recognised only to the extent of the costs incurred until such time that the outcome of the contract can be reasonably measured.

Costs incurred that are attributable to significant inefficiencies in the Group's performance and that were not reflected in the price of the contract when the contract was negotiated with the customer should not be included in the percentage of completion formula and expensed when incurred.

When it is probable that contract costs at completion will exceed total contract revenue, the expected loss at completion is recognised immediately as an expense. Bid costs are recorded as selling expenses when incurred.

2.5.6. Impairment of goodwill, tangible and intangible assets as well as Right-of-Use related to leased assets

Assets that have an indefinite useful life – mainly goodwill and intangible assets not yet ready to use – are not amortised. Those assets as well as capitalised R&D are tested for impairment at least annually or when there are indicators that they may be impaired. Other intangible and tangible assets as well as Right-of-Use related to leased assets subject to amortisation are tested for impairment only if there are indicators of impairment.

The impairment test methodology is based on a comparison between the recoverable amount of an asset and its net carrying value. If the recoverable amount of an asset or a cash-generating unit (CGU) is estimated to be less than its carrying amount, the carrying amount is reduced to its recoverable amount and the impairment loss is recognised immediately in the income statement. In the case of goodwill allocated to a group of CGUs, the impairment loss is allocated first to reduce the carrying amount of goodwill and then to the other assets on a pro-rata basis of the carrying amount of each asset.

A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other groups of assets. If an asset does not generate cash inflows that are largely independent of other assets or groups of assets, the recoverable amount is determined for a cash-generating unit.

The recoverable amount is the higher of fair value less costs to sell and value in use. The value in use is elected as representative of the recoverable value. The valuation performed is based upon the Group's internal three-year business plan. Cash flows beyond this period are estimated using a perpetual long-term growth rate for the subsequent years. The recoverable amount is the sum of the discounted cash flows and the discounted terminal residual value. Discount rates are determined using the weighted-average cost of capital.

Impairment losses recognised in respect of goodwill cannot be reversed.

The impairment losses recognised in respect of other assets than goodwill may be reversed in a later period and recognised immediately in the income statement. The carrying amount is increased to the revised estimate of recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined, if no impairment loss had been recognised in prior years.

2.6. Climate change consequences

The Group initiated last year an in-depth analysis of the risks and opportunities related to the consequences of climate change that could affect its business.

Asset resilience

This consideration led the Group to conduct an assessment of the resilience and adaptation of its sites and facilities to identify any physical risk, to which it could be exposed due to climate change towards 2050. Based on a detailed review carried out by an independent third party, the Group measured its exposure to potential physical risks on the basis of the Global Warming Scenario SSP5 8.5 ("pessimistic scenario", end of century warming at 3.3 to 5.7°C) and SSO2 4.5 ("optimistic scenario", end of century warming at 2.1 to 3.5°C). These scenarios could lead to a potential increase of operating and/or capital expenditure, especially in extreme scenarios. At 31 March 2024, to the best of the Group knowledge and considering the results of this analysis, Alstom did not identify any triggering events that could change the environmental risks assessments initiated in March 2023. Therefore, Alstom does not foresee significant environmental risks that might negatively impact in the coming years the useful lives and/or residual values of non-financial assets such as intangible, tangible fixed assets as well as rights of use.

Carbon neutrality

The Group is committed to achieve carbon neutrality in its value chain by 2050. The projects decided and deployed in this trajectory might have an impact on the Group's investment strategy, research and development expenditure. Also, the Group is integrating more systematically the transition risks and opportunities into the assessment of its financial performance and the valuation of its assets and liabilities. At this stage, none of the projects decided or risks or opportunities identified have led to material impacts on the financial statements. The Group will continuously update and improve its analysis. New projects or elements identified could lead, in the future, to review certain accounting judgments or estimates.

Impairment tests

The Group's internal business plan used for the impairment tests takes into account growth assumptions which are consistent with the trends observed in the industry by independent market studies and, confirming a growing demand for smart and green mobility solutions in the next generations of products and services and for alternatives to diesel. These impacts are reflected in the long-term growth rate used by the Group, of 3% (see Note 11.1). The Group has also set carbon reduction targets for its own operations and supply chain leading to an increase in some operating and investment costs (eg. processes or systems targeting energy efficiency in factories, development of external or in-house supply of green energy), with no material impact identified on cash flows so far.

Variable compensation and share-based payment plans

The commitments made by the Group in the fight against global warning are reflected in the variable compensation targets set for the Group's senior executives and managers. The Alstom Short Term Incentive (STI) Scheme relies on the Group's performance criteria, which have included since 2022/23 a target of reduction in direct and indirect CO_2 emissions in the operations (scope 1&2). More than 29,500 employees benefit from such annual variable compensation. The share-based payment plans, set on annual basis, have included since 2020 a performance condition related to the reduction of energy consumption in the Group's products and services offerings. These plans concern nearly 1,500 beneficiaries. In the latest plan (PSP 2023 – launched in May 2023), this criterion stood for 15% of the shares allocation (see Note 30).

Committed Guarantee Facility Agreement

In July 2022, the Group extended its Committed Guarantee Facility Agreement ("CGFA") and included an incentive-based mechanism linked to sustainability performance criteria. The CGFA is used by the Group for the issuance of commercial bank guarantees issued for the benefit of its customers in order to guarantee the performance commitments or any contingent liabilities that it may have towards its customers (see Note 32).

To the best of the Group's knowledge and at the stage of completion of the projects in progress, the Group has not identified any significant impact in the preparation of its Consolidated Financial Statements as of 31 March 2024.

Virtual Power Purchase Agreement

By signing a Virtual Power Purchase Agreement (VPPA) on the 10th of July 2023, in order to secure the procurement of green power certificates for 10 years, Alstom achieves an important milestone to accelerate decarbonisation related to energy consumption of its facilities and sites in Europe. The power will be purchased as produced from a Spanish solar asset, for an estimated volume of 160 GWh/year. The solar farm which will be built in Andalusia is expected to start operating early 2025 and is deemed to cover 80% of Alstom's electricity consumption in Europe. Accounting-wise, the VPPA is a split between i) a non-financial host contract (the obligation to deliver the green power certificates from the producer to Alstom), which is accounted for as an executory contract (application of own use exemption as per IFRS 9), and ii) a power price related embedded derivative (due to systematic net settlement between the power contractual price and the power grid market price) which is accounted for at fair value through Profit and Loss. This contract does not have significant impacts on the Group Financial Statements as of 31 March 2024.

2.7. Amortisation of Purchase Price Allocation

The amortisation expense of assets exclusively acquired in the context of business combinations is accounted in costs of sales for backlog, product and project, customer relationships, as well as property, plant and equipment in R&D costs for acquired technology, and in share in net income of equity-accounted investment for investments in Joint Ventures and Associates. The PPA amortisation impacting the pre-tax income (meaning cost of sales and R&D costs) amounts to (369) million euros at 31 March 2024, compared to (416) million euros at 31 March 2023, while the PPA amortisation impacting the share in net income of equity-accounted investment amounts to (10) million euros at 31 March 2024, compared to (11) million euros at 31 March 2023.

C. SEGMENT INFORMATION

NOTE 3. SEGMENT INFORMATION

The Group financial information is reviewed through multiple axes of analysis (regions, sites, contracts, functions, products) reflective of the whole organization and the integrated manufacturing process and nature of its products and services, in particular turnkey solutions. None of these axes taken individually allows for a full comprehensive analysis of the operating profit nor a segmental information in the balance sheet.

The segment information issued to the Alstom Executive Committee, identified as the Group's Chief Operating Decisions Maker (CODM) presents Key Performance Indicators at Group level. Strategic decisions and resource allocation are driven based on this reporting. The segment information has been adapted according to a similar method as those used to prepare the consolidated financial statements.

3.1. Sales by product

	Year ended	
(in € million)	At 31 March 2024	At 31 March 2023
Rolling stock	9,123	8,784
Services	4,272	3,817
Systems	1,578	1,476
Signalling	2,646	2,430
TOTAL GROUP	**17,619**	**16,507**

3.2. Key indicators by geographic area

Sales by country of destination

	Year ended	
(in € million)	At 31 March 2024	At 31 March 2023
Europe	10,185	9,936
of which France	2,752	2,540
Americas	3,466	2,843
Asia/Pacific	2,424	2,378
Africa/Middle-East/Central Asia	1,544	1,350
TOTAL GROUP	**17,619**	**16,507**

Non-current assets by country of origin

Non-current assets by country of origin are defined as non-current assets other than those related to financial debt, to employee defined benefit plans and deferred tax assets (See section E).

(in € million)	At 31 March 2024	At 31 March 2023
Europe	3,860	3,800
of which France	1,479	1,587
Americas	765	816
Asia/Pacific	1,260	1,532
Africa/Middle-East/Central Asia	262	286
Total excluding goodwill	**6,148**	**6,434**
Goodwill	**9,093**	**9,380**
TOTAL GROUP	**15,241**	**15,814**

3.3. Orders Backlog

Product breakdown

(in € million)	At 31 March 2024	At 31 March 2023
Rolling stock	41,215	42,806
Services	34,257	30,741
Systems	8,682	6,330
Signalling	7,746	7,510
TOTAL GROUP	**91,900**	**87,387**

Geographic breakdown

(in € million)	At 31 March 2024	At 31 March 2023
Europe	52,381	49,146
of which France	13,365	13,121
Americas	12,775	13,796
Asia/Pacific	13,390	12,191
Africa/Middle-East/Central Asia	13,354	12,254
TOTAL GROUP	**91,900**	**87,387**

During budget exercises, Alstom re-assesses how the Company backlog evolution impacts the future sales cycles. Budget processes are designed to estimate, based on the latest contract costs and planning assumptions, how the contract sales from backlog can develop over time. The March 2024 backlog contribution to the next three fiscal years revenue is expected to reach 40 billion euros to 43 billion euros range.

3.4. Information about major customers

No external customer represents individually 10% or more of the Group's consolidated sales.

D. OTHER INCOME STATEMENT

NOTE 4. RESEARCH AND DEVELOPMENT EXPENDITURE

Research expenditure is expensed as incurred. Development costs are expensed as incurred unless the project they relate to meets the criteria for capitalisation (see Note 11). Research and Development costs also cover product sustainability costs booked when incurred.

	Year ended	
(in € million)	At 31 March 2024	At 31 March 2023
Research and development gross cost	(749)	(682)
Financing received[1]	123	103
Research and development spending, net	**(626)**	**(579)**
Development costs capitalised during the period	178	142
Amortisation expenses[2]	(161)	(143)
RESEARCH AND DEVELOPMENT EXPENSES	**(609)**	**(580)**

(1) Financing received includes public funding amounting to 84 million euros at 31 March 2024, compared to 65 million euros at 31 March 2023.

(2) Including (60) million euros of amortisation expenses related to purchase price allocation compared to (61) million euros at 31 March 2023.

As of end of March 2024, Alstom Group invested 749 million euros in Research and Development, notably to develop:

- its very high-speed trains Avelia Horizon™;
- its Avelia stream™;
- its Hydrogen and Battery shunter locomotives & freight locomotives;
- its Coradia Stream™ range;
- its Citadis™ USA;
- its Adessia™ commuter;
- its TRAXX™ Multi-system 3 locomotives;
- its Green re-tractioning initiatives (battery and hydrogen);
- its digital solutions set, with for instance HealthHub™, to optimize reliability and availability while maximizing the useful life of components for sustainability improvement;
- its Onvia Control™ L2 A and Onvia Control™ L2 B for Atlas ERTMS;
- its Onvia Cab™ (for ETCS onboard.);
- its CBTC solutions Urbalis Flo™, Urbalis Forward™ and Urbalis Fluence™;
- its Urbalis Vision for Operational Control Centers Urbalis Vision Forward™;
- its Autonomous Mobility solutions for Passengers & Freight trains, where Alstom had a successful GoA4 (Grade of Automation 4) test with SNCF under real mainline operating conditions;
- its new SaaS platform that will enhance the global digital offering;
- its AI-driven solutions, as for example Radioscopy, to optimize radio communication.

NOTE 5. SELLING AND ADMINISTRATIVE EXPENSES

Selling Costs are expenses incurred in the marketing and selling of a product or a service. Selling Costs typically include expenditure in the following departments: Market & Strategy, Sales & Business Development and Communication as well as the direct labour costs of operational population such as engineering working on the tendering phase.

Administrative Costs are structure and operational support costs. Administrative Costs include mostly expenditure of Headquarter and site functions having a transverse role, in particular Finance, Human Resources, Legal and Information Systems departments.

Selling and administrative expenses are recognised in charges as incurred.

NOTE 6. OTHER INCOME AND OTHER EXPENSES

Other income and expenses are representative of items which are inherently difficult to predict due to their unusual, irregular or non-recurring nature.

Other income may include capital gains on disposal of investments (except equity-method investment disposal recorded on the line "Share in net income of equity-accounted investments") or activities and capital gains on disposal of tangible and intangible assets arising from activities disposed or facing restructuring plans, any income associated to past disposals as well as a portion of post-employment and other long-term defined employee benefits (plan amendments, impact of curtailments and settlements and actuarial gains on long-term benefits other than post-employment benefits).

Other expenses include capital losses on disposal of investments (except equity-method investment disposal recorded on the line "Share in net income of equity-accounted investments") or activities and capital losses on disposal of tangible and intangible assets relating to activities facing restructuring plans as well as any costs associated to past disposals, restructuring costs, rationalisation costs, significant impairment losses on assets, costs incurred to realize business combinations, litigation costs that have arisen outside the ordinary course of business and a portion of post-employment and other long-term defined benefit expense.

	Year ended	
(in € million)	At 31 March 2024	At 31 March 2023
Capital gains / (losses) on disposal of business	-	(30)
Restructuring and rationalisation costs	(147)	(65)
Integration costs, impairment loss and other	(361)	(274)
OTHER INCOME / (EXPENSES)	**(508)**	**(369)**

As of 31 March 2024, restructuring and rationalisation costs are mainly related to the "Autumn" restructuring plan (see Note 1.1).

Over the period ended at 31 March 2024, Integration costs, impairment loss and other include mainly:

- (142) million euros of integration costs related to Bombardier Transportation's integration;
- (118) million euros related to some legal proceedings and other risks occurring outside the ordinary course of business, mainly for two legal proceedings in U.S.A. and Turkey (see Note 33) ;
- (30) million euros related to impairments mainly on write-off of assets due to the exit from Russia;
- (71) million euros related to other exceptional expenses that are outside of the ordinary course of business by nature, of which (36) million euros of consequential impacts from savings plan initiated in Germany.

NOTE 7. FINANCIAL INCOME (EXPENSES)

Financial income and expenses include:

- interest income representing the remuneration of the cash position;
- interest expense related to the financial debt (financial debt consists of bonds, other borrowings, and lease obligations);
- cost of commercial and financial foreign exchange hedging (forward points);
- the financial component of the employee defined benefits expense (net interest income (expenses) and administration costs);
- the significant financing component under IFRS 15;
- other expenses paid to financial institutions for financing operations.

Interest income and expense related to respectively cash remuneration and financial debt are presented on a gross basis and are respectively classified in financial income and financial expense in the consolidated income statement.

All other financial items listed above are presented on a net basis. Positive amounts are presented in financial income, negative amounts are presented in financial expense in the consolidated income statement.

(in € million)	Year ended At 31 March 2024	At 31 March 2023
Interest income	27	10
Interest expense on borrowings and on lease obligations	(180)	(62)
NET FINANCIAL INTERESTS ON DEBT	**(153)**	**(52)**
Net gains / (losses) of foreign exchange hedging	20	26
Net financial expense from employee defined benefit plans	(31)	(26)
Financial component on contracts	(19)	(1)
Other financial income / (expenses)	(59)	(50)
NET FINANCIAL INCOME / (EXPENSES)	**(242)**	**(103)**
Total financial income	47	36
Total financial expense	(289)	(139)

Net financial income/(expenses) on debt is the cost of borrowings net of income from cash and cash equivalents.

As of 31 March 2024, interest income amounts to 27 million euros, representing mainly the remuneration of the Group's cash position over the period, while interest expenses amount to (180) million euros including (21) million euros of interest expenses on lease obligations.

The net gain of foreign exchange hedging of 20 million euros includes primarily the amortized cost of carry (forward points) of foreign exchange hedging implemented to hedge the exposures in foreign currency arising from commercial contracts and from hedging of intercompany financial positions.

The net financial expense from employee defined benefit plans of (31) million euros represents the interest costs on obligations net of interest income from fund assets calculated using the same discount rate.

The financial component of (19) million euros represents the recognition of financial revenue under IFRS 15.

Other net financial income/expenses of (59) million euros include mainly bank and other fees of which a large part relates to commitment fees paid on guarantee facilities, revolving facilities and fees paid on bonds.

NOTE 8. TAXATION

The Group computes taxes in accordance with prevailing tax legislation in the countries where income is taxable.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Temporary differences arising between the carrying amount and the tax base of assets and liabilities, unused tax losses and unused tax credits are identified for each taxable entity (or each tax group when applicable). Corresponding deferred taxes are calculated at the enacted or substantively enacted tax rates that are expected to apply in the period when the asset is realised or the liability settled.

Deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that taxable profits will be available in the future against which the deductible differences, unused tax losses and unused tax credits can be utilised. The carrying amount of deferred tax assets is reviewed at each balance sheet date.

Deferred tax liabilities are recognised for all taxable temporary differences, with the exception of certain taxable temporary differences between the Group's share in the net assets in subsidiaries, joint arrangements and associates and their tax bases. The most common situation when such exception applies relates to undistributed profits of subsidiaries where distribution to the shareholders would trigger a tax liability: when the Group has determined that profits retained by the subsidiary will not be distributed in the foreseeable future, no deferred tax liability is recognised. Nevertheless, the exception is no more applicable to investments/subsidiaries being disposed since it becomes probable that the temporary difference will reverse in the foreseeable future with the sale of the subsidiaries. Therefore, in this specific case, deferred tax liabilities are recognised.

Deferred tax assets and liabilities are offset when both of the following conditions are met:

- the Group has a legally enforceable right to set off current tax assets against current tax liabilities; and
- the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority.

Deferred tax is charged or credited to net income, except when it relates to items charged or credited directly to other comprehensive income, in which case the deferred tax is classified in other comprehensive income.

8.1. Analysis of income tax charge

The following table summarises the components of income tax charge:

(in € million)	Year ended At 31 March 2024	At 31 March 2023
Current income tax charge	(110)	(170)
Deferred income tax charge	104	136
INCOME TAX CHARGE	**(6)**	**(34)**

The following table provides reconciliation from the income tax charge valued at the French statutory rate to the actual income tax charge, free of the temporary additional contributions:

(in € million)	Year ended At 31 March 2024	At 31 March 2023
Pre-tax income	**(253)**	**(182)**
Statutory income tax rate of the parent company	25.83%	25.83%
Expected tax charge	**65**	**47**
Impact of:		
• Difference between normal tax rate applicable in France and normal tax rate in force in jurisdictions outside France	8	13
• Changes in unrecognised deferred tax assets	(101)	(70)
• Changes in tax rates	(9)	(1)
• Additional tax expenses (withholding tax, CVAE in France and IRAP in Italy)	(31)	(34)
• Permanent differences and other	62	11
INCOME TAX CHARGE	**(6)**	**(34)**
Effective tax rate(1)	**n.m.**	**n.m.**

(1) Due to negative pre-tax income, effective tax rate of the period is not meaningful: excluding the effect on the pre-tax income of the 369 million euros amortisation of Purchase Price Allocation related to tangibles and intangibles assets (see Note 2.7), effective tax rate is 28%, as compared to 27% as at 31 March 2023.

Permanent differences and other notably include a 30 million euros positive impact in relation with tax losses recapture in Spain.

8.2. Deferred tax assets and liabilities

(in € million)	Year ended At 31 March 2024	At 31 March 2023
Deferred tax assets	673	596
Deferred tax liabilities	(91)	(128)
DEFERRED TAX ASSETS, NET	**582**	**468**

The following table summarises the significant components of the Group's net deferred tax assets:

(in € million)	At 31 March 2023	Change in P&L	Change in equity	Translation adjustments and other changes	At 31 March 2024
Differences between carrying amount and tax basis of tangible and intangible assets	(141)	(41)	-	6	(176)
Accruals for employee benefit costs not yet deductible	25	(88)	2	(1)	(62)
Provisions and other accruals not yet deductible	175	23	-	(3)	195
Differences in recognition of margin on "construction contracts"	80	8	-	(5)	83
Tax loss carry forwards	380	167	-	7	554
Other	(51)	35	(8)	12	(12)
NET DEFERRED TAXES ASSET / (LIABILITY)	**468**	**104**	**(6)**	**16**	**582**

The adoption of the amendement to IAS 12 "Deferred tax related to assets and liabilities arising from a single transaction" has not materially impacted the Group's financial statements.

(in € million)	At 31 March 2022	Change in P&L	Change in equity	Translation adjustments and other changes	At 31 March 2023
Differences between carrying amount and tax basis of tangible and intangible assets	(240)	18	-	81	(141)
Accruals for employee benefit costs not yet deductible	49	2	(5)	(21)	25
Provisions and other accruals not yet deductible	146	(2)	-	31	175
Differences in recognition of margin on "construction contracts"	68	11	-	1	80
Tax loss carry forwards	232	156	-	(8)	380
Other	70	(49)	(7)	(65)	(51)
NET DEFERRED TAXES ASSET / (LIABILITY)	**325**	**136**	**(12)**	**19**	**468**

The Business plan prepared by Management by extrapolating the latest three-year business plan leads to a reasonable assurance on the utilization of net deferred tax assets within a maximum period of 6 years in accordance with the Group's strategy, for an amount of 582 million euros at the end of March 2024, mainly in France and in the United Kingdom for a total amount of 278 million euros.

The 6 years horizon (compared to 5 years for the fiscal year ended 31 March 2023) retained by management is supported by the increased visibility provided by several factors:

- The increase of the Backlog (91.9 billion euros as of 31 March 2024, compared to 87.4 billion euros as of 31 March 2023 (see Note 3.3) and 81.0 billion euros as of 31 March 2022);
- The product mix in backlog evolution in accordance with the Group's strategy: 37% as of 31 March 2024 (compared to 35% as of 31 March 2023 and the 33% as of 31 March 2022) of services contracts with higher visibility and lower risk profile.

The fiscal year 2023/24 P&L impact is a net of DTA recognition in geographies where expected use of tax losses carried forward has improved (mainly in France and in the United Kingdom) and depreciation in geographies where recognition is not anymore supported by the Management Business Plan(mainly the United States, Germany and Canada).

At 31 March 2024, based on the best estimate of operating and taxable results, the net deferred tax assets relating to tax loss carry forwards and deductible temporary differences recognised in the balance sheet in France amount to 172 million euros out of a total of 702 million euros. Tax losses can be carried forward indefinitely in France on 50% of taxable income of the year. Part of France revenues are subject to a patent box regime with a reduced tax rate, limiting deferred tax assets recognition.

In the United Kingdom, tax losses can be carried forward indefinitely. Net deferred tax assets recognized as at 31 March 2024 amount to 106 million euros out of 206 million euros deferred tax assets.

Unrecognised deferred tax assets amount to 2,547 million euros at 31 March 2024 (2,436 million euros at 31 March 2023).

Most of these unrecognised deferred taxes are originated from tax losses carried forward (2,208 million euros at 31 March 2024 and 2,072 million euros at 31 March 2023), out of which 1,524 million euros are not subject to expiry at 31 March 2024 (1,547 million euros at 31 March 2023).

NOTE 9. FINANCIAL STATEMENTS OF DISCONTINUED OPERATIONS AND ASSETS HELD FOR SALE

A discontinued operation is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- represents a separate major line of business or geographical area of operations;
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations; or
- is a subsidiary acquired exclusively with a view to resale.

The results and cash flows of discontinued operations are presented on a separate line in the consolidated income statement and statement of cash flows for each period. The Group decides whether a discontinued operation represents a major line of business or geographical area of operations based on both qualitative criteria (technology, market, products, geographic region) and quantitative criteria (revenue, earnings, cash flows, assets). If the assets held by a discontinued operation are classified as held for sale they are measured at the lower of their carrying amount and fair value less costs to sell.

In compliance with IFRS 5, the Group applies the following specific measurements which impact the consolidated financial statements:

- discontinued operations (including non-current assets, current assets and the related liabilities classified as held for sale), as a whole, are measured at the lower of their carrying amount and fair value less costs to sell;
- consequently, goodwill, tangible and intangible assets are no longer reviewed for impairment;
- the exception of IAS 12 consisting in not recognising mechanical deferred taxes resulting from the difference between tax and consolidated values of the investments/subsidiaries being disposed is no more applicable since it becomes probable that the temporary difference will reverse in the foreseeable future with the sale of the subsidiaries. Thus, deferred tax liabilities are recognised with an income statement impact presented within the “Net profit from discontinued operations”;
- amortisation on non-current assets classified as “assets held for sale” ceases at the date of IFRS 5 application;
- costs specifically incurred in the context of the deal are presented in the P&L within the “Net profit from discontinued operations”;
- all intercompany balance-sheet and income statement positions are eliminated.

9.1. Discontinued Operations

The line “Net profit from discontinued operations”, recognized in the Consolidated Income Statement, includes the reassessment of liabilities related to the disposal of previous activities. Over the fiscal year ended 31 March 2024, Alstom recognized a loss for (2) million euros, compared to (4) million euros at 31 March 2023.

Cash flows related to the disposal of previous activities arising from discontinued operations for the fiscal year amounts to (8) million euros.

9.2. Assets held for sale

In accordance with IFRS 5 principles, the assets and liabilities related to the North American Signalling Business were reclassified as Assets/Liabilities held for sale at 31 March 2024.

The Group of assets held for sale considered for each above transaction is measured at the lower of its carrying amount and estimated fair value less costs to sell.

The net Assets Held for Sale on the North American Signalling Business perimeter amounts to 568 million euros, including Intellectual property rights for 20 million euros.

A non-current asset, while part of disposal classified as held for sale, is neither depreciated nor amortised.

The overall impact of the assets/liabilities held for sale is presented in the table below:

(in € million)	At 31 March 2024
Goodwill & Intangible assets[1]	357
Property, plant and equipment	36
Other non-current assets	28
Total non-current assets	**421**
Inventories & Contract assets	192
Trade receivables & other current assets	78
Total current assets	**270**
TOTAL ASSETS HELD FOR SALE	**691**

(1) Of which 302 million euros of goodwill.

(in € million)	At 31 March 2024
Total non-current liabilities	**12**
Current provisions & contract liabilities	47
Trade payables & Other current liabilities	64
Total current liabilities	**111**
TOTAL LIABILITIES HELD FOR SALE	**123**

As this disposal group does not meet the definition of discontinued operations, Profit and Loss is presented within the current activities of the Group. The cost to sell this disposal group amounts to 2 million euros at 31 March 2024.

NOTE 10. EARNINGS PER SHARE

Basic earnings per share are computed by dividing the period net profit (loss) before the financial cost (net of tax) of bonds reimbursable with shares, by the weighted average number of outstanding shares during the period increased by the weighted average number of shares to be issued on reimbursement of bonds reimbursable with shares (“ORA”).

Diluted earnings per share are computed by dividing the period net profit (loss) before the financial cost (net of tax) of bonds redeemable into shares, by the weighted average number of outstanding shares during the period adjusted in order to take into consideration all dilutive instruments (ORA, stock options, free shares).

10.1. Earnings

	Year ended	
(in € million)	At 31 March 2024	At 31 March 2023
Net Profit (Loss) attributable to equity holders of the parent:		
● From continuing operations	(307)	(128)
● From discontinued operations	(2)	(4)
EARNINGS (LOSSES) ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT	**(309)**	**(132)**

10.2. Number of shares

	Year ended	
(number of shares)	At 31 March 2024	At 31 March 2023
Weighted average number of ordinary shares used to calculate basic earnings per share	**383,027,548**	**375,523,158**
Effect of dilutive instruments other than bonds reimbursable with shares:		
● Stock options and performance shares (LTI plan)	1,597,281	2,326,630
WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES USED TO CALCULATE DILUTED EARNINGS PER SHARES	**384,624,829**	**377,849,788**

10.3. Earnings per share

	Year ended	
(in €)	At 31 March 2024	At 31 March 2023
Basic earnings (losses) per share	(0.81)	(0.35)
Diluted earnings (losses) per share	(0.80)	(0.35)
Basic earnings (losses) per share from continuing operations	(0.80)	(0.34)
Diluted earnings (losses) per share from continuing operations	(0.79)	(0.34)
Basic earnings (losses) per share from discontinued operations	(0.01)	(0.01)
Diluted earnings (losses) per share from discontinued operations	(0.01)	(0.01)

E. NON-CURRENT ASSETS

NOTE 11. GOODWILL AND INTANGIBLE ASSETS

Goodwill and intangible assets with indefinite useful lives are reviewed for impairment at least annually and whenever events or circumstances indicate that they might be impaired. Such events or circumstances are related to significant, unfavourable changes that are of a lasting nature and affect either the economic environment (i.e. inflation, geopolitical crises, etc) or the assumptions (i.e. contract execution, procurement, etc). An impairment loss is recognised when the recoverable value of the assets tested becomes lower than their carrying value.

In the Group, goodwill cannot be allocated on a non-arbitrary basis to individual cash-generating units, but only to groups of cash-generating units. As a result, the lowest level within the entity at which the goodwill is monitored for internal management purposes comprises a number of cash-generating units to which the goodwill relates, but to which it cannot be allocated.

Due to the organization and the increasing number of integrated services leading to complete and global turnkey solutions, financial information issued is presented through various axes of analysis (regions, sites, contracts, functions, products). As a result, Free Cash Flow, basis of the impairment tests of goodwill is only relevant at Group level.

Therefore, goodwill acquired in case of business combinations is only monitored and ultimately tested at Group level.

11.1. Goodwill

(in € million)	At 31 March 2023	Acquisition and adjustments on preliminary goodwill	Transfer to Assets held for sale[1]	Translation adjustments and other changes	At 31 March 2024
GOODWILL	**9,380**	**8**	**(302)**	**7**	**9,093**
Of which:					
Gross value	9,380	8	(302)	7	9,093
Impairment	-	-	-	-	-

(1) Corresponds to the reclassification of the Alstom Group goodwill allocated to North American Signalling Business activities as “Assets held for sale” for an amount of 302 million euros (see Note 9.2).

Goodwill impairment test

As of 31 March 2024, Alstom tested the value of goodwill applying valuation methods consistent with previous years. Alstom ensured that the recoverable amount exceeded its carrying value (including goodwill).

Presentation of key assumptions used for the determination of recoverable amounts

The value in use is determined as the discounted value of future cash flows by using cash flow projections for the next three years consistent with the Group’s internal business plan, the extrapolation of the two following years and terminal value.

Those two years extrapolation and terminal value are consistent with internal business plan trend assuming:

- sales growth rates converging towards long term growth rate of 3% (see below);
- continuous Adjusted EBIT margin (corresponding to the ratio “aEBIT” over Sales) increase resulting from (i) an enhanced margin in backlog thanks to sound order intake, completion of the challenging legacy projects and favourable mix effect, (ii) an improved execution through operational excellence initiatives and footprint rationalization, (iii) savings on indirect procurement costs and overheads following costs efficiency programs launched and (iv) strong R&D costs monitoring.

Alstom’s management’s assumptions used for the determination of terminal value, notably Adjusted EBIT margin, are in line with the mid-term target communicated to the market.

The value in use is mainly driven by the terminal value which is particularly sensitive to changes in the assumptions on the discount rate after tax, the long-term growth rate and the terminal value Adjusted EBIT margin.

Alstom has opted for the inclusion of the share in net income of the equity-accounted investments into the aEBIT when these are considered to be part of the operating activities of the Group (because there are significant operational flows and/or common project execution with these entities). This mainly includes Chinese joint-ventures, namely CASCO, Alstom Sifang (Qingdao) Transportation Ltd, Jiangsu Alstom NUG Propulsion System Co. Ltd. and Changchun Changke Alstom Railway Vehicles Company Ltd.

The indicator "aEBIT" corresponds to Earning Before Interests and Tax adjusted with the following elements:

- net restructuring expenses (including rationalisation costs);
- tangibles and intangibles impairment;
- capital gains or loss/revaluation on investments disposals or controls changes of an entity;
- any other non-recurring items, such as some costs incurred to realise business combinations and amortisation of an asset exclusively valued in the context of business combination, as well as litigation costs that have arisen outside the ordinary course of business;
- and including the share in net income of the operational equity-accounted investments.

A non-recurring item is a "one-off" exceptional item that is not supposed to occur again in following years and that is significant.

The main assumptions used to assess the recoverable amounts of goodwill are as follows:

Net carrying amount of goodwill at 31 March 2024 (in € million)	9,093
Value elected as representative of the recoverable value	Value in use
Number of years over which cash flow estimates are available	3 years
Extrapolation period of cash flow estimates	2 years
Long-term growth rate at 31 March 2024	**3.0%**
Long-term growth rate at 31 March 2023	3.0%
After tax discount rate at 31 March 2024(1)	**9.25%**
After tax discount rate at 31 March 2023(1)	9.0%

(1) The application of pre-tax discount rates to pre-tax cash flows leads to the same valuation of Group Generating Units.

Discount rate is based on weighted average cost of capital (WACC) which is calculated for the Group based on a risk-free rate and a market risk premium. The current market assessment of the risks specific to Group activity is reflected by taking into account specific peer group information on industry beta, leverage and cost of debt. The parameters for calculating the discount rate are based on external sources of information.

The discount rate has been updated from 9.0% to 9.25% compared to March 2023 as a result of the combination of the increase in the risk free rates and the decrease in equity risk premium over the period.

The long-term growth rate has not changed since March 2023 as it remains consistent with current acceleration of rail market momentum confirmed by independent market studies and the positive evolution of the Group backlog which provides strong visibility over future revenues.

Sensitivity of the values in use to key assumptions can be presented as follows:

(in € million)		
aEBIT Margin	-25bp	+25bp
	(430)	430
After tax discount rate	-25bp	+25bp
	858	(792)
Long-term growth rate	-25 bp	+25 bp
	(651)	705

The current economic and political context creates uncertainties on business activities (namely inflation, increase of the price of certain commodities, energy, supply chain disruptions…). This led the Group to take those into consideration in the key assumptions as well as in the business plan used for the impairment test performed in the frame of the preparation of the Group's consolidated financial statements, based on its best reasonable estimates and the visibility available for its operations at 31 March 2024.

The impairment tests confirmed that the recoverable amount comfortably exceeds its carrying value at 31 March 2024. Some enlarged sensitivity analyses were performed with regards to key assumptions, that would not change the conclusions of the impairment test. Namely, a (100) basis point change in the discount rate or in the long-term growth rate or in the Adjusted EBIT margin (versus the usual sensitivities disclosed in the table above) would lead to a recoverable amount still exceeding its carrying value at 31 March 2024.

11.2. Intangible assets

Intangible assets include acquired intangible assets (such as technology and licensing agreements) and internally generated intangible assets (mainly development costs).

Acquired intangible assets

Acquired intangible assets are initially measured at cost and amortised on a straight-line basis over their estimated useful lives. Useful lives can extend to twenty years due to the long-term nature of the underlying contracts and activities. The amortisation expense of assets acquired through ordinary transactions is recorded in cost of sales, research and development expenditure, selling or administrative expenses, based on the function of the underlying assets. The amortisation expense of assets exclusively acquired in the context of a business combination is recognised in costs of sales for backlog, product and project as well as customer relationships and in R&D for acquired technology (formerly in other expenses).

Internally generated intangible assets

Development costs are capitalised if and only if the project they relate to meet the following criteria:

- the project is clearly defined and its related costs are separately identified and reliably measured;
- the technical feasibility of the project is demonstrated;
- the intention exists to complete the project and to use or sell it;
- adequate technical and financial resources are available to complete the project;
- it is probable that the future economic benefits attributable to the project will flow to the Group.

Capitalised development costs are costs incurred directly attributable to the project (materials, services, fees…), including an appropriate portion of relevant overheads.

Capitalised development costs are amortised on a straight-line basis over the estimated useful life of the asset. The amortisation charge is reported in research and development expenses.

Intangible assets not yet ready to use (not yet amortised) as well as capitalised R&D are reviewed for impairment individually, at least annually and whenever events or changes in circumstances indicate the carrying amount of the intangible assets may not be recoverable. Due to a lack of quoted market prices for intangible assets, their recoverable value is usually determined based on the present value of future cash flows expected through their use or sale. An impairment of intangible assets is booked when the carrying amount exceeds its recoverable value. Other intangibles are subject to amortisation, as a result, they are tested for impairment only if there are indicators of impairment.

(in € million)	At 31 March 2023	Additions/disposals/ amortisation/impairment	Other changes including translation adjustments[1]	At 31 March 2024
Development costs	1,659	178	2	1,839
Other intangible assets	3,574	10	(135)	3,449
Gross value	**5,233**	**188**	**(133)**	**5,288**
Development costs	(1,230)	(100)	(2)	(1,332)
Other intangible assets	(1,397)	(360)	69	(1,688)
Amortisation and impairment	**(2,627)**	**(460)**	**67**	**(3,020)**
Development costs	429	78	-	507
Other intangible assets	2,177	(350)	(66)	1,761
NET VALUE	**2,606**	**(272)**	**(66)**	**2,268**

(1) Other changes includes IFRS 5 reclassification (see Note 9.2).

(in € million)	At 31 March 2022	Additions/disposals/ amortisation/impairment	Other changes including translation adjustments	At 31 March 2023
Development costs	1,552	132	(25)	1,659
Other intangible assets	3,648	12	(86)	3,574
Gross value	**5,200**	**144**	**(111)**	**5,233**
Development costs	(1,170)	(81)	21	(1,230)
Other intangible assets	(1,028)	(388)	19	(1,397)
Amortisation and impairment	**(2,198)**	**(469)**	**40**	**(2,627)**
Development costs	382	51	(4)	429
Other intangible assets	2,620	(376)	(67)	2,177
NET VALUE	**3,002**	**(325)**	**(71)**	**2,606**

NOTE 12. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment loss. When an item of property, plant and equipment is made up of components with different useful lives, the total cost is allocated between the various components. Components are then separately depreciated.

Depreciation is computed using the straight-line method over the estimated useful lives of each component. The useful lives most commonly used are the following:

(in years)	Estimated useful life in years
Buildings	7-40
Machinery and equipment	3-25
Tools, furniture, fixtures and others	1-10

Useful lives are reviewed on a regular basis and changes in estimates, when relevant, are accounted for on a prospective basis. The depreciation expense is recorded in cost of sales, selling expenses or administrative expenses, based on the function of the underlying assets.

Borrowing costs that are attributable to an asset whose construction period exceeds one year are capitalised as part of the costs of the asset until the asset is substantially ready for use or sale.

When the Group is the lessee, leases (except short-term leases and leases of low-value assets below 5,000 euros when new, for which rentals payable are charged to profit or loss on a straight-line basis over the term of the relevant lease) are recognized as a Right-of-Use asset in Property, plant and equipment at the date at which the leased asset is available for use. The corresponding liability to the lessor is included in the balance sheet as a financing obligation. Lease payments are apportioned between finance charges and repayment of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability.

The cost of Right-of-Use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received as well as any restoration costs if an obligation is identified. Generally, Right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. Nevertheless, when the lease transfers ownership of the underlying asset to the lessee by the end of the lease term or the cost of the Right-of-Use asset reflects that the lessee will exercise a purchase option, the lessee shall depreciate the right-of-use asset from the commencement date to the end of the useful life of the underlying asset. Right-of-Use assets may be subject to impairment.

When the Group is the lessor, assets under operating leases, are also included in Property plant and equipment. Lease income from operating leases is recognized on a straight-line basis over the term of the lease.

(in € million)	At 31 March 2023	Additions/ amortisation/ impairment	Disposals	Other changes including translation adjustments(1)	At 31 March 2024
Land	281	1	-	3	285
Buildings	2,767	182	(13)	10	2,946
Machinery and equipment	2,064	65	(55)	36	2,110
Constructions in progress(2)	280	179	(2)	14	471
Tools, furniture, fixtures and other(2)	371	49	(10)	22	432
Gross value	**5,763**	**476**	**(80)**	**85**	**6,244**
Land	(12)	(1)	-	-	(13)
Buildings	(1,459)	(206)	12	53	(1,600)
Machinery and equipment	(1,519)	(124)	52	19	(1,572)
Constructions in progress	(2)	-	-	-	(2)
Tools, furniture, fixtures and other	(290)	(40)	10	19	(301)
Amortisation and impairment	**(3,282)**	**(371)**	**74**	**91**	**(3,488)**
Land	269	-	-	3	272
Buildings	1,308	(24)	(1)	63	1,346
Machinery and equipment	545	(60)	(3)	55	538
Constructions in progress	278	179	(2)	14	469
Tools, furniture, fixtures and other	81	9	-	41	131
NET VALUE	**2,481**	**105**	**(6)**	**176**	**2,756**

(1) Other changes includes IFRS 5 reclassification (see Note 9.2).

(2) Reclassification as of 31 March 2024 of around 200 milion euros from Work in progress to Fixed assets of a fleet of trains which was put on lease during the year.

The commitments of fixed assets amount to 60 million euros at 31 March 2024 (compared to 31 million euros at 31 March 2023), of which 4 million euros are related to leased assets (compared to 0 million euros 31 March 2023).

(in € million)	At 31 March 2022	Additions/ amortisation/ impairment	Disposals	Other changes including translation adjustments	At 31 March 2023
Land	279	3	(2)	1	281
Buildings	2,744	137	(6)	(108)	2,767
Machinery and equipment	2,002	58	(20)	24	2,064
Constructions in progress	201	175	(5)	(91)	280
Tools, furniture, fixtures and other	369	31	(9)	(20)	371
Gross value	**5,595**	**404**	**(42)**	**(194)**	**5,763**
Land	(14)	3	-	(1)	(12)
Buildings	(1,328)	(237)	5	101	(1,459)
Machinery and equipment	(1,423)	(136)	18	22	(1,519)
Constructions in progress	(2)	(2)	2	-	(2)
Tools, furniture, fixtures and other	(278)	(33)	8	13	(290)
Amortisation and impairment	**(3,045)**	**(405)**	**33**	**135**	**(3,282)**
Land	265	6	(2)	-	269
Buildings	1,416	(100)	(1)	(7)	1,308
Machinery and equipment	579	(78)	(2)	46	545
Constructions in progress	199	173	(3)	(91)	278
Tools, furniture, fixtures and other	91	(2)	(1)	(7)	81
NET VALUE	**2,550**	**(1)**	**(9)**	**(59)**	**2,481**

Property, Plant and Equipment balances include Right-of-Use related to Leased Assets for the following amounts:

(in € million)	At 31 March 2023	Additions/ amortisation/ impairment	Decrease(1)	Other changes including translation adjustments(2)	At 31 March 2024
Land	9	-	-	1	10
Buildings	716	145	(55)	(30)	776
Machinery and equipment	30	8	(2)	-	36
Tools, furniture, fixtures and other	57	31	(13)	(1)	74
Gross value	**812**	**184**	**(70)**	**(30)**	**896**
Land	(1)	(1)	-	-	(2)
Buildings	(276)	(118)	53	14	(327)
Machinery and equipment	(13)	(6)	3	-	(16)
Tools, furniture, fixtures and other	(27)	(20)	12	-	(35)
Amortisation and impairment	**(317)**	**(145)**	**68**	**14**	**(380)**
Land	8	(1)	-	1	8
Buildings	440	27	(2)	(16)	449
Machinery and equipment	17	2	1	-	20
Tools, furniture, fixtures and other	30	11	(1)	(1)	39
NET VALUE	**495**	**39**	**(2)**	**(16)**	**516**

(1) Decrease are included into the "Other changes including translation adjustments" flow of the Property, Plant and Equipment general table above.

(2) Other changes includes IFRS 5 reclassification (see Note 9.2).

(in € million)	At 31 March 2022	Additions/ amortisation/ impairment	Decrease(1)	Other changes including translation adjustments	At 31 March 2023
Land	9	2	(2)	-	9
Buildings	736	91	(97)	(14)	716
Machinery and equipment	27	7	(2)	(2)	30
Tools, furniture, fixtures and other	52	21	(14)	(2)	57
Gross value	**824**	**121**	**(115)**	**(18)**	**812**
Land	(1)	-	-	-	(1)
Buildings	(252)	(110)	79	7	(276)
Machinery and equipment	(10)	(6)	3	-	(13)
Tools, furniture, fixtures and other	(25)	(16)	13	1	(27)
Amortisation and impairment	**(288)**	**(132)**	**95**	**8**	**(317)**
Land	8	2	(2)	-	8
Buildings	484	(19)	(18)	(7)	440
Machinery and equipment	17	1	1	(2)	17
Tools, furniture, fixtures and other	27	5	(1)	(1)	30
NET VALUE	**536**	**(11)**	**(20)**	**(10)**	**495**

(1) Decrease are included into the "Other changes including translation adjustments" flow of the Property, Plant and Equipment general table above.

NOTE 13. INVESTMENTS IN JOINT VENTURES AND ASSOCIATES

FINANCIAL INFORMATION

	Share in equity		Share of net income	
(in € million)	At 31 March 2024	At 31 March 2023	Year ended at 31 March 2024	Year ended at 31 March 2023
TMH Limited	-	-	(122)	-
Alstom Sifang (Qingdao) Transportation Ltd.	200	413	30	30
Other Associates	340	341	72	75
Associates	**540**	**754**	**(20)**	**105**
Jiangsu Alstom NUG Propulsion System Co. Ltd	182	190	10	18
SpeedInnov JV	81	94	(25)	(22)
Other Joint ventures	79	93	18	11
Joint ventures	**342**	**377**	**3**	**7**
TOTAL	**882**	**1,131**	**(17)**	**112**

MOVEMENTS DURING THE PERIOD

(in € million)	At 31 March 2024	At 31 March 2023
Opening balance	**1,131**	**1,179**
Share in net income of equity-accounted investments after impairment(1)	105	112
Dividends	(310)	(114)
Acquisitions(2)	17	27
Translation adjustments and other	(61)	(74)
CLOSING BALANCE	**882**	**1,131**

(1) Excluding a net loss of (122) million euros related to TMH disposal (see Note 1.2). (17) million euros including a net loss of (122) million euros related to TMH disposal.

(2) Mainly related to capital increase in SpeedInnov joint-venture in October 2023 (see Note 1.2).

13.1. Alstom Sifang (Qingdao) Transportation Ltd

The table below presents the management summarized financial information (at 100%) of Alstom Sifang (Qingdao) Transportation Ltd at 31 March 2024:

BALANCE SHEET

	AST Ltd	AST Ltd
(in € million)	At 31 March 2024	At 31 March 2023
Non-current assets	225	249
Current assets	836	1,151
TOTAL ASSETS	**1,061**	**1,400**
Equity-attributable to the owners of the parent company	303	725
Current liabilities	758	675
TOTAL EQUITY AND LIABILITIES	**1,061**	**1,400**
Equity interest held by the Group	50%	50%
NET ASSET	**152**	**363**
Goodwill	35	37
Other(1)	13	14
CARRYING VALUE OF THE GROUP'S INTERESTS	**200**	**413**

(1) Correspond to the fair value of acquired assets calculated at the time of the Bombardier Transportation's acquisition.

INCOME STATEMENT

	AST Ltd	AST Ltd
(in € million)	At 31 March 2024	At 31 March 2023
Sales	646	371
Net income from continuing operations	60	59
Net income attributable to the owners of the parent company	**60**	**59**
Equity interest held by the Group	50%	50%
Share in the net income	**30**	**30**
GROUP'S SHARE IN THE NET INCOME	**30**	**30**

13.2. Other Joint Ventures and Associates

The Group's investment in other associates comprises investment in Casco, held by the Group at 49%, for 188 million euros (of which 62 million euros of net profit), compared to 177 million euros (of which 60 million euros of net profit), at 31 March 2023, as well as other associates which are not significant on an individual basis. On aggregate, the net carrying value of Alstom's Investment represents 340 million euros as of 31 March 2024 (341 million euros as of 31 March 2023).

NOTE 14. NON-CONSOLIDATED INVESTMENTS

Entities over which the Group has no significant influence or when the value is not material are not consolidated. The Group has expressed intention and ability to hold these Investments on a long term perspective and therefore these investments are considered as non-trading investments. The Group has elected for the portfolio of non-consolidated investments to record the change in fair value on these investments through Other Comprehensive Income with no subsequent recycling in income statement. They are initially measured at their fair value, plus directly attributable transaction costs and subsequently re-measured at fair value.

The fair value of listed securities is the market value at the closing date. A valuation model is used in case of unlisted securities. Changes in fair value are then directly recognised in other comprehensive income with no subsequent recycling in income statement. When the fair value cannot be determined reliably, investments in non-consolidated companies are measured at cost.

Besides, the Group has expressed intention and ability to hold all debt securities to maturity to collect the corresponding contractual cash flows. They are in that purpose measured at amortised cost using the effective interest rate method, less any impairment loss recognised to reflect amounts expected not to be recoverable. An impairment loss is recognised in profit or loss when there is objective evidence that the asset should be impaired and is measured as the difference between the investment's carrying value and the present value of the estimated future cash flows discounted at the effective interest rate computed at initial recognition. Impairment losses may be reversed through profit and loss in subsequent periods.

Finally, marketable securities are assets held for trading which cannot be considered as cash and cash equivalents. They are designated as financial assets at fair value through profit or loss. Changes in fair value are reported as financial income or expense.

MOVEMENTS DURING THE PERIOD

(in € million)	At 31 March 2024	At 31 March 2023
Opening balance	**82**	**79**
Change in fair value	(8)	9
Acquisitions/disposals	(1)	(4)
Translation adjustments and other	1	(2)
CLOSING BALANCE	**74**	**82**

The Group's equity investment in other investments is not significant on an individual basis and notably comprises investments in companies that hold PPPs (public-private partnerships) agreements or have entered into concession agreements, typically for an ownership lower than 20%.

NOTE 15. OTHER NON-CURRENT ASSETS

Loans are initially measured at their fair value, plus directly attributable transaction costs and are subsequently measured at amortised cost using the effective interest rate method. Deposits are reported as other non-current assets when their initial maturity is more than three months and as cash and cash equivalents in case of demand deposits or when the initial maturity is less than three months.

If there is any indication that those assets may be impaired, they are reviewed for impairment. Any difference between the carrying value and the impaired value (net realisable value) is recorded as a financial expense. The impairment loss can be reversed if the value is recovered in the future. In that case, the reversal of the impairment loss is reported as a financial income.

Certain long-term contract receivables corresponding to incentive payments are classified as FV through P&L. Subsequent changes in the fair value of such financial instruments are recorded in financial expense (income).

Assets subject to finance leases, are initially recognized at an amount equal to the net investment in the lease and are included in financial non-current assets associated to financial debt. Interest income is recognized over the term of the applicable leases based on the effective interest rate method.

(in € million)	At 31 March 2024	At 31 March 2023
Financial non-current assets associated to financial debt(1)	98	119
Long-term loans, deposits and other(2)	399	450
OTHER NON-CURRENT ASSETS	**497**	**569**

(1) These non-current assets relate to a long-term rental of trains and associated equipment to a London metro operator (see Note 27).

(2) Including pre-paid assets on pension amounting to 231 million euros at March 2024 vs 316 million euros at 31 March 2023 (see Note 29).

F. WORKING CAPITAL

NOTE 16. WORKING CAPITAL ANALYSIS

(in € million)	At 31 March 2024	At 31 March 2023	Variation
Inventories	3,818	3,729	89
Contract assets	4,973	4,533	440
Trade receivables	2,997	2,670	327
Other current operating assets / (liabilities)	(1,555)	(2,175)	620
Contract liabilities	(7,995)	(6,781)	(1,214)
Provisions	(2,151)	(2,221)	70
Trade payables	(3,444)	(3,640)	196
WORKING CAPITAL	**(3,357)**	**(3,885)**	**528**

(in € million)	For the year ended at 31 March 2024
Working capital at the beginning of the period	**(3,885)**
Changes in working capital resulting from operating activities	841
Changes in working capital resulting from investing activities	(5)
Translation adjustments and other changes	(308)
Total changes in working capital	**528**
WORKING CAPITAL AT THE END OF THE PERIOD	**(3,357)**

NOTE 17. INVENTORIES

Raw materials and supplies, work in progress and finished products are stated at the lower of cost, using the weighted average cost method, or net realisable value.

Inventory cost includes direct material and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their existing location and condition.

Work in progress refers to costs incurred on product contracts or short term service contracts whose execution will be finalised during a next period. It refers also to costs incurred on “construction contracts” not yet allocated to projects at end of the closing period but transferred to project costs in subsequent periods when the asset becomes sufficiently customized and cannot be readily directed for another use.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

(in € million)	At 31 March 2024	At 31 March 2023
Raw materials and supplies	2,824	2,645
Work in progress	1,047	1,321
Finished products	190	174
Inventories, gross	**4,061**	**4,140**
Raw materials and supplies	(208)	(257)
Work in progress	(32)	(151)
Finished products	(3)	(3)
Write-down	**(243)**	**(411)**
INVENTORIES, NET	**3,818**	**3,729**

(1) Reclassification as of 31 March 2024 of around 200 million euros from Work in progress to Fixed assets of a fleet of trains which was put on lease during the year.

NOTE 18. NET CONTRACT ASSETS/LIABILITIES

Aggregates called "contract assets" and "contract liabilities" are disclosed for "construction contracts" and long term service agreements in progress and are determined on a contract-by-contract basis. The aggregate "contract assets" corresponds to the unbilled part of revenues recognized to date net of the advance payments received from customers. Unbilled part of revenue corresponds to revenue recognized to date in excess of progress billings.

On the contrary, when progress billings are in excess of revenue recognised to date, the net amount is accounted for as deferred income and aggregated with the related advance payments received from customers under the caption "contract liabilities".

The timing of performance differs from the timing when the consideration is received from the customer; this mismatch may turn a contract position from a net liability to a net asset position (or vice versa) during its execution. The Group's policy is to enter into prepayment arrangements with customers and receive advance payments for goods/services to be delivered in future periods.

Some costs incurred in fulfilling a contract that are not falling under the scope of the standards dealing with intangible and tangible assets as well as inventories, should be accounted for under a new caption called "costs to fulfil a contract" when eligible to capitalization.

IFRS 9 acknowledges the recognition of the credit risk related to financial assets and especially trade receivables, based on the expected loss approach. The recognition model retained for contract assets is the general model that allows to estimate the risk within one year, as long as there is no sign of significant degradation of customer credit risk.

(in € million)	At 31 March 2024	At 31 March 2023	Variation
Cost to fulfil a contract	52	24	28
Contract assets	4,921	4,509	412
Total contract assets	**4,973**	**4,533**	**440**
Contract liabilities	(7,995)	(6,781)	(1,214)
NET CONTRACT ASSETS/(LIABILITIES)	**(3,022)**	**(2,248)**	**(774)**

Net contract Assets/(Liabilities) include down payments as well as, in some specific cases, progress payments received in exchange of irrevocable and unconditional payment undertakings issued by the customer. This transaction is analyzed as an advance payment received on behalf of the customer under the supply contract and it amounts to 193 million euros at 31 March 2024 compared to 198 million euros at 31 March 2023.

Contract assets increase over the period (representing ca. 103 days of sales as of 31 March 2024 compared to 100 days as of 31 March 2023) is consistent with contracts portofolio trading and revenue growth.

Contract liabilities increase is notably explained by the level of downpayments received over the second half of the fiscal year ended 31 March 2024.

NOTE 19. TRADE RECEIVABLES

A receivable is an entity's right to consideration that is unconditional. A right to consideration is unconditional if only the passage of time is required before payment of that consideration is due. Receivables are initially recognised at fair value, which in most cases approximates the nominal value. If there is any subsequent indication that those assets may be impaired, they are reviewed for impairment. Any difference between the carrying value and the impaired value (net realisable value) is recorded within Earnings Before Interests and Taxes. The impairment loss can be reversed if the value is recovered in the future. In that case, the reversal of the impairment loss is also reported within Earnings Before Interests and Taxes.

IFRS 9 acknowledges the recognition of the credit risk related to financial assets and especially trade receivables, based on the expected loss approach. The recognition model retained for trade receivables is the Simplified Approach "Lifetime Expected Credit Losses", as long as there is no sign of significant degradation of customer credit risk.

Indeed, due to the type of business operated by the Group, past due receivables are frequently representative of outstanding amounts confirmed by customers but whose payment is subject to clearance of items raised during inspection of works. Such receivables do remain fully recoverable; costs to be incurred for the clearance of pending items are included in the determination of the margin at completion of the related contracts.

The Group derecognizes a financial asset when the contractual rights to the cash flows from the asset expire or when it transfers the contractual rights in a transaction under which the control of the financial assets is transferred.

			Past due on the closing date		
(in € million)	Total	No past due on the closing date	Less than 60 days	Between 60 and 180 days	More than 180 days
AT 31 MARCH 2024	**2,997**	**2,397**	**216**	**52**	**332**
o/w gross	3,031	2,402	216	52	361
o/w impairment	(34)	(5)	-	-	(29)
AT 31 MARCH 2023	**2,670**	**1,946**	**205**	**47**	**472**
o/w gross	2,725	1,955	205	47	518
o/w impairment	(55)	(9)	-	-	(46)

NOTE 20. OTHER CURRENT OPERATING ASSETS

(in € million)	At 31 March 2024	At 31 March 2023
Down payments made to suppliers	277	230
Corporate income tax	85	61
Other taxes	668	548
Prepaid expenses	138	153
Other receivables	397	383
Derivatives relating to operating activities	1,086	682
Remeasurement of hedged firm commitments in foreign currency	864	671
OTHER CURRENT OPERATING ASSETS	**3,515**	**2,728**

Over the period ended 31 March 2024, the Group entered into an agreement of assignment of receivables that leads to the derecognition of tax receivables for an amount of 48 million euros in accordance with IFRS 9 criteria. The total disposed amount outstanding at 31 March 2024 is 176 million euros compared to 159 million euros at 31 March 2023.

NOTE 21. OTHER CURRENT OPERATING LIABILITIES

(in € million)	At 31 March 2024	At 31 March 2023
Staff and associated liabilities	931	950
Corporate income tax	213	268
Other taxes(1)	723	831
Deferred income	10	2
Trade payables with extended payment terms	285	303
Other payables	1,188	1,439
Derivatives relating to operating activities	1,011	668
Remeasurement of hedged firm commitments in foreign currency	709	442
OTHER CURRENT OPERATING LIABILITIES	**5,070**	**4,903**

(1) “Other Taxes” decrease is mainly due to the alignment of the VAT French law with the European VAT Directive according to which VAT is due on all the invoices made to customers including down payments and progress billings as of 31 March 2023.

Bombardier Transportation negotiated extended payment terms of 210 to 240 days after delivery with certain of its suppliers, that have the possibility to early finance their receivables through a supply chain financing program supported by third parties. Those third parties are not committed, and suppliers have the right to return to original payment terms for future payables upon providing a minimum notice period. The Group considers that the balance of trade payables supported by the supply chain financing program does not have the nature of a financial debt as the extension of the payment terms are not contractually linked to the existence of the supply chain financing program. However, following IFRIC Update issued in December 2020, the Group presents the amounts of trade payables supported by the supply chain financing arrangement and exceeding regular payment terms on a dedicated line item of its balance sheet in the other current liabilities.

NOTE 22. PROVISIONS

As long as a “construction contracts” or a long-term service agreement is in progress, obligations attributable to such a contract are taken into account in the assessment of the margin to be recognised.

Upon completion of the contract, such obligations are recognised as distinct liabilities when they satisfy the following criteria:

- the Group has a present legal or constructive obligation as a result of a past event;
- it is probable that an outflow of economic resources will be required to settle the obligation; and
- such outflow can be reliably estimated.

These liabilities are presented as provisions when they are of uncertain timing or amount. When this uncertainty is dispelled, they are presented as trade payables or other current liabilities.

One exception is, in accordance with IAS 37 “Provisions, Contingent Liabilities and Contingent Assets”, the provisions on onerous contracts that are reported in current provisions, as soon as identified. The unavoidable costs to fulfil a contract considered in assessing whether a contract is onerous are all the costs that directly relate to that contract.

Obligations resulting from transactions other than “construction contracts” and long-term service agreements are directly recognised as provisions as soon as the above-mentioned criteria are met. Where the effect of the time value of money is material, provisions are measured at their present value.

Restructuring provisions are made when plans to reduce or close facilities, or to reduce the workforce have been finalised and approved by the Group management and have been announced before the closing date, resulting in an obligation of the Group to third parties. Restructuring costs include employees’ severance and termination benefits and estimated facility closing coasts. In addition to such provisions, restructuring costs may include asset write-off relating to the restructured activities.

(in € million)	At 31 March 2023	Additions	Releases	Applications	Translation adjustments and other[1]	At 31 March 2024
Warranties	597	185	(98)	(53)	-	631
Risks on contracts	1,182	209	(89)	(300)	(21)	981
Current provisions	**1,779**	**394**	**(187)**	**(353)**	**(21)**	**1,612**
Tax risks & litigations	121	55	(29)	(7)	(5)	135
Restructuring	166	141	(6)	(41)	1	261
Other non-current provisions	155	18	(8)	(13)	(9)	143
Non-current provisions	**442**	**214**	**(43)**	**(61)**	**(13)**	**539**
TOTAL PROVISIONS	**2,221**	**608**	**(230)**	**(414)**	**(34)**	**2,151**

(1) Other changes includes IFRS 5 reclassification (see Note 9.2).

(in € million)	At 31 March 2022	Additions	Releases	Applications	Translation adjustments and other	At 31 March 2023
Warranties	605	437	(93)	(319)	(33)	597
Risks on contracts	1,361	134	(115)	(231)	33	1,182
Current provisions	**1,966**	**571**	**(208)**	**(550)**	**-**	**1,779**
Tax risks & litigations	130	17	(7)	(9)	(10)	121
Restructuring	152	51	1	(40)	2	166
Other non-current provisions	155	19	(10)	(27)	19	155
Non-current provisions	**437**	**87**	**(16)**	**(76)**	**10**	**442**
TOTAL PROVISIONS	**2,403**	**658**	**(224)**	**(626)**	**10**	**2,221**

Provisions for warranties relate to estimated costs to be incurred over the residual contractual warranty period on completed contracts.

Provisions for risks on contracts relate to provisions on contract losses and to commercial disputes and operating risks.

In relation to uncertain tax treatments and tax risks, the Group tax filings are subject to audit by tax authorities in most jurisdictions in which the Group operates. These audits may result in assessment of additional taxes that are subsequently resolved with the authorities or potentially through the courts. The Group believes that it has strong arguments against the questions being raised, that it will pursue all legal remedies to avoid an unfavorable outcome and that it has adequately provided for any risk that could result from those proceedings where it is probable that it will pay some amounts. Following IFRIC 23 application in April 2019, it is reminded that liabilities for uncertainty over income tax treatments are now presented as tax liabilities on the line corporate income tax in the other current operating liabilities.

Restructuring provisions mainly derive from the implementation of the “Autumn” restructuring plan (see Note 1.1) and the existing restructuring plan in Germany.

Other non-current provisions mainly relate to guarantees delivered or risks in connection with disposals, employee litigations, commercial disputes and environmental obligations.

The management identifies and analyses on a regular basis current litigations and other risks, using its best estimate to assess, when necessary, provisions. These estimates take into account information available and different possible outcomes. Main disputes are described in Note 33.

G. EQUITY AND DIVIDENDS

NOTE 23. EQUITY

When managing capital, objectives of the Group are to safeguard its ability to continue as a going concern so that it can provide returns to shareholders, bring benefits to its other partners and optimise the structure of the capital in order to reduce its cost.

To achieve this, the Group may choose to:

- adjust the amount of dividends paid to the shareholders;
- reimburse a portion of capital to the shareholders;
- issue new shares; or,
- sell assets in order to scale back its debt.

23.1. Movements in share capital

At 31 March 2024, the share capital of Alstom amounts to 2,690,037,476 euros consisting of 384,291,068 ordinary shares with a par value of 7 euros each. For the year ended 31 March 2024, the weighted average number of outstanding ordinary shares amounts to 384,624,829 after the effect of all dilutive instruments.

During the period ended 31 March 2024:

- 2,435,803 ordinary shares were issued under dividends (see Note 24);
- 611,086 ordinary shares were issued under long term incentive plans (see Note 30);
- 790,725 ordinary shares were issued under employee free shares plan "We are Alstom 2021" (see Note 30).

23.2. Currency translation adjustment in shareholders' equity

At 31 March 2024, the currency translation reserve amounts to (520) million euros.

The currency translation adjustment, presented within the consolidated statement of comprehensive income for 130 million euros, primarily reflects the effect of variations of the pound sterling (26 million euros), Egyptian Pound ((34) million euros), Chinese Yuan ((50) million euros), against the Euro for the year ended 31 March 2024.

The major impact of currency translation adjustment is mainly driven by the recycling of CTA, generated by TMH Disposal to profit and loss (see Note 1.2) and amounts to 197 million euros. According to IAS 21, the cumulative amount of exchange differences relating to a disposal under a foreign operation recognised in other comprehensive income shall be reclassified from equity to P&L when the gain or loss on disposal is recognised (see Note 13).

NOTE 24. DISTRIBUTION OF DIVIDENDS

The Combined Shareholders' Meeting, which took place on 11 July 2023, approved the dividend related to the 2022/23 fiscal year for an amount of 0.25 euro gross per share, and has decided to offer to each shareholder an option, for payment of such dividend to be made in cash or in new shares. The period to exercise the option ran from 19 July to 1 September 2023 included. At the end of the option period, 2,435,803 new shares were issued at a share price of 23.75 euros and amounted to 58 million euros. The cash dividend to be paid to the shareholders who did not elect to receive 2022/23 dividend in shares amounted to 38 million euros and the date for the payment was 7 September 2023.

H. FINANCING AND FINANCIAL RISK MANAGEMENT

NOTE 25. OTHER CURRENT FINANCIAL ASSETS

Other current financial assets comprise the positive market value of derivative instruments hedging financing activities and the fair value of the Virtual Power Purchase Agreement contracted by Alstom on 10 July 2023, as detailed in Note 2.6.

(in € million)	At 31 March 2024	At 31 March 2023
Derivatives related to financing activities and others	40	65
OTHER CURRENT FINANCIAL ASSETS	**40**	**65**

NOTE 26. CASH AND CASH EQUIVALENTS

Cash equivalents are held to meet short-term cash commitments. To be considered as cash equivalent, an investment must be convertible to a known amount of cash within the coming three months and subject to a negligible risk of change in value, thereby satisfying the requirements of IAS 7.

Cash and cash equivalents include all cash balances, certain term deposit accounts, negotiable debt instruments and monetary UCITS.

Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

(in € million)	At 31 March 2024	At 31 March 2023
Cash	896	806
Cash equivalents	80	20
CASH AND CASH EQUIVALENT	**976**	**826**

In addition to bank open deposits classified as cash for 896 million euros, the Group invests in cash equivalents:

- bank term deposits that can be terminated at any time with less than three months notification period for an amount of 78 million euros (18 million euros at 31 March 2023);
- Euro money market funds for an amount of 2 million euros (2 million euros at 31 March 2023) qualified as “monetary” or “monetary short-term” under the French AMF classification.

NOTE 27. FINANCIAL DEBT

Bonds and interest-bearing bank loans are initially recognised at fair value, less any transaction costs directly attributable to the issuance of the liability. These financial liabilities are subsequently measured at amortised cost, using the effective interest rate method.

The lease liability, when Alstom is the lessee, is measured at the present value of lease payments to be made over the lease term, discounted using the marginal borrowing rate of the lessee at the lease commencement date if the interest rate is implicit in the lease and cannot be readily determined. Lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate and amounts expected to be paid under residual value guarantees. Lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payment of penalties for termination of a lease when the lease term reflects the lessee exercising a termination option. Lease payments are apportioned between finance charges and repayment of the lease obligation to achieve a constant rate of interest on the remaining balance of the liability.

		Cash movements	Non-cash movements	
(in € million)	At 31 March 2023	Net cash variation	Translation adjustments and other	At 31 March 2024
Bonds	2,631	-	3	2,634
Commercial paper program	248	785	-	1,033
Bank debt & other financial debt(1)	113	90	74	277
Derivatives relating to financing activities	58	8	-	66
Accrued interests and other(2)	3	(6)	3	-
Borrowings	**3,053**	**877**	**80**	**4,010**
Lease obligations(3)	**645**	**(160)**	**160**	**645**
TOTAL FINANCIAL DEBT	**3,698**	**717**	**240**	**4,655**

(1) Includes New Markets Tax Credit (NMTC) 7-year $40 million loan (37 million euros at 31 March 2024) implemented during fiscal year 2021/22 and covered by a 7-year deposit of $29 million (27 million euros at 31 March 2024) reclassified in asset held for sales as of 31 March 2024; and 175 million euros drawn down from the 1.75 billion euros Revolving Credit facility and outstanding at 31 March 2024.

(2) Paid interests are disclosed in the net cash provided by operating activities part in the cash flow statement. Net interests paid and received amount to (153) million euros and those related to lease obligations amount to (21) million euros over the year.

(3) Lease obligations include lease obligations on trains and associated equipment for 98 million euros at 31 March 2024 and 119 million euros at 31 March 2023 (see Note 15). Non-cash movements for 160 million euros are linked to lease inceptions, reductions and FX gain/loss.

The financial debt's variation over the period is mainly due to:

- the issuance of 785 million euros Negotiable European Commercial Papers under the Group NEU CP program bringing the level outstanding at 31 March 2024 to 1.03 billion euros (from 248 million euros in March 2023);
- the drawdown of 175 million euros from Revolving Credit Facility.

The following table summarizes the significant components of the Group's bonds:

	Initial Nominal value (in € million)	Maturity date (dd/mm/yy)	Nominal interest rate	Effective interest rate	Accounting value at 31 March 2024	Market value at 31 March 2024
Alstom October 2026	700	14/10/2026	0.25%	0.38%	698	643
Alstom July 2027	500	27/07/2027	0.13%	0.21%	498	446
Alstom January 2029	750	11/01/2029	0.00%	0.18%	743	616
Alstom July 2030	700	27/07/2030	0.50%	0.62%	694	566
TOTAL AND WEIGHTED AVERAGE RATE			**0.22%**	**0.35%**	**2,634**	**2,271**

The value of the external financial debt split by currency is as follows:

(in € million)	At 31 March 2024	At 31 March 2023
Euro	4,185	3,293
British Pound	133	154
US Dollar	71	75
Indian Rupee	54	41
Canadian Dollar	47	30
Australian Dollar	44	46
Romanian Leu	32	2
Polish Zloty	18	15
Other currencies	71	42
FINANCIAL DEBT IN NOMINAL VALUE	**4,655**	**3,698**

The 133 million euros external debt in GBP is mainly explained by a 98 million euros long-term lease scheme of trains, involving London Underground. This lease in GBP is counter-balanced by long-term receivables recognised as non-current assets for the same amount, with the same maturity and denominated in GBP (see Note 15 and above).

NOTE 28. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

28.1. Financial instruments reported in the financial statements

The Group's financial liabilities encompass borrowings, trade and other payables.

The Group's financial assets include loans, trade and other receivables, other current assets, cash, and cash equivalents.

The Group is exposed to foreign exchange and interest rate volatility risks, credit and liquidity risks.

The main valuation methods applied are as follows:

- borrowings, when unhedged, are stated at amortised cost, determined by the effective interest rate method;
- the fair value of the financial debt is estimated based on either quoted market prices for traded instruments or current rates offered to the Group for debt of the same maturity;
- the fair value of cash, cash equivalents, trade receivables and trade payables is considered equivalent to the carrying value, due to their short maturities, or to the market value in the case of money market funds;
- the fair value of FX derivative instruments is calculated primarily based on foreign exchange spot and forward rates at "mid-market" at closing date or alternatively based on relevant yield curves per currency.

IFRS 13 application for "Fair Value Measurement", which requires counterparty risk to be considered in measuring derivative instruments, does not have a material impact on the Group's financial statements.

Year ended 31 March 2024

Balance sheet positions at 31 March 2024

			Carrying amount of financial instruments by categories(1)					Fair value of items classified as financial instruments			
At 31 March 2024 (in € million)	Balance sheet carrying amount	Carrying amount not defined as financial instruments	FV P/L	FV OCI	LRL at amortised cost	DER	Total	Listed prices	Internal model based on observable factors	Internal model not based on observable factors	Total
Non consolidated investments	74	-	-	74	-	-	74	-	74	-	74
Other non-current assets	497	228	110	-	159	-	269	-	269	-	269
Trade receivables	2,997	-	-	-	2,997	-	2,997	-	2,997	-	2,997
Other current operating assets	3,515	1,170	862	-	397	1,086	2,345	-	2,345	-	2,345
Other current financial assets	40	-	-	-	-	40	40	-	40	-	40
Cash and cash equivalents	976	-	2	-	974	-	976	2	974	-	976
ASSETS	**8,099**	**1,398**	**974**	**74**	**4,527**	**1,126**	**6,701**	**2**	**6,699**	**-**	**6,701**
Non-current borrowings	2,694	-	-	-	2,694	-	2,694	2,634	60	-	2,694
Non-current lease obligations	471	-	-	-	471	-	471	-	471	-	471
Current borrowings	1,316	-	-	-	1,250	66	1,316	-	1,316	-	1,316
Current lease obligations	174	-	-	-	174	-	174	-	174	-	174
Trade payables	3,444	-	-	-	3,444	-	3,444	-	3,444	-	3,444
Other current liabilities	5,070	2,157	707	-	1,195	1,011	2,913	707	2,206	-	2,913
LIABILITIES	**13,169**	**2,157**	**707**	**-**	**9,228**	**1,077**	**11,012**	**3,341**	**7,671**	**-**	**11,012**

(1) FV P/L stands for Fair Value through Profit and Loss; FV OCI stands for Fair Value through Other Comprehensive Income; LRL stands for Loans, Receivables and Liabilities and DER stands for Derivative instruments.

Financial income and expense arising from financial instruments for the year ended 31 March 2024

(in € million)	FV P/L	FV OCI	LRL at amortised cost & DER	Total
Interests	-	-	(132)	(132)
Interest income	-	-	27	27
Interest expense	-	-	(159)	(159)
Foreign currency and other	-	-	(88)	(88)
NET INCOME/EXPENSE FOR THE YEAR ENDED 31 MARCH 2024	**-**	**-**	**(220)**	**(220)**

Year ended 31 March 2023

Balance sheet positions at 31 March 2023

			Carrying amount of financial instruments by categories[1]					Fair value of items classified as financial instruments			
At 31 March 2023 (in € million)	Balance sheet carrying amount	Carrying amount not defined as financial instruments	FV P/L	FV OCI	LRL at amortised cost	DER	Total	Listed prices	Internal model based on observable factors	Internal model not based on observable factors	Total
Non consolidated investments	82	-	-	82	-	-	82	-	82	-	82
Other non-current assets	569	314	67	-	188	-	255	-	255	-	255
Trade receivables	2,670	-	-	-	2,670	-	2,670	-	2,670	-	2,670
Other current operating assets	2,728	993	670	-	383	682	1,735	-	1,735	-	1,735
Other current financial assets	65	-	-	-	-	65	65	-	65	-	65
Cash and cash equivalents	826	-	2	-	824	-	826	2	824	-	826
ASSETS	**6,940**	**1,307**	**739**	**82**	**4,065**	**747**	**5,633**	**2**	**5,631**	**-**	**5,633**
Non-current borrowings	2,657	-	-	-	2,657	-	2,657	2,631	26	-	2,657
Non-current lease obligations	501	-	-	-	501	-	501	-	501	-	501
Current borrowings	396	-	-	-	338	58	396	-	396	-	396
Current lease obligations	144	-	-	-	144	-	144	-	144	-	144
Trade payables	3,640	-	-	-	3,640	-	3,640	-	3,640	-	3,640
Other current liabilities	4,903	2,356	441	-	1,438	668	2,547	441	2,106	-	2,547
LIABILITIES	**12,241**	**2,356**	**441**	**-**	**8,718**	**726**	**9,885**	**3,072**	**6,813**	**-**	**9,885**

(1) FV P/L stands for Fair Value through Profit and Loss; FV OCI stands for Fair Value Through Other Comprehensive Income; LRL stands for Loans, Receivables and Liabilities and DER stands for Derivative instruments.

Financial income and expense arising from financial instruments for the year ended 31 March 2023

(in € million)	FV P/L	FV OCI	LRL at amortised cost & DER	Total
Interests	-	-	(38)	(38)
Interest income	-	-	10	10
Interest expense	-	-	(48)	(48)
Foreign currency and other	-	-	(51)	(51)
NET INCOME/EXPENSE FOR THE YEAR ENDED 31 MARCH 2023	**-**	**-**	**(89)**	**(89)**

28.2. Currency risk management

Foreign currency transactions are initially recognised by applying to the foreign currency amount the spot exchange rate between the functional currency of the reporting unit and the foreign currency at the date of the transaction. Currency units held assets to be received and liabilities to be paid resulting from those transactions are re-measured at closing exchange rates at the end of each reporting period. Realised exchange gains or losses at date of payment as well as unrealised gains or losses deriving from re-measurement are recorded in the income statement.

Since the Group is exposed to foreign currency volatility, the Group puts in place a significant volume of hedges to cover this exposure. These derivatives are recognised on the balance sheet at their fair value at the closing date. Provided that the relationships between the foreign currency exposure and the related derivatives are qualifying relationships, the Group uses the specific accounting treatment designated as hedge accounting. A relationship qualifies for hedge accounting if, at the inception of the hedge, it is formally designated and documented and if it proves to be highly effective throughout the financial reporting periods for which the hedge was designated.

Hedging relationships mainly correspond to fair value hedge which is used to cover the exposure to the risk of a change in the fair value of a financial asset, a financial liability or unrecognised firm commitment. Net investment hedge is applied to minimize the exchange rate risk relating to the net investment in a foreign entity.

Derivatives are recognised and re-measured at fair value. Changes in fair value from period to period are recognised differently depending on whether the instrument is designated for accounting purposes as a fair value hedge, a cash flow hedge or a hedge of a net investment in a foreign entity.

Fair value hedge

When fair value hedge accounting applies, changes in the fair value of derivatives and changes in the fair value of hedged items are both recognised in the income statement and offset each other up to the gain or loss on the effective portion on the hedging instrument.

Whatever the type of hedge, both the effective and the ineffective portions on the hedging instrument are recognised in the income statement as well as realised and unrealised exchange gains and losses on hedged items and hedging instruments.

As the effective portion on the hedging instrument offsets the difference between the spot rate at inception of the hedge and the effective spot rate at the outcome of the hedge, sales and costs resulting from commercial contracts are recognised at the spot rate at inception of the hedge throughout the life of the related commercial contracts, provided that the corresponding hedging relationships keep on qualifying for hedge accounting. For two large Transport projects located in South Africa and in Egypt, the hedged firm commitments resulting from the commercial contract are recognised on a forward rate basis. Provided that the corresponding hedging relationship qualifies for hedge accounting, the change in fair value of the hedged items recorded at the project forward rate at inception offsets the change in fair value of the derivatives.

The Group uses export insurance policies to hedge its currency exposure on certain contracts during the open bid period. When commercial contracts are awarded, insurance instruments are settled, and forward contracts are put in place and recorded according to the fair value hedge accounting as described above.

Cash Flow Hedge

When cash flow hedge applies, the portion of the gain or loss on the hedging instrument that is determined to be an effective hedge is recognized in other comprehensive income. The change in fair value of the ineffective portion is recognized in other financial income or expenses.

Gains or losses accumulated under other comprehensive income are taken to the income statement when the hedged cash flows occur.

If a hedge of a forecast transaction subsequently resulting in the recognition of a non-financial asset qualifies for cash flow hedge, then the entity shall reclassify the associated gains and losses that were recognized in other comprehensive income to profit or loss in the same period or periods during which the asset acquired or liability assumed affects profit or loss.

Hedge of a net investment in a foreign entity

A net investment hedge is used to reduce or eliminate the exchange rate risk relating to the Group’s interest in the net assets of a foreign operation. Changes in the fair value of the hedging instrument that is determined to be an effective hedge is recognized in other comprehensive income, allowing a natural offset in the translation differences between the effective part of the derivative and the re-measurement of the net investment. Gains and losses previously recognized in other comprehensive income are reclassified to profit or loss upon the disposal of the foreign entity. The ineffective portion is reported in profit or loss.

Derivatives relating to financing activity

Whenever possible, Alstom Holdings acts as an in-house bank for its affiliates through cash-pooling and loans/deposits agreements. The intercompany positions so generated are hedged through foreign exchange swaps, the gain/cost of which is included in net gain/cost of foreign exchange (see Note 7).

At 31 March 2024, net derivatives positions amount to a net liability of 34 million euros and comprise mainly forward sale contracts of Polish Zloty, Swiss Franc and Swedish Krona.

(in € million)	Net derivatives positions		2025		2026		2027-2029		2030 and thereafter	
Currency 1/Currency 2[(1)]	**Net notional**	**Fair value**	**Interests**	**Repay-ment**	**Interests**	**Repay-ment**	**Interests**	**Repay-ment**	**Interests**	**Repay-ment**
EUR/SEK	520.00	(3.60)	-	520.00	-	-	-	-	-	-
EUR/CHF	507.00	(17.10)	-	507.00	-	-	-	-	-	-
EUR/PLN	(415.00)	(18.50)	-	(415.00)	-	-	-	-	-	-
EUR/GBP	(402.00)	(2.40)	-	(402.00)	-	-	-	-	-	-
EUR/CAD	(277.00)	0.60	-	(277.00)	-	-	-	-	-	-
EUR/ZAR	(213.00)	(1.70)	-	(213.00)	-	-	-	-	-	-
EUR/AUD	185.00	0.20	-	245.00	-	(30.00)	-	(30.00)	-	-
EUR/SGD	178.00	8.30	-	178.00	-	-	-	-	-	-
EUR/MXN	160.00	8.00	-	160.00	-	-	-	-	-	-
EUR/BRL	129.00	(0.10)	-	129.00	-	-	-	-	-	-
Other		(8.10)								
NET DERIVATIVES RELATED TO FINANCING ACTIVITIES		**(34)**								

(1) Positive amount: the currency 2 is bought forward against currency 1. Negative amount: the currency 2 is sold forward against currency 1.

Derivatives hedging commercial activity

During its operations, the Group is exposed to currency risk arising from tenders submitted in foreign currency, awarded contracts and any future cash out transactions denominated in foreign currency. The main currencies triggering a significant exposure as of 31 March 2024 are the Polish Zloty, US dollar, Mexican Peso and Saudi Riyal.

During the tender period, depending on the probability to obtain the project and on market conditions, the Group may hedge in some cases a portion of its tenders using options or export insurance policies. Once the contract is in force, forward exchange contracts are used to hedge the actual exposure during the life of the contract.

Forward currency contracts are denominated in the same currency as the hedged item. Generally, the tenor of hedging derivatives corresponds to the tenor of the hedged items. However, depending on market conditions, the Group may decide to enter into derivatives with shorter tenors and to roll them subsequently. Finally, in some cases, the Group can derogate from its hedging policy because of the cost of the hedge or absence of efficient market.

The portfolio of operating foreign exchange forward contracts has a weighted maturity around 2 years. However, some forward contracts may mature beyond five years to reflect the long-term nature of some hedged contracts. The Group hedges about forty different currencies with a multitude of crosses depending on which entity of the Group is exposed to the currency. Change in foreign exchange rate is compensated by the revaluation through Income Statement at fair market value of derivatives.

At 31 March 2024, net derivatives amount to a net asset of 75 million euros. They are summarized as follows:

(in € million)	Net derivatives positions		2025		2026		2027-2029		2030 and thereafter	
Currency 1/Currency 2[(1)]	**Net notional**	**Fair value**	**Interests**	**Repay-ment**	**Interests**	**Repay-ment**	**Interests**	**Repay-ment**	**Interests**	**Repay-ment**
EUR/PLN	2,047	208	-	945	-	422	-	668	-	12
EUR/CNH	783	(2)	-	367	-	141	-	275	-	-
EUR/SAR	(516)	(23)	-	(159)	-	(112)	-	(212)	-	(33)
EUR/INR	490	13	-	56	-	107	-	326	-	1
EUR/USD	(450)	(32)	-	(156)	-	(106)	-	(143)	-	(45)
EUR/RON	(376)	(17)	-	(329)	-	(44)	-	(3)	-	-
EUR/AUD	(365)	3	-	(159)	-	(84)	-	(83)	-	(39)
EUR/MXN	(266)	(51)	-	(228)	-	(10)	-	(28)	-	-
CNH/PLN	(260)	(40)	-	(103)	-	(113)	-	(44)	-	-
EUR/GBP	(210)	(2)	-	(45)	-	26	-	(85)	-	(106)
Other		19								
NET DERIVATIVES RELATED TO OPERATING ACTIVITIES		**75**								

(1) Positive amount: the currency 2 is bought forward against currency 1. Negative amount: the currency 2 is sold forward against currency 1.

Most of the hedging instruments are negotiated by Alstom Holdings and are mirrored by hedging agreements between Alstom Holdings and the exposed subsidiaries. Whenever local regulations prohibit this intercompany hedging, instruments are negotiated directly by affiliates with local banks under the supervision of the Group Treasury.

Overall derivatives positions

Derivative instruments hedging foreign currency risk are recognised at their fair value on the balance sheet as follows:

	At 31 March 2024		At 31 March 2023	
(in € million)	Assets	Liabilities	Assets	Liabilities
Derivatives qualifying for fair value hedge	1,119	1,077	747	726
Of which derivatives relating to financing activities	33	66	65	58
Of which derivatives relating to operating activities	1,086	1,011	682	668

Since derivatives have been set up, the change in foreign exchange spot rates, and the relative change in interest rate curves related to the hedged currencies, during the periods ended 31 March 2023 and 31 March 2024 explains the amount of fair value of derivative instruments (either positive or negative).

For instruments that qualify for fair value hedge accounting, change in fair value arising from spot rates is mostly offset by the re-measurement of the underlying exposure (either on balance sheet or off-balance sheet).

The sensitivity of the Group's pre-tax income to a change in currencies arising from derivative instruments not qualifying for hedge accounting is not significant.

With its banking counterparties, Alstom enters into bilateral standard derivatives agreements that generally do not provide a collateralization of derivatives market value.

These agreements generally require the offsetting of receivable and payable amounts in case of default of one of the contracting parties. These derivatives fall within the scope of disclosures under IFRS 7 on compensation and are presented in the tables below:

At 31 March 2024 (in € million)	Gross amounts of recognized financial assets/liabilities	Gross amounts of recognized financial assets/liabilities set off in the balance sheet	Net amount of financial assets/ liabilities presented in the balance sheet	Related amount not set off in the balance sheet: Financial instruments	Related amount not set off in the balance sheet: Cash collateral received	Net amount
Derivatives assets	1,119	-	1,119	1,008	-	111
Derivatives liabilities	(1,077)	-	(1,077)	(1,008)	-	(69)

At 31 March 2023 (in € million)	Gross amounts of recognized financial assets/liabilities	Gross amounts of recognized financial assets/liabilities set off in the balance sheet	Net amount of financial assets/ liabilities presented in the balance sheet	Related amount not set off in the balance sheet: Financial instruments	Related amount not set off in the balance sheet: Cash collateral received	Net amount
Derivatives assets	747	-	747	664	-	84
Derivatives liabilities	(726)	-	(726)	(664)	-	(62)

28.3. Interest rate risk management

The Group may enter into hedges for the purpose of managing its exposure to interest rate volatility. Derivatives are recognised on the balance sheet at fair value at the closing date. Providing that the relationships between the interest rate exposure and the related derivatives are qualifying relationships, the Group uses the specific accounting treatments designated as hedge accounting. Fair value hedge accounting and cash flow hedge accounting are applied to fixed and floating rate borrowings, respectively.

In the case of fair value hedge relationships, the re-measurement of the fixed rate borrowing is offset in the income statement by the movement in the fair value of the derivative up to the effective portion of hedged risk. In the case of cash flow hedging relationships, the change in fair value of the derivative is recognised directly in other comprehensive income. Amounts previously recognised directly in other comprehensive income are reclassified to the income statement when the hedged risk impacts the income statement.

At 31 March 2024, the Group keeps short dated floating rate financial assets on its balance sheet, while its debt is merely made of fixed rate bonds and commercial papers.

The Group has not implemented an active interest rate risk management policy. However, under the supervision of the Executive Committee, it may enter into transactions in order to hedge its interest rate risk on a case-by-case basis according to market opportunities.

At 31 March 2024 (in € million)	Fixed rate	Floating rate	Total
Financial assets	194	1,050	1,244
Financial debt bearing interests	(3,841)	(169)	(4,010)
Total position before hedging	**(3,647)**	**881**	**(2,766)**
Hedging position	-	-	-
TOTAL POSITION AFTER HEDGING	**(3,647)**	**881**	**(2,766)**

At 31 March 2023 (in € million)	Fixed rate	Floating rate	Total
Financial assets	178	901	1,079
Financial debt bearing interests	(2,882)	(171)	(3,053)
Total position before hedging	**(2,704)**	**730**	**(1,974)**
Hedging position	-	-	-
TOTAL POSITION AFTER HEDGING	**(2,704)**	**730**	**(1,974)**

Sensitivity is analysed based on the Group's net cash position at 31 March 2024, assuming that it remains constant over one year.

In absence of interest rate derivatives, the effects of increases or decreases in market rates are symmetrical: a rise of 0.1% would increase the net interest income by 1 million euros while a fall of 0.1% would decrease it by 1 million euros.

28.4. Credit risk management

Credit risk is the risk that counterparty will not meet its payment obligations under financial instrument or commercial contract, leading to a loss. The Group is exposed to credit risk on its operating activities (primarily for trade receivables and for contracts asset) and on its financing activities, including deposits, foreign currency hedging instruments and other financial instruments with banks and financial institutions.

Risk related to customers

The financial assets that are falling under the scope of IFRS 9 Customer credit risk are mainly concerning trade receivables (which are at short maturity) as well as contract assets under IFRS 15 (that have potentially longer maturities). The recognition model of the Expected Credit Losses (ECL) retained on these exposures is respectively the Simplified Approach "Lifetime Expected Credit Losses" for trade receivables and the general model that allows to estimate the risk within one year for contract assets, as long as there is no sign of significant degradation of customer credit risk. The Group believes that the risk of a counterpart failing to perform as contracted, which could have a significant impact on the Group's financial statements or results of operations, is limited because the Group seeks to ensure that customers generally have strong credit profiles or adequate dedicated financing to meet their project obligations or can also be the subject of insurance policies taken out by the Group (see also Note 19). However, this mechanism of protection may become incomplete, uncertain, or ineffective because of the duration of the Group's contract in a changing environment, particularly in emerging countries, leading to impairment losses determined considering a risk of non-recovery assessed on a case-by case.

Risk related to other financial assets

In addition to the recovery of assets held for sale, the Group's exposure to credit risk related to other financial assets, especially derivatives, arises from default of the counterpart, with a maximum exposure equal to the carrying amount of those instruments. The financial instruments are taken out with more than 25 different counterparties and the risk is therefore highly diluted, the largest exposure with one single counterparty (rated BBB) being limited to 23 million euros.

28.5. Liquidity risk management

In addition to its available cash and cash equivalents, amounting to 976 million euros at 31 March 2024, the Group benefits from strong liquidity with:

- 2.25 billion euros Revolving Credit Facility maturing in October 2024;
- 1.75 billion euros Revolving Credit Facility maturing in January 2027;
- 2.5 billion euros Revolving Credit Facility maturing in January 2029.

The first facility has two six-month extension options at borrower's discretion. Alstom has an obligation to prepay utilizations of and cancel available commitments under the facility with proceeds from the deleverage plan disclosed in Note 36.The last two facilities have been successfully extended by one year in December 2023. At 31 March 2024, the 1.75 billion euros Revolving Credit Facility line was drawn down for 175 million euros, while the other two lines remained undrawn.

As per its conservative liquidity policy, the 2.5 billion euros Revolving Credit Facility serves as a back-up of the Group 2.5 billion euros NEU CP program in place. With these lines (175 million euros drawn on the 1.75 billion euros facility at 31 March 2024), the 1.03 billion euros of NEU CP outstanding at 31 March 2024, the Group benefits from a 6.3 billion euros liquidity available.

Treasury Centralization

Credit risk from balances with banks and financial institutions is managed by Group treasury in accordance with the Group's policy.

The Group diversifies its cash investments in order to limit its counterparty risk. In addition to short term deposits with tier-one banks, the Group invests in euro money market funds qualified as "monetary" or "monetary short term" under the AMF classification. Cash investments are reviewed on a regular basis in accordance with Group procedures and in strict compliance with the eligibility criteria set out in IAS 7 and the AMF's recommendations.

The Group's parent company has access to cash held by wholly owned subsidiaries through the payment of dividends or pursuant to intercompany loan arrangements. However local constraints can delay or restrict this access.

Furthermore, while the Group's parent company has the power to control decisions of subsidiaries of which it is the majority owner, its subsidiaries are distinct legal entities and their payment of dividends and granting of loans, advances and other payments to the parent company may be subject to legal or contractual restrictions, be contingent upon their earnings or be subject to business or other constraints. These limitations include local financial assistance rules and corporate benefit laws.

The Group's policy is to centralise liquidity of subsidiaries at the parent company's level when possible. Cash available in subsidiaries located in countries with local constraints delaying or restricting the Group's access to this cash was 284 million euros at 31 March 2024 and 233 million euros at 31 March 2023.

Future Cash Flow

The Group's objective is to maintain a strong liquidity, commensurate with the changes in working capital triggered by its long-term activity.

The following tables show the remaining maturities of all financial assets and liabilities held at 31 March 2024 and 31 March 2023.

Planning data for future new assets and liabilities are not reported. Amounts in foreign currency are translated at the closing rate. The variable interest payments are calculated using the last interest rates available at the closing date. Assets and liabilities that can be repaid at any time are always assigned to the earliest possible period.

Financial instruments held at 31 March 2024

Cash flow arising from instruments included in net cash/(debt) at 31 March 2024

		2025		2026		2027-2029		2030 and thereafter	
(in € million)	Carrying amount	Interests	Repayment	Interests	Repayment	Interests	Repayment	Interests	Repayment
Other non-current assets	-	-	-	-	-	-	-	-	-
Other current financial assets	40	-	40	-	-	-	-	-	-
Cash and cash equivalents	976	-	976	-	-	-	-	-	-
Assets	**1,016**	**-**	**1,016**	**-**	**-**	**-**	**-**	**-**	**-**
Non-current borrowings	(2,694)	(6)	-	(6)	-	(18)	(1,992)	(7)	(702)
Current borrowings	(1,316)	(13)	(1,316)	-	-	-	-	-	-
Liabilities	**(4,010)**	**(19)**	**(1,316)**	**(6)**	**-**	**(18)**	**(1,992)**	**(7)**	**(702)**
NET CASH/(DEBT)	**(2,994)**	**(19)**	**(300)**	**(6)**	**-**	**(18)**	**(1,992)**	**(7)**	**(702)**

Cash flow arising from operating derivatives at 31 March 2024

		2025		2026		2027-2029		2030 and thereafter	
(in € million)	Carrying amount	Interests	Repay-ment	Interests	Repay-ment	Interests	Repay-ment	Interests	Repay-ment
Other current operating assets	1,086	-	536	-	315	-	233	-	2
Assets	**1,086**	**-**	**536**	**-**	**315**	**-**	**233**	**-**	**2**
Other current operating liabilities	(1,011)	-	(554)	-	(287)	-	(167)	-	(3)
Liabilities	**(1,011)**	**-**	**(554)**	**-**	**(287)**	**-**	**(167)**	**-**	**(3)**
DERIVATIVES	**75**	**-**	**(18)**	**-**	**28**	**-**	**66**	**-**	**(1)**

Cash flow arising from instruments included in other financial assets and liabilities at 31 March 2024

		2025		2026		2027-2029		2030 and thereafter	
(in € million)	Carrying amount	Interests	Repay-ment	Interests	Repay-ment	Interests	Repay-ment	Interests	Repay-ment
Non consolidated investments	74	-	-	-	-	-	-	-	74
Other non-current assets	399	-	-	-	-	-	-	-	399
Trade receivables	2,997	-	2,997	-	-	-	-	-	-
Other current operating assets	1,261	-	1,261	-	-	-	-	-	-
Assets	**4,731**	**-**	**4,258**	**-**	**-**	**-**	**-**	**-**	**473**
Trade payables	(3,444)	-	(3,444)	-	-	-	-	-	-
Other current operating liabilities	(2,301)	-	(2,301)	-	-	-	-	-	-
Liabilities	**(5,745)**	**-**	**(5,745)**	**-**	**-**	**-**	**-**	**-**	**-**
OTHER FINANCIAL ASSETS AND LIABILITIES	**(1,014)**	**-**	**(1,487)**	**-**	**-**	**-**	**-**	**-**	**473**

Financial instruments held at 31 March 2023

Cash flow arising from instruments included in net cash/(debt) at 31 March 2023

		2024		2025		2026-2028		2029 and thereafter	
(in € million)	Carrying amount	Interests	Repay-ment	Interests	Repay-ment	Interests	Repay-ment	Interests	Repay-ment
Other non-current assets	27	-	-	-	-	-	-	-	27
Other current financial assets	65	-	65	-	-	-	-	-	-
Cash and cash equivalents	826	-	826	-	-	-	-	-	-
Assets	**918**	**-**	**891**	**-**	**-**	**-**	**-**	**-**	**27**
Non-current borrowings	(2,657)	(6)	-	(6)	-	(16)	(1,200)	(11)	(1,457)
Current borrowings	(396)	-	(396)	-	-	-	-	-	-
Liabilities	**(3,053)**	**(6)**	**(396)**	**(6)**	**-**	**(16)**	**(1,200)**	**(11)**	**(1,457)**
NET CASH/(DEBT)	**(2,135)**	**(6)**	**495**	**(6)**	**-**	**(16)**	**(1,200)**	**(11)**	**(1,430)**

Cash flow arising from operating derivatives at 31 March 2023

		2024		2025		2026-2028		2029 and thereafter	
(in € million)	Carrying amount	Interests	Repayment	Interests	Repayment	Interests	Repayment	Interests	Repayment
Other current operating assets	682	-	287	-	197	-	198	-	-
Assets	**682**	**-**	**287**	**-**	**197**	**-**	**198**	**-**	**-**
Other current operating liabilities	(668)	-	(281)	-	(209)	-	(171)	-	(7)
Liabilities	**(668)**	**-**	**(281)**	**-**	**(209)**	**-**	**(171)**	**-**	**(7)**
DERIVATIVES	**14**	**-**	**6**	**-**	**(12)**	**-**	**27**	**-**	**(7)**

Cash flow arising from instruments included in other financial assets and liabilities at 31 March 2023

		2024		2025		2026-2028		2029 and thereafter	
(in € million)	Carrying amount	Interests	Repayment	Interests	Repayment	Interests	Repayment	Interests	Repayment
Non consolidated investments	82	-	-	-	-	-	-	-	82
Other non-current assets	450	-	-	-	-	-	-	-	450
Trade receivables	2,670	-	2,670	-	-	-	-	-	-
Other current operating assets	1,054	-	1,054	-	-	-	-	-	-
Assets	**4,256**	**-**	**3,724**	**-**	**-**	**-**	**-**	**-**	**532**
Trade payables	(3,640)	-	(3,640)	-	-	-	-	-	-
Other current operating liabilities	(2,341)	-	(2,341)	-	-	-	-	-	-
Liabilities	**(5,981)**	**-**	**(5,981)**	**-**	**-**	**-**	**-**	**-**	**-**
OTHER FINANCIAL ASSETS AND LIABILITIES	**(1,725)**	**-**	**(2,257)**	**-**	**-**	**-**	**-**	**-**	**532**

28.6. Commodity risk management

Most of commodities bought by the Group are quickly transformed and included into work-in-progress. As much as possible, the Group includes into customer contracts a customer price adjustment clause, so that the Group has a limited exposure to the variation of commodity prices.

Occasionally, the Group can hedge its exposure with commodity derivatives (copper, aluminum) of which the notional and the market values are not significant at 31 March 2024.

I. POST-EMPLOYMENT AND OTHER LONG-TERM DEFINED EMPLOYEE BENEFITS AND SHARE-BASED PAYMENTS

NOTE 29. POST-EMPLOYMENT AND OTHER LONG-TERM DEFINED EMPLOYEE BENEFITS

The Group provides its employees with various types of post-employment benefits, such as pensions, retirement bonuses and medical care, and other long-term benefits, such as jubilee awards and deferred compensation schemes. The type of benefits offered to individual employees is related to local legal requirements as well as practices of the specific subsidiaries.

The Group's health care plans are generally contributory with participants' contributions adjusted annually.

Post-employment defined benefit plans

For single employer defined benefit plans, the Group uses the Projected Unit Credit Method to determine the present value of its obligations and the related current and past service costs/profits. This method considers the actuarial assumptions' best estimates (for example, the expected turnover, the expected future salary increases and the expected mortality).

Most defined benefit pension liabilities are funded through pension funds legally distinct from the entities constituting the Group. Plan assets related to funded plans are invested mainly in equity and debt securities. Other supplemental pension plans sponsored by the Group for certain employees are directly paid by the employer as they become due. Post-employment medical benefit plans are predominantly unfunded.

The Group periodically reviews plan assets and obligations. The effects of any change in actuarial assumptions together with the differences between forecast and actual experience are assessed. The Group recognises in other comprehensive income the full amount of any actuarial gains and losses as well as the effect of any asset ceiling.

The estimated cost of providing defined benefits to employees is accrued during the years in which the employees render services. In the income statement, the service cost is included in Earnings Before Interests and Taxes. The past service cost/profit and specific events impacts (e.g. curtailments and settlements) are recognised in other expense/income. Net interest on the net defined benefit liability (asset) and administration costs are included in financial income (expenses).

Post-employment defined contribution plans

For defined contribution plans, the Group pays contributions to independently administered funds at a fixed percentage of employees' pay. These contributions are recorded as operating expenses.

Other long-term employee benefits

The accounting method used when recognising obligations arising from other long-term employee benefits is similar to the method used for post-employment defined benefits, except that actuarial gains/losses are immediately recognised in full in "Other income/expenses" in the income statement.

The defined benefit obligation amounting to (3,644) million euros as at 31 March 2024 (see Note 29.2) is analysed as follows:

- several pension plans for (3,389) million euros;
- other post-employment benefits for (195) million euros which include mainly end-of-service benefits in France and Italy;
- other long-term defined benefits for (60) million euros which mainly correspond to jubilees in France and Germany.

The reconciliation of funded status of the plans with assets and liabilities recognised in the balance sheet is as follows:

(in € million)	At 31 March 2024	At 31 March 2023
Defined benefit obligations	**(3,644)**	**(3,467)**
Fair value of plan assets	3,021	2,953
Unfunded status of the plans	**(623)**	**(514)**
Impact of asset ceiling	(92)	(93)
NET OF ACCRUED AND PREPAID BENEFIT COSTS AFTER ASSET CEILING	**(715)**	**(607)**
Of which:		
Accrued pension and other employee benefit costs	(946)	(923)
Prepaid pension and other employee benefit costs	231	316

As detailed in this note, net provisions for post-employment benefits total (715) million euros, as at 31 March 2024, compared with (607) million euros, as at 31 March 2023.

The net asset of 231 million euros related to pension schemes in the United Kingdom and Canada is supported by appropriate refund expectations, as requested by IFRIC 14.

29.1. Description of the plans

Post-employment benefits are paid under defined contribution and defined benefit plans. The Group's only obligation under defined contribution plans is to pay fixed contributions into the funding vehicle. The payments are recognised when incurred in the income statement.

Defined benefit plans primarily relate to the United Kingdom, the United States of America, Canada, Germany, Switzerland and France. The specific characteristics (benefit formulas, funding policies and types of assets held) of the plans vary according to the regulations and laws in the country where the employees are located.

In the United Kingdom, there are nine defined benefit pension plans covering different populations. Six of these are sections of the large UK Railways Pension Scheme and provide a pension in the form of an indexed annuity. In addition there is one post-retirement plan for train passes.

All of the Schemes are closed to new hires who are ordinarily offered the opportunity to participate in a defined contribution group pension plan ("GPP"), a group life insurance plan and an income replacement scheme.

In Canada, there are six defined benefit pension plans covering different populations (three plans are subject to collective bargaining agreements). From 2012 to 2016, five plans were closed to new members.

Since 2023, non-unionized employees are no longer required to contribute to the defined contribution component of the plans. The unionized pension plans are based on a flat dollar benefit and the remaining plans are based on the best average earnings. Two unionized pension plans offer indexation per their collective bargaining agreements.

In Germany, the plans provide coverage for pension, death and disability. In the past, the pension was accrued in the form of an annuity. The plans were deeply modified for future accruals in 2010 for the employees to remove most, particularly the higher risk, defined benefit pension plans. The plans continue to be accounted for as defined benefit plans under IAS 19R but with much lower risks for the Company. With respect to employee contributions, these are remitted into defined contributions plans. For legacy BT Germany there is one cash balance plan that is open for active employees and new participants. It provides cover for pension, disability or death. The plan was introduced in 2008 – old pension promises for active employees were integrated as an initial pension component (Initialbaustein). It is unfunded and entirely employer financed. There are various old defined benefit pension plans, which – with very few exceptions – only apply for vested entitlements and pensioners. All plans are accounted for as defined benefit plans under IAS 19.

In the United States of America, following consolidation and merger initiatives performed at the end of 2022, there is now one major, one minor pension scheme, one defined compensation scheme and three post-retirement medical plans. New hires are mainly provided with the enhanced defined contribution pensions under 401(k) schemes.

In France, defined benefit pension plans are mainly end of service benefits provided for under the terms of collective bargaining agreements and Group agreements.

In some countries, these commitments are covered in whole or in part by insurance contracts or pension funds. In this case, the commitments and assets are measured independently.

The fair value of plan assets is deducted from the Group's defined benefit obligation, as estimated using the projected unit credit method, in order to calculate the unfunded obligation to be covered by a provision, or the overfunded right to be recognized as an asset under specific requirements.

In the following tables, the "Other" zone represents mainly Sweden and Switzerland.

29.2. Defined benefit obligations

(in € million)	At 31 March 2024	United Kingdom	Euro Zone	North America	Other
Defined benefit obligations at beginning of year	**(3,467)**	**(1,596)**	**(777)**	**(668)**	**(425)**
Service cost	(61)	(9)	(23)	(13)	(16)
Plan participant contributions	(13)	(6)	(0)	(0)	(6)
Interest cost	(153)	(79)	(28)	(33)	(12)
Administration costs	(9)	(3)	(1)	(4)	(0)
Plan amendments	(3)	-	(2)	-	(1)
Business combinations/disposals	-	-	-	-	-
Curtailments	1	(1)	2	-	-
Settlements	8	-	-	-	8
Actuarial gains (losses) – due to experience	(80)	(69)	4	(3)	(12)
Actuarial gains (losses) – due to changes in demographic assumptions	28	27	1	0	(0)
Actuarial gains (losses) – due to changes in financial assumptions	(32)	11	(20)	4	(27)
Benefits paid	191	81	48	40	21
Foreign currency translation and others	(54)	(45)	0	(4)	(5)
DEFINED BENEFIT OBLIGATIONS AT END OF YEAR	**(3,644)**	**(1,689)**	**(797)**	**(682)**	**(476)**
Of which:					
Funded schemes	(2,917)	(1,686)	(229)	(635)	(367)
Unfunded schemes	(727)	(3)	(568)	(47)	(109)

(in € million)	At 31 March 2023	United Kingdom	Euro Zone	North America	Other
Defined benefit obligations at beginning of year	**(4,543)**	**(2,309)**	**(964)**	**(786)**	**(485)**
Service cost	(88)	(20)	(33)	(20)	(14)
Plan participant contributions	(12)	(6)	-	-	(6)
Interest cost	(113)	(61)	(15)	(29)	(7)
Administration costs	(8)	(3)	(1)	(3)	-
Plan amendments	(3)	-	(2)	(1)	-
Business combinations/disposals	(3)	-	(2)	-	(1)
Curtailments	3	-	1	-	2
Settlements	20	-	-	-	20
Actuarial gains (losses) – due to experience	(95)	(96)	(2)	5	(1)
Actuarial gains (losses) – due to changes in demographic assumptions	(0)	1	(1)	(4)	3
Actuarial gains (losses) – due to changes in financial assumptions	1,110	743	194	121	52
Benefits paid	181	79	46	38	19
Foreign currency translation and others	84	76	1	12	(5)
DEFINED BENEFIT OBLIGATIONS AT END OF YEAR	**(3,467)**	**(1,596)**	**(777)**	**(668)**	**(425)**
Of which:					
Funded schemes	(2,778)	(1,590)	(231)	(621)	(335)
Unfunded schemes	(689)	(6)	(546)	(47)	(90)

29.3. Plan assets

As indicated in Note 29.1, for defined benefit plans, plan assets have been progressively built up by contributions from the employer and the employees, primarily in the United Kingdom, Canada, Germany, Sweden, Switzerland and the United States of America.

(in € million)	At 31 March 2024	United Kingdom	Euro Zone	North America	Other
Fair value of plan assets at beginning of year	**2,953**	**1,944**	**97**	**543**	**369**
Interest income	134	97	4	26	8
Actuarial gains (losses) on assets due to experience	(61)	(100)	5	9	25
Company contributions	58	27	1	21	10
Plan participant contributions	13	6	0	0	6
Settlements	(9)	-	-	-	(9)
Benefits paid from plan assets	(130)	(77)	(1)	(35)	(15)
Foreign currency translation and others	62	54	-	3	5
FAIR VALUE OF PLAN ASSETS AT END OF YEAR	**3,021**	**1,950**	**106**	**566**	**399**

(in € million)	At 31 March 2023	United Kingdom	Euro Zone	North America	Other
Fair value of plan assets at beginning of year	**3,732**	**2,603**	**101**	**631**	**397**
Interest income	98	69	2	23	4
Actuarial gains (losses) on assets due to experience	(694)	(593)	(5)	(69)	(27)
Company contributions	46	27	1	8	11
Plan participant contributions	12	6	-	-	6
Settlements	(20)	-	-	-	(20)
Benefits paid from plan assets	(127)	(79)	(2)	(34)	(13)
Foreign currency translation and others	(94)	(89)	1	(17)	11
FAIR VALUE OF PLAN ASSETS AT END OF YEAR	**2,953**	**1,944**	**97**	**543**	**369**

29.4. Components of plan assets

(in € million)	At 31 March 2024	%	United Kingdom	Euro Zone	North America	Other
Equities	871	29%	26%	33%	35%	32%
Bonds	1,854	61%	69%	47%	52%	39%
Insurance contracts	8	-	-	2%	-	2%
Other	289	10%	5%	18%	13%	27%
TOTAL	**3,021**	**100%**	**100%**	**100%**	**100%**	**100%**

(in € million)	At 31 March 2023	%	United Kingdom	Euro Zone	North America	Other
Equities	696	24%	19%	20%	37%	31%
Bonds	1,950	66%	75%	58%	52%	40%
Insurance contracts	8	-	-	2%	-	2%
Other	299	10%	6%	20%	11%	27%
TOTAL	**2,953**	**100%**	**100%**	**100%**	**100%**	**100%**

An active market price exists for all plan assets except properties. Assets of each funded plan are managed by a dedicated Investment Committee in accordance with the scheme rules and local regulation. The Group has representatives on these committees and promotes simple and diversified investment strategies.

The aim is to limit investment risks to those necessary to fulfil the benefit commitment (asset and liability management). As a result, strategic allocation favours liquid assets and especially long bonds. As at 31 March 2024, plan assets do not include securities issued by the Group.

29.5. Assumptions (weighted average rates)

Actuarial valuations of the Group's benefit obligation have been made as at 31 March 2024 and 31 March 2023.

These valuations include:

- assumptions on staff turnover, mortality and salary increases;
- assumptions on retirement ages varying from 60 to 65 depending on the country and the applicable laws;
- discount rates used to determine the actuarial present value of the projected benefit obligations.

Actuarial assumptions used vary by type of plan and by country.

(in %)	At 31 March 2024	United Kingdom	Euro Zone	North America	Other
Discount rate	4.29%	5.00%	3.28%	5.07%	2.36%
Rate of compensation increase	2.65%	3.03%	2.64%	2.04%	2.18%

(in %)	At 31 March 2023	United Kingdom	Euro Zone	North America	Other
Discount rate	4.42%	4.95%	3.67%	5.04%	2.78%
Rate of compensation increase	2.70%	3.08%	2.88%	2.03%	2.00%

As of 31 March 2024, the weighted average durations of the defined benefit obligations are the following:

(in years)	At 31 March 2024	United Kingdom	Euro Zone	North America	Other
Weighted average duration	13	14	11	14	11

Discount rate

In accordance with IAS 19R principles, discount rates are set each year by reference to the market yields on high quality corporate bonds denominated in the relevant currency. In countries where there is no deep market in such bonds, discount rates are set by reference to the yields on government bonds. The required information is sourced from the Company's actuarial advisors and from market quotations and indices.

Rate of compensation increase

Compensation increase assumptions are determined at country level and reviewed centrally.

Assumptions related to the post-employment healthcare obligation

The healthcare trend rate is assumed to be 4.81% in the year ended 31 March 2024 and reduces thereafter to an ultimate rate of 0.74%.

Sensitivity analysis

A 25 bp increase or decrease in the main assumptions would have the following impacts on the defined benefit obligation:

(in € million)	At 31 March 2024
Impact of a 25bp increase or decrease in the discount rate	(108)/114
Impact of a 25bp increase or decrease in the rate of compensation increase	16/(16)

29.6. Analysis of post-employment and other long-term defined benefit expense

As at 31 March 2024, the benefit expense for the whole Group is the following:

(in € million)	Year ended at 31 March 2024	United Kingdom	Euro Zone	North America	Other
Service cost	**(61)**	**(9)**	**(23)**	**(13)**	**(16)**
Defined contribution plans	(187)	(17)	(31)	(18)	(121)
Actuarial gains (losses) on other long-term benefits	(1)	0	(2)	2	(1)
Past service gain (cost)	(3)	-	(2)	-	(1)
Curtailments / settlements	(0)	(1)	2	-	(1)
EBIT impact	**(254)**	**(27)**	**(56)**	**(30)**	**(141)**
Financial income (expense)	**(31)**	**11**	**(26)**	**(11)**	**(5)**
TOTAL BENEFIT EXPENSE	**(285)**	**(16)**	**(82)**	**(41)**	**(147)**

(in € million)	Year ended at 31 March 2023	United Kingdom	Euro Zone	North America	Other
Service cost	**(88)**	**(20)**	**(33)**	**(20)**	**(14)**
Defined contribution plans	(163)	(11)	(93)	(18)	(41)
Actuarial gains (losses) on other long-term benefits	12	-	10	-	2
Past service gain (cost)	(3)	-	(2)	(1)	-
Curtailments / settlements	3	-	1	-	2
EBIT impact	**(238)**	**(31)**	**(117)**	**(40)**	**(51)**
Financial income (expense)	**(26)**	**1**	**(14)**	**(9)**	**(4)**
TOTAL BENEFIT EXPENSE	**(264)**	**(30)**	**(131)**	**(49)**	**(55)**

29.7. Cash flows

In accordance with local practice and regulations, the Company pays contributions to the funded schemes it sponsors and benefits to the members of unfunded plans.

Total cash spent for defined benefit plans in the year ended 31 March 2024 amounted to 54 million euros and covers both regular contributions for accruing service and recovery contributions in case of funding shortfall.

For defined benefit plans, the expected cash outflows are the following:

- 66 million euros in the year ending 31 March 2025;
- 57 million euros in the year ending 31 March 2026;
- 60 million euros in the year ending 31 March 2027.

Total cash spent for defined contribution plans in the year ended 31 March 2024 amounted to 122 million euros.

NOTE 30. SHARE-BASED PAYMENTS

The Group issues equity-settled and cash-settled share-based payments to certain employees.

Equity-settled share-based payments

Equity-settled share-based payments are measured at fair value at the grant date (excluding the effect of non-market-based conditions) using the Black-Scholes model or the Monte Carlo model. The cumulative recognised expense is based on the fair value at grant date and on the estimated number of shares that will eventually vest (including the effect of non-market-based vesting conditions). It is recorded in Earnings Before Interests and Taxes throughout the vesting period with a counterpart in equity.

At the end of each reporting period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting conditions. It recognises the impact of the revision to original estimates, if any, in the income statement, with a corresponding adjustment to equity.

Cash-settled share-based payments

For cash-settled share-based payments, a liability equal to the portion of the goods or services rendered is recognised at the current fair value. The fair value is remeasured at each balance-sheet date and at the date of settlement, with any changes recognised in the income statement.

The Group may also provide employees with the ability to purchase the Group's ordinary shares at a discounted price compared to that of the current market value. In that case, the Group records an expense based on the discount given and its estimate of the shares expected to vest.

30.1. Stock options and performance shares

KEY CHARACTERISTICS

	Plan issued by Shareholders Meeting on 10 July 2019	Plans issued by Shareholders Meeting on 4 July 2021			Plan issued by Shareholders Meeting on 28 July 2021	
	PSP 2020	We are Alstom 2021	PSP 2021	PSP Special	PSP 2022	PSP 2023
	Performance shares	Free shares	Performance shares	Performance shares	Performance shares	Performance shares
Grant date	10/03/2020	04/07/2021	04/07/2021	04/07/2021	10/05/2022	09/05/2023
Number of beneficiaries	878	63,717	1,375	18	1,474	1,471
Adjusted number granted[1]	1,252,619	955,755	1,867,325	243,000	2,481,612	2,439,122
Adjusted number exercised since the origin	610,470	790,770	1,575	-	666	-
Adjusted number cancelled since the origin	642,149	164,985	239,600	50,000	219,704	74,954
Adjusted number outstanding at 31 March 2024	-	-	1,626,150	193,000	2,261,242	2,364,138
inc. to the members of the Leadership team at 31 March 2024	-	-	223,000	163,000	309,500	359,500
Fair value at grant date (in €)	36.58	42.01	35.60	41.01	20.48	20.23

(1) The number of performance shares have been adjusted as a result of transactions that have impacted the number of capital shares after grant dates.

The long-term incentive plans set up since 2016 allocate only performance shares.

The grant of these instruments is conditioned by the satisfaction of performance indicators.

PSP 2020 granted on 10 March 2020

This plan has been agreed by the Board of Directors of 10 March 2020. 1,145,625 performance shares have been initially granted to 878 beneficiaries.

The final allocation depends on three internal performance conditions based on Group adjusted EBIT margin, Free Cash Flows and objective of reduction in the energy consumption of the solutions offered to clients for the fiscal year ended 31 March 2023, as well as one relative condition linked to the performance of the Company's share. After cancellation of shares due to beneficiaries' attendance at the end of vesting period, 77% of the initial grant (150%) has been achieved based on the performance conditions of the year ended in March 2023 and 73% of the performance shares have been cancelled. Therefore, on 15 May 2023, 609,895 performance shares have been delivered.

2021 free share plan named "We are Alstom 2021"

On 4 July 2021, the Board of Directors approved the grant of a worldwide free share Plan named "We are Alstom 2021". The 15-shares-award concerns all employees within Alstom at the grant date, on the condition they are still employees of Alstom Group at the end of a 2-years-vesting period, representing a maximum of 955,755 new shares of 7 euros of nominal value each to be issued in favour of a maximum of 63,717 beneficiaries. It was also decided that in the countries where, for tax and/or legal purpose, the granting of free shares would be difficult or not possible, a cash equivalent bonus will be granted to employees. On 5 July 2023, based on the list of initial beneficiaries that were still employees of Alstom Group at this date, 790,710 free shares have been delivered.

PSP 2021 granted on 4 July 2021

This plan has been agreed by the Board of Directors of 4 July 2021. 1,867,325 performance shares have been initially granted to 1,375 beneficiaries.

The final allocation depends on three internal performance conditions based on Group adjusted EBIT margin, Free Cash Flows and objective of reduction in the energy consumption of the solutions offered to clients for the fiscal year ended 31 March 2024, as well as one relative condition linked to the performance of the Company's share. The final delivery will take place at the latest two business days after the end of the vesting period, the 4 July 2024.

Special PSP granted on 4 July 2021

This plan has been agreed by the Board of Directors of 4 July 2021 and aims to reward integration of Bombardier Transportation success. 243,000 performance shares have been initially granted to 18 beneficiaries.

The final allocation depends on three internal performance conditions based on Alstom margin evolution on specific projects, achievement of synergies and earnings per share and a relative performance condition based on the employee engagement score of the Group. These conditions will be assessed at the end of the fiscal year ended 31 March 2025. The final delivery will take place at the latest two business days following the Vesting Period, i.e. 4 July 2025.

PSP 2022 granted on 10 May 2022

This plan has been agreed by the Board of Directors of 10 May 2022. 2,481,612 performance shares have been initially granted to 1,474 beneficiaries.

The final allocation depends on four internal performance conditions based on Group adjusted EBIT margin, Free Cash Flows, objective of reduction in the energy consumption of the solutions offered to clients and Alstom employee engagement level for the fiscal year ended 31 March 2025, as well as one relative condition linked to the performance of the Company's share. The final delivery will take place at the latest fifth business day following the end of the vesting period.

PSP 2023 granted on 9 May 2023

This plan has been agreed by the Board of Directors of 9 May 2023. 2,439,122 performance shares have been initially granted to 1,471 beneficiaries.

The final allocation depends on four internal performance conditions based on Group adjusted EBIT margin, Free Cash Flows, objective of reduction in the energy consumption of the solutions offered to clients and Alstom employee engagement level for the fiscal year ended 31 March 2026, as well as one relative condition linked to the performance of the Company's share. The final delivery will take place at the latest fifth business day following the end of the vesting period.

MOVEMENTS

	Number of performance/free shares
Outstanding at 31 March 2022	**5,232,617**
Granted[1]	2,481,612
Exercised	(393,155)
Cancelled	(886,759)
Outstanding at 31 March 2023	**6,434,315**
Granted[2]	2,439,122
Exercised	(1,401,811)
Cancelled	(1,027,066)
OUTSTANDING AT 31 MARCH 2024	**6,444,560**

(1) Includes 2,481,612 shares granted through PSP 2022.
(2) Includes 2,439,122 shares granted through PSP 2023.

VALUATION

	PSP 2020	PSP 2021	PSP Special	We are Alstom 2021	PSP 2022	PSP 2023
	performance shares	performance shares	performance shares	Free shares	performance shares	performance shares
Grant date	10/03/2020	04/07/2021	04/07/2021	04/07/2021	10/05/2022	09/05/2023
Expected life (in years)	3.2	3.0	4.0	2.0	3.0	3.0
End of vesting period	31/05/2023	04/07/2024	04/07/2025	04/07/2023	31/05/2025	31/05/2026
Share price at grant date (in €)	42.82	43.03	41.01	42.01	23.04	23.65
Volatility	17%	25%	23%	28%	31%	34%
Risk free interest rate	-0.7%	-0.6%	-0.5%	-0.6%	0.6%	2.7%
Dividend yield	1.5%	1.2%	1.2%	1.2%	1.5%	1.6%

The plan valuation method follows either a Black & Scholes model (for Special PSP and "We are Alstom") or a Monte Carlo model (for PSP 2020, PSP 2021, PSP 2022 and PSP2023) as well as performance shares anticipated). Expenses related to each plan are spread over the vesting period on a linear basis.

The volatility factor applied corresponds to Alstom’s volatility quotation for all the plans.

The Group booked a total expense of 19 million euros for the year ended 31 March 2024 (to be compared to 48 million euros for the year ended 31 March 2023). As a reminder in March 2023, 18 million euros of expenses related to Employee Share Purchase scheme ("We Share Alstom") were also booked as share-based payment expenses.

The Board of Directors is committed, in the event of a major change in the Group’s strategy or structure, or at the time of implementing new accounting standards to adapting these performance conditions to new issues highlighted for the coming years, both in their nature and in the levels of results to be achieved, while maintaining a high level of demand.

NOTE 31. EMPLOYEE BENEFIT EXPENSE AND HEADCOUNT

In the following figures, staff of joint-operations entities are integrated in fully, staff of joint-ventures and associates are not considered.

	Year ended	
(in € million)	At 31 March 2024	At 31 March 2023
Wages and salaries	4,797	4,398
Social charges	1,158	1,082
Post-employment and other long-term benefit expense (see Note 29)	254	163
Share-based payment expense (see Note 30)	19	66
TOTAL EMPLOYEE BENEFIT EXPENSE	**6,228**	**5,709**

	Year ended	
Staff of consolidated companies at year end	At 31 March 2024	At 31 March 2023
Managers, engineers and professionals	51,284	47,677
Other employees	33,464	32,506
HEADCOUNT	**84,748**	**80,183**

	Year ended	
Average staff of consolidated companies over the period	At 31 March 2024	At 31 March 2023
Managers, engineers and professionals	49,755	41,721
Other employees	33,021	34,903
HEADCOUNT	**82,776**	**76,624**

J. CONTINGENT LIABILITIES AND DISPUTES

Commitments arising from execution of operations controlled by the Group

In the ordinary course of business, the Group is committed to fulfil various types of obligations arising from customer contracts (among which full performance and warranty obligations). Obligations may also arise from leases and regulations in respect of tax, custom duties, environment, health and safety. These obligations may or may not be guaranteed by bonds issued by banks or insurance companies.

As the Group is in a position to control the execution of these obligations, a liability only arises if an obligating event (such as a dispute or a late completion) has occurred and makes it likely that an outflow of resources will occur.

When the liability is considered as only possible but not probable or, when probable, cannot be reliably measured, it is disclosed as a contingent liability.

When the liability is considered as probable and can be reliably measured, the impact on the financial statements is the following:

- if the additional liability is directly related to the execution of a customer contract in progress, the estimated gross margin at completion of the contract is reassessed; the cumulated margin recognised to date based on the percentage of completion and the accrual for future contract loss, if any, are adjusted accordingly;
- if the additional liability is not directly related to a contract in progress, a liability is immediately recognised on the balance sheet.

The contractual obligations of subcontractors towards the Group are of the same nature as those of the Group towards its customers. They may be secured by the same type of guarantees as those provided to the Group's customers.

No contingent asset is disclosed when the likelihood of the obligation of the third party remains remote or possible. A contingent asset is disclosed only when the obligation becomes probable. Any additional income resulting from a third party obligation is taken into account only when it becomes virtually certain.

Commitments arising from execution of operations not wholly within the control of the Group

Obligations towards third parties may arise from ongoing legal proceedings, credit guarantees covering the financial obligations of third parties in cases where the Group is the vendor, and indemnification guarantees issued in connection with disposals of business entities.

In case of legal proceedings, a contingent liability is disclosed when the liability is considered as only possible but not probable, or, when probable, cannot be reliably measured. In case of commitments arising from guarantees issued, contingent liabilities are disclosed as soon as guarantees have been delivered and as long as they have not matured.

A provision is recorded if the obligation is considered as probable and can be reliably measured. Contingent assets arising from legal proceedings or guarantees delivered by third parties are only disclosed when they become probable.

NOTE 32. CONTINGENT LIABILITIES

Commercial obligations

Contractual obligations of the Group towards its customers may be guaranteed by bank bonds or insurance bonds. Bank and insurance bonds may guarantee liabilities already recorded on the balance sheet as well as contingent liabilities.

To issue these bonds, the Group relies on both uncommitted bilateral lines in numerous countries and a 12.7 billion euros Committed Guarantee Facility Agreement (“CGFA”) with sixteen tier one banks allowing issuance of bonds until 22 July 2025 with tenors up to 7 years. The CGFA has been further extended until 22 July 2026, with fifteen banks for 12 billion euros. This bilateral line contains a change of control clause, which may result in the program being suspended, in the obligation to procure new bonds to replace outstanding bonds or to provide cash collateral.

At 31 March 2024, the total outstanding bonding guarantees related to contracts from continuing operations, issued by banks or insurance companies, amounted to 28.6 billion euros (26.2 billion euros at 31 March 2023). The available amount under the Committed Guarantee Facility Agreement at 31 March 2024 amounts to 4.1 billion euros (5.3 billion euros at 31 March 2023).

NOTE 33. DISPUTES

33.1. Disputes in the Group's ordinary course of business

The Group is engaged in several legal proceedings, mostly contract-related disputes that have arisen in the ordinary course of business. These disputes, often involving claims for contract delays or additional work, are common in the areas in which the Group operates, particularly for large long-term projects. The amounts in question, which can be substantial, are claimed either from the Group alone or jointly with its consortium partners.

In some proceedings the amount claimed is not specified at the beginning of the proceedings. Amounts estimated in respect of these litigations are taken into account in the estimate of margin at completion in case of contracts in progress or included in provisions and other current liabilities in case of completed contracts when considered as reliable estimates of probable liabilities. Actual costs incurred may exceed the amount of initial estimates because of a number of factors including the inherent uncertainties of the outcome of litigation.

33.2. Other Disputes

Asbestos

Some of the Group's subsidiaries are defendants in civil proceedings in relation to the use of asbestos, primarily in France as well as in Spain, in the United Kingdom and in the United States of America. In France, these proceedings are initiated by certain employees or former employees suffering from an occupational disease in relation to asbestos with the aim of obtaining a court decision allowing them to obtain a supplementary compensation from the French Social Security funds. In addition, employees and former employees of the Group not suffering from an asbestos related occupational disease have started lawsuits before the French courts with the aim of obtaining compensation for damages in relation to their alleged exposure to asbestos, including the specific anxiety damage.

While the outcome of the existing asbestos-related cases cannot be predicted with reasonable certainty, the Group believes that these cases would not in the aggregate have any material adverse effect on its financial condition.

Alleged anti-competitive activities

Brazil

In July 2013, the Brazilian Competition Authority ("CADE") raided a number of companies involved in transportation activities in Brazil, including the subsidiaries of Alstom and Bombardier Transportation, following allegations of anti-competitive practices. After a preliminary investigation stage, CADE notified in March 2014 the opening of an administrative procedure against several companies, of which the Alstom's and Bombardier Transportation's subsidiaries in Brazil, and certain current and former employees of the Group.

CADE ruled in July 2019 a financial fine of BRL 133 million (approximately 25 million euros) on Alstom's subsidiary in Brazil as well as a ban to participate in public procurement bids in Brazil conducted by the Federal, State, and Municipal Public Administration over a period of 5 years. In parallel, CADE applied a financial penalty of BRL 23 million (approximately 4 million euros) on Bombardier Transportation's subsidiary in Brazil (there is no ban to participate in public procurement bids in Brazil).

In September and December 2020, both Alstom and Bombardier Transportation's subsidiaries in Brazil filed a lawsuit before the Brasilia civil court aiming at suspending and ultimately cancelling the July 2019 ruling. Both subsidiaries obtained an injunction to suspend the effects of the administrative ruling until a final judgment is issued on the merits.

The public prosecutor of the State of Sao Paulo launched in May 2014 a civil action against the Group's subsidiaries in Brazil, along with a number of other companies, in connection with a transportation project. The total amount asserted against all companies was BRL 2.5 billion (approximately 463 million euros), excluding interest and possible third party damages.

In December 2014, the public prosecutor of the State of Sao Paulo also initiated a lawsuit against Alstom's subsidiaries in Brazil, along with a number of other companies (including Bombardier Transportation's local subsidiary) related to alleged anti-competitive practices regarding the first phase of a train maintenance project, and in the last quarter of 2016, regarding a second phase of the said maintenance project.

The Group's subsidiaries are actively defending themselves against these two actions.

In case of proven illicit practices, possible sanctions can include the cancellation of the relevant contracts, a ban to participate in public procurement bids in Brazil, the payment of compensatory damages, the payment of punitive damages and/or the forced dissolution of the Brazilian subsidiaries involved.

Italy

On 23 June 2020, a series of searches and arrests were carried out by the Milan police under instructions of the Milan Prosecution Office as part of a preliminary investigation into alleged bribes and bid-rigging in connection with public tenders for Azienda Transporte Milanesi ("ATM"), the municipal public transportation company and operator of the Milan Subway. The investigation concerned at least seven companies and 28 individuals, including two current employees and two former employees of Alstom Ferroviaria S.p.A (the "Alstom Italy Employees").

The Prosecution Office alleged that the Alstom Italy Employees engaged in bid-rigging under Article 353 of the Italian Criminal Code, including colluding with an employee of ATM to obtain confidential technical information in order to secure an undue advantage in the tender process for a 2019 contract for the Milan subway. Alstom did not ultimately submit a bid in respect of this contract.

Alstom Ferroviaria S.p.A was initially also subject to investigation regarding alleged violation of Legislative Decree No. 231/2001 ("Decree 231/2001") for not having implemented (or not having efficiently applied) a system of control capable to avoid the commission by its employees of corruption. In connection with its withdrawal of the bribery charges against the two employees in July 2022 (see below), the Public Prosecutor issued a decree formally acquitting the Company from the charge of violating Decree 231/2001.

Alstom conducted an internal investigation into the allegations discussed above in coordination with external counsel and took certain interim measures in response to the allegations of the Prosecution Office, in particular by suspending an employee of Alstom Ferroviaria S.p.A (one of the two "former employees" referenced in this description).

In July 2022, the Prosecution Office (i) as noted above, withdrew the bribery charges against the individuals (and hence Alstom Ferroviaria S.p.A) and (ii) sought to indict the Alstom Italy Employees for bid rigging. In November 2022, ATM and the Milan Municipality joined the proceedings as offended parties ("costituzione di parte civile"). In 2023, the two former employees entered into a plea agreement (including a conviction). The two current employees continued their defense and moved to withdraw the bid rigging charges; their request is pending before the court.

Spain

The Spanish Competition Authority ("CNMC") opened a formal procedure end of August 2018 in connection with alleged irregularities in public tenders with the Spanish Railway Infrastructures Administrator ("ADIF") against eight competing companies active in the Spanish signaling market including Bombardier European Investments, SLU (BEI) and its parent company Bombardier Transportation (Global Holding) UK Limited, and Alstom Transporte SA and its parent Alstom SA. The inclusion of the parent company is typical of European competition authorities at the early stage of the proceedings. No Alstom or Bombardier managers were included in the file. In September 2020, the companies obtained access to the Statement of Objections in which the CNMC discloses the evidence gathered against the various participants in the alleged cartel in the Spanish signaling market. Both Alstom and Bombardier have submitted their defense paper rejecting all of CNMC allegations on the basis of absence of evidence. The Sub-directorate of the CNMC submitted a Proposed Resolution end of March 2021 which both Alstom and Bombardier rejected. Both companies submitted their defense to the Council of the CNMC.

The Council of the CNMC ruled in September 2021 a financial fine of 22 million euros and 3.7 million euros on Alstom's subsidiary and Bombardier Transportation's subsidiary in Spain respectively. The Council also ruled a ban to participate in public procurement bids in Spain. The scope and duration of the ban to participate in public procurement both for Alstom's and Bombardier Transportation's subsidiaries in Spain remain to be set by the State Public Procurement Advisory Board (Junta Consultiva de Contratación Pública del Estado).

On 29 November and 7 December 2021 Alstom's subsidiary and Bombardier Transportation's subsidiary in Spain respectively lodged an appeal against this ruling of the Council of the CNMC before the National High Court ("Audiencia Nacional"). The Group believes that the grounds of appeal are solid. On 23 September 2022, Alstom's subsidiaries in Spain filed their respective statement of claim under the appeal proceedings which are ongoing.

In parallel to these appeals, Alstom's and Bombardier Transportation's subsidiaries in Spain have respectively requested to the National High Court, as an interim measure, to suspend the implementation of the Council ruling regarding (i) the payment of the financial fine and (ii) the prohibition to tender in public procurement bids in Spain. On the 1 and on the 14 February 2022 respectively, the National High Court accepted both requests for interim measures and granted such suspension.

Pending investigations which relate to Bombardier Transportation

The matters described in this section relate to historical conduct involving Bombardier Transportation that occurred prior its acquisition by Alstom. As part of the terms of the acquisition Bombardier Inc. ("BI") agreed to indemnify Alstom for all losses incurred in relation to a defined list and scope of compliance matters. The parties also agreed that BI would be entitled to conduct and control the defense of any such compliance matters, which include the matters described below. Subsequent to the acquisition Alstom conducted a review of Bombardier Transportation's policies and procedures in relation to "compliance" matters as well as specific contracts (the one discussed below and others) pre-identified as "high risk" and took remedial actions.

Bombardier Transportation is the subject of an audit by the World Bank Integrity Vice Presidency and of several investigations relating to allegations of corruption including by the Swedish Prosecution authority, the Special Investigation Unit ("SIU") and National Prosecuting Authority ("NPA") in South Africa and the US Department of Justice ("DOJ").

These investigations or proceedings may result in criminal sanctions, including fines which may be significant, exclusion of entities from tenders (e.g., "debarment" by the World Bank) and third-party actions. Alstom is cooperating with the relevant authorities or institutions in respect of these matters, including by responding to information requests and making presentations regarding post-closing reviews and remediation measures, including pursuant to applicable DOJ policies related to corporate acquisitions.

Swedish authorities, the World Bank and the DOJ are in particular investigating a 2013 contract for the supply of equipment and services to Azerbaijan Railways in the amount of approximately $340 million (principally financed by the World Bank) awarded to a bidding consortium composed of Bombardier Transportation's Sweden's subsidiary (BT Sweden), a Russian Bombardier Transportation affiliate (with third party shareholders) and a third party (the "ADY Contract"). Ownership of the affiliate was subsequently transferred to an entity well established in the Russian and CIS market with which BT Sweden had a historical relationship, and an affiliate of which had been added post-bid approval as a project sub-contractor. There remains uncertainty as to the services provided by these entities in return for some of the payments they received.

Sweden

The Swedish authorities commenced an investigation in relation to the ADY Contract in 2016, and in 2017 filed charges against the former head of Sales, North Region, RCS, BT Sweden (the "Former BTS Employee") for aggravated bribery and, alternatively, influence trafficking. The authorities alleged that the Former BTS Employee had contacts and correspondence with a representative of the third-party member of the consortium who was also employed by Azerbaijan railways during the bidding period with a view towards illicitly influencing the outcome of the tender.

After a trial the Former BTS Employee was acquitted on both counts in 2017. The authorities appealed the decision and currently the aggravated bribery charge remains pending (although the defendant, a Russian national, is no longer in-country).

Following an investigation the Swedish authorities filed charges of aggravated bribery and aiding and abetting against another former BT Sweden employee. The employee was acquitted in December 2021; the acquittal was affirmed on appeal in May 2023.

World Bank

The World Bank, via its Integrity Vice Presidency ("INT"), audited the ADY Contract and in 2018 the INT issued a strictly confidential show cause letter which was leaked. The letter outlines INT's position regarding alleged collusion, corruption and fraud in the ADY Contract and obstruction of the INT's investigation. The INT informed Alstom in 2023 that it remained within the scope of the proceeding which the INT had conveyed to the World Bank's Sanctions Board; Alstom subsequently made a presentation in November 2023 to the INT regarding the compliance integration of Bombardier Transportation and its post-closing due diligence review. Pending further developments in the audit, it is possible, notwithstanding Alstom's post-acquisition cooperation with the investigation, that it could result in some form of debarment of Bombardier Transportation (or its corporate successor) and/or BT Sweden from bidding on contracts financed by the World Bank for a number of years.

U.S. Department of Justice – DOJ

The DOJ notified BI in February 2020 that it had opened an investigation. To Alstom's knowledge the DOJ has been making information requests since March 2020 to BI regarding the ADY Contract and had indicated that the scope of its investigation could extend beyond the ADY Contract. Alstom has to date supported BI in responding to information requests with respect to the ADY Contract, a Bombardier Transportation South Africa ("BTSA") contract with Transnet (cf. below "South-Africa" and "Project execution related litigation – South-Africa") and a BTSA signaling contract with the Passenger Rail Agency of South Africa.

South Africa

The contract signed in 2014 between BTSA and Transnet Freight Rail for the supply of 240 electric locomotives (the "Transnet LSA") is one of the numerous matters under investigation by the Special Investigation Unit in South Africa ("SIU") and the South African National Prosecuting Authority ("NPA"). The Transnet LSA was previously investigated by the Zondo Commission, which recommended further investigation of certain aspects and individuals involved.

The Transnet LSA is also the subject of an ongoing commercial dispute and litigation. Following commercial negotiations between Alstom and Transnet, the parties signed a settlement agreement in August 2023 to which the SIU is a party (cf. below "Project execution-related litigation – South Africa").

AMF

As part of its market monitoring function, in 2021/22 the AMF opened an investigation relating to Alstom's financial communication and trading in its shares, as well as any financial instrument linked to its shares, as from 1 January 2020. The investigation remains ongoing.

Project execution related litigation

CR-1 Marmaray railway infrastructure – Turkey

In March 2007, the Turkish Ministry of Transport ("DLH") awarded the contract to upgrade approximately 75 km of railway infrastructure in the Istanbul region, known as the "Marmaray Commuter Rail Project (CR-1)" to the consortium Alstom Dogus Marubeni ("AMD"), of which Alstom Transport's main French subsidiary is a member. This project, which included works on the transcontinental railway tunnel under the Bosphorus, has undergone significant delays mainly due to difficulties for the DLH to make the construction site available. Thus, the AMD consortium terminated the contract in 2010. This termination was challenged by DLH, who thereafter called the bank guarantees issued by the consortium up to an amount of approximately 80 million euros. Following injunctions, the payment of such bank guarantees was forbidden, and the AMD consortium immediately initiated an arbitration procedure to resolve the substantive issues. The arbitral tribunal has decided in December 2014 that the contract stands as terminated by virtue of Turkish law and has authorized the parties to submit their claims for compensation of the damages arising from such termination.

The set off of the various amounts awarded by the tribunal to both parties after more than ten years of proceedings resulted in a net amount, after set-off, of 27.4 million euros payable by the AMD consortium to DLH. AMD partners paid their respective proportionate share to the Ministry (Alstom share being 8.5 million euros) during the summer of 2021. Bonds were released and the case is therefore closed subject to the process of release of counter-guarantees respectively issued by AMD's partners which is ongoing.

On the other hand, through arbitration request notified on 29 September 2015, Marubeni Corporation launched proceedings against Alstom Transport SA taken as consortium leader in order to be compensated for the consequences of the termination of the contract with DLH. The other AMD consortium member (Dogus) brought similar proceedings in March 2016 and sought consolidation of the disputes between consortium members in a single case. Alstom Transport SA is rejecting these compensation requests and is defending itself in these proceedings between consortium members which, while having gone through a consolidation in a single case, have however been suspended by the arbitral tribunal pending the outcome of the main arbitral proceedings between AMD and DLH. In October 2018, Dogus applied for interim measures to clarify certain aspects of the consortium agreement and this request was rejected by the arbitral tribunal on account of the suspension. In January 2021, Dogus filed an application to resume arbitration proceedings while Alstom filed a successful application seeking an order of payment according to partners' net proportionate shares (see above). In accordance with the timetable defined by the case management team once the matter resumed, Dogus and Marubeni filed their respective statements of claims on 30 September 2021 and Alstom submitted its defense and counterclaims on 14 February 2022. On 28 April 2022, the arbitral tribunal issued an order to close the document production phase of the proceedings. On 9 September 2022 and on 13 February 2023, Dogus and Marubeni filed their respective replies and statements of defense to Alstom's counterclaims and their rejoinder to which Alstom responded on 30 November 2022 and on 20 February 2023 by filing its rejoinder and reply on counterclaims. The arbitral tribunal hearing started on 20 March and ended on 29 March 2023. Post hearing briefs were filed on 19 May 2023, cost submissions on 2 & 9 June 2023, with the final award (the "Award") notified on 5 March 2024.

The Award was rendered as a majority decision, with a dissenting view. The present award of the majority orders Alstom Transport SA to pay a total principal amount of 44.6 million euros to Marubeni and Dogus collectively, plus interest on amounts due, and 1.1 million euros of legal costs. As of 31 March 2024, the total amount due and payable by Alstom under the Award amounted to 61.2 million euros.

On 3 and 4 April 2024, Marubeni and Dogus raised applications for correction, interpretation and/or supplement of the Award. The timeline and procedure for correction, interpretation and/or supplement is at the discretion of the Tribunal. Alstom Transport SA believes that there are good grounds to reject these applications. In parallel to the correction proceedings, on 19 April 2024, Alstom sought annulment of the Award (in its entirety or in part), by reference to the Swiss Federal Tribunal. The timeline and procedure for annulment is at the discretion of the Swiss Federal Tribunal. A final decision on the dispute is expected before the end of 2024.

Regional Minuetto trains & high-speed Pendolino trains – Italy

Alstom Transport's subsidiary in Italy is involved in two litigation proceedings with the Italian railway company Trenitalia. One is related to a supply contract of regional Minuetto trains awarded in 2001 (the "Minuetto case"), and the other to a supply contract of high-speed Pendolino trains awarded in 2004 (the "Pendolino case"). Each of these contracts has undergone technical issues and delays leading the Trenitalia company to apply delay and technical penalties and, consequently, to withhold payments. Since the parties dispute certain technical matters as well as the causes and responsibilities of the delays, the matter was brought before Italian courts in 2010 and 2011 respectively. In the Minuetto case on 26 June 2019, the Court of Cuneo issued its decision, which Alstom after careful and detailed analysis considered to be wrong for various legal reasons. On 24 January 2020 Alstom appealed, and on 12 May 2020 Trenitalia counter appealed, the decision before the Court of Appeal of Turin.

Proceedings took place and on 24 December 2021 Alstom received the Court of Appeal's decision. The Court of Appeal notably (i) rejected Alstom's request to order supplementary technical expertise and (ii) did not recognize Alstom's economic dependence vis-à-vis Trenitalia, which led consequently to the rejection of Alstom's request to have the penalties clause declared null, as opposed to the first-degree decision. However, the Court of Appeal confirmed the first-degree decision regarding (i) the amount of the penalties due to Trenitalia and (ii) the fact that Trenitalia could not obtain the corresponding payment based on procedural grounds. On 21 June 2022, Alstom appealed the decision by filling a recourse to the Supreme Court to which Trenitalia responded by filing its defense and a counter recourse on 1 August 2022.

In the Pendolino case, the technical expertise report was released, and Alstom has obtained certain corrections following its challenge on some of the conclusions of the report. The tribunal rendered in March 2019 a decision acknowledging that a significant part of the delays was not attributable to Alstom and therefore reduced a large portion of the delay damages claimed by Trenitalia. The tribunal also rejected the reliability penalties claimed by Trenitalia while accepting certain of its residual damage compensation requests. Finally, the tribunal accepted Alstom's claims linked to contract price adjustment formula while rejecting some of its other cost compensation claims. Alstom appealed the decision on 7 October 2019. On 15 January 2020 Trenitalia filed its defense and counter-appeal. After postponement of the initial date the Court of Appeal of Rome fixed the first hearing to 30 September 2022 during which the parties to the dispute summarized their respective positions. The Court of Appeal of Rome ordered Alstom and Trenitalia to file (i) their final briefs on 29 November 2022 and (ii) their respective reply to the other party's final briefs on 19 December 2022. On 10 January 2023, the Court of Appeal of Rome issued its decision that was notified to Alstom on 22 February 2023. The Court of Appeal confirmed the ruling of the first-degree judgment in favour of Alstom in its entirety except for the recognition of the economic dependence of Alstom vis-à-vis Trenitalia.

In April 2023, Alstom filed a recourse before the Supreme Court against this decision, to which Trenitalia responded by filing its defense and a counter recourse on 31 May 2023.

On 29 March 2024, Alstom and Trenitalia signed a settlement agreement whereby the parties agreed among other things, to terminate the Minuetto and the Pendolino cases.

Saturno – Italy

Following a dispute within a consortium involving Alstom's subsidiary in Italy and three other Italian companies, the arbitral tribunal constituted to resolve the matter has rendered in August 2016 a decision against Alstom by awarding 22 million euros of damage compensation to the other consortium members. Alstom's subsidiary strongly contests this decision and considers that it should be able to avoid its enforcement and thus prevent any damage compensation payment. On 30 November 2016, Alstom's subsidiary filed a motion in the Court of Appeals of Milan to obtain the cancellation of the arbitral award. On 1 December 2016, Alstom's subsidiary filed an ex parte motion for injunctive relief to obtain the suspension of the arbitral award pending the outcome of the appeal proceedings, which was temporarily accepted by the Court. After a phase of hearings in contradictory proceedings on the request for suspension of the arbitral award, the Court of Appeal of Milan decided on 3 March 2017 in favor of Alstom's subsidiary by confirming definitively the suspension of this arbitration decision pending the outcome of the proceedings relating to the cancellation of such decision. The Court of Appeal of Milan ruled on the merits in March 2019 in favour of the Alstom's subsidiary and cancelled the arbitration award of August 2016 including the 22 million euros of damage compensation. The members of the consortium (excluding Alstom) appealed the decision of the Court of Appeal of Milan on 19 October 2019.

On 11 December 2023 the Supreme Court issued its decision by: (i) rejecting all claims raised by the Consortium against Alstom (ii) upholding Alstom's arguments on the invalidity of the two Consortium's resolutions that were to be adopted at unanimity; and (iii) referring the case back to the Court of Appeal in Milan to rule on item ii) and on legal fees.

On 11 March 2024 the consortium filed a writ of summons in reinstatement before the Court of Appeal of Milan and Alstom did the same. Alstom is asking the court that proceedings shall be limited to (i) the declaration of invalidity of the consortium's so-called First Resolution (consortium duration extended to December 2024) and second Resolution (scope of the consortium expanded) in line with the decision of the Supreme Court; (ii) the liquidation of the legal costs incurred in the entire proceedings (iii) the declaration of all claims brought by the consortium as "absorbed" by the Supreme Court decision and therefore not to be adjudged in the reinstatement proceedings. The first hearing before the Court of Appeal has been scheduled for 25 September 2024.

Caltrain – United States

In 2008, the United States Congress enacted the Rail Safety Improvement Act of 2008 (“RSIA”) which mandated the implementation of positive train control systems (“PTC”) on, inter alia, any main lines over which intercity or commuter rail passenger transportation is regularly provided. To comply with RSIA, the Peninsula Corridor Joint Powers Board (“JPB”) solicited proposals to implement PTC for the commuter rail system that runs from San Francisco to San Jose, California (“Caltrain”). Parsons Transportation Group (“Parsons”) was the successful bidder and entered into a contract with JPB in December of 2011, and subsequently entered into a subcontract with GE Transportation Systems Global Signaling, LLC (“GE Signaling”) wherein GE Signaling would provide onboard electronics, software and other components and services related thereto. On 2 November 2015, Alstom Transportation acquired GE Signaling, including the Caltrain project whereby Alstom Signaling Operations LLC (“Alstom”) became the contracting entity.

On 20 February 2017, JPB terminated Parsons for default based on the alleged significant delay in delivering the contract. Upon receipt of JPB’s termination notice, Parsons suspended the performance of Alstom under the subcontract (value $40.2 million (37.3 million euros)). Shortly after the termination notice, Parsons filed a lawsuit against JPB for wrongful termination in the Superior Court of California and JPB counterclaimed for breach of contract. In December 2017, Alstom was added to the lawsuit by virtue of a crossclaim filed against it by Parsons. In response, Alstom answered the cross-complaint and filed its own cross-complaint against Parsons. Parsons and JPB subsequently settled their dispute and Parsons amended its Complaint against Alstom to incorporate JPB’s claims, including allegations of negligence and negligent misrepresentation.

The trial between Alstom and Parsons began on 15 March 2022, but due to ongoing Covid-19 restrictions in the California Courts, and a temporary assignment of the Judge, closing arguments did not occur until 15 June 2023. On 28 November 2023, the Court issued a Proposed Statement of Decision (“PSOD”), which is a preliminary decision, concluding that Parsons is entitled to payment of $40.1 million (36.8 million euros) from Alstom in satisfaction of its claims brought in the litigation, JPB is entitled to payment of $62.5 million (57.3 million euros) from Alstom in satisfaction of its claims brought in the litigation (and assumed by Parsons); and Alstom is not entitled to any recovery on its causes of action and claims brought in the litigation. Objections to the PSOD were filed by both Alstom and Parsons. The Court has scheduled a hearing on 20 May 2024 to hear arguments on one of Alstom’s objections (the remaining objections submitted by Alstom and Parsons were overruled). Following the hearing, the Court must rule on the outstanding objection. Alstom has also filed motions pertaining to the JPB/Parsons settlement which the Court must address before issuing a Final Statement of Decision and Judgment (which may include prejudgment interest) at which point Alstom will file a Motion for New Trial. Depending on how the Court rules on this motion, a new trial will ensue, or Alstom will be entitled to file an appeal. To the extent that the aforementioned amounts are included in a Final Statement of Decision and Judgment issued by the Court, Alstom believes that it has very strong arguments based on well-settled law in California to overturn a significant portion of such an award in appeal.

South-Africa

On 17 March 2014, Bombardier Transportation South Africa (“BTSA”) entered into an agreement to supply 240 electric locomotives to Transnet (the “BTSA/Transnet LSA”). The BTSA/Transnet LSA is part of Transnet’s 1,064 locomotive project concluded between Transnet and four Original Equipment Manufacturers, including BTSA.

On 9 March 2021, Transnet and the SIU, alleging unlawfulness and irregularities in the procurement process and subsequent award of the 1,064 locomotive project, launched review application proceedings in the High Court of South Africa for, amongst other things, the review and setting aside of the respective LSAs concluded with the four Original Equipment Manufacturers including BTSA. The relief sought by Transnet as it relates to BTSA includes: (i) the review and setting aside of the BTSA/Transnet LSA; (ii) that Transnet be entitled to retain the locomotives delivered by BTSA; and (iii) that BTSA be ordered to make restitution to Transnet of the advance payments and profit and/or excess profit earned in the supply of the locomotives.

Following commercial negotiations between Alstom and Transnet, the parties signed a settlement agreement in August 2023 to which the SIU is a party. The parties are in the process of implementing the settlement agreement, which has required the independent verification of methodologies used to calculate certain commercial terms agreed in that settlement agreement. On the conclusion of that verification process, the parties (Transnet, BTSA and the SIU), will jointly approach the High Court of South Africa to: make the settlement agreement an Order of Court; confirm Transnet’s retention of the locomotives supplied to it by BTSA in terms of the Transnet LSA; and confirm that BTSA can continue to supply and deliver locomotives to Transnet in accordance with the Transnet LSA.

These matters are also a subject of an investigation by the DOJ and the NPA as referenced above.

Acquisition of Bombardier Transportation – Arbitration Proceedings

With respect to the acquisition of Bombardier Transportation ("BT"), completed on 29 January 2021, Alstom identified various breaches by Bombardier Inc. ("BI") of its obligations as Seller under the Memorandum of Understanding dated 17 February 2020 (amended and restated on 30 March 2020) and the Sale and Purchase Agreement dated 26 September 2020 (amended on 28 January 2021).

On 15 April 2022, Alstom filed a request for arbitration against BI with the International Chamber of Commerce (in accordance with the Parties' agreements). Alstom's claims against BI concern breaches of the interim covenants in force prior to completion, breaches of warranty, and claims related to the calculation of the final purchase price. Notably, Alstom contends that BI's actions prior to completion wrongfully increased the purchase price paid by Alstom and that BI's breaches of various obligations caused further losses to Alstom. On 24 June 2022, BI filed its answer to the request for arbitration, denying Alstom's claims and advancing counterclaims. As to the counterclaims specifically, BI alleges that Alstom attempted to minimise the price it would have to pay to BI at completion in breach of contractual and non-contractual obligations, which is denied by Alstom.

The arbitral tribunal was constituted by the International Chamber of Commerce on 26 August 2022. In October 2022, the tribunal established a procedural timetable. On 3 March 2023, Alstom filed its full Statement of Claim. On 27 October 2023, BI filed its full Statement of Defence and Counterclaim. Alstom has since filed its Reply and Defence to Counterclaim on 29 March 2024, which further addresses Alstom's claims, and its defences to BI's counterclaims. The parties will file additional reply submissions during mid-2024. Following this, the arbitration will proceed to phases for document production and the filing of further evidence, which will take place during late 2024 and 2025. An evidentiary hearing is scheduled for late 2025.

Sale of Alstom's Energy Businesses in November 2015

Finally, it shall be noted that, by taking over Alstom's Energy Businesses in November 2015, General Electric undertook to assume all risks and liabilities exclusively or predominantly associated with said businesses and in a symmetrical way, Alstom undertook to keep all risks and liabilities associated with the non-transferred business. Cross-indemnification for a duration of 30 years and asset reallocation ("wrong pocket") mechanisms have been established to ensure that, on the one hand, assets and liabilities associated with the Energy businesses being sold are indeed transferred to General Electric and on the other hand, assets and liabilities not associated with such businesses are borne by Alstom. As a result, the consequences of litigation matters that were ongoing at the time of the sale and associated with these transferred activities are taken over by General Electric. Indemnity provisions protect Alstom in case of third-party claims directed at Alstom and relating to the transferred activities. For this reason and since Alstom no longer manages these litigation matters, Alstom is ceasing to include them in this section.

There are no other governmental, legal or arbitration proceedings that are pending or (to the Group's knowledge) threatened, that could have, or during the last twelve months have had, a significant impact on the financial situation or profitability of the Group.

K. OTHER NOTES

NOTE 34. INDEPENDENT AUDITORS' FEES

Fees due to auditors and members of their networks in respect of years ended 31 March 2024 and 31 March 2023 were as follows:

	Year ended at 31 March 2024				Year ended at 31 March 2023			
	Mazars		PricewaterhouseCoopers		Mazars		PricewaterhouseCoopers	
(in € million)	Amount	%	Amount	%	Amount	%	Amount	%
Independent Auditors' diligence, certification, review of individual and consolidated accounts	**5.7**	**80%**	**5.5**	**86%**	**5.3**	**73%**	**5.4**	**84%**
Alstom SA	0.8	11%	0.9	14%	0.8	10%	0.9	14%
Controlled entities	4.9	69%	4.6	72%	4.5	63%	4.5	70%
Services other than audit of statutory and consolidated financial statements (SACC)(1)	**1.4**	**20%**	**0.9**	**14%**	**1.9**	**27%**	**1.0**	**16%**
TOTAL	**7.2**	**100%**	**6.4**	**100%**	**7.2**	**100%**	**6.4**	**100%**

(1) Other services mainly include services rendered in connection with agreed-upon procedures, tax compliances services, technical consultations on accounting, tax and regulatory matters.

NOTE 35. RELATED PARTIES

The Group has identified the following related parties:

- shareholders of the Group;
- associates & joint ventures;
- key management personnel;
- Board members.

35.1. Shareholders of the Group

The main shareholders of Alstom are:

- the "Caisse de Dépôt et Placement du Québec" (CDPQ), a major Canadian pension fund, holding 17.39% of Alstom's share capital;
- Causeway Capital Management, a majority employee-owned investment management firm specializing in equity strategies, holding 9.31% of Alstom's share capital;
- Bpifrance "Banque publique d'investissement", a French public sector investment bank, holding 7.51% of Alstom's share capital;
- BlackRock, a global asset manager and technology provider, holding 6.44% of Alstom's share capital.

The relations with the shareholders of the Group are subject to normal market terms and conditions. Those operating flows are not material at Group's level.

35.2. Associates & joint ventures

Related party transactions are also transactions with companies over which Alstom exercises significant influence or joint ventures over which Alstom exercises joint control. Those transactions with related parties are undertaken at market prices and are considered as not material regarding the overall operational flows (sales and purchases) and the balance sheet positions of the Group (trade receivables and payables).

35.3. Key management personnel

The Group considers that key management personnel as defined by IAS 24 are the members of the Leadership Team.

(in € thousand)	Year ended At 31 March 2024	At 31 March 2023
Short-term benefits	**11,468**	**14,695**
Fixed gross salaries(1)	7,160	7,609
Variable gross salaries	3,322	5,576
Exceptional amounts	987	1,510
Post-employment benefits	**1,308**	**1,159**
Post-employment defined benefit plans	220	67
Post-employment defined contribution plans(2)	1,054	1,029
Other Long Term benefits	34	63
Other benefits	**4,287**	**5,303**
Benefits-in-kind	1,177	1,067
Employer social contributions	3,110	4,236
Share-based payments	**171**	**7,820**
TOTAL	**17,235**	**28,977**

(1) The fixed gross salaries variation results from the reduction in the number of members in the Leadership team.

(2) Including amount paid for CEO under art 82 DC plan corresponding to 1/3 of compensation set following loss of rights after closure of Art 39 DB plan in 2022/23.

35.4. Board Members

There is no transaction with Board Members.

NOTE 36. SUBSEQUENT EVENTS

As announced in November 2023 and reiterated in January 2024, Alstom's Board of Directors is committed to a conservative financial policy and to protect the Group's Investment Grade rating, in particular through a ca. 2 billion euros inorganic deleveraging plan.

This plan and its execution, which have been unanimously approved by Alstom's Board of Directors on May 7, 2024, has the following components:

- Divestments for ca. 700 million euros:
  - Sale of TMH for 75 million euros realized in January 2024;
  - The announced sale of conventional signalling business in Noth America to Knorr-Bremse AG, which will generate proceeds of ca. 630 million euros upon closing expected during Summer 2024;
- The issuance of hybrid bonds with 50% equity-content for Moody's[1] in an amount of ca. 750 million euros to be executed no later than September 2024 subject to market conditions and to AMF approval;
- A capital increase with preferential subscription rights in an amount of ca. 1 billion euros to be executed no later than September 2024 subject to market conditions and to AMF approval.

The ca. 2.4 billion euros proceeds correspond to ca. 2 billion euros of deleveraging, mainly due to the hybrid bond's 50% Moody's debt content.

Each of CDPQ[2] and Bpifrance, holding respectively 17.4% and 7.5% of Alstom's capital, has declared to the Company its intention to subscribe for its pro-rata share of the capital increase.

In addition, Alstom has entered into a standby underwriting commitment with BNP Paribas, Crédit Agricole Corporate and Investment Bank, J.P. Morgan and Société Générale, acting as Joint Global Coordinators, pursuant to which they have undertaken to underwrite the remainder of the capital raise (i.e. ca. 750 million euros), subject to the satisfaction of customary conditions precedent.

Ca. 1.2 billion euros of the proceeds of asset disposals and of the capital markets transactions will be used to repay financial debt by September 2024:

- repayment of Neu CP by 1,033 million euros;
- repayment of RCF drawings by 175 million euros.

The remainder of the proceeds will be invested in highly liquid short-term investment (cash equivalent treatment) and will be earmarked for gross debt reduction at maturity.

Alstom Baa3 long-term issuer rating is reaffirmed, and the outlook will be changed to stable upon successful closing of the hybrid bond issuance and the rights issue.

Alstom will terminate its 2.25 billion euros credit facility agreement following execution of the deleveraging plan.

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(1) 100% equity content as per IFRS accounting standards.
(2) Caisse de dépôt et placement du Québec.

NOTE 37. SCOPE OF CONSOLIDATION

	Country	Ownership %	Consolidation method
Parent company			
ALSTOM SA	France	-	Parent company
Companies			
ALSTOM Algérie "Société par Actions"	Algeria	100	Full consolidation
ALSTOM Grid Algérie SPA	Algeria	100	Full consolidation
ALSTOM Argentina SA	Argentina	100	Full consolidation
ALSTOM Transport (Customer Support) Australia Pty Limited	Australia	100	Full consolidation
ALSTOM Transport (V/Line) Australia Pty Limited	Australia	100	Full consolidation
ALSTOM Transport Australia Holdings Pty Limited	Australia	100	Full consolidation
ALSTOM Transport Australia Pty Limited	Australia	100	Full consolidation
NOMAD DIGITAL PTY LTD	Australia	100	Full consolidation
ALSTOM Transport Austria GmbH	Austria	100	Full consolidation
ALSTOM Transport Azerbaijan LLC	Azerbaijan	100	Full consolidation
ALSTOM Belgium SA	Belgium	100	Full consolidation
NOMAD DIGITAL BELGIUM	Belgium	100	Full consolidation
ALSTOM Brasil Energia e Transporte Ltda	Brazil	100	Full consolidation
ALSTOM Holdings LP	Canada	100	Full consolidation
ALSTOM Investments GP Inc.	Canada	100	Full consolidation
ALSTOM Investment GP Manitoba Inc.	Canada	100	Full consolidation
ALSTOM Transport Canada Inc.	Canada	100	Full consolidation
ALSTOM Transport Canada Participation Inc.	Canada	100	Full consolidation
ALSTOM Western Pacific Enterprises Electrical Installation General Partnership	Canada	51	Full consolidation
ALSTOM Chile SA	Chile	100	Full consolidation
ALSTOM Investment Company Limited	China	100	Full consolidation
ALSTOM Investment Management and Consulting (Beijing) Co., Ltd.	China	100	Full consolidation
ALSTOM Transportation (Engineering Service) Beijing Co., Ltd.	China	100	Full consolidation
ALSTOM Transportation Railway Equipment (Qingdao) Co., Ltd.	China	100	Full consolidation
BOMBARDIER RAILWAY TRANSPORTATION EQUIPMENT (SHANGHAI) CO., LTD.	China	100	Full consolidation
BOMBARDIER TRANSPORTATION CONSULTING (SHANGHAI) CO., LTD.	China	100	Full consolidation
Chengdu ALSTOM Transport Electrical Equipment Co., Ltd. (CATEE)	China	60	Full consolidation
TRANSLOHR INDUSTRIAL (TIANJIN) CO. LTD	China	100	Full consolidation
SHANGHAI ALSTOM Transport Electrical Equipment Company Ltd	China	60	Full consolidation
ALSTOM Qingdao Railway Equipment Co., Ltd.	China	51	Full consolidation
XI'AN ALSTOM YONGJI ELECTRIC EQUIPMENT CO., LTD	China	51	Full consolidation
ALSTOM Hong Kong Ltd	China	100	Full consolidation
ALSTOM Transportation China Limited	China	100	Full consolidation
ALSTOM Transportation Colombia SAS	Colombia	100	Full consolidation
ALSTOM Czech Republic AS	Czech Republic	98	Full consolidation
ALSTOM Transport Danmark A/S	Denmark	100	Full consolidation
ALSTOM Transport Danmark Hvidovre A/S	Denmark	100	Full consolidation
ALSTOM Transport Danmark NT Maintenance ApS	Denmark	100	Full consolidation
NOMAD DIGITAL (DENMARK) APS	Denmark	100	Full consolidation
NOMAD DIGITAL APS	Denmark	100	Full consolidation
ALSTOM Proyectos de Transporte, SRL	Dominican Republic	100	Full consolidation

	Country	Ownership %	Consolidation method
AREVA INTERNATIONAL EGYPT FOR ELECTRICITY TRANSMISSION & DISTRIBUTION	Egypt	100	Full consolidation
ALSTOM Egypt for Transport Projects SAE	Egypt	99	Full consolidation
BOMBARDIER TRANSPORTATION ETHIOPIA PLC	Ethiopia	100	Full consolidation
ALSTOM Transport Finland Oy	Finland	100	Full consolidation
ALSTOM APTIS	France	100	Full consolidation
ALSTOM Crespin SAS	France	100	Full consolidation
ALSTOM Executive Management	France	100	Full consolidation
ALSTOM Flertex SAS	France	100	Full consolidation
Alstom Holdings	France	100	Full consolidation
ALSTOM Hydrogène SAS	France	100	Full consolidation
ALSTOM Ibre	France	100	Full consolidation
ALSTOM Kleber Sixteen	France	100	Full consolidation
ALSTOM Leroux Naval	France	100	Full consolidation
ALSTOM Network Transport	France	100	Full consolidation
ALSTOM Omega 1	France	100	Full consolidation
SOCIÉTÉ DE MAINTENANCE DU TUNNEL LYON-TURIN	France	100	Full consolidation
ALSTOM Shipworks	France	100	Full consolidation
ALSTOM Transport SA	France	100	Full consolidation
ÉTOILE KLÉBER	France	100	Full consolidation
LORELEC	France	100	Full consolidation
NOMAD DIGITAL FRANCE	France	100	Full consolidation
STATIONONE	France	100	Full consolidation
CENTRE D'ESSAIS FERROVIAIRES	France	96	Full consolidation
INTERINFRA (COMPAGNIE INTERNATIONALE POUR LE DEVELOPPEMENT D'INFRASTRUCTURES)	France	50	Full consolidation
ALSTOM Bahntechnologie Holding Germany GmbH	Germany	100	Full consolidation
ALSTOM Drives GmbH	Germany	100	Full consolidation
ALSTOM Lokomotiven Service GmbH	Germany	100	Full consolidation
ALSTOM Signal GmbH	Germany	100	Full consolidation
ALSTOM Transport Deutschland GmbH	Germany	100	Full consolidation
ALSTOM Transportation Germany GmbH	Germany	100	Full consolidation
NOMAD DIGITAL GmbH	Germany	100	Full consolidation
VGT VORBEREITUNGSGESELLSCHAFT TRANSPORTTECHNIK GmbH	Germany	100	Full consolidation
ALSTOM Reuschling Service GmbH & Co. KG	Germany	100	Full consolidation
WLH BETEILIGUNGS-GMBH	Germany	100	Full consolidation
J&P AVAX SA – ETETH SA – ALSTOM TRANSPORT SA	Greece	34	Full consolidation
ALSTOM Hungary Kft.	Hungary	100	Full consolidation
ALSTOM Transport India Limited	India	100	Full consolidation
NOMAD DIGITAL (INDIA) PRIVATE LIMITED	India	70	Full consolidation
TWENTY ONE NET (INDIA) PRIVATE LTD	India	100	Full consolidation
MADHEPURA ELECTRIC LOCOMOTIVE PRIVATE LIMITED	India	74	Full consolidation
PT ALSTOM Transport Indonesia	Indonesia	67	Full consolidation
ALSTOM Khadamat SA	Iran	100	Full consolidation
ALSTOM Transport Ireland Ltd	Ireland	100	Full consolidation
ALSTOM Israel Ltd.	Israel	100	Full consolidation
ALSTOM Ferroviaria SpA	Italy	100	Full consolidation
ALSTOM Services Italia SpA	Italy	100	Full consolidation

	Country	Ownership %	Consolidation method
NOMAD DIGITAL ITALIA SRL	Italy	100	Full consolidation
ALSTOM Métro d'Abidjan	Ivory Coast	100	Full consolidation
ALSTOM Kazakhstan LLP	Kazakhstan	100	Full consolidation
EKZ Service Limited Liability Partnership	Kazakhstan	100	Full consolidation
ELECTROVOZ KURASTYRU ZAUYTY LLP	Kazakhstan	100	Full consolidation
ALSTOM Baltics SIA	Latvia	100	Full consolidation
ALSTOM Transport Systems (Malaysia) Sdn. Bhd.	Malaysia	100	Full consolidation
ALSTOM Holding Mauritius Ltd.	Mauritius	100	Full consolidation
ALSTOM Mauritius Ltd.	Mauritius	100	Full consolidation
ALSTOM Ferroviaria Mexico, SA de CV	Mexico	100	Full consolidation
BT ENSAMBLES MÉXICO, S. DE RL DE CV	Mexico	100	Full consolidation
BT MÉXICO CONTROLADORA, S. DE RL DE CV	Mexico	100	Full consolidation
BT PERSONAL MÉXICO, S DE RL DE CV	Mexico	100	Full consolidation
ALSTOM Railways Maroc	Morocco	100	Full consolidation
BOMBARDIER TRANSPORT MAROC SAS	Morocco	100	Full consolidation
ALSTOM Global Holding SE	Netherlands	100	Full consolidation
ALSTOM Netherlands BV	Netherlands	100	Full consolidation
ALSTOM Traction BV	Netherlands	100	Full consolidation
ALSTOM Vastgoed BV	Netherlands	100	Full consolidation
NOMAD DIGITAL BV	Netherlands	100	Full consolidation
ALSTOM Rail Transportation New Zealand Limited	New Zealand	100	Full consolidation
AT NIGERIA LIMITED	Nigeria	100	Full consolidation
ALSTOM Enio ANS	Norway	100	Full consolidation
ALSTOM Transport Norway AS	Norway	100	Full consolidation
ALSTOM Panama, SA	Panama	100	Full consolidation
ALSTOM Transport Peru SA	Peru	100	Full consolidation
ALSTOM (SHARED SERVICES) PHILIPPINES, INC.	Philippines	100	Full consolidation
ALSTOM Transport Construction Philippines, Inc	Philippines	100	Full consolidation
BOMBARDIER TRANSPORTATION PHILIPPINES, INC.	Philippines	100	Full consolidation
ALSTOM Polska Spolka Akcyjna	Poland	100	Full consolidation
ALSTOM Ferroviária Portugal, SA	Portugal	100	Full consolidation
NOMAD TECH, LDA.	Portugal	51	Full consolidation
ALSTOM GSS Romania SRL	Romania	100	Full consolidation
ALSTOM Transport SA.	Romania	93	Full consolidation
ALSTOM Transport Rus LLC	Russian Federation	100	Full consolidation
RESOURCE TRANSPORTATION LLC	Russian Federation	100	Full consolidation
ALSTOM Arabia Transportation Limited	Saudi Arabia	100	Full consolidation
ALSTOM Transport Middle East and North Africa Regional Headquarter	Saudi Arabia	100	Full consolidation
ALSTOM Transport (Holdings) Systems Singapore Pte. Ltd.	Singapore	100	Full consolidation
ALSTOM Transport (S) Pte Ltd	Singapore	100	Full consolidation
ALSTOM Transport Systems (Singapore) Pte. Ltd.	Singapore	100	Full consolidation
ALSTOM Southern Africa Holdings (Pty) Ltd	South Africa	100	Full consolidation
ALSTOM Transport Holdings SA (Pty) Ltd	South Africa	100	Full consolidation
ALSTOM Ubunye (Pty) Ltd	South Africa	100	Full consolidation
BOMBELA ELECTRICAL AND MECHANICAL WORKS (PTY) LTD.	South Africa	90	Full consolidation
BOMBELA MAINTENANCE (PTY) LTD.	South Africa	90	Full consolidation
ALSTOM Rolling Stock SA Pty Ltd	South Africa	74	Full consolidation

	Country	Ownership %	Consolidation method
GIBELA RAIL TRANSPORT CONSORTIUM (PTY) LTD	South Africa	70	Full consolidation
ALSTOM Korea Transport Ltd	South Korea	100	Full consolidation
ALSTOM ATEINSA, SA	Spain	100	Full consolidation
ALSTOM Movilidad, SL	Spain	100	Full consolidation
ALSTOM Transporte, SA	Spain	100	Full consolidation
ALSTOM Ametsis, SL	Spain	100	Full consolidation
ALSTOM Holding Sweden AB	Sweden	100	Full consolidation
ALSTOM Rail Sweden AB	Sweden	100	Full consolidation
ALSTOM Transport AB	Sweden	100	Full consolidation
ALSTOM Transport Information Systems AB	Sweden	100	Full consolidation
ALSTOM Transportation (Signal) Sweden AB	Sweden	100	Full consolidation
ALSTOM Transportation (Signal) Sweden HB	Sweden	67	Full consolidation
ALSTOM Network Schweiz AG, ALSTOM Network Switzerland Ltd, ALSTOM Network Suisse SA	Switzerland	100	Full consolidation
ALSTOM Schienenfahrzeuge AG	Switzerland	100	Full consolidation
ALSTOM Schweiz AG, ALSTOM Suisse SA, ALSTOM Switzerland Ltd.	Switzerland	100	Full consolidation
ALSTOM Transport Solutions (Taiwan) Ltd.	Taiwan	100	Full consolidation
ALSTOM (Thailand) Ltd.	Thailand	100	Full consolidation
Alstom Holdings (Thailand) Ltd.	Thailand	100	Full consolidation
ALSTOM Transport (Thailand) Co., Ltd.	Thailand	100	Full consolidation
ALSTOM Transport Systems (Thailand) Ltd	Thailand	100	Full consolidation
ALSTOM T&T Ltd	Trinidad and Tobago	100	Full consolidation
ALSTOM Ulasim Anonim Sirketi	Turkey	100	Full consolidation
ALSTOM Signalling, Limited Liability Company	Ukraine	100	Full consolidation
ALSTOM (Investment) UK Limited	United Kingdom	100	Full consolidation
ALSTOM (Litchurch) Limited	United Kingdom	100	Full consolidation
ALSTOM Academy for Rail	United Kingdom	100	Full consolidation
ALSTOM Electronics Limited	United Kingdom	100	Full consolidation
ALSTOM Engineering and Services Limited	United Kingdom	100	Full consolidation
ALSTOM Network UK Ltd	United Kingdom	100	Full consolidation
ALSTOM NL Service Provision Ltd.	United Kingdom	100	Full consolidation
ALSTOM Product and Services Limited	United Kingdom	100	Full consolidation
ALSTOM Transport Service Ltd	United Kingdom	100	Full consolidation
ALSTOM Transport UK (Holdings) Ltd	United Kingdom	100	Full consolidation
ALSTOM Transport UK Limited	United Kingdom	100	Full consolidation
ALSTOM Transportation (Global Holding) UK Limited	United Kingdom	100	Full consolidation
ALSTOM UK CIF Trustee Limited	United Kingdom	100	Full consolidation
ALSTOM UK Pension Trustee Limited	United Kingdom	100	Full consolidation
ALSTOM UK VP Pension Trustee Limited	United Kingdom	100	Full consolidation
CROSSFLEET LIMITED	United Kingdom	100	Full consolidation
INFRASIG LTD.	United Kingdom	100	Full consolidation
NOMAD DIGITAL LIMITED	United Kingdom	100	Full consolidation
NOMAD HOLDINGS LIMITED	United Kingdom	100	Full consolidation
PRORAIL LIMITED	United Kingdom	100	Full consolidation
SOUTH EASTERN TRAIN MAINTENANCE LTD.	United Kingdom	100	Full consolidation
WEST COAST SERVICE PROVISION LIMITED	United Kingdom	100	Full consolidation
WEST COAST TRAINCARE LIMITED	United Kingdom	100	Full consolidation

	Country	Ownership %	Consolidation method
NOMAD DIGITAL (INDIA) LIMITED	United Kingdom	70	Full consolidation
ALSTOM Signaling Inc.	United States of America	100	Full consolidation
ALSTOM Signaling Operation, LLC	United States of America	100	Full consolidation
ALSTOM Transport Holding US Inc.	United States of America	100	Full consolidation
ALSTOM Transport Services Inc.	United States of America	100	Full consolidation
ALSTOM Transport USA Inc.	United States of America	100	Full consolidation
ALSTOM Transportation Inc.	United States of America	100	Full consolidation
AUBURN TECHNOLOGY, INC.	United States of America	100	Full consolidation
B&C TRANSIT INC.	United States of America	100	Full consolidation
NOMAD DIGITAL, INC	United States of America	100	Full consolidation
SOUTHERN NEW JERSEY RAIL GROUP LLC	United States of America	100	Full consolidation
ALSKAW LLC	United States of America	100	Full consolidation
ALSTOM Venezuela, SA	Venezuela	100	Full consolidation
ALSTOM Transport Vietnam Ltd	Vietnam	100	Full consolidation
ONxpress Transportation Partners Inc.	Canada	25	Joint Operation
GREEN LINE MAINTAINER LTD	Israel	20	Joint Operation
HN – LIGHT RAIL LINE LTD	Israel	20	Joint Operation
JCL – JERUSALEM CITY LIGHTRAIL LTD	Israel	20	Joint Operation
TMT – TLV METROPOLITAN TRAMWAY LTD	Israel	20	Joint Operation
BTREN MANTENIMIENTO FERROVIARIO SA	Spain	51	Joint Operation
IRVIA MANTENIMIENTO FERROVIARIO, SA	Spain	51	Joint Operation
THE ATC JOINT VENTURE	United Kingdom	38	Joint Operation
CITAL	Algeria	49	Equity Method
EDI RAIL – ALSTOM Transport Pty Limited	Australia	50	Equity Method
NGR HOLDING COMPANY PTY LTD.	Australia	10	Equity Method
EDI RAIL – ALSTOM Transport (Maintenance) Pty Limited	Australia	50	Equity Method
NGR PROJECT COMPANY PTY LTD.	Australia	10	Equity Method
TRANSED O&M PARTNERS GENERAL PARTNERSHIP	Canada	60	Equity Method
GROUPE PMM OPERATIONS AND MAINTENANCE GP/GROUPE PMM OPÉRATIONS ET MAINTENANCE SENC	Canada	50	Equity Method
TRANSED PARTNERS GENERAL PARTNERSHIP	Canada	10	Equity Method
ALSANEO L7 SPA	Chile	50	Equity Method
ALSTOM Sifang (Qingdao) Transportation Ltd.	China	50	Equity Method
BOMBARDIER NUG SIGNALLING SOLUTIONS COMPANY LIMITED	China	50	Equity Method
CHANGCHUN CHANGKE ALSTOM RAILWAY VEHICLES COMPANY LTD.	China	50	Equity Method
CRRC PUZHEN ALSTOM TRANSPORTATION SYSTEMS LIMITED	China	50	Equity Method
Jiangsu Alstom NUG Propulsion System Co Ltd.	China	50	Equity Method
SHENTONG ALSTOM (SHANGHAI) RAIL TRANSIT VEHICLE COMPANY LIMITED	China	50	Equity Method
CASCO SIGNAL LTD	China	49	Equity Method
SHANGHAI ALSTOM Transport Company Limited	China	40	Equity Method
GUANGXI LIUZHOU PUZHEN ALSTOM TRANSPORTATION SYSTEM CO., LTD.	China	50	Equity Method
GUANGZHOU CHANGKE ALSTOM RAIL TRANSIT EQUIPMENT COMPANY LTD	China	50	Equity Method
SPEEDINNOV	France	76	Equity Method
ORA L15	France	20	Equity Method
LLP JV KAZELEKTROPRIVOD	Kazakhstan	50	Equity Method

	Country	Ownership %	Consolidation method
MALOCO GIE	Morocco	70	Equity Method
RAILCOMP BV	Netherlands	50	Equity Method
TMH-ALSTOM BV	Netherlands	50	Equity Method
RAIL ENGINEERING SP. ZOO	Poland	60	Equity Method
RAILCOMP LLC	Russian Federation	50	Equity Method
TRAMRUS LLC	Russian Federation	50	Equity Method
TRTRANS LLC	Russian Federation	50	Equity Method
ISITHIMELA RAIL SERVICES (PTY) LTD.	South Africa	50	Equity Method
BOMBELA TKC (PROPRIETARY) LIMITED	South Africa	25	Equity Method
FIRST LOCOMOTIVE HOLDING AG in Liquidation	Switzerland	15	Equity Method
ABC ELECTRIFICATION LTD	United Kingdom	33	Equity Method
LAX INTEGRATED EXPRESS SOLUTIONS HOLDCO, LLC	United States of America	10	Equity Method
LAX INTEGRATED EXPRESS SOLUTIONS, LLC	United States of America	10	Equity Method
V/LINE MAINTENANCE PTY LTD	Australia	100	Non consolidated investment
RTA RAIL TEC ARSENAL FAHRZEUGVERSUCHSANLAGE GmbH	Austria	44	Non consolidated investment
SOCIÉTÉ CONCESSIONNAIRE DU TRANSPORT SUR VOIE RÉSERVÉE DE L'AGGLOMÉRATION CAENNAISE (STVR) SA	France	39	Non consolidated investment
RESTAURINTER	France	35	Non consolidated investment
FRAMECA – FRANCE METRO CARACAS	France	26	Non consolidated investment
MOBILITÉ AGGLOMÉRATION RÉMOISE SAS	France	17	Non consolidated investment
CADEMCE SAS (en liquidation judiciaire)	France	16	Non consolidated investment
EASYMILE	France	13	Non consolidated investment
OC'VIA CONSTRUCTION	France	12	Non consolidated investment
OC'VIA MAINTENANCE	France	12	Non consolidated investment
4iTEC 4.0	France	11	Non consolidated investment
AIRE URBAINE INVESTISSEMENT	France	4	Non consolidated investment
CAMPUS CYBER	France	3	Non consolidated investment
SUPERGRID INSTITUTE SAS	France	3	Non consolidated investment
COMPAGNIE INTERNATIONALE DE MAINTENANCE – CIM	France	1	Non consolidated investment
ESPACE DOMICILE SA HABITAT LOYER MODÉRÉ	France	1	Non consolidated investment
SOCIÉTÉ D'ÉCONOMIE MIXTE LOCALE LE PHÉNIX THÉÂTRE DE VALENCIENNES	France	1	Non consolidated investment
SOCIÉTÉ IMMOBILIÈRE DE VIERZON	France	1	Non consolidated investment
VALUTEC SA	France	1	Non consolidated investment
IFB INSTITUT FUR BAHNTECHNIK GmbH	Germany	7	Non consolidated investment

	Country	Ownership %	Consolidation method
PARS SWITCH	Iran	1	Non consolidated investment
CYLUS CYBER SECURITY LTD.	Israel	9	Non consolidated investment
METRO 5 SPA	Italy	9	Non consolidated investment
TRAM DI FIRENZE SpA	Italy	9	Non consolidated investment
CRIT SRL	Italy	1	Non consolidated investment
CONSORZIO ELIS PER LA FORMAZIONE PROFESSIONALE SUPERIORE	Italy	0	Non consolidated investment
SUBURBANO EXPRESS, SA DE CV	Mexico	11	Non consolidated investment
KRAKOWSKIE ZAKLADY AUTOMATYKI SA	Poland	12	Non consolidated investment
KOLMEX SA	Poland	2	Non consolidated investment
IDEON SA	Poland	0	Non consolidated investment
INWESTSTAR SA	Poland	0	Non consolidated investment
NORMETRO ACE AGRUPAMENTO DO METROPOLITANO DO PORTO	Portugal	25	Non consolidated investment
FIRST LOCOMOTIVE COMPANY LLC	Russian Federation	15	Non consolidated investment
TRAMVIA METROPOLITA, SA	Spain	24	Non consolidated investment
TRAMVIA METROPOLITA DEL BESOS SA	Spain	21	Non consolidated investment
ALBALI SEÑALIZACIÓN, SA	Spain	12	Non consolidated investment
TRAMLINK NOTTINGHAM (HOLDINGS) LIMITED	United Kingdom	13	Non consolidated investment
WHEREISMYTRANSPORT LIMITED	United Kingdom	3	Non consolidated investment
ARGENTINE CLUB LIMITED	United Kingdom	1	Non consolidated investment
MASSACHUSETTS BAY COMMUTER RAILROAD COMPANY, LLC	United States of America	20	Non consolidated investment

3.1.7 Statutory Auditors' report on the consolidated financial statements

(For the year ended 31 March 2024)

This is a translation into English of the Statutory Auditors' report on the consolidated financial statements of the Company issued in French and it is provided solely for the convenience of English-speaking users.

This Statutory Auditors' report includes information required by European regulation and French law, such as information about the appointment of the Statutory Auditors or verification of the information concerning the Group presented in the management report and other documents provided to shareholders.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Annual General Meeting of Shareholders of Alstom SA

Opinion

In compliance with the engagement entrusted to us by your Annual General Meeting, we have audited the accompanying consolidated financial statements of Alstom SA ("the Group") for the year ended 31 March 2024.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at 31 March 2024 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards (IFRS) as adopted by the European union.

The audit opinion expressed above is consistent with our report to the Audit and Risks Committee

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the "Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements" section of our report.

Independence

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code (Code de commerce) and the French Code of Ethics (Code de déontologie) for Statutory Auditors, for the period from 1 April 2023 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) no. 537/2014 or in the French Code of Ethics (Code de déontologie) for Statutory Auditors.

Justification of Assessments - Key Audit Matters

In accordance with the requirements of Articles L. 821-53 and R. 821-180 of the French Commercial Code (Code de commerce) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

Revenue and margin recognition on long-term contracts

(Notes 2.4 Uses of estimates, Note 2.5.5 Sales and costs generated by operating activities, Notes 3 "Segment information", 18 "Net contract Assets/Liabilities", 22 "Provisions" and 28.2 "Currency risk management" of the notes to the consolidated financial statements)

Identified risks

As at 31 March 2024, the Group's revenue and cost of sales amounting to respectively 17,619 million euros and (15,406) million euros mainly derive from construction contracts and long-term service agreements ("the long-term contracts").

As described in Note 2.5.5 "Sales and costs generated by operating activities", to the Group consolidated financial statements, revenue on long-term contracts is recognized according to IFRS 15 based on the cost to cost percentage of completion method in order to recognize the revenue from contracts for which revenue recognition is qualified as overtime.

At each closing date, estimates and assumptions by management are required in order to assess:

- the revenue at completion, including contract variations (variation orders, claims and contract amendments);
- the revenue recognized in accordance with the cost to cost method;
- the margin at completion on each contract, incorporating appropriate contingencies to cover identified risks (technical, commercial, etc.) related to the project execution;

We consider the revenue and margin recognition on long-term contracts to be a Key Audit Matter, because of the degree of required management's estimates and judgements and the complexity of internal processes to be implemented in order to recognize the revenue and margin relating to these contracts.

Our response

As part of our audit, we obtained an understanding of the Group's internal processes and controls for management and monitoring of long-term contracts, identified the main controls set up by Alstom SA that are relevant to our audit, and then tested their operational effectiveness by sampling;

We have assessed the compliance of the revenue recognition accounting principles and methods with IFRS 15 as described in Note 2.5.5. to the consolidated financial statements.

We also performed a critical review of the systems and controls implemented by the Group relating to the measurement of the revenue and costs at completion and of the stage of completion.

We took into account the high level of integration of the various IT systems involved in revenue recognition by including IT specialists in our audit team and testing the design, implementation and effectiveness of automated system controls affecting revenue recognition.

For a sample of contracts, selected based on their risk profile including the technical or commercial complexity and/or the financial impact, we have:

- examined the terms and conditions of the contracts, including contract amendments and variations;
- obtained an understanding of the performance and stage of completion of the contract through discussion with the project and Group management;
- appreciated for these contracts the analyses of the Group which enabled to conclude on the transfer of progressive control or at completion and, if necessary, the identification of the various performance obligations, variation orders and contract amendments;
- corroborated the main assumptions of revenue and costs at completion with costs incurred to date;
- examined externally available evidence, such as customer correspondence, physical progress or the performance of services provided for in the contract;
- used our experience gained in previous years on these contracts or on similar contracts;
- assessed the consistency of the accounting information reflected in the financial statements with the project information obtained; and
- verifying the appropriateness of the disclosures provided in Notes 2.4 "Uses of estimates", 2.5.6 "Sales and costs generated by operating activities", 3 "Segment information", 18 "Net contract Assets/Liabilities", 22 "Provisions" and 28.2 "Currency risk management" to Group consolidated financial statements.

Disputes and Investigations

(Note 22 Provisions and Note 33 Disputes of the notes to the consolidated financial statements)

Identified Risks

As described in Note 22 "Provisions" and Note 33 "Disputes" in the Group consolidated financial statements, Alstom's operations lead to the risk of litigation and contractual claims from third parties, moreover, the Note 33 to the financial statements describes the on-going investigations and procedures performed by judicial authorities with respect to allegations relating to compliance and integrity laws or anti-competitive practices in certain countries.

Alstom SA assesses the corresponding risk based on assumptions and estimates, to determine whether a provision is recorded or a risk disclosed in the consolidated financial statements. This assessment involves a high level of judgment by Alstom management.

Due to the potential impact on the consolidated financial statements, the degree of management's judgment and the uncertainty around the resolution of those procedures, we consider the assessment of disputes and investigations to be a Key Audit Matter.

Our response

We performed a critical review of litigations, customer claims and judicial procedures, as well as provisions recorded and disclosures provided. Our work consisted in:

- examining the procedures implemented by management to identify, assess and account for disputes and investigations;
- inquiring with the in-house legal counsels and analyzing underlying documentation of procedures ongoing;
- obtaining external legal positions if considered as relevant;
- examining legal expenses accounts for any indication of legal matters not yet considered;
- reading minutes of the meetings of the Boards of Directors and of the Shareholders' Meetings of Alstom's key entities in order to assess the completeness of the list of significant litigation;
- assessing management's judgment through understanding of precedent outcomes in similar cases and external legal positions;
- assessing whether any events subsequent to the reporting date for the year ended 31 March 2024 have been taken into account to estimate provisions and in the information provided in the financial statements;
- verifying that Notes 22 and 33 to Group consolidated financial statements contains the appropriate disclosures on the status of disputes and related uncertainties.

Specific verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations of the Group's information given in the management report of the Board of Directors.

We have no matters to report as to their fair presentation and their consistency with the consolidated financial statements.

We attest that the consolidated non-financial statement required by Article L. 225-102-1 of the French Commercial Code (Code de commerce) is included in the Group's management, it being specified that, in accordance with Article L. 823-10 of this Code, we have verified neither the fair presentation nor the consistency with the consolidated financial statements of the information contained therein. This information should be reported on by an independent third party.

Report on other legal and regulatory requirements

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by the Statutory Auditor relating to the annual and consolidated financial statements presented in the European single electronic format, that the presentation of the consolidated financial statements intended to be included in the Annual Financial Report mentioned in Article L. 451-1-2, I of the French Monetary and Financial Code (Code monétaire et financier), prepared under the responsibility of the Chairman and the CEO, complies with the single electronic format defined in the European Delegated Regulation No 2019/815 of 17 December 2018. As it relates to consolidated financial statements, our work includes verifying that the tagging of these consolidated financial statements complies with the format defined in the above delegated regulation.

Based on the work we have performed, we conclude that the presentation of the consolidated financial statements intended to be included in the Annual Financial Report complies, in all material respects, with the European single electronic format.

Due to the technical limitations inherent to the block-tagging of the consolidated financial statements according to the European single electronic format, the content of certain tags of the notes may not be rendered identically to the accompanying consolidated financial statements.

Besides, we have no responsibility to verify that the consolidated financial statements that will ultimately be included by your company in the Annual Financial Report filed with the AMF are in agreement with those on which we have performed our work.

Appointment of the Statutory Auditors

We were appointed as Statutory Auditors of Alstom SA by the Annual General Meeting held on 23 June 2009.

As at March 2024, PricewaterhouseCoopers Audit and Mazars were in the 15th year of total uninterrupted engagement.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit and Risks Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements were approved by the Board of Directors.

Statutory Auditors’ Responsibilities for the Audit of the Consolidated Financial Statements

Objectives and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As specified in Article L. 821-55 of the French Commercial Code (Code de commerce), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the Statutory Auditor exercises professional judgment throughout the audit and furthermore:

- identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the consolidated financial statements;
- assesses the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the Statutory Auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein;
- evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The Statutory Auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

Report to the Audit and Risks Committee

We submit a report to the Audit and Risks Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit and Risks Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit and Risks Committee with the declaration provided for in Article 6 of Regulation (EU) N° 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L. 821-27 to L.821-34 of the French Commercial Code (Code de commerce) and in the French Code of Ethics (Code de déontologie) for Statutory Auditors. Where appropriate, we discuss with the Audit and Risks Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Neuilly-sur-Seine and Paris La Défense, 15 May 2024
Les Commissaires aux comptes

Mazars		**Pricewaterhousecoopers Audit**	
Jean-Luc Barlet	Daniel Escudeiro	Cédric Haaser	Edouard Cartier

3.2 STATUTORY FINANCIAL STATEMENTS

Year end 31 March 2024

3.2.1 Balance sheet

Assets

(in € million)	Gross value	Depreciations and impairments	Net value at 31/03/2024	Net value at 31/03/2023
Uncalled subscribed capital	**-**	**-**	**-**	**-**
Intangible fixed assets	**-**	**-**	**-**	**-**
Tangible fixed assets	**-**	**-**	**-**	**-**
Investments evaluated using the equity method	-	-	-	-
Investments in subsidiary	14,312	-	14,312	14,312
Advances to subsidiary	3,863	-	3,863	2,900
Other investments	-	-	-	-
Loans	-	-	-	-
Other financial assets	-	-	-	-
Financial assets	**18,176**	**-**	**18,176**	**17,213**
Fixed assets	**18,176**	**-**	**18,176**	**17,213**
Inventories & work in progress	**-**	**-**	**-**	**-**
Advances to suppliers	-	-	-	-
Trade receivables and related accounts	2	-	2	86
Other receivables	603	-	603	433
Capital subscribed and called, not paid	-	-	-	-
Receivables	**606**	**-**	**606**	**518**
Marketable securities	-	-	-	-
Cash and cash equivalent	-	-	-	-
Miscellaneous	**-**	**-**	**-**	**-**
Prepaid Expenses	9	-	9	3
Adjustment accounts	**9**	**-**	**9**	**3**
Current assets	**614**	**-**	**614**	**521**
Deferred charges	17	-	17	17
Bond redemption premiums	10	-	10	12
Foreign exchange assets	-	-	-	-
Adjustment account	**27**	**-**	**27**	**29**
TOTAL ASSETS	**18,817**	**-**	**18,817**	**17,763**

Liabilities

(in € million)	31/03/2024	31/03/2023
Share capital	2,690	2,663
Additional paid-in capital	5,199	5,159
Currency translation adjustment	-	-
Legal reserve	266	266
Statutory or Contractual Reserves	-	-
Restricted reserves	3	3
Other reserves	6,517	6,389
Retained earnings	-	-
Net profit for the current year	**90**	**234**
Investment grants	-	-
Tax-driven provisions	-	-
Total shareholders' equity	**14,766**	**14,714**
Proceeds from issues of equity securities	-	-
Conditional advances	-	-
Other equity	**-**	**-**
Provisions for risks	-	-
Provisions for charges	-	-
Provisions for risks and charges	**-**	**-**
Convertible bonds	-	-
Other bonds	2,657	2,655
Bank borrowings	175	-
Other financial debt	1,033	248
Financial debts	**3,865**	**2,903**
Advances and deposits received on orders in progress	-	-
Trade payables and related accounts	29	11
Tax and social liabilities	7	12
Operating liabilities	**35**	**24**
Payables on fixed assets and related accounts	-	-
Other payables	151	122
Miscellaneous liabilities	**151**	**122**
Deferred income	-	-
Liabilities	**4,052**	**3,049**
Foreign exchange liabilities	-	-
TOTAL SHAREHOLDER'S EQUITY AND LIABILITIES	**18,817**	**17,763**

3.2.2 Income Statement

(in € million)	France	Exportation	31/03/2024	31/03/2023
Sales				
Production of goods				
Production of services	74	-	74	71
Net sales	**74**	**-**	**74**	**71**
Stocked production			-	-
Capitalized production			-	-
Operating subsidies			-	-
Release of depreciation and provisions, expense transfers			-	-
Other income			-	-
Operating income			**74**	**71**
Purchase of goods			-	-
Change in inventory (goods)			-	-
Purchases of raw materials and other supplies			-	-
Change in inventories (raw materials and supplies)			-	-
Other purchases and external expenses			(39)	(47)
Taxes and similar payments			-	(3)
Wages and salaries			(3)	(2)
Social charges			2	1
Operating provisions				
Depreciations on fixed assets			(1)	(1)
Provisions on fixed assets			-	-
Provisions on current assets			-	-
Provisions for contengencies and liabiliites			-	-
Other operating expenses			(1)	(1)
Operating expenses			**(42)**	**(53)**
Net income from operation			**31**	**18**
Joint operations				
Profit allocated or loss transferred			-	-
Loss incurred or profit transferred			-	-
Financial income				
Financial income from investments			198	242
Income from other securities and receivables from fixed assets			-	-
Other interest and similar income			16	3
Release of provisions and expense transfers			-	-
Positive exchange rate differences			1	1
Net income from sales of marketable securities			-	-
Financial income			**215**	**246**
Financial depreciation and provisions			(9)	(6)
Interest and similar expenses			(155)	(45)
Negative exchange rate differences			-	(1)
Net expenses on disposal of marketable securities			-	-

(in € million)	France	Exportation	31/03/2024	31/03/2023
Financial expenses			**(165)**	**(51)**
Net financial income			**50**	**195**
Net current income			**81**	**213**
Non recurring income from management operations			-	-
Non recurring income from capital operations			-	-
Release of provisions and expense transfers			-	3
Non recurring income			**-**	**3**
Non recurring expenses from management operations			-	-
Non recurring expenses from capital operations			-	-
Non recurring depreciation and provisions			-	-
Non recurring expenses			**-**	**-**
Non recurring net income			**-**	**2**
Employee profit-sharing			-	-
Income tax			9	18
Total income			**288**	**320**
Total expenses			**(198)**	**(86)**
NET INCOME			**90**	**234**

3.2.3 Notes to the statutory financial statements

DETAILED SUMMARY OF THE NOTES TO THE STATUTORY FINANCIAL STATEMENTS

NOTE 1. BASIS OF PREPARATION OF THE STATUTORY FINANCIAL STATEMENTS

The statutory financial statements for the year ended 31 March 2024 are established in compliance with the legal and regulatory rules applicable in France according to the regulation 2014-03 of "l'Autorité des Normes Comptables" of 5 June 2014 as well as subsequent comments and recommendations of "l'Autorité des Normes Comptables".

These accounts have been prepared using the same accounting policies and measurement methods as of 31 March 2023.

The accounting conventions were applied with truthfulness in line with the principle of prudence, according to the following basic assumptions:

- going concern basis;
- consistency in accounting policies from one financial year to the next;
- independence of financial years.

These accounts are also in accordance with general guidelines for establishing and presenting annual financial statements.

NOTE 2. DESCRIPTION OF ACCOUNTING POLICIES

2.1. Investments in subsidiaries

Investments are recorded at acquisition cost, excluding transaction costs.

Investments are generally measured at their value in use, defined as the enterprise value net of the indebtedness. The enterprise value is the sum of the discounted free cash flows and of the discounted terminal residual value, adjusted for fair market values deriving from ongoing transactions, and represents the ability of the assets to generate profits and cash flows.

When this value is less than acquisition cost, a provision for impairment is recorded to cover the difference.

Any impairment is recognized in the following order:

- goodwill;
- investments in subsidiaries and associates;
- advances to subsidiaries;
- risks on subsidiaries.

2.2. Advances and borrowings with subsidiaries and currents accounts of Alstom Group companies

Assets and liabilities related to Alstom Group companies are shown in the Balance Sheet at their nominal value.

Whenever necessary and based on the available information at the closing date, provisions for bad debts are recorded in case of uncertainty about their recovery.

2.3. Share capital

A share capital increase is recorded at the nominal share price. If the issue price is higher than the nominal value, this difference is recorded as a paid-in capital.

Transaction costs on capital increase are offset against paid-in capital. If total transaction costs exceed the paid-in capital, the excess is recorded as intangible assets and amortised over a period of five years.

2.4. Provisions for risks and charges

Provisions for litigations and disputes

The Company identifies and analyses on a regular basis current litigations in which it is engaged. When provisions are deemed necessary, they are measured on the basis of its best estimate of the expenditure required to settle the obligation at the balance-sheet date. These estimates take into account information available and different possible outcomes.

Due to changes in facts and circumstances, costs finally incurred may differ from those estimates.

2.5. Financial debt

Financial debt (bonds) is recorded at nominal value in the liabilities. Transaction costs and bonds premium are recorded as deferred charges or deferred income and amortised over the duration of the borrowings.

2.6. Tax Group

The Company is the parent company of a French tax group including Alstom Holdings and several French subsidiaries of Alstom Holdings.

Each company, member of the tax group, determines its income tax charge on the basis of its own pre-tax income for the year, as if it was not included in a tax group. The Company recognises a gain or a loss equal to the difference between the current income tax based on the Group pre-tax income and the sum of tax charges recognised by the entities members of the tax group.

When a subsidiary member of the tax group exits from the said tax group, it is not compensated for the loss of its tax credits, tax losses carried forward and/or long term losses derived during the period of time it belonged to the tax group and which are unused at the exit date.

2.7. Climate change consequences

When preparing the Statutory Financial Statements, the Company analyzed the potential impacts of climate change. Therefore, to the best of the Company knowledge, and based on the analysis performed to prepare the Statutory Financial Statements as of 31 March 2024, Alstom SA does not foresee significant environmental risks that might negatively impact in its activities in the coming years.

NOTE 3. SIGNIFICANT EVENTS

3.1. Major events

None.

3.2. Post closing events

As announced in November 2023 and reiterated in January 2024, Alstom's Board of Directors is committed to a conservative financial policy and to protect the Group's Investment Grade rating, in particular through a ca. 2 billion euros inorganic deleveraging plan.

This plan and its execution, which have been unanimously approved by Alstom's Board of Directors on 7 May 2024, has the following components:

- divestments for ca. 700 million euros:
  - sale of TMH for 75 million euros realized in January 2024,
  - the announced sale of conventional signalling business in North America to Knorr-Bremse AG, which will generate proceeds of ca. 630 million euros upon closing expected during Summer 2024;
- the issuance of hybrid bonds with 50% equity content for Moody's(1) in an amount of ca. 750 million euros to be executed no later than September 2024 subject to market conditions and to AMF approval;
- a capital increase with preferential subscription rights in an amount of ca. 1 billion euros to be executed no later than September 2024 subject to market conditions and to AMF approval.

The ca. 2.4 billion euros proceeds correspond to ca. 2 billion euros of deleveraging, mainly due to the hybrid bond's 50% Moody's debt content.

Each of CDPQ(2) and Bpifrance, holding respectively 17.4% and 7.5% of Alstom's capital, has declared to the Company its intention to subscribe for its pro-rata share of the capital increase.

In addition, Alstom has entered into a standby underwriting commitment with BNP Paribas, Crédit Agricole Corporate and Investment Bank, J.P. Morgan and Société Générale, acting as Joint Global Coordinators, pursuant to which they have undertaken to underwrite the remainder of the capital raise (i.e. ca. 750 million euros), subject to the satisfaction of customary conditions precedent.

Circa 1.2 billion euros of the proceeds of asset disposals and of the capital markets transactions will be used to repay financial debt by September 2024:

- repayment of Neu CP by 1,033 million euros;
- repayment of RCF drawings by 175 million euros.

The remainder of the proceeds will be invested in highly liquid short-term investment (cash equivalent treatment) and will be earmarked for gross debt reduction at maturity.

Alstom Baa3 long-term issuer rating is reaffirmed, and the outlook will be changed to stable upon successful closing of the hybrid bond issuance and the rights issue.

Alstom will terminate its 2.25 billion euros credit facility agreement following execution of the deleveraging plan.

NOTE 4. OPERATING INCOME

The operating income of 74 million euros is made up, on the one hand, of Trademark fees invoiced to its subsidiary Alstom Holdings for the use of the name Alstom for 72 million euros and, on the other hand, of the re-invoicing to be issued to its subsidiary Alstom Holdings of costs relating to the acquisition of Bombardier Transportation, for an amount of 1 million euros.

The operating expenses include management fees invoiced by Alstom Holdings, external operating expenses, the compensation paid to the Chairman and Chief Executive Officer (2,512,848 euros paid for the financial year ended 31 March 2024) and directors' fees due for the fiscal year (753,000 euros for the same financial year ended) and the corresponding social charges.

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(1) 100% equity content as per IFRS accounting standards.

(2) Caisse de Dépôt et Placement du Québec.

NOTE 5. FINANCIAL INCOME

(in € million)	Year ended at 31 March 2024	Year ended at 31 March 2023
Financial income	**214**	**244**
Dividends received from Alstom Holdings	51	200
Interest on loan to Alstom Holdings	147	41
Interest on Alstom Holdings current account	16	3
Financial expenses	**(163)**	**(49)**
Bank interest - Bonds and other borrowings	(38)	(11)
Bank interest - RCF line	(61)	(22)
Bank interest - Commercial paper	(50)	(5)
CIR factoring costs	(5)	(5)
Amortization of bond issue premiums and costs	(9)	(6)
TOTAL	**50**	**195**

Financial income of 50 million euros was mainly due to:

- the payment by its subsidiary Alstom Holdings of a dividend of 51 million euros;
- interest on loan granted to Alstom Holdings for 147 million euros;
- interest on current account with Alstom Holdings for 16 million euros;
- interest of (38) million euros on bonds and other borrowings;
- interest on the RCF line for (61) million euros;
- bank interest on commercial paper for (50) million euros;
- amortization of borrowing costs and premiums for (9) million euros;
- CIR factoring costs for (5) million euros.

NOTE 6. NON-RECURRING RESULT

	Year ended at 31 March 2024			Year ended at 31 March 2023
(in € million)	Non-recurring income	Non-recurring expense	Net amount	Net amount
Disposals of fixed assets	-	-	-	-
Addition or release of provisions	-	-	-	3
Other	-	-	-	-
NON-RECURRING RESULT	**-**	**-**	**-**	**3**

NOTE 7. INCOME TAX

The 8.9 million euros Income tax credit is mainly linked to the tax grouping.

In the absence of tax grouping, a 4.4 million euros income tax charge would have been recorded as of 31 March 2024.

The stock of tax loss carryforwards at 31 March 2024 is 1,883 million euros.

NOTE 8. FINANCIAL ASSETS

8.1. Investments in subsidiaries

(in € million)	At 31 March 2023	Provision	Release	At 31 March 2024
INVESTMENTS				
Alstom Holdings	14,312	-	-	14,312
Impairment	-	-	-	-
TOTAL	**14,312**	**-**	**-**	**14,312**

Alstom Holdings is the Company's sole subsidiary and owns all operating entities of the Alstom Group.

As of 31 March 2024, Alstom tested the value of the Alstom Holdings investments in subsidiaries and related receivables (see Note 8.2) applying valuation methods consistent with previous years. Alstom ensured that the recoverable amount exceeded their carrying values.

The value of Alstom Holdings is determined as the discounted value of future cash flows by using cash flow projections for the next three years consistent with the Alstom's internal business plan and the extrapolation of the two following years plus a terminal year.

Those two years extrapolation and terminal value are consistent with internal business plan trend assuming:

- sales growth rates converging towards long term growth rate of 3% (see below);
- continuous Adjusted EBIT margin (corresponding to the ratio "aEBIT" over Sales) increase resulting from (i) an enhanced margin in backlog thanks to sound order intake, completion of the challenging legacy projects and favourable mix effect, (ii) an improved execution through operational excellence initiatives and footprint rationalization, (iii) savings on indirect procurement costs and overheads following costs efficiency programs launched and (iv) strong R&D costs monitoring.

Alstom's management's assumptions used for the determination of terminal value, notably Adjusted EBIT margin, are in line with the mid-term target communicated to the market.

This value is mainly driven by the terminal value which is particularly sensitive to changes in the assumptions on the discount rate after tax and the long-term growth rate.

Discount rate is based on weighted average cost of capital (WACC) which is calculated for the Group based on a risk-free rate and a market risk premium. The current market assessment of the risks specific to Group activity is reflected by taking into account specific peer group information on industry beta, leverage and cost of debt. The parameters for calculating the discount rate are based on external sources of information.

The discount rate has been updated from 9.0% to 9.25% compared to March 2023 as a result of the combination of the increase in the risk free rates and the decrease in equity risk premium over the period.

The long-term growth rate has not changed since March 2023 as it remains consistent with current acceleration of rail market momentum confirmed by independent market studies and the positive evolution of the Group backlog which provides strong visibility over future revenues.

Sensitivities are performed to assess the robustness of the headroom, mainly on the WACC (+25bp) and on the LTGR (-25bp).

The impairment test confirmed that the recoverable amount exceeds its carrying value at 31 March 2024, but it does not cover the sensitivity impacts of an increase of +25bp on the WACC or -25bp on the LTGR.

Considering the action plans engaged by the Group to reduce leverage, reinforce the balance sheet and secure mid-term profit & cash targets, no impairment has been booked by Alstom on Alstom Holdings shares & advances as of 31 March 2024.

8.2. Advances

(in € million)	At 31 March 2023	Variation	At 31 March 2024
ADVANCES TO ALSTOM HOLDINGS			
Gross value	2,898	960	3,858
Accrued interests	2	3	6
TOTAL	**2,900**	**963**	**3,863**

Advances to Alstom Holdings can be cancelled by anticipation, which ensures their liquidity.

NOTE 9. RECEIVABLES

Current receivables can be broken down as follows:

	At 31 March 2024				At 31 March 2023	
(in € million)	Total	Within one year	One to five years	Out of which related parties	Total	Out of which related parties
Current account with Alstom Holdings	595	595		595	418	418
Trade receivables	2	2	-	2	86	86
Receivables from the French Tax administration	7	7	-	-	14	-
Receivables on Group companies included in the Tax Group	-	-	-	-	-	-
Other receivables	1	1	-	-	-	-
TOTAL	**606**	**606**	**-**	**597**	**518**	**504**

NOTE 10. PREPAID EXPENSES

(in € million)	At 31 March 2023	Increase	Decrease	At 31 March 2024
Prepaid expenses on financial interests	3	6	-	9

NOTE 11. DEFERRED CHARGES

(in € million)	At 31 March 2023	Amount capitalised during the period	Amortisation expense of the period	At 31 March 2024
Bonds issuance costs and premiums	29	9	(11)	27

NOTE 12. SHAREHOLDERS' EQUITY

12.1. Share capital

As of 31 March 2024, Alstom's share capital amounts to 2,690,037,476 euros composed by 384,291,068 ordinary shares with a value of 7 euros per share, fully paid.

The variation in the number of shares during the period are the following:

	Number of shares
Existing shares at beginning of year	**380,453,454**
Capital increase "We are Alstom 2021"	790,710
Reimbursement of bonds	-
Exercise of options	-
Subscription of shares under employee sharing program	611,101
Shares buy back	-
Dividend payment	2,435,803
EXISTING SHARES AT YEAR END	**384,291,068**

12.2. Changes in shareholders' equity

(in € million)	At 31 March 2023	Shareholders' Meeting held 11 July 2023	Other movements	At 31 March 2024
Capital	2,663		27	2,690
Additional paid-in capital	5,159		41	5,199
Legal reserve	266		-	266
Restricted reserve	3		-	3
General reserve	6,389	234	(105)	6,517
Net profit	234	(234)	90	90
SHAREHOLDERS' EQUITY	**14,714**	**-**	**52**	**14,766**

The Shareholders' Meeting of Alstom held on 11 July 2023 decided to pay a dividend of 0.25 euros per share for the financial year ending 31 March 2023, for a total amount of 95 million euros, paid in cash for 38 million euros and in the form of 2,435,803 shares for a total of 58 million euros.

Other variations over the period arise from:

- subscriptions of shares under employee sharing programme;
- 90 million euros net profit of the period.

NOTE 13. PROVISIONS FOR RISKS AND CHARGES

(in € million)	At 31 March 2023	Additions	Releases	At 31 March 2024
Post-employment defined benefits	-	-	-	-
Others provisions	-	-	-	-
PROVISION FOR RISKS AND CHARGES	**-**	**-**	**-**	**-**

NOTE 14. BONDS REIMBURSABLE WITH SHARES

None.

NOTE 15. BONDS AND OTHER BORROWINGS

The movements in nominal amount of bonds over the past two years are presented as follows:

		Maturity date			
(Nominal value in € million)	**Total**	**14/10/2026**	**27/07/2027**	**11/01/2029**	**27/07/2030**
Annual nominal interest rate		0.25%	0.125%	0.00%	0.50%
Outstanding amount at 31 March 2022	**2,650**	**700**	**500**	**750**	**700**
Bonds issued	-				
Currency adjustments	-				
Repurchase	-				
Bonds reimbursed at maturity date	-				
Outstanding amount at 31 March 2023	**2,650**	**700**	**500**	**750**	**700**
Bonds issued	-				
Currency adjustments	-				
Repurchase	-				
Bonds reimbursed at maturity date	-				
OUTSTANDING AMOUNT AT 31 MARCH 2024	**2,650**	**700**	**500**	**750**	**700**

In order to optimize its liquidity, the Group also issued commercial papers under its Negotiable European Commercial Paper program for an amount of 785 million euros with maturities in 2024.

Accrued interests as of 31 March 2024 amounting to 7 million euros are added to the outstanding principal amount in the balance-sheet.

Liquidity risk management

In addition to its available cash and cash equivalents, amounting to 976 million euros at 31 March 2024, the Group benefits from strong liquidity with:

- 2.25 euros billion Revolving Credit Facility maturing in October 2024;
- 1.75 billion euros Revolving Credit Facility maturing in January 2027;
- 2.5 billion euros Revolving Credit Facility maturing in January 2029.

The first facility has two six-month extension options at borrower's discretion. Alstom has an obligation to prepay utilizations of and cancel available commitments under the facility with proceeds from the deleverage plan disclosed in Note 3.2. The last two facilities have been successfully extended by one year in December 2023. At 31 March 2024, the 1.75 billion euros Revolving Credit Facility line was drawn down for 175 million euros, while the other two lines remained undrawn.

As per its conservative liquidity policy, the 2.5 billion euros Revolving Credit Facility serves as a back-up of the Group 2.5 billion euros NeuCP program in place. With these lines (175 million euros drawn on the 1.75 billion euros facility at 31 March 2024), the 1.03 billion euros of NeuCP outstanding at 31 March 2024, the Group benefits from a 6.3 billion euros liquidity available.

NOTE 16. PAYABLES AND RELATED PARTIES

	At 31 March 2024		At 31 March 2023	
(in € million)	Total	Out of which related parties	Total	Out of which related parties
Borrowings from subsidiary	-	-	-	-
Trade payables	29	18	11	-
Other tax and social security payables	7	-	12	-
Payables to members of the tax group	151	151	121	121
Payables to members of the VAT group	-	-	-	-
Other liabilities	-	-	1	-
TOTAL	**187**	**169**	**146**	**121**

NOTE 17. MATURITY OF LIABILITIES

(in € million)	As at 31 March 2024	Within one year	One to five years	More than five years	out of which related parties
Bonds	2,657	7	1,950	700	-
Other borrowings	1,208	1,208	-	-	-
Borrowings from subsidiary	-	-	-	-	-
Trade payables	29	29	-	-	-
Other tax and social security payables	7	7	-	-	-
Payables to members of the tax group	151	42	109	-	151
Payables to members of the VAT group	-	-	-	-	-
Other liabilities	-	-	-	-	-
TOTAL	**4,051**	**1,293**	**2,059**	**700**	**151**

NOTE 18. OTHER INFORMATION

18.1. Off Balance-sheet Commitments

Total outstanding guarantees given by the Company amount to 1,320 million euros as of 31 March 2024, and mainly corresponds to guarantees of commercial obligations contracted by the subsidiaries.

At 31 March 2024, there is no commitment received identified.

18.2. Compensation granted to the corporate officer

The compensation paid to the Chairman and Chief Executive Officer amount 2,512,848 euros for the financial year ended 31 March 2024. This compensation includes both fixed and annual variable gross compensations and the benefits in-kind that comprise mainly the "Article 82" defined contribution.

Additional comments relating to pension plans:

The Chairman and Chief Executive Officer benefits from an additional pension plan based on 2 distinct elements that have not been modified during the fiscal year 2023/24:

- a defined contribution pension plan (so-called "Article 83"):
  - the contributions of the "Article 83"-type plan are paid annually and correspond to:
    - 1% of the annual compensation as high as four Annual Social Security Ceilings,
    - 4% of the annual compensation between four and eight Annual Social Security Ceilings, and
    - 11% of the annual compensation between eight and twelve Annual Social Security Ceilings,
    - since 1 July 2014, 95% of the contributions are paid by the Company,
    - the contributions paid as part of the defined contributions plan for the fiscal year 2023/2024 are equal to 28,535 euros, of which 27,108 euros are paid by the Company;
- a defined contribution pension plan (so-called "Article 82"):
  - the "Article 82" defined contribution plan was set up in 2016 by the Board of Directors, upon the Nominations and Remuneration Committee's recommendation, in order to replace the "Article 39" defined benefits pension plan, closed in 31 December 2016,
  - as part of this plan, the annual contributions are paid to a third-party entity in charge of the supplemental pension plan. The computation of this contribution is based upon the annual total compensation (annual fixed and variable compensation owed in cash) of the Chairman and Chief Executive Officer as follows:
    - 10% of the fraction of the gross fixed compensation comprised between 8 and 12 Annual Social Security Ceilings and 20% of the fraction of the fixed compensation in excess of 12 Annual Social Security Ceilings, and
    - 20% of his annual variable compensation as defined by the Board of Directors,
  - the baseline compensation (annual fixed and variable owed in cash) for the contribution computation cannot, for any reason, exceed 2,000,000 euros,
  - no contribution is to be paid if the variable compensation is equal to zero. The contributions are paid once a year, after the General Shareholders' Meeting approval of the annual variable compensation's payment of the prior fiscal year,
  - the Chairman and Chief Executive Officer committed, once the fiscal and social obligations linked to these contributions are fulfilled, to keep the paid amount on the dedicated retirement-capital vehicle, at least for the duration of his mandate,
  - the amounts paid in November 2023 under this defined contribution pension plan for the fiscal year 2023/24 is equal to 316,300 euros and corresponds to the acquisition period from 1 April 2022 to 31 March 2023. The matching accruals accounted for Fiscal Year 2022/23, amounting to 394,381 euros, have been cancelled,
  - for fiscal year 2023/24 (acquisition period), a provision for expenses was made for a gross amount of 388,676 euros but no payment was made before the approval by the General Meeting of Shareholders of the variable remuneration of the Chairman and Chief Executive Officer for the same financial year.

The above-mentioned two plans (so called "Article 82" and "Article 83") are collective plans and can apply to other company executives.

18.3. Stock-options and performance shares

Some Alstom Group employees receive equity-settled compensation, consisting of free share plans or performance shares.

Because those Equity-settled plans involve the issuance of new shares, no expense is booked during the period neither at the grant date nor after the vesting period pursuant to Article 624-6 of the French General Chart of Accounts.

The different types of plans in place within the Group and their respective accounting treatment are described below.

KEY CHARACTERISTICS

	Plan issued by Shareholders Meeting on 10 July 2019	Plans issued by Shareholders Meeting on 4 July 2021			Plan issued by Shareholders Meeting on 28 July 2021	
	PSP 2020	We are Alstom 2021	PSP 2021	PSP Special	PSP 2022	PSP 2023
	Performance shares	Free shares	Performance shares	Performance shares	Performance shares	Performance shares
Grant date	10/03/2020	04/07/2021	04/07/2021	04/07/2021	10/05/2022	09/05/2023
Number of beneficiaries	878	63,717	1,375	18	1,474	1,471
Adjusted number granted[1]	1,252,619	955,755	1,867,325	243,000	2,481,612	2,439,122
Adjusted number exercised since the origin	610,470	790,770	1,575	-	666	-
Adjusted number cancelled since the origin	642,149	164,985	239,600	50,000	219,704	74,954
Adjusted number outstanding at 31 March 2024	-	-	1,626,150	193,000	2,261,242	2,364,138
Inc. to the members of the Leadership team at 31 March 2024	-	-	223,000	163,000	309,500	359,500
FAIR VALUE AT GRANT DATE (IN €)	**36.58**	**42.01**	**35.60**	**41.01**	**20.48**	**20.23**

(1) The number of performance shares have been adjusted as a result of transactions that have impacted the number of capital shares after grant dates.

The long-term incentive plans set up since 2016 allocate only performance shares.

The grant of these instruments is conditioned by the satisfaction of performance indicators.

PSP 2020 granted on 10 March 2020

This plan has been agreed by the Board of Directors of 10 March 2020. 1,145,625 performance shares have been initially granted to 878 beneficiaries.

The final allocation depends on three internal performance conditions based on Group adjusted EBIT margin, Free Cash Flows and objective of reduction in the energy consumption of the solutions offered to clients for the fiscal year ended 31 March 2023, as well as one relative condition linked to the performance of the Company's share. After cancellation of shares due to beneficiaries' attendance at the end of vesting period, 77% of the initial grant (150%) has been achieved based on the performance conditions of the year ended in March 2023 and 73% of the performance shares have been cancelled. Therefore, on 15 May 2023, 609,895 performance shares have been delivered.

2021 free share plan named "We are Alstom 2021"

On 4 July 2021, the Board of Directors approved the grant of a worldwide free share Plan named "We are Alstom 2021". The 15-shares-award concerns all employees within Alstom at the grant date, on the condition they are still employees of Alstom Group at the end of a 2-years-vesting period, representing a maximum of 955,755 new shares of 7 euros of nominal value each to be issued in favour of a maximum of 63,717 beneficiaries. It was also decided that in the countries where, for tax and/or legal purpose, the granting of free shares would be difficult or not possible, a cash equivalent bonus will be granted to employees. On 5 July 2023, based on the list of initial beneficiaries that were still employees of Alstom Group at this date, 790,710 free shares have been delivered.

PSP 2021 granted on 4 July 2021

This plan has been agreed by the Board of Directors of 4 July 2021. 1,867,325 performance shares have been initially granted to 1,375 beneficiaries.

The final allocation depends on three internal performance conditions based on Group adjusted EBIT margin, Free Cash Flows and objective of reduction in the energy consumption of the solutions offered to clients for the fiscal year ended 31 March 2024, as well as one relative condition linked to the performance of the Company's share. The final delivery will take place at the latest two business days after the end of the vesting period, the 4 July 2024.

Special PSP granted on 4 July 2021

This plan has been agreed by the Board of Directors of 4 July 2021 and aims to reward integration of Bombardier Transportation success. 243,000 performance shares have been initially granted to 18 beneficiaries.

The final allocation depends on three internal performance conditions based on Alstom margin evolution on specific projects, achievement of synergies and earnings per share and a relative performance condition based on the employee engagement score of the Group. These conditions will be assessed at the end of the fiscal year ended 31 March 2025. The final delivery will take place at the latest two business days following the Vesting Period, i.e. 4 July 2025.

PSP 2022 granted on 10 May 2022

This plan has been agreed by the Board of Directors of 10 May 2022. 2,481,612 performance shares have been initially granted to 1,474 beneficiaries.

The final allocation depends on four internal performance conditions based on Group adjusted EBIT margin, Free Cash Flows, objective of reduction in the energy consumption of the solutions offered to clients and Alstom employee engagement level for the fiscal year ended 31 March 2025, as well as one relative condition linked to the performance of the Company's share. The final delivery will take place at the latest fifth business day following the end of the vesting period.

PSP 2023 granted on 9 May 2023

This plan has been agreed by the Board of Directors of 9 May 2023. 2,439,122 performance shares have been initially granted to 1,471 beneficiaries.

The final allocation depends on four internal performance conditions based on Group adjusted EBIT margin, Free Cash Flows, objective of reduction in the energy consumption of the solutions offered to clients and Alstom employee engagement level for the fiscal year ended 31 March 2026, as well as one relative condition linked to the performance of the Company's share. The final delivery will take place at the latest fifth business day following the end of the vesting period.

MOVEMENTS

	Number of performance/free shares
Outstanding at 31 March 2022	**5,232,617**
Granted(1)	2,481,612
Exercised	(393,155)
Cancelled	(886,759)
Outstanding at 31 March 2023	**6,434,315**
Granted(2)	2,439,122
Exercised	(1,401,811)
Cancelled	(1,027,066)
OUTSTANDING AT 31 MARCH 2024	**6,444,560**

(1) Includes 2,481,612 shares granted through PSP 2022.
(2) Includes 2,439,122 shares granted through PSP 2023.

18.4. Severance payment and other benefits arising upon the termination of the mandate

The Chairman and Chief Executive Officer will not be able to keep the non-fully vested rights to stock options or performance shares awarded under his mandate, except in the event of a forced departure and subject to the decision of the Board of Directors.

The Chairman and Chief Executive Officer having resigned from his working contract will not benefit of any severance payment in the event of departure, should this departure be linked to that contract or his current mandate.

18.5. Transactions with related parties

The decree n°2009-267 dated 9 March 2009 requires to give information about transactions with related parties contracted at conditions other than normal market conditions.

The Company has not identified any transaction coming into the scope of this requirement.

18.6. List of subsidiaries

Alstom Holdings is Alstom's sole subsidiary and is 100% owned.

Information on Alstom Holdings

Gross value of investment held by the Company	€14.3 billion
Net value of investment held by the Company	€14.3 billion
Gross value of loans and advances granted by the Company	€3.9 billion
Net value of loans and advances granted by the Company	€3.9 billion
Bonds and guarantees granted by the Company outstanding at 31 March 2024	-
Dividends paid by Alstom Holdings to the Company during financial year ended at 31 March 2024	€51 million
Alstom Holdings shareholders' equity at 31 March 2024	€11.9 billion
Alstom Holdings' Sales	€429 million
Alstom Holdings' Net Profit	€806 million

3.2.4 Statutory Auditors' report on the financial statements

(For the year ended 31 March 2024)

This is a translation into English of the Statutory Auditors' report on the financial statements of the Company issued in French and it is provided solely for the convenience of English-speaking users.

This Statutory Auditors' report includes information required by European regulation and French law, such as information about the appointment of the Statutory Auditors or verification of the management report and other documents provided to shareholders.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Annual General Meeting of Shareholders of Alstom SA

Opinion

In compliance with the engagement entrusted to us by your Annual General Meeting, we have audited the accompanying financial statements of Alstom SA for the year ended 31 March 2024.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at 31 March 2024 and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the "Statutory Auditors' Responsibilities for the Audit of the Financial Statements" section of our report.

Independence

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code (Code de commerce) and the French Code of Ethics (Code de déontologie) for Statutory Auditors, for the period from 1 April 2023 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5 (1) of Regulation (EU) no. 537/2014.

Justification of Assessments - Key Audit Matters

In accordance with the requirements of Articles L. 821-53 and R. 821-180 of the French Commercial Code (Code de commerce) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the financial statements.

Valuation of the investment in Alstom Holdings

(Note 2.1 Investments in subsidiaries, Note 2.2 Advances and borrowings with subsidiaries and currents accounts of Alstom Group companies and Note 8 Financial assets to the financial statements)

Identified risks

As of 31 March 2024, the net value of the investment of Alstom SA in Alstom Holdings, including advances, amounts to 18,176 million euros. Alstom Holdings owns directly or indirectly all the entities of the Alstom Group.

As described in Note 2.1 to the financial statements, investments are recorded at their acquisition cost. Alstom SA records an impairment if the recoverable value of the investments is lower than their carrying value.

Determining the recoverable value is based on the value in use, the latter being determined based on Discounted Cash Flows of the investment net of the net debt and adjusted by fair market values deriving from ongoing transactions, when applicable. This impairment test relies on significant management estimates and judgments, such as the Group's business plans and long-term growth rate.

As described in Note 2.2 to the financial statements, advances associated to investments are shown in the Balance Sheet at their nominal value. Whenever necessary and based on the available information at the closing date, provisions for bad debts are recorded in case of uncertainty about their recovery.

Accordingly, we consider the measurement of the recoverable value of the investment in Alstom Holdings to be a key audit matter, due to the amount of the investment recorded in the balance-sheet and the inherent uncertainty of certain inputs, in particular the likelihood of achieving forecast results included in such measurement.

Our response

We performed a critical review of the methodology applied by management to perform the impairment test by:

- understanding process and controls implemented by Alstom SA;
- assessing the accuracy of the gross value of investment and associated advances;
- examining the reciprocity of advances between Alstom SA and Alstom Holdings;
- assessing the consistency of the assumptions used for the impairment test (projected future cash flows, growth rates, discount rates) with the historical performance, the existing backlog of contracts and the economic environment in which Alstom SA operates;
- assessing the reasonableness of the assumptions used to determine values in relation with current or considered transactions or any other fair market values, if any;
- reviewing sensitivity analyses to key assumptions;
- verifying the appropriateness of the disclosures provided in Notes 2.1 "Investments in subsidiaries", 2.2 "Advances and borrowings with subsidiaries and currents accounts of Alstom Group companies" and 8 "Financial assets" to Alstom SA financial statements.

Specific verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations.

Information given in the management report and in the other documents with respect to the financial position and the financial statements provided to the shareholders

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the Board of Directors and in the other documents with respect to the financial position and the financial statements provided to the shareholders.

We attest the fair presentation and the consistency with the financial statements of the information relating to the payment deadlines mentioned in Article D. 441-6 of the French Commercial Code (Code de commerce).

Report on corporate governance

We attest that the Board of Directors' report on corporate governance sets out the information required by Articles L. 225-37-4, L.22-10-10 and L.22-10-9 of the French Commercial Code (Code de commerce).

Concerning the information given in accordance with the requirements of Article L. 22-10-9 of the French Commercial Code (Code de commerce) relating to remunerations and benefits received by the directors and any other commitments made in their favour, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your company from controlling and controlled companies. Based on these procedures, we attest the accuracy and fair presentation of this information.

With respect to the information relating to items that your company considered likely to have an impact in the event of a takeover bid or exchange offer, provided pursuant to Article L. 22-10-11 of the French Commercial Code (Code de commerce), we have agreed this information to the source documents communicated to us. Based on these procedures, we have no observations to make on this information.

Other information

In accordance with French law, we have verified that the required information concerning the identity of the shareholders and holders of the voting rights has been properly disclosed in the management report.

Report on Other Legal and Regulatory Requirements

Format of the presentation of the consolidated financial statements intended to be included in the Annual Financial Report

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by the Statutory Auditor relating to the annual and consolidated financial statements presented in the European single electronic format, that the presentation of the financial statements intended to be included in the Annual Financial Report mentioned in Article L. 451-1-2, I of the French Monetary and Financial Code (Code monétaire et financier), prepared under the responsibility of the Chairman and CEO, complies with the single electronic format defined in the European Delegated Regulation No 2019/815 of 17 December 2018.

Based on our work, we conclude that the presentation of the consolidated financial statements intended to be included in the Annual Financial Report complies, in all material respects, with the single European electronic information format.

We have no responsibility to verify that the financial statements that will ultimately be included by your Company in the Annual Financial Report filed with the AMF are in agreement with those on which we have performed our work.

Appointment of the Statutory Auditors

We, PricewaterhouseCoopers Audit and Mazars, were appointed as Statutory Auditors of Alstom SA by the Annual General Meeting held on 23 June 2009.

As at 31 March 2024, PricewaterhouseCoopers Audit and Mazars were in the 15th year of total uninterrupted engagement.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The financial statements were approved by the Board of Directors.

Statutory Auditors' Responsibilities for the Audit of the Financial Statements

Objectives and audit approach

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in Article L. 821-55 of the French Commercial Code (Code de commerce), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the Statutory Auditor exercises professional judgment throughout the audit and furthermore:

- identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the financial statements;
- assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the Statutory Auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein;
- evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report to the Audit Committee

We submit a report to the Audit Committee, which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) n° 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L. 821-27 to L.821-34 of the French Commercial Code (Code de commerce) and in the French Code of Ethics (Code de déontologie) for Statutory Auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Paris-La-Défense and Neuilly-sur-Seine, 15 May 2024
The Statutory Auditors

Mazars		**PricewaterhouseCoopers Audit**	
Jean-Luc Barlet	Daniel Escudeiro	Cédric Haaser	Edouard Cartier

3.3 OTHER FINANCIAL INFORMATION AS AT 31 MARCH 2024

3.3.1 Five-year summary

Information as per Article L. 2 32-1 of the French Commercial Code

	Year ended				
	31 March 2020	31 March 2021	31 March 2022	31 March 2023	31 March 2024
1. SHARE CAPITAL AT YEAR END					
a) Share capital (in € thousand)	1,581,816	2,598,413	2,613,742	2,663,174	2,690,037
b) Number of outstanding issued shares	225,973,782	371,201,793	373,391,746	380,453,454	384,291,068
c) Par value of shares (in €)	7	7	7	7	7
2. OPERATIONS AND INCOME FOR THE YEAR (in € million)					
a) Dividends received	-	-	-	-	-
b) Income before tax, depreciation, impairment and provisions	1,994	235	100	220	92
c) Income tax credit	18	4	11	18	9
d) Net income after tax, depreciation, impairment and provisions	2,019	222	102	234	90
e) Dividends(1)	-	93	93	95	- (1)
3. EARNINGS PER SHARE (in €)					
a) Net earning after tax, but before depreciation, impairment and provisions	8.90	0.64	0.30	0.63	0.26
b) Net earning after tax, depreciation, impairment and provisions	8.93	0.60	0.27	0.61	0.23
c) Net dividend per share(1)	-	0.25	0.25	0.25	-
4. PERSONNEL					
a) Average headcount of the year	1	1	1	1	1
b) Amount of remuneration of the Chairman and Chief Executive Officer (in € thousand)	2,131	3,108	3,132	3,547	2,513
c) Amount of social charges and other welfare benefits for the year (in € thousand)	791	1,112	1,069	946	784

(1) For the last year-end, subject to the approval of the General Shareholders Meeting.

For the last 3 fiscal years the following dividends were paid:

- year ended 31 March 2021: 93 million euros;
- year ended 31 March 2022: 93 million euros;
- year ended 31 March 2023: 95 million euros.

3.3.2 Comments on statutory accounts

Information requested by the Article L. 225-100 of the French Commercial Code

The Company is the holding company of the Alstom Group. Alstom Holdings is Alstom's sole subsidiary. The Company centralises a large part of the external financing of the Group. Fees from its indirect subsidiaries for the use of Alstom name are the Company's main source of revenue.

Income statement

The Company net profit amounted to 90 million euros and mainly comprised:

- 31 million euros operating income stemming from the fees for the use of Alstom name and from the re-invoicing to its subsidiary Alstom Holdings of expenses related to the acquisition of Bombardier Transportation, minus administrative costs and other external costs;
- 50 million euros financial income mainly linked to the dividends received for an amount of 51 million euros;
- non-recurring income: 0 euro;
- 9 million euros net income tax credit mainly linked to the tax grouping.

Balance sheet

Total of balance sheet amounts to 18,817 million euros and is mainly made of:

- **Assets**
  - Investments in Alstom Holdings totalling 14,312 million euros in net value.
  - Advances to Alstom Holdings amounting to 4,458 million euros.
- **Shareholders' equity and liabilities**
  - Shareholders' equity amounts to 14,766 million euros and is made of:
    - share capital: 2,690 million euros;
    - paid-in capital: 5,199 million euros;
    - reserves: 6,786 million euros;
    - net profit of the period: 90 million euros.
  - Outstanding bonds amounting to 2,657 million euros.
  - Other borrowings: 1,033 million euros.
  - Debt linked to the drawdown on a RCF line of 175 million euros.

Information on trade payables & trade receivables

In accordance with the Article D. 441-6 of the French Commercial Code, it is stated that trade payables and trade receivables recorded on the balance-sheet of the year ended 31 March 2024 are made up as follows:

	TRADE PAYABLES						TRADE RECEIVABLES					
	Invoices received due for payment and remaining unpaid at the closing date						Invoices issued due for payment and remaining unpaid at the closing date					
(in € million)	0 day	1 to 30 days	31 to 60 days	61 to 90 days	91 days or more	Total 1 day or more	0 day	1 to 30 days	31 to 60 days	61 to 90 days	91 days or more	Total 1 day or more
(A) Ageing profile of payment arrears												
Number of invoices involved	5					0	0					25
Total amount of invoices involved (excl. VAT)	15.47	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.05	2.05
Percentage of total purchases for the fiscal year (excl. VAT)	39.33%	0.00%	0.00%	0.00%	0.00%	0.00%						
Percentage of sales for the fiscal year (excl. VAT)							0.00%	0.00%	0.00%	0.00%	2.79%	2.79%
(B) Invoices excluded from (A) related to disputed or unrecorded payables and receivables												
Number of invoices excluded			24						-			
Total amount of invoices excluded (incl. VAT)			0.33						-			
Comments						Excluded invoices are related to unrecorded or disputed payables.			-			
(C) Reference payment terms used (contractual or statutory - Article L. 441-10 or Article L. 441-11 of the French Commercial Code)												
Payment terms used to calculate arrears	Contractual payment terms Statutory payment terms		45 days following the end of the month				Contractual payment terms Statutory payment terms		30 days following the end of the month			


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4

RISK FACTORS AND RISK MANAGEMENT, CONTROL ENVIRONMENT

AFR

The Content of the Annual Financial Report is identified in the summary table with the help of this pictogram.

Due to its multiple facilities throughout the world, its diverse activities and product ranges, and its development, the Alstom Group is exposed to various categories of risk, the occurrence of which could have a material adverse effect on its activities, financial situation, results, or prospects. This chapter presents the principal specific risks the Group considers it is exposed to as of the date of this Universal Registration Document.

Risk assessment and management are embedded in the Group's operational and strategic objectives. Alstom regularly reviews the risks it faces within the framework of risk management and controls as described below in the section of this chapter entitled "Control environment".

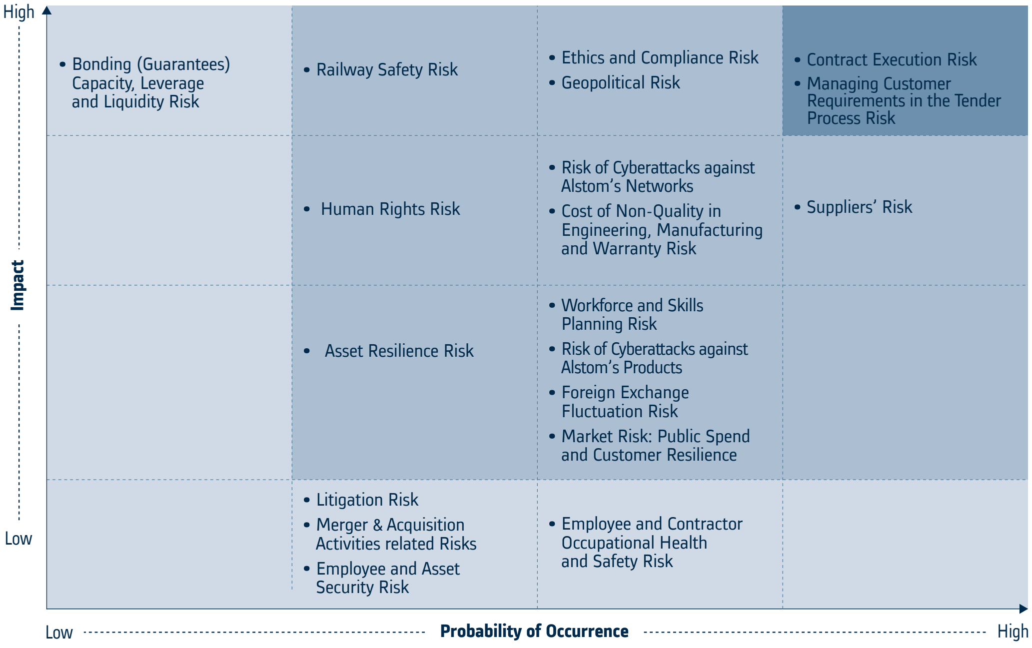
In the framework of the provisions of Article 16 of Regulation (EU) 2017/1129 of the European Parliament and of the Council, within each of the risk categories referred to below, the risk factors Alstom considers to be the most significant as of the date of this Universal Registration Document are presented first based on an assessment taking the risks impact level and probability of occurrence into account, as well as the actions and measures designed to manage and mitigate risks implemented by the Company.

It is possible that certain risks that have not been mentioned or identified as of the date hereof may potentially affect the Group's activities, results, objectives, image or share price. Alstom's assessment of the significance of these risks can change at any time, should new internal or external facts or circumstances materialise.

4.1 Risk Factors

4.1.1 OVERVIEW

Alstom Risk Factors		Criticality		
		Low	Medium	High
1. STRATEGIC AND MARKET RISKS	Geopolitical Risk	■	■	
	Market Risk: Public Spend and Customer Resilience	■	■	
2. OPERATIONAL RISKS	Contract Execution Risk	■	■	■
	Managing Customer Requirements in the Tender Process Risk	■	■	■
	Railway Safety Risk	■	■	
	Cost of Non-Quality in Engineering, Manufacturing and Warranty Risk	■	■	
	Risk of Cyberattacks against Alstom's Networks	■	■	
	Risk of Cyberattacks against Alstom's Products	■	■	
	Suppliers' Risk	■	■	
	Employee and Asset Security Risk	■		
3. LEGAL AND REGULATORY RISKS	Ethics and Compliance Risk	■	■	
	Litigation Risk	■		
4. ENVIRONMENTAL SOCIAL AND GOVERNANCE RISKS	Workforce and Skills Planning Risk	■	■	
	Employee and Contractor Occupational Health and Safety Risk	■		
	Asset Resilience Risk	■	■	
	Human Rights Risk	■	■	
5. FINANCIAL RISKS	Bonding (Guarantees) Capacity, Leverage and Liquidity Risk	■		
	Foreign Exchange Fluctuation Risk	■	■	
	Merger & Acquisition Activities related Risks	■		



Bonding (Guarantees) Capacity, Leverage and Liquidity Risk	Railway Safety Risk	Ethics and Compliance Risk Geopolitical Risk	Contract Execution Risk Managing Customer Requirements in the Tender Process Risk
	Human Rights Risk	Risk of Cyberattacks against Alstom's Networks Cost of Non-Quality in Engineering, Manufacturing and Warranty Risk	Suppliers' Risk
	Asset Resilience Risk	Workforce and Skills Planning Risk Risk of Cyberattacks against Alstom's Products Foreign Exchange Fluctuation Risk Market Risk: Public Spend and Customer Resilience	
	Litigation Risk Merger & Acquisition Activities related Risks Employee and Asset Security Risk	Employee and Contractor Occupational Health and Safety Risk	

4.2 Risk factors and risk management

4.2.1 STRATEGIC AND MARKET RISKS

4.2.1.1 Geopolitical Risk

Description of the risk factors	Risk management and risk impact
Alstom has industrial and commercial operations in a large number of countries: (58% of its revenues are generated in Europe, 19% in Americas, 14% in Asia/Pacific and 9% in Africa/Middle East and Central Asia as of 31 March 2024). As such, Alstom's business, results of operations, financial condition, and prospects can be affected by political and other developments in the countries and regions where it operates and, more generally, by their effect on global macroeconomic conditions. Political instability and trade conflicts in specific countries or regions can disrupt Alstom's operations and weigh on global activity. This risk is pronounced in the current environment of increased geopolitical tensions and conflicts (e.g., Russia's continued invasion of Ukraine, the breakout of the Israel-Hamas conflict, tensions between China and the US). Such conflicts and tensions and others that arise could, in addition to affecting the countries and regions in question, escalate and run the risk of affecting the economy more broadly (e.g., effects on supply chains, commodity or financial markets, investor sentiment).	Commercial tensions between countries require the Group to be responsive and proactive so that it can seek to limit the economic and operational impacts all while protecting its customers' interests if there are direct consequences on the business. Internal resources are dedicated to monitoring geopolitical risks and providing strategic foresight by anticipating and implementing mitigation action plans into Alstom's business activities. Resilience capacity is managed by allocating affected activities in more stable regions and by rebalancing the worldwide footprint to mitigate local impact. Regarding the conflict in Ukraine, the Group's actual exposure to Russia and Ukraine is extremely limited. Complying with all applicable sanctions and laws, on 9 March 2022, Alstom decided to suspend all deliveries to Russia. New projects are also not authorized until further notice. Alstom has completed the sale of its stake in the Russian company AO Transmashholding. In Ukraine, a dedicated team continues to provide support to employees in the signalling software business in Kharkiv. The collaboration with UZ (the operator of the Ukrainian railway network) has been enlarged to different fields of local operational needs and will continue and be adapted depending on the evolution of the context. Given the global geopolitical developments and uncertainties, the risk is high for Alstom.

4.2.1.2 Market Risk: Public Spend and Customer Resilience

Description of the risk factors	Risk management and risk impact
The bulk of the Group's business is concentrated in the railway market and conducted with public sector actors, in particular governments, which generated 86% of its revenues in the 2023/2024 fiscal year and represented 85% of its backlog as of 31 March 2024. The railway market is highly dependent on public procurement and funding as well as public policy relating to the environment and transportation. Macroeconomic conditions and geopolitical events have a direct impact on the public sector's capacity to allocate funds for railway capital expenses and/or operating costs and therefore may lead to cutbacks in customers' budgets. Economic slowdowns in particular can lead not only to delays in orders and contract awards, but also to decreases in measures encouraging research and development, reductions or cancellations of projects, or the availability or cost of their financing. For example, during periods of heavy indebtedness or sovereign debt crises, the implementation of austerity programmes or reductions in public spending may lead to budgetary adaptation measures that have an adverse impact on the volume of orders for transportation infrastructure projects. As such, any changes in public procurement, funding and public policy resulting in the reduction of capital allocated to infrastructure projects would adversely affect Alstom's business, results of operations, financial condition, and prospects.	Alstom regularly monitors evolutions in the railway market and adjusts its commercial strategy in line with market conditions. Customer Directors are in regular contact with customers to manage ongoing projects and tenders, respond to their needs and understand their difficulties, both technical and financial. On a broader market level, the Regional, Product Line and Central levels all have monitoring functions that assess railway market behaviour by collecting data from regional and global organizations, such as UNIFE (European Rail Supply Industry Association), UITP (International Association of Public Transport) and other specialised study groups, to analyse shifts in public transportation policies. Such information is not only used by Alstom to help build a better offering, including financial solutions, but also to anticipate the impact on future business opportunities. Most public transit operators are backed by state budgets and therefore do not necessarily rely on their own funding capacity. Nevertheless, to help customers with their funding needs, Alstom has the ability to enhance its offerings by structuring tailor-made financing solutions with a strong focus on green funding through (i) a large number of Export Credit Agencies (ECA) thanks to our agreements with ECA to increase our available capacity and Alstom's extensive industrial footprint or (ii) International Financial Institutions which play a major role in funding infrastructure transportation projects or (iii) private capital solutions which can fund certain type of transit contracts (e.g. Public-Private Partnerships). In addition, Alstom's geographically diverse market shares (58% of revenues are generated in Europe, 19% in Americas, 14% in Asia and 9% in Africa/Middle East and Central Asia) enable the company to offset a decrease in market opportunities in a specific country or region, all while maintaining its global objectives and financial performance. Finally, given Alstom's leading position in green mobility solutions, the need for rail infrastructure allowing governments to comply with commitments made to reduce mobility-related carbon footprints is an important mitigation supporting the public sector investment into the rail market.

4.2.2 OPERATIONAL RISKS

4.2.2.1 Contract Execution Risk

Description of the risk factors

Much of Alstom's business is conducted pursuant to complex, long-term contracts whose performance, in terms of profitability and cash flows, may underperform forecasts and may even be loss-making or cash consuming for various reasons resulting from their complexity, duration and (in some cases) multiplicity of counter-parties (where contracts are entered into among several participants through a consortium or the formation of a project company).

Variations in contract execution costs and contract profitability (which in turn directly affect the Group's results and profitability) depend on the project's progress and upon factors – certain of which are beyond the Group's control – such as the following:

- the occurrence of unanticipated technical problems with supplied equipment (such as equipment performance failures);
- postponements or delays in contract execution (with payment of contractual penalties, for example) or during tender processes;
- financial difficulties experienced by customers, customers withholding payments;
- critical projects requiring highly skilled personnel, which may reduce the number of employees available for the launch of new projects;
- insufficient availability or suitability of project teams and experts who can support operations locally; and
- contractual breaches by or financial difficulties of suppliers, subcontractors or partners in a consortium (in particular civil engineering firms) with which Alstom may at times be jointly liable.

Moreover, the Group's operations frequently involve the creation of partnerships and the subcontracting of production which can create the risk of an additional increase in working capital requirements or early phase project implementation investments. In extreme cases lenders could enforce first-demand bank guarantees (in potentially significant amounts) given by Alstom in project financings. Any unanticipated lag between the Group's cash outflows and inflows with respect to its orders or any reduction in overall order intake or worsening of payment terms has a direct negative effect on changes in Alstom's working capital requirements.

As an example, Alstom has encountered difficulties in respect of executing certain contracts inherited from Bombardier Transportation. In the aggregate the legacy BT contracts had a negative impact of 30 basis points on Alstom's gross margin in the 2023/2024 fiscal year.

The Group's exposure may be more significant in cases where Alstom partners with various parties through a consortium or the formation of a special purpose entity covering concession and project financing activities, as Alstom has less control over the performance of these contracts.

Finally, adverse geopolitical, regulatory, environmental or other market developments in regions where Alstom operates may make the execution of contracts more difficult or extend execution timeframes, which would have an adverse impact on Alstom's business, results of operations, financial condition, and prospects. The potential consequences of the foregoing risks are both financial and legal in nature and involve potential adverse impacts on the Group's image, customer relationships, and competitive position.

Risk management and risk impact

The project management activity in place in Alstom is structured with a process and six sub-activities covering major operational domains. Our community of Project Managers are trained to execute contracts according to these processes. The management of risks and opportunities are the focus point of our managers. The assessment of the proper execution of our projects considering the risks to which we are exposed, is performed using:

- project reviews on a regular basis (timing defined upon the criticality of the project) to monitor the status and effectiveness of action plans, as well as an assessment of the project portfolio's financial impact before each half-year account closing. Risks and opportunities reviews are on the agenda of these Project Reviews. Update of mitigation plans, closure and opening of risks is a regular and permanent activity of the Project Team;
- regular planning updates and alignment between the different stakeholders (internal and external) participating in the elaboration of the project. We have a specific process with several Gate Reviews on each project to progressively approve the successive progress of each project phase (process called Development for Quality). All activities in all our sites are organized and monitored according to this core model which is regularly improved with return of experience on a model of continuous improvement;
- as part of the tactical planning process of Alstom, monthly reviews are held in each site to check their capability to address the updated project demands and propose action plans to mitigate issues;
- a management of our customer requirements initiated in tender phase and continued during the execution of the project.

The staffing of our project core teams with the right skilled people is addressed every quarter to anticipate the need of adequate resources for each of our future contracts. We take into account experience required and acquired by the candidates together with the leadership and intercultural skills needed in our complex and international projects. We have also recruited several hundred people in the last three years to cope with our current needs. An independent certification program is also in place for our Project Managers and Planning Managers in order to reinforce our competencies and answer positively to our customer requests.

The development of our pipeline of Project Managers is supported by an internal academy which is proposing and updating regularly the training modules, capitalizing on experience. Hundreds of people are trained every year and have the possibility to progressively evolve along their career on more and more complex projects.

As part of the Project Core team, we have Finance experts who support the project Manager in the decisions to be made in front of each uncertainty, each risk and each opportunity.

We have also reinforced the training of Project Core teams on contract management to better tackle sub-contractors and customers terms and conditions. Contract Managers are key members of the project core team and assigned full time to the most critical projects. The objective is to put on track important contractual milestones, not only financial, to secure payment on time and deliver satisfactory our contractual obligations.

Last but not least, our partners and suppliers are regularly assessed to minimize our exposure to technical and financial difficulties.

Despite all these measures and considering the geopolitical situation and economic environment, the project execution risk remains high.

4.2.2.2 Managing Customer Requirements in the Tender Process Risk

Description of the risk factors	Risk management and risk impact
Much of the Group's business comes from public sector tender offer processes involving formal contracts with limited room for negotiation. This can result in Alstom entering into long-term contracts with less favourable conditions or more stringent requirements than those normally sought by the Group (e.g., multiple penalty clauses, limitations on liability, cash position). Such contracts may also restrict Alstom's choice of its partners, which may result in constraints relating to costs, refinancing, target volume and execution. The Group must be able to define at the time of bidding the costing assumptions for all the customer's specifications while also proposing the best organisation within the Group for the successful execution of the contract. These assumptions may turn out to be inaccurate if the following situations materialise: ● modification of technical definitions during the execution phase (change in the product being offered in order to comply with the customer's requirements); ● projects have not been undertaken over a certain period and have limited relevance for new applications; ● complexity in the planned organisation (organisation of the project's design, or procurement, industrial organisation of the project). Furthermore, the actual costs of developing and building projects could significantly exceed the initial estimated costs at the time of bidding. The risk of cost overruns is exacerbated by macro-economic volatility including inflationary pressures, and component scarcity or cost inflation. Similarly, if it is impossible to achieve the relevant required performance or planned schedule, the customer can in the majority of cases, demand the payment of penalties or terminate the contract. Finally, many of the tender offers in which Alstom participates require using local manufacturing or components purchased within the customer's country, particularly in emerging countries such as South Africa, India, and Brazil, but also in other countries such as the United States and Australia. Alstom must therefore build local production capacities or secure or increase its volume of third-party purchases from new local suppliers in order to be in a position to win, and execute the projects covered by, these contracts. The inability of Alstom to win contracts while effectively anticipating the required costs and capacity to execute them would have a material adverse effect on its business, results of operations, financial condition, and prospects.	The tender review process is based on an in-depth risk analysis that includes a list of items that must be systematically reviewed and verified. These elements take into account various parameters, such as the customer's profile, the contractual organisation of the project and project partners, the project timetable, contractual clauses, the exposure to exchange and inflation risks, country risks, tax issues, and key financial elements (contract price, margin, risks and opportunities and related financial reserves, cash curves, etc.). The review process for commercial offers includes several control steps up to the submission of the tender to the customer. Depending upon how complex and risky the opportunity is, the audience of the reviews is adjusted to obtain the proper approvals. The application of this process relies on a specific documentation, analytical and validation tool for all commercial opportunities, and ensures the traceability of assumptions applied throughout the entire cycle. Tender risk is also monitored based on specific monitoring of the transition period between tender and project phases, as well as a feedback loop making it possible to capitalise on best practices and lessons learned. The programme for restructuring projects by sub-system referred to in the contract execution risk is also deployed in regard to requests for proposals to ensure the efficient and smooth transfer of information and data between the tender and the contract teams. Finally, new rules impacting both cost and sales terms have been put in place in an effort to reduce the Group's exposure to the inflationary context and are well monitored. Geopolitical risks are evaluated and taken into consideration in the tender process.

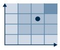
4.2.2.3 Railway Safety Risk

Description of the risk factors	Risk management and risk impact
A railway accident can potentially result in human fatalities or injuries and in consequences for the environment. If a railway accident were to occur that involved equipment or services (maintenance or train operation) delivered by Alstom, the Group could be subject to claims from its customers, victims or their insurers in legal proceedings related to the losses suffered. Even if no liability is immediately attributable to defects in Alstom's products or services, an accident could entail the Group becoming involved in legal proceedings, and potentially subject to negative media coverage, while the circumstances of the accident are investigated. Such an accident could also lead the relevant transportation safety authority to temporarily withdraw a certification. Despite the quality and safety control procedures in place throughout the Group, risks do remain. In addition to the potential human and environmental impacts, the occurrence of a railway accident involving equipment, or services supplied by Alstom could, if a defect in that equipment caused such an accident, have an adverse effect on Alstom's business, results of operations, financial condition, prospects and reputation.	The safety management system in place within Alstom, is based on a strong governance involving all the levels and parts of the organization supported by: ● three key processes covering the three needs being: Ensure delivery of safe products/systems (new build), Ensure that safety is maintained through operations & maintenance activities (services) and manage potential safety events; ● the deployment of a railway safety culture including dedicated internal communications, trainings and competences management. The monitoring of railway safety is done via different indicators out of which two activities shall be highlighted: ● safety reviews of projects (new build & services) aiming to ensure that railway safety maturity is at the expected level; ● the deployment of the railway safety culture via employee training. For more information, please see to Chapter 6, "Railway Safety".

4.2.2.4 Cost of Non-Quality in Engineering, Manufacturing and Warranty Risk

Description of the risk factors	Risk management and risk impact
The Group faces the risk of not achieving the level of quality expected by customers with respect to its products and services. Actions aimed at correcting or replacing defects observed in interim or final products can have an adverse effect on Alstom's business, results of operations, financial condition and prospects as well as on its reputation and that of its products. Alstom's business involves its entry into complex contracts that mobilise numerous processes involving internal and third parties. The significance and complexity of these contracts may give rise to additional work, either during the project phase or during the warranty period to achieve the quality level expected by customers, and in particular in the event of purchase of products or defective services by third parties. These activities can result in unanticipated costs for: • modifications resulting from non-compliance with requirements; • rejection, upgrading or repairing non-conforming parts; and • measures to improve the quality of the purchased products. These risks are also present in particular when handling incidents during the warranty period, which requires additional expenditures concerning: • replacement parts for defective components; • teams working in depots to carry out repairs and maintain the availability of trains and systems; • modification costs relating to Alstom's compliance with commitments in respect of technical performance objectives.	A number of measures have been put in place to manage this risk. In each region, the quality organisation mirrors the operational organisation and includes, at Group level, quality representatives from engineering, platforms, industrial, purchasing and warranty in order to avoid quality failures in each of the various phases and excessive warranty expenditures. Alstom has put in place a quality strategic plan, which is intended to evolve towards a zero-defect culture within each of the organisation's activities and with our suppliers. It includes: • customer satisfaction surveys that consider customer feedback on the performance of our products and projects; • monthly quality performance reviews, organised at various levels of the organisation, which include the evaluation of quality performance for key factors such as human resources and employee training, the rollout of project phase reviews, the in-factory and at-delivery system default rate, defects observed in purchased products, the tracking of associated quality costs, warranty issues and the related systematic handling (with the "8D", 8 disciplines of problem solving method); • process reviews organised to evaluate quality performance and to take decisions to optimise the effectiveness and efficiency of Alstom processes. These reviews are carried out centrally with each of the disciplines involved in managing Alstom processes and at the sites; • a quality training school that calls upon a network of internal trainers who provide teams with training and qualifications in quality processes and tools, and in particular risk management and issue resolution processes and Failure, Modes, Effect and Criticality Analysis (FMECA) type preventative tools; • internal evaluations by qualified quality auditors on how processes are applied; • a group-level quality alert system so that critical quality issues can be reported as soon as possible.

4.2.2.5 Risk of Cyberattacks against Alstom's Networks



Description of the risk factors and impact

Alstom develops and markets a portfolio of solutions ranging from high-speed trains, metros, monorail and trams to turnkey systems, services, infrastructure, signalling and digital mobility solutions. As Alstom continues its digital transformation for sustainable, durable, accessible, and intelligent transport solutions the development and delivery of these solutions relies heavily on modern information systems and technologies ("IST") combining cloud, mobility, and data.

The Group's broad geographic footprint, diverse businesses and product ranges, as well as the digital integration of customers', partners' and suppliers' IST ecosystems, make for a complex environment that exposes it to emerging and evolving cyber risk scenarios.

In 2023, the global threat landscape continued to evolve with an observable increase of cybercrime (e.g., ransom and extortion), attacks targeting corporate supply chains and attempts for credential phishing using social engineering. In addition, the continuing tense geopolitical situation led to hacktivism activities targeting critical infrastructure and services, which is expected to be an elevated risk going forward.

The inherent risks of cyberattacks affecting the Group's internal IST systems and networks remain might originate from external causes (viruses or other malware and computer hacking, network failures, etc.) or internal causes (malicious acts, breaches of data confidentiality, human error or negligence, obsolescence). The following main cyber risks have been identified with respect to Alstom's services:

- Risk of failure of an IST service provider. The Group outsources certain aspects of its IST systems and certain activities to optimize the management of its resources and improve the efficiency and security of its IST infrastructure. While the Group takes care in the selection of these service providers, there is a risk that they may fail to fulfil their security obligations or be subject to cyber-attacks, which could lead to disruptions to the Group's IST systems;
- Risk of IST system failure. IST systems are an integral part of Alstom Group's business operations, and the failure of one or more of these systems could result in disruptions to the Group's business activities;
- Risk of cybercrime. Cybercrime can take many forms, including contamination of IST systems through viruses or other malicious software, or intrusion into IST systems by unauthorized individuals. These types of attacks can result in business interruption, data theft, disclosure of sensitive data, manipulation of the Group's operational or financial data, ransomware attacks, or data loss.

The consequences of those risks can have a significant impact on the Group's financial performance, as they can lead to service disruptions, business interruptions, lost revenue, increased costs, damage to the Group's reputation and brands, loss of competitiveness, regulatory sanctions or penalties and loss of trust among customers and other stakeholders.

Risk management

Alstom has established a robust and sustainable cybersecurity risk management program, which is the basis of Alstom's ISO 27001 certified Information Security Management System.

The resulting risk mitigation strategy is implemented by a dedicated organization led by the Group's CISO through a comprehensive policy framework which is regularly reviewed and updated.

The main pillars of this strategy are:

- strong governance based on international standards and industry best practices, including verification that cybersecurity is in line with specific General Data Protection Regulation (GDPR) rules;
- constant updating of information systems and technologies;
- strong authentication of all user and privileged accesses with a secure access management for applications and systems;
- real-time event and anomaly detection for timely response and recovery through a dedicated Security Operations Centre (SOC);
- action plans to ensure that ICT systems are always protected against potential threats and can recover quickly;
- awareness, training, and competency development regarding cybersecurity;
- partnerships with major players in the cybersecurity sector, bringing their indispensable expertise and innovations to the roll-out of cybersecurity mechanisms that are adapted to the railway sector; and
- performance of attack simulations (red teaming) to assess the Group's entire cybersecurity strategy and processes.

In 2023, the Group specifically focused on the following areas to address new and shifted threat vectors:

- risk management of third-party service suppliers to improve the supply chain cybersecurity and resilience;
- continual evaluation of the accessibility, exposure, and exploitability of digital and physical assets; and
- increased security awareness to foster behavioural changes and reduce human risks, especially phishing and ransomware.

Given the increased cyber threads and despite high focus to counter measures the risk remains elevated.

4.2.2.6 Risk of Cyberattacks against Alstom's Products

Description of the risk factors and impact	Risk management
The solutions developed by Alstom are essential to the social and economic life of cities, regions and countries and in some cases can play a role in the strategic policies or solutions in geopolitical contexts. To address the growing demand of performance, operational efficiency, energy consumption and passenger experience, railway systems rely heavily on connectivity, computers and software, which increases Alstom's exposure to cyberattacks. Cyberattacks on products, services and systems developed by Alstom could occur at any time during the lifecycle, from the conception phase to production, delivery, installation and implementation, to their actual operation, and remain a risk until the decommissioning of such products, services and systems. The threat landscape continues to evolve, and critical infrastructures are increasingly targeted using sophisticated methods that can cause substantial harm. Critical infrastructures can be targets of any number of malicious actors, including script kiddies, independent hackers, criminal organizations and state-owned or sponsored threat actors. These cyberattacks can occur during project execution or maintenance and operation of projects while under Alstom's scope of control, or that of a third party (causing data corruption, compromise of components, or system unavailability). Despite efforts to mitigate such risks, their occurrence can have significant consequences, such as: ● Project degradation and/or late delivery, penalties, and contract cancellation; ● Unavailability of partial or complete fleets; ● Loss of partial or full control of the system or one of its components (e.g., trains or signalling); ● Accidents with casualties due to system corruption; ● Disorganization of the transportation system, impacting the capacity to absorb traffic flow; ● Negative image and reputation and loss of credibility; ● Disqualification from and loss of tenders; ● Legal consequences for failing to apply cybersecurity law, regulations and best practices; ● Significant penalties and loss of market access if products, solutions and services do not comply with regulations (e.g., European General Data Protection Regulation or Cyber Resilience Act). Such attacks can also impact the quality, availability and security of Alstom's products and solutions used by it or its customers, resulting in business interruption and the fraudulent use of Alstom's products and solutions for criminal purposes. The failure of Alstom's products and systems as a result can have a material adverse impact on Alstom's reputation, business, results of operations, financial condition, and prospects.	Alstom increases the resilience of the products, solutions, and services it sells to its customer by implementing a robust and sustainable risk management strategy. This strategy is deployed through a global organization dedicated to the cybersecurity of Alstom products, solutions and services. The objective of the protection is to minimize the impact of any materialisation of risks for Alstom, and its customers and stakeholders. This risk management strategy is implemented through a global organization dedicated to the cybersecurity of Alstom products solutions and services. This organization implemented a cybersecurity policy framework, derived standards and procedures on the technical and organizational controls applied during the life cycle of products, solutions and services, from the conception phase to production, delivery, installation, commissioning, operation, and up to the decommissioning following IEC 62443 and the CENELEC TS 50701. The second element of this strategy is the deployment of a supplier management program to improve the supply chain cybersecurity and address third party risk. Alstom also deploys an awareness, training, and competency development program regarding cybersecurity (as part of its "Cybersecurity academy"). This training covers basic practices but also advanced design principles for system architects, software designers, installation, validation, test and commissioning engineers. The training and awareness program also includes regular webinars for commercial forces and customers. In addition, there are regular assessments of products with digital content in all product lines to update the corresponding development roadmaps. Our production facilities and industrial processes are also covered by a specific program aimed at reducing their exposure and securing Alstom deliveries during industrial activities. The strategy also includes the active participation up to and including the leadership of international standardization committees or projects. Finally, Alstom is developing partnerships with major players in the cybersecurity sector, bringing their expertise and innovations to the roll-out of cybersecurity mechanisms that are adapted to the railway sector. All these elements are articulated around 3 axes: ● Integration of security controls in our products and adjustment of our project deployment processes; ● The development of a specific portfolio of products dedicated to cybersecurity to address the installed base; ● The creation of specific services to support our customer transformation and implement the necessary vulnerability management program to guarantee cyber resilience over the lifecycle of our deliveries. Given the fast-changing context, the evolving nature of the threat actors and the uncertainties of the geopolitical context, the risk remains significant.

4.2.2.7 Suppliers' Risk

Description of the risk factors

Industrial purchases and purchases of services, equipment, and sub-systems from third parties represent a very significant proportion of Alstom's cost of activities (64% in the 2023/24 fiscal year). The Group addresses a large market and relies on several thousand suppliers globally for its projects. Alstom is therefore exposed to certain supplier risks, which could adversely affect its performance and profitability.

First, given factors such as trade and customs barriers, tensions in markets for certain manufactured goods and price volatility of raw materials, corresponding cost fluctuations may not be fully reflected in the Group's contract prices or the Group may not be able to pass on price increases to offset the reduced profitability of such contracts. In cases where procurement costs are prohibitively high, the Group's ability to enter into agreements or win tenders will also be affected. While long-term contracts with its customers generally include index linking formulas that aim to protect the Group's margins against cost increases, and such indexes are structured to reflect the contracts' cost structure as much as possible, they may prove insufficient to preserve margins, notably due to certain thresholds and implementation lags.

In addition, Alstom faces significant supplier risk as a result of certain market dynamics. First, tenders sometimes require that Alstom source its production from local commodities in countries where the railway industry is not yet mature, which might lead to delays and additional costs when working with certain suppliers. Moreover, Alstom may face constraints, and thereby unfavourable performance, when dealing with certain suppliers who are in quasi-monopolistic positions, exposing Alstom to a risk of dependence on certain suppliers. This arises in cases where only limited suppliers are available for a product or technology that Alstom needs or if there is an imbalance between supply and demand in certain markets (e.g., electronic components or energy), any of which may lead to supply bottlenecks for Alstom and its suppliers, who may be unable to obtain required materials at expected costs or within expected timeframes.

Furthermore, the escalation of geopolitical tensions may have ripple effects on Alstom's supply chain, which relies on goods and services from numerous countries, resulting in potential supply shortages, price increases and transportation disruptions.

Finally, considering the duration of a railway project, i.e., three to five years on average, suppliers may encounter various periods of weakness or challenges that were not necessarily anticipated at the beginning of the projects. Suppliers or subcontractors may, for instance, become unable to make required deliveries due to force majeure events (including, for example, earthquakes, floods or other natural disasters, war and armed conflicts, political instability, and health crises such as epidemics or pandemics) in which their production sites are located. Moreover, certain suppliers or subcontractors may experience financial difficulties or fail to comply with Corporate Social Responsibility (CSR) regulations, quality standards or delivery deadlines set by Alstom, or may not comply with certain key conditions in the technical specifications required by Alstom's end customers, in particular with respect to the quality and performance of delivered products.

The failure of suppliers or subcontractors to fulfil their obligations in accordance with Alstom's requirements for any of the reasons described above could lead to delivery delays, unexpected costs, or reduced technical performance as well as the payment of penalties or damages by Alstom, any of which could weigh on profit margins and adversely affect the Group's business, results of operations, financial condition, and prospects.

Risk management and risk impact

The management of procurement risks is based on dedicated organization and governance to manage suppliers' performance and supplier risks:

- a Global Supplier Excellence and a Supplier Development and Quality organizations are in place to structure improvements in supplier performance by developing their maturity and operational efficiency, anticipating risks, preparing associated action plans and robust crisis management;
- risk management processes and tools are deployed at global and regional levels to anticipate any risks related to suppliers that may have an impact on Alstom's business or operations, and thus reduce the risk of disturbance due to external suppliers. Suppliers are assessed based on a map of 10 risk typologies: quality, delivery, CSR/E&C/EHS, financial solidity, switching fluidity (Alstom's ability to switch between suppliers, and the cost and consequence of switching), economic dependency, geopolitical, early warning signs, supplier relationship and criticality of the parts / service at industrial / project / customer level;
- for the suppliers identified as high risk, a mitigation plan is defined, including resource plans, double sourcing, in-sourcing or supplier development. These suppliers are reviewed internally during quarterly governance meetings organized at various levels, and the follow-up is done with the identified suppliers during supplier business reviews;
- supplier risk is a criterion taken into account when selecting a supplier for a new contract, and is included in supplier selection process, for a proactive management of the risks. It is also one of the main inputs in our supplier development program;
- regular audits are performed to assess the supplier's engineering, supply chain, quality, industrial, finance and organizational capability.

Procurement teams are part of the management task forces created at Alstom group level, to intensively monitor and manage the action plans related to specific crisis:

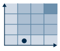
- to reduce the risk of electronic component shortages, Alstom thoroughly monitors the market evolution and critical suppliers in order to anticipate potential shortages or postponements. An internal marketplace has been set up to support and scrutinize the availability of semiconductors;
- to address the most critical top offender suppliers that are impacting operations, Alstom has set up a dedicated governance at Executive Vice President and Chief Operating Officer and Chief Procurement Officer level. Decisions are made to manage the supplier through a specific task force via the Crisis Management process or support them through the Supplier Development program.

This procurement process is reinforced by a robust sustainable procurement strategy. The prevention and the management of CSR risks are described in chapter 6 (section supply chain of the vigilance plan and section sustainable procurement).

Finally, the effectiveness of all these measures is strengthened by specific and comprehensive trainings aimed at raising supplier risk awareness, and global supplier performance.

Despite all these measures and considering the economic, and geopolitical uncertainties, the suppliers' risk remains high for Alstom.

4.2.2.8 Employee and Asset Security Risk



Description of the risk factors

Security risks involve exposure to intentional attacks in the environments in which Alstom operates. Alstom's global operations in the context of evolving geopolitical, economic and social developments increases the likelihood that malicious or criminal behaviour may jeopardize the well-being and security of the Group's employees, assets and activities. These unstable environments can lead to both direct targeting of Alstom and/or collateral negative effects on its business interests.

These security risks can be divided into three main categories:

- criminal acts targeting Alstom employees and assets: e.g., assault; extortion, kidnappings, theft, damage, and sabotage;
- direct or collateral effects of armed conflicts;
- direct or collateral effects of terrorist attacks.

The potential consequences of these risks are several. The physical well-being or security of Alstom's employees and partners could be negatively affected, and in some cases could result in injury or death. The above security risks are exacerbated by the fact that case law regularly imposes liability on companies when employees are victims of such attacks. In general terms, companies must comply with security obligations that require them as employers to anticipate all potential risks that may endanger their employees, failing which they may be subject to potential criminal prosecution. Other consequences include delays or interruptions of projects, which in turn could have adverse effects on the operational and financial performance of the Company. Finally, security incidents can result in negative impacts on Alstom's image and reputation, in particular if the risk analysis or measures put in place were to prove to be insufficient in hindsight.

Risk management and risk impact

The security of Alstom's employees, wherever they operate, is the Group's priority. The management of this risk is entrusted to a specific organization within Alstom, the Chief Security Office ("CSO"), which relies on a network of security coordinators and a robust and regularly updated security policy framework. CSO organizes and implements a set of human, organizational and technical measures to mitigate this risk through five phases: anticipation, prevention, protection, detection and reaction.

To anticipate, Alstom has developed a range of threat analysis and risk assessment capabilities that include classifications of all countries where Alstom operates according to the level of risk and the identification of associated measures. In terms of prevention, the Group takes all necessary measures to inform and train employees and managers, both on the risks and on the applicable policies. Based on the local situation, updated protection measures are implemented for Alstom employees and activities, adapted to the risk level. The CSO also relies on various information providers for risk detection on the global and local levels, including an internal network, public entities, and private providers. Finally, in the event risks materialise, reactive measures are set in motion, up to with the activation of one or several dedicated crisis management team(s).

Although Alstom has put in place certain plans and procedures to limit the potential impacts of malicious and criminal acts to the greatest extent possible, there can be no assurance that such risks will not materialise. Considering the implementation of these measures, the residual risk is considered to be low.

4.2.3 LEGAL & REGULATORY RISKS

4.2.3.1 Ethics and Compliance Risk

Description of the risk factors

Alstom's business activities are conducted in a complex and evolving legal and regulatory environment. Due to its presence in many countries, Alstom is subject to differing national legislations, particularly legislation resulting from the transposition of international conventions and international norms and standards. This is especially the case in the areas of competition, anti-corruption, influence peddling, anti-money laundering, trade sanctions and export controls. Not only have these laws and regulations considerably expanded in scope and become more robust in recent years, for example, with the Sapin II law in France and the 2010 UK Bribery Act, but the authorities and jurisdictions responsible for their enforcement have also developed their capacity to investigate, cooperate and coordinate among themselves and prosecute offenders. They have also imposed increasingly stringent sanctions.

The nature of Alstom's business (highly concentrated in public-sector contracts) makes it particularly subject to the risk of non-compliance with anti-corruption laws and regulations despite the policies and procedures it has in place to ensure compliance. Corruption and bribery risk can also result from third parties acting on Alstom's behalf or in cooperation with Alstom (e.g., sales partners, consultants, joint venture/consortium partners, suppliers and, to a lesser extent, customers).

Alstom may become aware of instances of actual or potential non-compliance pursuant to its compliance processes and procedures. Alstom may consequentially engage in self-reporting to relevant governmental authorities, and announcements as to the outcome of resulting investigations or proceedings may occur at any time.

If the Group is unable to comply with anti-corruption and influence peddling laws and regulations, the legal and financial consequences could be serious and gravely tarnish the Group's reputation. This would be the case if certain Group companies and/or certain current or former Group employees were the subject of investigations and/or proceedings by judicial or administrative authorities or by international financial institutions in connection with allegations of unlawful payments, as was the case during the investigation of Group subsidiaries commenced in the United States with respect to potential violations of the US Foreign Corrupt Practices Act (FCPA) and in the context of which Alstom entered into a deferred prosecution agreement with the US Department of Justice ("DOJ") in 2014. Bombardier Transportation is also currently being audited by the World Bank's Integrity Vice Presidency ("INT") and is involved in various investigations into allegations of corruption, including those conducted by the Swedish criminal authorities, the Special Investigation Unit ("SIU") in South Africa and the DOJ. Please see Note 33 "Disputes" to the consolidated financial statements as at 31 March 2024 for a description of the proceedings and investigations relating to ethics and compliance matters involving the Group or in which it is participating.

These investigations and any potential convictions could lead to financial, reputational, operational, and legal consequences (e.g., eligibility to participate in public procurement tenders), which could have a material adverse effect on Alstom's business, results of operations, financial condition, prospects and share price.

Risk management and risk impact

Regarding compliance risks, Alstom is fully committed to eliminating unlawful practices in relation to corruption, influence peddling and competition law. Alstom constantly seeks to improve its compliance programme and implement the highest standard compliance rules and processes. Alstom was among the first companies in the world to obtain the AFAQ ISO 37001 certification awarded by AFNOR following an audit carried out in 2017. Since then, Alstom has been ISO 37001 certified in all regions in which it has operations. In 2020, this certification was renewed until 2023. A second renewal and expansion campaign took place in 2022 to include ex-Bombardier Transportation sites, resulting in a new certification ISO 37001 until June 2026.

Alstom's first Code of Ethics was put into place in 2001. Updated in December 2015 and renewed in May 2020, the Code of Ethics is available in multiple languages, and was distributed to all Group employees. It is available on Alstom's intranet and websites.

The E&C rules and procedures are centralised within the Alstom Integrity Programme which is deployed to employees through the framework of training and communication measures. The Integrity Programme is monitored internally and externally.

A growing community of E&C ambassadors, which was created in 2010, counts more than 530 employees. They come from different functions and volunteer to spread the culture of integrity within the group and act as a point of contact.

In-depth training in E&C and online training modules are rolled out each year, around the world. Face-to-face training and e-learning sessions are essential to explaining our policy and rules and procedures. After Bombardier Transportation was acquired, two updated classroom training modules on competition law compliance and preventing corruption and influence peddling were launched and all exposed Group employees are required to participate. A two-year campaign was launched in 2021 and completed in 2023. Over 10,000 participants were trained, which represents 100% of 2021's target population. A new two-year cycle has begun. In 2022, over 39,000 individuals were trained online. In 2023, 42,500 individuals were trained.

It is sometimes necessary to have recourse to external business advisors (lobbying, advising, intelligence and representation services) in order to improve Alstom's commercial expertise in certain countries. Alstom policies and instructions set forth strong principles, rules, safeguards and verification procedures for the selection, use and payment of such services. All agreements must be approved by the Company with the support of the E&C Department following a clear description of the characteristics of the agreement and comprehensive information about the consultant (the consultant is subject to in-depth and comprehensive prior due diligence).

Disciplinary measures are a key element of the ethics and compliance programme, and Alstom continually reinforces this aspect of its programme. Any violation of ethics and compliance rules is submitted to Alstom's Disciplinary Committee, which is made up of the Chief Executive Officer, the General Counsel, the Chief Human Resources Officer, and the Chief Compliance Officer. Cases are presented to the Committee and the appropriate sanctions are applied.

Description of the risk factors	Risk management and risk impact
In addition, the export of products outside the markets in which they are produced can be restricted or subject to checks or to the receipt of an export licence. Certain countries are subject to export control regulations, embargoes, economic sanctions, or other forms of trade restrictions imposed by the United States, Canada, the European Union, Russia or other countries or organisations ("Sanctions"). These Sanctions or the expansion of these Sanctions could restrict or block the Group's business activities or result in amendments to the Group's policies and practices, which would have an adverse impact on Alstom's business, results of operations, financial condition, and prospects. Alstom's business activities are also subject to a wide range of competition regulations aimed mainly at combating anti-competitive practices involving suppliers, customers, partners, and competitors themselves. Infringement of these rules could lead to severe sanctions, such as fines, payment of damages, and statutory prohibitions and criminal penalties. Such sanctions could also have a significant impact on the Group's reputation. Despite the measures implemented by Alstom to comply with the regulations applicable to its activities, Alstom cannot guarantee the absence of risks in this area. Any violation or breach, even involuntary, of applicable provisions and guidelines by Alstom or its employees or agents could trigger civil, criminal, or administrative liability for Alstom, lead to Alstom's exclusion or elimination from public procurement tenders or manufacturer selection procedures, or even prohibit Alstom from accessing public contracts or conducting its activities and result in adverse effects on its business, results of operations, financial condition, prospects, and reputation. See Chapter 6 ("Ethics and Compliance" section) for more information on the non-financial impacts of ethics and compliance risks on the Company's business.	In addition to the rules regarding interactions with third-party consultants, specific instructions are in place presenting the rules and procedures for dealing with customers, consortiums and joint ventures, M&A activities, suppliers, and subcontractors. Additional instructions focusing on consulting companies, gifts & hospitality, political and charitable contributions, sponsorship, facilitation payments and the management of conflicts of interest are in place and must be applied by all employees. The delegation of authority rules for gifts & hospitality, political and charitable contributions, and sponsorship are harmonised within Alstom. The 2023/24 yearly integrity review was launched and involved approximately 2,680 executive and senior managers who reported on the efforts made to implement the Alstom Integrity Programme within their scope of influence, the ethics incidents that took place and the corrective actions undertaken. Please see Chapter 6 ("Ethics and Compliance" section) for more information on training and other details about the Integrity Programme or the yearly integrity review. In terms of resources, the Company's intranet has a dedicated section on E&C, posters are displayed on-site, and our website provides our external stakeholders Alstom's E&C commitments, including its E&C Policy, its Code of Ethics, the Alert Procedure, ISO 37001 certification, and other key integrity program information. Furthermore, an annual communication plan is deployed throughout the Company to raise awareness of Alstom employees. Regarding antitrust/competition law risks, a specific instruction is in place featuring strong principles, rules, and approval procedures to ensure the proper level of awareness and compliance with antitrust laws within Alstom. Disciplinary measures are a key element of the competition awareness programme. Any detected breaches of antitrust laws are submitted to Alstom's Disciplinary Committee. Alstom also has an online reporting tool, the Alstom Alert Procedure, which allows employees (via Alstom's intranet) and third parties (via Alstom's website) to report suspected violations of Alstom's Code of Ethics. Regarding trade sanctions and export control risks, specific protocols and online training modules are in place that provide employees with clear guidelines regarding compliance with trade sanctions and export control regulations.

4.2.3.2 Litigation Risk

Description of the risk factors

In the ordinary course of its business, Alstom faces the risk of litigation related to the supply of product and services. In addition, due to the nature of its activities and the execution of complex projects, the Alstom Group may also be exposed to the risk of litigations in relation to property damage and personal injury, intellectual property rights, and disputes involving sensitive matters (e.g., ethics and compliance, competition law and criminal investigations).

Certain of these litigations could adversely impact on Alstom's business, results of operations, financial condition, and prospects, as well as on its reputation and that of its products and services.

Alstom's 2021 acquisition of Bombardier Transportation has led to litigation, in particular the arbitration brought by Alstom in April 2022 against Bombardier Inc. before the International Chamber of Commerce regarding its purchase of Bombardier Transportation, and could in the future lead to further litigation.

Please refer to Note 33 "Disputes" in the consolidated financial statements as of 31 March 2024 for a presentation of the principal pending litigations involving the Alstom Group.

Risk management and risk impact

A framework is in place within the Alstom Group to ensure that all litigations are adequately and promptly notified to the Legal Department to ensure proper management of such litigations, and of the associated risks, and its reporting to relevant management members and governance forums as applicable.

The procedures within the Alstom Group enable an efficient management of the risks inherent to litigations by covering all the activities related to initiation, management, resolution and reporting of all litigations where the Alstom Group is involved. These procedures notably contemplate the following measures:

- horizon scanning to anticipate any potential new litigation;
- securing impartial legal proceedings via the definition of acceptable laws and acceptable state jurisdictions and/or arbitration rules, according to criteria validated by the Legal Department, for the resolution of any litigation;
- notification of any litigation to the relevant regional/headquarter Legal Department including escalation to the Group General Counsel for (i) material litigations exceeding a specified threshold (≥5 million euros "Material Litigation") and (ii) litigations involving any sensitive matter;
- the mandatory prior authorization of the Group General Counsel to (i) start any Material Litigation or any litigation involving a sensitive matter and (ii) before the implementation of any strategic decision in relation to their resolution;
- reporting on Material Litigations through the issuance of the Litigation Report twice a year (in March and in September) to the Group General Counsel for internal review and presentation to the Group Statutory Auditors and the Audit and Risks Committee;
- conduct of a risk assessment for each new litigation to determine if a risk provision is to be created and/or increased in coordination with the Finance Department;
- prior approval at the relevant Group management level, depending on the amount at stake, of (i) any out of court/amicable settlement and of (ii) any payment to be made as a result of an enforceable decision rendered by a state jurisdiction (tribunal or court), or an arbitration tribunal;
- assessment on a yearly basis by our external auditors in collaboration with the Legal Department of the compliance with the applicable Alstom Group procedures dealing with dispute resolution.

4.2.4 ENVIRONMENTAL SOCIAL AND GOVERNANCE RISKS

4.2.4.1 Workforce and Skills Planning Risk

Description of the risk factors

Growing demand for greener and more modern mobility solutions generates significant recruitment and skills development needs across all geographies. Alstom must reinforce workforce and skills planning to anticipate any potential lack of resources and technical skills to execute the considerable number of projects and deliver them on time. These needs arise in the face of evolving labour market conditions that present a scarcity of resources, particularly in highly technical areas and functions on which the Group depends. In addition, in order to succeed in hiring and retaining talented employees, the Group must increasingly strive to meet higher expectations from employees regarding career opportunities, flexibility, work-life balance, and health and well-being.

Workforce management and development risks may arise from:

- lack of anticipation of resource needs, lack of resources to execute contracts and projects which may lead to delays in delivery and generate additional recruitment costs and cash challenges mainly driven by costs of recruitment;
- the technical resources that Alstom needs are in high demand on the labour market, thus making the hiring process time-consuming and challenging;
- difficulties in retaining internal resources expose the Group to a loss of knowledge and expertise (significant training costs and very long periods of acquisition of skills).

Furthermore, the employment market has an impact on recruitment and retention, and may depend on or be impacted by the following:

- competitors hiring from the same pool of relatively scarce technical talent;
- a deficit of engineers in general and more specifically in signalling in Europe (including in France) and in certain markets such as Asia-Pacific and North America;
- the “brand” or image Alstom conveys as an employer of choice;
- “Time-to-Fill” for key positions, particularly during the launch phase of important projects; and
- employee engagement as a tangible measure of the quality of the relationship between a company and its employees.

As Alstom’s workforce needs and resources are substantially affected by external factors (social, political and macro-economic contexts in the countries in which Alstom operates), Alstom can give no assurances that it will be successful in recruiting, integrating and obtaining the engagement of the employees needed for its development.

Risk management and risk impact

Alstom has developed an ambitious strategy that enhances the Group’s attractiveness and strengthens its employer brand, all while developing its talents and identifying its needs in current and future skill sets so that it can respond to strategic and operational challenges.

To ensure that certain profiles can be recruited and retained, Alstom relies on:

Build:

- developing key skill sets internally by increasing learning development offers as well as various training academies.

Buy:

- reinforce talent acquisition organization with market intelligence capabilities to address the talent heatmap according to each labour market, to identify challenges & opportunities, to mitigate risks;
- starting to screen talent in the market before recruiting process is launched thanks to sourcing and scouting of candidates and generic job postings.

Fluid (Bridge):

- leveraging promotions and internal mobilities to develop and engage internal resources.

Engage & Retain:

- equipping managers with managerial skills to foster an engaging and positive workplace;
- a retention strategy to reduce voluntary attrition and thus decrease the risk of losing key talent;
- offering an engaging employee journey at Alstom which contributes to improving the employee engagement and the business performance.

Thanks to the action plan that has been implemented for several years and despite multiple labour market headwinds, the employee engagement level has slightly progressed and the attrition rate has been decreasing since 2022. The likelihood and financial impact of the risk are considered to be decreasing compared to last year.

4.2.4.2 Employee and Contractor Occupational Health and Safety Risk

Description of the risk factors

Alstom directly employs more than 80,000 people worldwide and uses [thousands of] temporary workers and contractors to meet its operational delivery requirements and business needs. Alstom's employees, temporary workers and contractors work in a variety of environments ranging from offices, manufacturing sites, operational railway infrastructure sites and construction sites.

Most of Alstom's business, whether at its offices or manufacturing sites, involves risks associated with business travel, work efficiency, and psychological harm as well as health crises and natural disasters.

Given the nature of Alstom's business, manufacturing and project delivery activities include heightened risks arising from:

- working at heights;
- heavy lifting operations;
- operating in confined spaces or excavations;
- working with heavy machinery and technical equipment;
- working with heat and in hot environments;
- railway infrastructure and railway vehicles;
- working with electricity;
- operating site vehicles (forklifts, cranes, bulldozers, etc.); and
- working with chemicals or hazardous materials.

Despite Alstom's efforts to monitor and reduce accidents at its facilities, incidents and accidents have occurred and may occur in the future.

These accidents may lead to serious injuries or in some cases fatalities. Certain of these incidents may result in costs and liabilities and negatively impact the Company's reputation or the operations of the affected sites, including production stoppages (due, for example, to loss of regulatory authorizations, loss of market share or regulatory prohibitions or penalties), loss of personnel or loss of key assets. In addition, any perceived lack of care regarding health and safety from investors or communities affected by Alstom's activities, may negatively impact community relations, labour relations, customer relations and the Company's reputation and result in disruptions to the Company's operations.

In addition, accidents may arise from the usage of certain types of equipment or from the adoption of operating practices that prove to be insufficiently safe or the failure to follow the Company's standard operating procedures. Accidents may also be caused by human error, a lack of knowledge by its employees on what to do in a given situation or the inability of its employees to follow the prescribed protocols in a given situation. Working in remote or hazardous conditions, where it may be more difficult to mitigate the consequences of an accident or put in place certain preventative measures, may further increase such risks. The occurrence of an accident may also lead to legal claims that seek to hold the Company liable, and it may not be successful in defending against such claims.

Risk management and risk impact

Alstom's environment, health and safety policy, applicable Group-wide, aims to provide all employees with a safe working environment, taking into consideration the physical workplace and working practices, that contributes to their safety and their physical and psychological well-being. As expressed in the policy, the Group aims to be recognised as the best EHS player in the Railway sector.

The Group's Health and Safety ambitions are:

- target zero accidents and incidents with focus on preventive actions; supported by Alstom Zero Deviation Plan (AZDP);
- continue to improve employees' and contractors' health and well-being; create a positive culture and attractive workplace that fosters and develops work health, and well-being for employees and contractors and promote social, mental and health factors. The Health and Safety strategy is supported by a pro-active approach based on:
- continuous improvement of EHS performance through measurable objectives and return on experience;
- an EHS Management System relying on internal processes to ensure compliance with applicable standards and regulations. The EHS Management System is based on ISO 45001;
- the assessment of EHS risks, proactive measures for the prevention of incidents and occupational diseases.

Today, more than 500 EHS professionals implement the Health & Safety strategy across the group. This EHS community is animated at different levels: country, cluster (several countries in a same area), region and central, with transversal roles for product lines.

The EHS Steering Committee is chaired by the Chief Operating Officer and Executive Vice President and co-chaired by the Chief Human Resources Officer and includes the leads for the CSR and EHS function and Alstom Leadership from the product lines and operations. This body meets every two months.

Everyone has their own role to play in ensuring the health and safety of our workforce. Our Management Teams, take their EHS responsibilities seriously and lead by example in all that they do, supported by the Visible Active Leadership campaign and training. We continually focus on identifying, eliminating, or reducing to an acceptable level, risks associated with our business activities.

With our employees and contractors, we continually look for ways to upskill them to provide them with the knowledge they require to carry out their day-to-day activities in a safe and sustainable manner and to ensure accountability.

Alstom has a number of programmes and control to help assess, monitor and control the maturity of health and safety risks on its site.

For more information, please see to Chapter 6, "Employees' and contractors' health and safety".

4.2.4.3 Asset Resilience Risk

Description of the risk factors	Risk management and risk impact
Climate Change is expected to affect companies as weather patterns continue to evolve in the coming years. The two main types of physical risks that could affect Alstom's assets are acute events, such as the increased severity of extreme weather events like cyclones or floods; and chronic events, such as rising mean temperatures and sea levels. Severe weather conditions can affect Alstom's operations in particular due to the long supply chain for certain of its operations and the location of certain operations in areas subject to extremely high temperatures (e.g., India or China) or areas that are susceptible to floods (such as the United States or China). No major events causing more than 2 million euros in product damage or business interruption occurred in 2023/2024. Two major climate events occurred in 2022/2023 (hailstorms in Belfort, France and floods in South Africa). More generally, severe weather conditions could increase in frequency and severity due to climate change. See also "Asset resilience" in Chapter 6 of this Universal Registration Document for further information regarding the Group's strategy with respect to climate change risks.	Alstom conducted a climate scenario analysis to assess the exposure level of its sites. The analysis was done on Global Warming Scenario SSP2 4.5 and SSP5 8.5; the second one was selected for the analysis (SSP - Shared Socio-economic Pathways, as per 6th assessment report of the IPCC - Intergovernmental Panel on Climate Change). The future climate risk screening assessed the physical vulnerability to both acute and chronic events towards 2050. The locations that had a high level of exposure to one of the studied climatic hazards went through a climate adaptation survey. Alstom's sites are currently deploying actions to mitigate climate risk, especially the one related to heat waves and floods. Further evaluations on adaptation initiatives will be carried out in 2024. Acute and chronic events from climate change might result in damage to Alstom installations, processes or projects, decrease of production capacity, impact on supply chain or workforce (e.g. health, safety, etc.), need for adaptation of operational ways of work and installations with potential increase of operating costs, among others.

4.2.4.4 Human Rights Risk

Description of the risk factors	Risk management and risk impact
As part of its social responsibility in the context of global and complex value chains, Alstom can be exposed to human rights controversies through its value chain, including in the sourcing of materials used or potential low ethical standards applied by its commercial partners. From an operational perspective, third parties may also oppose some of Alstom's projects or activities because of their immediate environmental or social impact which could lead to delays in projects or their suspension. The development of legislation across Europe and worldwide on companies' duty of vigilance means they are expected to establish adequate measures to identify human rights risks and mitigate them. The emergence of hard law in this field is leading to an increased risk of litigation. For further information regarding the Group's efforts and policies in this respect, see "Human rights" in Chapter 6 of this Universal Registration Document.	The management of this risk is based on risk identification via a global Human Rights risk mapping last updated in 2023 to cover all its geographies and activities and the implementation of mitigation measures both in Alstom's operational activity and its supply chain. Alstom has established its Vigilance plan which is reviewed on a yearly basis. To address these risks, Alstom's Sustainable Procurement program aims at monitoring or evaluating 100% of its suppliers by 2025 according to social responsibility or ethical and compliance standards as per their level of risk. In regard to Human Rights risks in Alstom operations, a CSR scorecard has been deployed to assess risks at tender stage; and due diligence and mitigation plans have been established for high-risk projects with central monitoring. In terms of governance, a Vigilance Committee was set up in May 2023, which consists of Alstom Leadership members from Legal, Governance, CSR, Strategy, Ethics and Compliance. This committee meets on a quarterly basis to develop and implement the strategic guidance on Vigilance duties. The impact of this risk ranges from reputational damages to operational risks of disruption in Alstom's supply chain or activity, and litigation.

4.2.5 FINANCIAL RISKS

4.2.5.1 Financial Risk Factors

Description of the risk factors	Risk management and risk impact
Bonding (guarantees) capacity, leverage and liquidity risk: Contractual obligations of the Group towards its customers may be guaranteed by bank bonds or insurance bonds. Bank and insurance bonds may guarantee liabilities already recorded on the balance sheet as well as contingent liabilities. The ability to have sufficient bonding capacity is a prerequisite for the Group to submit bids, obtain orders and receive instalment payments from customers. On 31 March 2024, (i) the total outstanding bonding guarantees related to contracts from continuing operations, issued by banks or insurance companies, amounted to 28.6 billion euros (26.2 billion euros on 31 March 2023), (ii) the Group's net debt (non-GAAP) amounted to 2,994 million euros (2,135 million euros on 31 March 2023) and (iii) the Group's free cash flow amounted to (557) million euros (199 million euros on 31 March 2023). Detailed information regarding the Group's financial debt is provided in Note 27 to the consolidated financial statements for the fiscal year ended 31 March 2024. The Group finances its long-term financing needs through bond issuances, and its short-term financing needs through the issuance of commercial paper on the NEU Commercial Paper market (NEU CP) and the use of short-term bank facilities such as revolving credit facilities. The Group is exposed to liquidity risk, particularly in the event of a prolonged debt market closure. If the group is unable to access sources of funding, insufficient liquidity would be particularly detrimental to its operational performance and in the long term, to its commercial credibility. The Group is currently rated by Moody's at Baa3, which is the lowest investment grade rating. On 12 October 2023, Moody's changed its outlook from stable to negative, increasing the risk that the Group may cease to have an investment grade rating. On 8 May 2024, Moody's affirmed the Group's Baa3 rating (in light of the Group's deleveraging plan summarized below) and maintained the negative outlook. Moody's further noted that the outlook will stabilize upon the successful closing of the hybrid bond issuance and rights issue components of the deleveraging plan and absent any material operating or cash flow underperformance until implementation of the two measures. Any downgrade of the Group's credit rating would increase its cost of funding and potentially restrict its access to certain types of financing. In this respect, the Group has announced a plan to strengthen its balance sheet aimed at reducing its net debt position by approximately 2 billion euros by March 2025 and maintaining its credit rating at investment grade. This plan includes (i) an asset disposal program, including the announced sale of the Group's conventional signalling business in North America (discussed below), (ii) an issue of hybrid bonds (with an expected 50% equity credit from Moody's) in the amount of ca 750 million euros, and (iii) a capital increase with preferential subscription rights in the amount of ca 1 billion euros. Alstom will terminate its 2.25 billion euros credit facility agreement following execution of the deleveraging plan. Any failure or delay in implementing the plan would likely lead to a downgrade in the Group's credit rating. A downgrade could also result from a deterioration in the Group's operating and financial performance such that it fails to meet its financial forecasts and objectives and/or the metrics stated as downgrade triggers in Moody's 8 May 2024 announcement. Any downgrade in its credit rating could limit and/or increase the cost of the Group's access to the capital markets, weigh heavily on the Group's share price and market capitalisation, and potentially affect prospective business counterparties' perceptions of its financial strength.	The management of financial risks is founded on Group procedures that allow for strict centralisation of treasury and financing transactions executed by the Group's Treasury and Financing Department. **Bonding (guarantees) capacity, leverage and liquidity risk:** To issue bonds, the Group relies on both uncommitted bilateral lines in numerous countries and a 12.7 billion euros Committed Guarantee Facility Agreement ("CGFA") with 16 tier one banks allowing issuances of bonds with tenors up to 7 years until 22nd July 2025. The CGFA has been further extended until 22 July 2026, with 15 banks for 12 billion euros. The facility has a further one-year extension option and offers terms and conditions in line with Alstom's credit profile, such as no financial covenants. Credit risk is mitigated by the Group's policy of limiting its exposure to financial counterparties by diversifying its financial partners and monitoring the quality of their credit. In addition to its available cash and cash equivalents, amounting to 976 million euros as of 31 March 2024 the Group bolsters its liquidity through bank facilities and benefit from three Revolving Credit Facilities (RCF). A 1.75 billion euros RCF with a maturity date January 2027 and a 2.5 billion euros RCF with a maturity date January 2029, both successfully extended subsequent to a second one-year extension option exercised in December 2023. The 2.5 billion euros RCF is a backstop to the Group's 2.5 billion euros NEU CP program. On 31 October 2023, the Group signed a new 2.25 billion euros liquidity line with a first-tier international bank as a further step toward demonstrating Alstom's financial flexibility. This facility's maturity is October 2024 with two six-month extensions at the Group's discretion. In December 2023, the facility was successfully syndicated with a pool of 20 international banks. Alstom has an obligation to prepay utilizations of and cancel available commitments under this facility with proceeds from the deleveraging plan announced November 2023 and reiterated in January 2024. The Group's liquidity demonstrates Alstom's commitment to a conservative financial policy and the strong support it benefits from its banking pool. The Group's financing facilities are consistent with its credit profile and do not contain financial covenants. Any change in Alstom's financial rating would, however, impact the cost of its lines of credit and short-term debt. **Foreign exchange fluctuation risk:** The Group strives to hedge each entity's foreign exchange risk between its functional currency and currencies of transaction. Whenever natural hedges are not possible, exposures resulting from these business activities must be hedged by spot or forward exchange rate transactions from the day the contract generating the exposure (present or future) comes into force. The Group only rarely hedges forecasted flows and can, in such cases, have recourse to options. Financial risk management is strictly centralised within the Group's Treasury and Financing Department. All transactions on derivative products are performed or, when that is not possible, at least supervised by the corporate front office and under the control of a strictly independent middle office. The financial instruments used to hedge exposure to fluctuations in exchange rates are described in Note 28 in "Notes to the consolidated financial statements".

Description of the risk factors	Risk management and risk impact
The Group is subject to additional financial risks, in particular foreign exchange risk and risks related to mergers and acquisitions. **Foreign exchange fluctuation risk:** The Group does business in more than 80 countries under long-term commercial contracts and is exposed to currency exchange risks. Its results can be impacted by fluctuations in exchange rates between functional currencies of the Group entities and currencies of transactions and also, in a more significant proportion, by fluctuations between the Euro and subsidiary reporting currencies. The main exposure of the Group in terms of currency exchange risks is related to the Polish Zloty, the Chinese Yuan, the Swedish Krona and the Saudi Riyal. **Merger and acquisition activities related risks:** As part of its growth strategy, the Group may acquire or divest companies and/or businesses or form joint ventures or partnerships with third parties. For example, on 19 April 2024, Alstom announced that it had entered into a binding agreement to sell its North American conventional signalling business to Knorr-Bremse AG for net proceeds expected to be around euros630 million euros. Closing of the transaction is subject to customary conditions, including regulatory approval, and is expected to take place in summer 2024. Three categories of risks arise from M&A transactions: Inadequate targets: the assets or businesses purchased may not adequately fit within the Company's strategic goals, and forming a joint venture or partnership may turn out to not be the most effective approach to meet such goals. Deal execution: the due diligence process may prove to be inadequate to properly capture the complexity of the target, and/or the contractual framework around the acquisition or divestment could fail to protect the Group against liability, indemnification claims, price adjustments and lawsuits. Integration failure: the financial and human resources allocated to the integration of personnel, activities and products may be insufficient to ensure the successful integration of the target or assets, notwithstanding extensive management focus (diverted from other uses). The corollary is also true in the case of divestments: dis-synergies or adverse impacts of operating the Group without certain assets may be underestimated such that the divestment may result in net negative financial, operational or strategic outcomes for the Group.	The Group is therefore exposed to foreign exchange risk mainly at the level of the operating margin. In 2023-24, aEBIT in foreign currencies amounted 644.5 million euros, including around 154 million euros in British Pound and 152.9 million euros in Chinese Yuan. Based on this 2023-24 aEBIT structure, an increase of 1% in the Euro against all currencies would have a negative impact of 6.4 million euros on its aEBIT after hedging. The net cost of foreign exchange hedging in 2023-24 amounts to 20 million euros (as described in Note 7 "Notes to the consolidated financial statements"). **Merger and acquisition activities related risks:** The Group has a layered approach applicable to all types of transactions, including the validation by the CEO / CFO of (1) the strategic rationale of all transactions, (2) any Non-Binding Offers to engage in a deal, (3) the results of due diligence and Binding Offers, (4) a signing memorandum prior to contract finalization and (5) a closing memorandum prior to any closing. In addition to this project-by-project layered approach, the Group holds a regular M&A committee including the CEO, the CFO and the General Counsel to review the progress of all potential transactions. A summary is provided as part of the business update at every meeting of the Board of Directors. Any transaction above a certain threshold must receive the specific approval of the Board of Directors. Overall, with the actions in place to address the described risk, the residual net impact is considered to be low.

4.3 Control environment

The Group has put in place a system of internal control procedures and evaluations initially based on control guidelines prepared by a recognised body, COSO (Committee of Sponsoring Organisations of the Treadway Commission). The procedures are compliant with the AMF "Reference Framework" published in July 2010 and updated from time to time.

The system of internal control put in place provides reasonable assurance that:

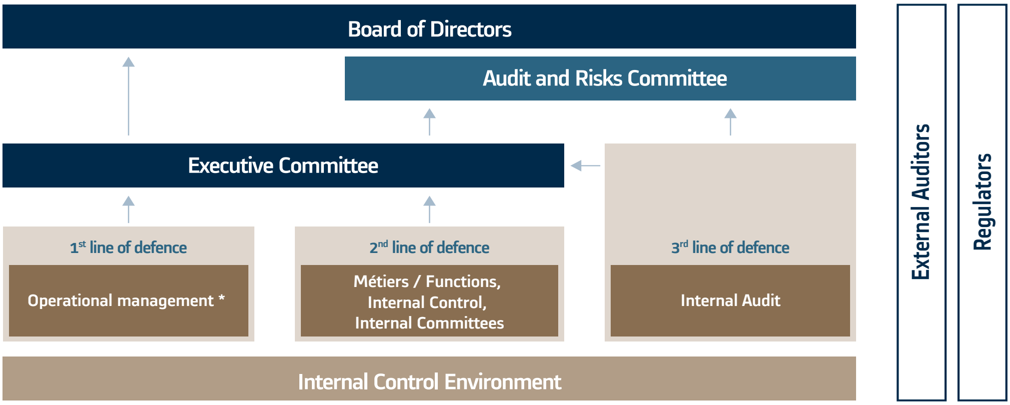
- the Group's Internal Rules and instructions including applicable laws and regulations are always complied with;
- information is complete, accurate and to the required quality, particularly financial information;
- operations are completed in an optimal manner and internal control processes are effective, particularly those concerning the safeguard of assets;
- achievement of business objectives is reached with identification and control of risk;
- the risk of fraud is minimised; and
- controls, including controls over risks, are widely understood at all levels within the Group and appropriate actions are taken to mitigate and minimise these risks.

Internal control consists of five inter-related components, which have been implemented within the Group:

- control environment covering integrity, ethics, competencies, authorities, responsibilities and staff development;
- risk assessment including the identification, analysis, and minimisation of relevant risks;
- control activities, namely policies and procedures that ensure that Management's instructions are applied;
- information and reporting: information must be identified, captured and communicated in a format and timeframe to enable the relevant persons to carry out their responsibilities; and
- monitoring, including internal check and internal control procedures as well as internal audit: a process that assesses the quality of the systems performance over time and within a defined schedule.

By essence, an internal control system cannot provide a guarantee that such risks have been eliminated. It must bring them down to an acceptable level.

The Group's various actors of risk identification and monitoring are described below and can be illustrated according to the three lines of defence model set forth by the IFACI (Institut français des auditeurs et contrôleurs internes).



* *e.g.* Project, Tender, Site, Unit, Country, Cluster, Region.

4.3.1 INTERNAL ENVIRONMENT

4.3.1.1 First line of defence: operational management

The Chairman and Chief Executive Officer is responsible for the internal control and risk management systems and for ensuring that internal control and risk management procedures are designed and operated effectively within the Group. Management is responsible for developing, operating, and monitoring the systems of internal control and for providing necessary assurance that it has done so.

Unit Management always has the responsibility of maintaining internal control. An Internal Control Questionnaire (or “self-assessment questionnaire”) has been developed which differentiates requirements to units based on their contribution to the Group’s financial statements, using a risk-based approach and covering the Group consolidation perimeter. This self-assessment questionnaire is regularly reviewed with the Group functions in view of developments in the Group’s risks. At least once a year, the Managing Director of each reporting unit formally certifies that the unit under his/her responsibility has correctly self-assessed its control environment and commits to implementing action plans to correct internal control deficiencies identified during the self-assessment.

The results of these self-assessments and the action plans are presented to the Audit and Risks Committee once per year.

For the self-assessment questionnaire review campaign carried out from mid-June to mid-September 2023, the internal control questionnaire was sent to all units, engaging more than 2,000 Department Heads around the world.

4.3.1.2 Second line of defence: the functions

Finance

The Finance function controls business, operations, and projects to optimise the Group’s profitability and cash generation whilst providing internal and external stakeholders with reliable information including financial information. This section describes the roles of the accounting (including global finance centers), treasury and business performance departments in the risk management context.

The Finance function defines the Group’s principles and financial policies in terms of tenders and projects control, funding, treasury, internal control, accounting, tax and management control.

The accounts of reporting units are prepared in accordance with the Group’s accounting policies. The data is then adjusted, where necessary, to produce the local statutory and tax accounts. Integrated consolidation software is used for both management reporting purposes and to produce the Group financial statements. The consolidation software allows the reconciliation between contract data and financial statements. The main reporting processes facilitate consolidation of financial data to produce the consolidated financial statements and forecast data, as well as regular management information.

Accounting standards

The consolidated financial statements are prepared in accordance with IFRS as adopted by the European Union. The consolidated financial statements are prepared in accordance with accounting policies as detailed in Note 2 “Accounting policies” of the consolidated financial statements at 31 March 2024.

Accounts closing process

The reporting units produce monthly statements which are used to determine the Group’s monthly operating income, cash flows and balance sheet.

Group Accounting Department

The list of entities to be accounted for by the equity or line by line methods or fully consolidated is drawn up by the Accounting Department. This Department also checks the quality of the reporting packages submitted by the units, focusing primarily on inter-company eliminations, and the accounting treatment of non-recurring transactions for the period, and movements between the opening and closing balance sheet used to prepare the statement of cash flow and reconciliation between legal entities and reporting entities.

The Department also checks the results of the application of the accounting procedures, including foreign exchange, inter-company eliminations, transfers to minority interests and recognition of the effects of changes in scope of consolidation. The Group’s consolidated financial statements are also analysed in detail, to understand and check the main contributions by Regions, Product Lines, or subsidiaries, as well as the transactions reflected in the accounts.

Global Finance Centers

The Alstom Global Finance Centers (GFCs) are our captive global transactional Finance Shared Services Centers which leverage Alstom Core technology and service a majority of entities in the Alstom Group across various time zones and geographies. Services and activities performed by the GFCs relate to Finance Operations covering Procure to Pay, Record to Report, Order to Cash, Travel and Expense Claim Management etc., along with limited support on reporting activities related to Tax, Treasury and other business performance areas. The GFCs are the backbone of finance operations and act as a strong line of defence by ensuring our processes and activities are well-line structured and standardized, and are executed in consideration of a strong control framework that ensures compliance and provides reasonable assurance to various stakeholders.

Group Business Performance

Group Business Performance department is an essential component of the group control environment, and it plays a critical role in ensuring that the organization plans and achieves its objectives effectively and efficiently. In this context, the Group Business Performance department runs the management control to monitor and evaluate the performance of different levels of the organization and to make adjustments to ensure that they are aligned with the overall goals and objectives of the group.

Group Business Performance designs and runs processes and rules to plan, monitor and evaluate financial performances of tenders, projects, functions, regions and product lines, in coordination with Group Accounting Department to comply with the IFRS. Group Business Performance also ensures that the risk levels are properly reflected in the Group financial statements.

Overall, the role of the Group Business Performance Department in managing risks is to ensure that the group's objectives are planned and achieved while minimizing potential threats to its operations, financial position, and reputation at every level of the organization especially in long term projects. Effective risk management in projects requires indeed a proactive approach, regular assessment of risks, and ongoing monitoring and reporting of the risk status.

Financing & Treasury

The Financing and Treasury Department defines rules and procedures regarding financing, cash management and bonding (Guarantees) for the Group and its subsidiaries. The department manages financial risks (liquidity, counterparty, foreign exchange and interest rate risks), the financial relationships with subsidiaries, the cash pooling structure, and the netting process.

The central organisation facilitates the financial risk management as all transactions on derivative products are performed centrally or, when that is not possible, at least supervised by the corporate front-office and under the control of a strictly independent middle office.

The Financing and Treasury Department is solely entitled to raise bank loans and invest cash except when local regulations do not permit it or in exceptional cases. In such cases, the involvement and approval from the Financing and Treasury Department remain mandatory before any commitment.

It has also defined a detailed list of authorised banks which the units are authorised to operate with. For further information regarding the management of financial risks, see Note 28 "Financial instruments and financial risks management" to the consolidated financial statements for the fiscal year ended 31 March 2024.

Internal Control

The Internal Control function is responsible for developing the internal control system and promoting and steering the internal control system's implementation throughout the organisation. It is also in charge of following the global results of the self-assessment campaigns, the main deficiencies identified in the Group's internal control and their respective action plans.

Where internal control weaknesses are identified, detailed action plans are put in place to correct these weaknesses in a timely manner with the support of the regional and operating teams and overseen by the central Internal Control team under the responsibility of the Director of Internal Control.

Compliance tests are also carried out on a selection of units by the central and regional internal control teams. Controls to validate the quality of self-assessments made by the units are also carried out.

In 2023/24, the Internal Control Department continued to focus on the convergence of fundamental internal control principles throughout the Group's new scope.

The Internal Control Department activities are centred around the four main pillars:

- Business partnering: support and advise the Group functions and Regions to implement sustainable processes and controls to leverage performance and cover the identified risks unique self-assessment questionnaire;
- Internal control campaign (self-assessment questionnaire): monitor the annual campaign, ensure adequacy of the controls with the Group Functions, conduct compliance tests and monitor action plans implementation;
- Internal Delegation of Authority matrix: maintain the matrix and ensure effectiveness via regular updates with the Group Functions;
- Segregation of Duties matrix: maintain the matrix and monitor implementation.

Risk Management

The Group has defined a comprehensive Enterprise Risk Management policy, whose principles are consistent with ISO 31000 professional standards. This policy clarifies Alstom's objective of "controlling its risks to ensure its performance". This policy's principles are consistent with the French Financial Markets Authority's recommendations, the provisions of the AFEP/MEDEF code and professional standards (COSO ERM) which gave rise to an exhaustive standard being established, which is adapted to Alstom's risk profile and allows its ERM to cover all its activities. The Risk Management Department's principal objectives are:

- to ensure that the major risks are considered and addressed at the most appropriate level of the organisation;
- that continuous monitoring is in place so that external risks can be identified;
- that the means implemented are sufficient and effective for reducing the criticality of the identified risks; and
- that the Group's Management has an up-to-date and comprehensive vision of the Group's principal exposure areas.

The risk management process is structured around a network of Risk Officers within the regions, product lines and functions and governance at the entity level and at the Group level. They train the respective management, evaluate overall risk exposure and ensure that action plans are implemented.

Risk analysis and the action plan execution are carried out in collaboration with all Group entities.

Each entity has a risk map that considers control measures which are already in place. The Risk Officer network is involved in defining action plans and steering the system, as well as identifying emerging risks and giving early warnings.

When a risk is systemic or shared among several regions, that risk is taken over by the Group. The Risk Management Department therefore works closely with all the departments in the second line of defence, and in particular with the legal department to consolidate the Ethics and Compliance mapping and with the CSR department for the CSR risk mapping. The Risk Management Department is under the responsibility of the Internal Audit, Internal Control and Risk Management Department, which is itself under the responsibility of the Group's Finance Department.

Legal

The Legal function is responsible for monitoring and mitigating risks arising from the activities of the Group. It is also participating in the Group's efforts to ensure full compliance with applicable laws and the Alstom Code of Ethics. Legal is comprised of Region Legal Departments and the Group Legal Department.

The Legal function is headed by the Group General Counsel, reporting to the Chairman and Chief Executive Officer. The Group General Counsel attends all the meetings of the Board of Directors, the Ethics & Compliance Committee, and attends Audit and Risks Committee meetings when legal matters are discussed. She routinely provides an account of ongoing legal proceedings and investigations.

The Group Legal Department handles all legal matters (except employee related legal matters), including major claims and disputes affecting the Group and compliance matters involving criminal investigations.

It monitors the Group exposure reporting relating to disputes and prepares the Group Annual Litigation Report concerning the status of the main potential and pending lawsuits which is submitted annually to the Corporate Disclosure Committee, the Audit and Risks Committee and the Group Statutory Auditors. Legal provides training on the management of legal risks at all levels of the Group.

The Group Legal Department is responsible for implementing Alstom's Ethics & Compliance programme, which aims to prevent notably the conduct of anti-corruption practices in connection with the Group's activities and to ensure the compliance by all employees with the Code of Ethics, the laws and regulations in the countries where Alstom carries out its activities.

The Group Legal Department is also in charge of maintaining Alstom's Global insurance programmes, as well as managing all insurance issues.

The Group Legal Department together with the Region Legal Departments, are responsible for managing contract management matters relating to Alstom's most critical projects with a view of proactively protecting the company's legal and contractual rights and driving claims to completion.

Ethics and Compliance

Ethics and Compliance stands as a top priority for Alstom, and the team has the responsibility of the Alstom Integrity Programme aiming at implementing the culture of integrity as well as the application of all the rules in relation to Business Ethics and Personal Integrity.

The role of Ethics & Compliance at Group level is to:

- promote and explain Alstom's culture of integrity ensuring that the highest standards of integrity and ethics are applied throughout the Group;
- ensure compliance with international and national laws and regulations together with internal Group rules;
- prevent all illegal activity and unlawful payments;
- control the business partner selection process, including a prior check of these partners' integrity;
- define and implement all necessary E&C rules and policies; and
- continually monitor the performance of and improve the Alstom Integrity Programme on an ongoing basis.

The Ethics & Compliance (E&C) team has 30 E&C officers and is managed by the Chief Compliance Officer, who reports directly to the Group General Counsel and has direct access to Alstom's Chairman and Chief Executive Officer. She is also secretary of the Ethics & Compliance Committee to the Board of Directors. To avoid any internal conflicts of interest, the Chief Compliance Officer has the necessary competencies and independence to define and implement appropriate E&C strategy.

Environment, Health, Safety (EHS)

The Corporate Environment, Health, Safety (EHS) Department is responsible for defining the risk management policy and strategy and programmes with respect to the environment, health, and safety in the workplace. It is supported in its mission by the EHS network, organised by region, cluster, country, operational worksite or project, and by product line, which ensures operational implementation of all such programmes.

Based on the Group EHS roadmap an internal and external assessors network validates EHS actions and advices on deployment plans.

Through the programmes the Group seeks to:

- ensure high standard level of monitoring industrial risks at least equal or above local regulations;
- evaluate the environmental and employee health impact arising from new industrial processes prior to implementation and the discontinuation or transformation of existing processes;
- develop a continuous improvement process to reduce energy and water consumption, generation of industrial waste, greenhouse gas and volatile organic compounds emission and to minimise risks related to accidental pollution;
- continuously reduce the exposure of the Group's employees, suppliers and contractors involved in contract execution and on sites to risks that are inherent in our activities to prevent the risk of accidents or occupational disease.

Particular attention is given to high-risk activities performed by Group employees, suppliers, or contractors during contracts execution.

The Group has launched several actions towards the set-up of the Vigilance Plan as required by French law dated 27 March 2017, considering that the Group already has existing processes supporting directly or indirectly certain requirements of the new law (e.g., risks mapping processes, supplier qualification processes, alert procedure, etc.).

Digital Transformation

The Digital Transformation function is a central function whose main purpose is to provide digital solutions and services aimed at modernising and supporting the Group's business, operations, and projects, and support the Group's strategic evolution, operational efficiency, process excellence and the productivity of the regions through the choice of optimised, innovative, cost effective, secure, and compliant technologies.

Many initiatives were launched that enabled the efficiency of information systems and technology (IS&T) to be bolstered:

- IT assets management centralisation;
- infrastructures upgrade;
- decommissioning of obsolete systems and the rationalisation of existing solutions;
- increasing services that are accessible remotely;
- new tools deployment to secure the workplace environment; and
- adaptation of the IS&T security policy to new IT environments.

The central management of the Group's systems and infrastructure strengthens its ability to manage the IS&T risk and ensures better control of IS&T activities. Business Solutions, CISO & Technology and Service & Performance Departments as well as several Business Partners specific to the regions and the product lines help the Group's CIO defining the Company's IS&T principles, architecture, processes, and rules.

Sustainable Development and the Corporate Social Responsibility (CSR)

The Sustainable Development and CSR function is responsible for defining and implementing the Group's Sustainable Development and CSR approach.

In particular, the Sustainable Development and CSR function is responsible for the Sustainability and Corporate Social Responsibility Steering Committee, which is made up individuals from the Human Resources, Procurement, Strategy, Sustainability & CSR, Engineering, Environment, Health and Safety, Communications Ethics and Compliance Departments and Region representatives.

This Committee meets quarterly in order to supervise and monitor the progress achieved in ongoing initiatives and to coordinate the rollout of cross-functional activities. Alstom's sustainable development approach is therefore articulated through a set of programmes which combine both general and specific objectives, all while leaving room for local initiatives. The deployment of the Sustainable Development and CSR policy in the regions relies on a local network.

The Sustainable Development and CSR function steers the assessment of the Group's extra-financial risks. This CSR risk map is reviewed by the Sustainability and Corporate Social Responsibility Steering Committee every year. Comprehensive information about the management of extra-financial risks is included in Chapter 6 "Sustainable Development: Corporate Social Responsibility" of this document.

Insurance policy

Beyond insurance obligations and other contractual specific requirements, Alstom Group's insurance policy is to transfer major risks to leading first-class insurers (or reinsurers). Thus, the coverages taken out within the framework of stable relationships and under constantly optimized terms and conditions cover all of our assets, income, activities and subsidiaries against the financial consequences of accidental damage to property and people.

The implementation of insurance solutions by the Group Insurance Department considers the wide diversity of the trades and risks within the Group.

The aim of this coordinated policy is to mutualise and optimise choices and solutions and ultimately reduce the overall cost of the risk. In addition to the legal or contractual obligations the Group may have with respect to insurance, the coverage of operational risks is structured around two principal focus areas:

- transferring to a panel of insurers with first rate solvency the financial consequences of high magnitude but low frequency risks; and
- retaining the financial consequences of "frequent" risks through a retention/deductible policy, except in cases where an insurance obligation exists.

Risks are generally covered by global programs which meet the insurance criteria laid down by the Group Insurance Department and as shared with the Insurance Committee. Wherever possible, policies are on "all risks" based wordings with named exclusions.

Alstom's policy is to obtain insurance coverage on the markets at rates and within limits considered as reasonable in relation to market conditions in a still very hard (re)insurance market.

Our programmes are placed by our broker-advisors with a panel of first-class continental or international insurers which are selected using several criteria, including but not limited to their technical insurance skills and the human and technical resources they can mobilise to set up international programmes and manage technical claims.

To prevent certain information from being used against the group and its shareholders, particularly in the context of litigation, Alstom ensures great confidentiality regarding the terms and conditions obtained from our insurance-partners and shall not disclose them accordingly.

The amount of insurance purchased varies according to Alstom's estimation of the maximum foreseeable loss, both for property damage & business interruption as well as for Liability/Causality insurance.

This estimate is made within the framework of industrial risk management audits that are conducted for Property Damage and Business Interruption. The maximum limit of coverage hired in 2023-24 remained over 500 million euros to take into account the estimated maximum possible loss caused to some specific industrial sites.

For Liability/Causality, the estimation of insurance needs depends on the evaluation of the maximum reasonable identified legal risk considering the various Group activities and the risks faced. The level of coverage is also a function of the coverage capacities available in the (re)insurance markets as well as the right balance with terms and conditions offered by carriers.

In terms of "construction" risks related, the purchased limit amount of guarantees take into account both the value of the insured markets, contractual obligations and reasonably expected disaster scenarios depending on the thing insured. The amount of guarantees is sometimes limited by the total capacity available on the global insurance and reinsurance market and/or due to the nature of the insured events, particularly natural events abroad.

In general, the insurance and coverage taken out can evolve depending on changes in market conditions and/or changes in the Group's risks. In addition, it is worth noting that insurers depend on reinsurers as well as the financial markets; and are also affected by the various crisis (such as natural events, political crisis, etc.) which may influence their risk appetite. As a consequence, there is no guarantee that Alstom will be able to maintain current levels of insurance with similar financial conditions in the future.

Subject to limitations, terms and conditions and exclusions of the relevant insurances policies and customary representations tied to this type of insurance, the principal covered risks are (non-exhaustive list):

- property damage and consequential business interruption after property damage, fires, explosions, natural events, and other perils, such as equipment damage;
- financial losses arising from civil liability due to damage caused to third parties because of operations, products, or services; in addition, insurance coverage for aviation liability commitments is subject to a specific dedicated program;
- damages during transport, from the departure point to the unloading point (warehouse, construction site or destination); and
- damages during construction, assembly, testing and commissioning when executing contracts.

In addition to these Group policies, Alstom also takes out insurance policies in countries in which it operates that are intended to cover specific risks or risks for which insurance is mandatory, such as automobile, rail-road-protective, workplace injury or employer liability risks.

The above description is a simple and summary snapshot of the Group's principal insurance policies and does not describe the limitations, exclusions and limits that may apply.

For confidentiality reasons and in order to protect the Group's interests, it is not possible to exhaustively present the programmes and covers purchased by the Group.

Despite the tensions still observed in the insurance and reinsurance markets, the Group was able to successfully renew its programmes and coverage, including in certain areas that have become more risk-averse.

Despite tougher terms and conditions and increasingly restricted and shrinking underwriting capacity, the Group has managed to maintain its programmes, thus remaining in line with its needs.

4.3.1.3 Third line of defence: Internal Audit

The main role of the Internal Audit Department is to advise the Chairman and Chief Executive Officer, the Executive Vice President and Chief Financial Officer and the Audit and Risks Committee on the adequacy and effectiveness of the internal control system in all phases of the Group's business. The Internal Audit Department operates in accordance with the terms of an Internal Audit Charter signed by the Chairman and Chief Executive Officer and the Executive Vice President and Chief Financial Officer and has the authority to examine all aspects of operations.

The Internal Audit Department evaluates controls that promote:

- compliance with applicable laws and with internal policies and procedures;
- physical safeguarding of assets including risk identification;
- availability, reliability, integrity, confidentiality of information and reporting; and
- efficiency of business processes, functions, and activities.

The Internal Audit Department considers the risks mapping and risk profiles in assessing its audit work programs and plan.

The Audit and Risks Committee examine and review, on an annual basis, the organisation and operation of the internal audit of which Charter is brought to its attention, the Committee approves the internal audit plan, monitors its development and the results of its plans of action.

After each internal audit assignment, a report is issued setting out the audit findings and recommendations. The results are also summarised in the bi-annual internal audit activity reports, which are presented to the Audit and Risks Committee on the overall results of the internal audits as well as on any other matter which affects internal control. These reports provide the basis for the Audit and Risks Committee to review the effectiveness of the work performed by the Internal Audit Department.

Internal Audit may proceed with a new audit (after a reasonable period) after any internal audit assignment whose result, from the point of view of controlling the control environment, is below the Group's expectations.

4.3.2 SUPERVISORY, MONITORING AND CONTROL BODIES

The Committees of the Board of Directors exercise a fundamental role in the supervision of internal control and risk management arrangements put in place by the Group's management. More specifically, the Audit and Risks Committee is responsible for supervising the process of preparing financial and extra-financial information, the effectiveness of internal controls and risk management systems, the statutory control over the Company and consolidated financial statements by the Statutory Auditors and Statutory Auditor independence. Please see Chapter 5 "Corporate Governance" for more information about the Audit and Risks Committee's responsibilities and activities.

The Internal Committees described below are not Committees of the Board of Directors. They are responsible for coordinating critical activities that do not require the involvement of the entire management team.

4.3.2.1 The Committees

Risk Committee

The Risk Committee is composed of the Executive Vice President and Chief Financial Offer as chairman, the Executive Vice President and Chief Operating Officer, the Chief Strategy Officer, the General Counsel, the Vice President ERM, Internal Audit and Internal Control, the VP Corporate Strategy, the ERM Director, the Risk Officers of the functions, regions and product lines, and on a rotational basis two senior executives. The meetings are held quarterly to review the efficiency of risk management processes, to review its organization, to control the consolidation of risk maps and to ensure the coordination of transversal risks management.

Corporate Pension Committee

Pensions and other employee benefits are governed and monitored by the Group's Pension Committee which is composed of the Group's Treasury, Consolidation and Total Reward, according to the following principles:

- balanced management of each plan's assets/liabilities so that only market risks that are necessary to cover Alstom's liabilities are taken;
- when possible, simplicity in the investment strategy to ensure visibility on the risks involved;
- a group policy on employee pensions and benefits to address principles for pension plan design, funding and investment, administration and governance;
- a Responsibility Charter under which changes to pension plan design, funding, investment, and administration must be authorised by designated members of Group's Management

The Committee meets at least two times per year to monitor the various schemes' evolution. During the 2023/24 financial year, the full Committee met on three occasions and its sub-committee met five times, mainly to:

- supervise the completion of the transition of fiduciary management of former Bombardier Transportation schemes in the United Kingdom, United States, and Canada from Bombardier's in-house team (acquired by Goldman Sachs) to new fiduciary managers with WTW;
- identify and assess risk reduction strategies and opportunities;
- control the volatility of net commitments in the United Kingdom, United States, France, and Germany; and
- monitor short term market investment and inflation indices and their impact on the Group's long-term net pension liabilities and to take opportunities to de-risk as funding levels increased.

Disclosure Committee

The Chairman and Chief Executive Officer and the Executive Vice President and Chief Financial Officer have established a Disclosure Committee at the central level in order to assist them in evaluating the effectiveness of the Group's disclosure controls and procedures that are designed to ensure that material financial and non-financial information required to be disclosed were recorded, processed, summarised and reported on a timely basis and that appropriate information was communicated to the Management in order to allow timely decisions. More specifically, the Disclosure Committee ensures that important information about projects in progress is properly reported up and monitors pending legal proceedings.

The Disclosure Committee is composed of the Executive Vice President and Chief Financial Officer, the General Counsel, the Vice President ERM, Internal Audit and Internal Control, the Vice President Group Business Management, the Head of Tax, the Head of Treasury, the Vice President Accounting and the Head of Investor Relations. The Disclosure Committee met twice during the fiscal year 2023/24 under the chairmanship of the Executive Vice President and Chief Financial Officer.

The consolidated financial statements for the fiscal year ended 31 March 2024 and other financial information disclosed in the Annual Report were reviewed. The interim consolidated financial statements for the six-month period to 30 September 2023 were reviewed. In the reviews of the consolidated financial statements the Committee considered the disclosures made to determine and confirm their relevance, accuracy, completeness, and presentations.

Information Committee

The Information Committee was put in place by the Group pursuant to its internal procedure relating to the identification of and the terms applicable to the transmission and use of inside Information This procedure was deployed to comply with the recommendations issued by the French financial markets regulator "AMF" (Position-Recommendation AMF DOC-2016-08, Guide on Ongoing Information and the Management of Inside Information).

The main mission of the Committee is to assess whether the information concerning the Group qualifies as inside information and to determine the terms and conditions applicable to the transmission and use of such information. To that end, the Committee meets at any time when called pursuant to the rules laid down in the above-mentioned procedure.

Insurance Committee

Insurance is a central function at Alstom and reports to the Group Legal Department. It proposes, implements and ensures that the Group's insurance policy examined and approved by the Insurance Committee is implemented by Alstom's businesses and legal entities. The Insurance Committee is made up of the Group Insurance Director, the Executive Vice President and Chief Financial Officer, the General Counsel, the Vice President ERM, Internal Audit and Internal Control, and the Vice President Legal Contract Management, Litigations and Insurance.

As part of its risk management governance, the Group transfers its risks to (re)insurers when this is believed to be the most efficient solution and/or when contractually required by its clients. Default by one or more of insurers could therefore lead to potential financial losses. One or more of insurers could therefore lead to potential financial losses.

The implementation of and compliance with this policy is based on an internal network of Regional Insurance Managers, specialised Alstom employees entirely dedicated to insurance issues, and a network of brokers-advisors and outside professionals. The Insurance Committee approves the types and amounts of insurance purchased in view of the risks to which the Group is exposed, and in light of, in particular, the annual risk mapping. This policy takes into account current conditions in the (re)insurance market.

4.3.2.2 External actors

The mechanism described above is supplemented by third parties, including:

- the Statutory Auditors; and
- two main Certification Bodies that audit the Group's activities on a three-year cycle, AFNOR and Bureau Veritas (BV) selected based on our procurement processes.

The objective is to verify the conformity of the global Alstom Management System, and its implementation throughout the organisation, as per International ISO standards:

- ISO 9001 for quality management,
- ISO 14001 for environmental management,
- ISO 45001 for occupational health & safety management,
- ISO 37001 for anti-bribery management,
- ISO 27001 for Information Technology security management
- ISO 26000 for the Company's contribution to Corporate Social Responsibility,
- ISO/TS 22163 for Rolling Stock projects development and manufacturing,
- CMMI (Capability Maturity Model Integration) for the development of Signalling programs and projects.


Avelia
HORIZON
ALSTOM

5

CORPORATE GOVERNANCE

RFA

The content of the Annual Financial Report
is identified in the table of contents
with the help of this pictogram.

This section presents all information about the Company's corporate governance in respect of fiscal year 2023/24, along with additional information providing further details on the resolutions being proposed to the Company's shareholders at the 2024 Annual Shareholders' Meeting.

The Company has opted to refer to the Code of Corporate Governance for Listed Companies published by AFEP and MEDEF (the "AFEP-MEDEF Code"), which, at the time this Universal Registration Document was published, had last been updated in December 2022. This code is available on the websites of AFEP (www.afep.com), MEDEF (www.medef.com) and the Company.

5.1 Report of the Board of Directors on corporate governance

Pursuant to the provisions of Article L. 225-37 of the French Commercial Code, the Board of Directors presents to the 2024 Annual Shareholders' Meeting its report on corporate governance, which is attached to the management report.

This report was approved by the Board of Directors at its meeting on 7 May 2024.

Pursuant to the provisions of Article L. 22-10-71 of the French Commercial Code, this report of the Board of Directors on corporate governance is submitted in full to the Statutory Auditors who, in their report on the Company's annual financial statements (included in section 3 of this Universal Registration Document), present their observations on the information mentioned in Article L. 22-10-11 of the French Commercial Code and certify the existence of the other information required by Articles L. 22-10-9, L. 225-37-4 and L. 22-10-10 of the French Commercial Code.

5.1.1 BOARD OF DIRECTORS

5.1.1.1 Composition of the Board of Directors

As of 7 May 2024, the Board of Directors is composed of 13 Board Members, including two Board Members representing employees within the meaning of Article L. 225-27-1 of the French Commercial Code. Women account for 45% of the members of the Board of Directors on this date (excluding Board Members representing employees and Observers).

As of same date, eight nationalities are represented at the Board (6 members having a foreign nationality i.e. 40%) and eight Board Members are independent according to the Company and the AFEP-MEDEF Code (i.e. 82%, as the Board Member representing employees and the Observers are not included in the calculation of this percentage). As of that same date, only one of them, Mr Henri Poupart-Lafarge, Chairman & Chief Executive Officer, holds an executive position.

The Board of Directors also includes two Observers, Mr Benoît Raillard, whom it appointed, on the proposal of the Caisse de Dépôt et Placement du Québec, on 26 January 2021 with effect from 29 January 2021, and Mr Jay Walder, a Board Member who resigned on 12 March 2024, whom the Board appointed as an Observer on the same date for a term extending until the 2024 Annual Shareholders' Meeting. Mr Jay Walder was replaced on the Board of Directors by Mr Philippe Petitcolin for the remainder of his term of office.

In accordance with Article 9 of the Company's Articles of Association, Mr Benoît Raillard and Mr Jay Walder, Observers, participate in meetings of the Board of Directors in an advisory capacity.

Board Members and Observers are appointed for a four-year term. There is no staggering of directorships in the Articles of Association since renewals are spread over four consecutive years.

The Articles of Association do not specify an age limit applicable to Board Members other than the statutory limit. An amendment to the Articles of Association will be put to a vote at the 2024 Annual Shareholders' Meeting, with the aim of raising the age of the Chairman to 80.

Therefore, with effect from the 2024 Annual Shareholders' Meeting and subject to a favourable vote by the shareholders, Article 10 of the Company's Articles of Association will provide that no person over the age of 80 may be appointed Chairman of the Board of Directors, when he or she is not responsible for the General Management. If this age limit is reached during his or her directorship, the Chairman of the Board of Directors will be deemed to have resigned at the end of the Shareholders' Meeting called to approve the financial statements for the fiscal year in which the age limit is reached.

Pursuant to the Articles of Association, each Board Member must own at least twenty-five (25) shares of the Company (within a maximum of six months of their appointment). In addition, the Board's internal rules provide that it is desirable that each Board Member hold at least 2,000 shares (including the 25 shares provided for by the Articles of Association). Each Board Member has two years from the date he or she takes office to bring his or her shareholding to this minimum level of 2,000 shares.

The Board of Directors' internal rules provide that shares held by Board Members may be held in registered form or be deposited with an authorised intermediary in accordance with the law. In addition, the internal rules specify that except for the obligation under the Articles of Association to hold shares, the shares may be financial instruments (such as American Depositary Receipts), notably for Board Members living abroad.

At 7 May 2024, the Board Members together held 95,857,666 shares in the Company, of which 66,832,600 were held by the Caisse de Dépôt et Placement du Québec and 28,845,500 by Bpifrance Investissement, with the remainder held by investors and individuals.

The Board of Directors' internal rules stipulate that the Board of Directors, on the proposal of the Nominations and Remuneration Committee, regularly, and at least once a year, reviews its composition and that of its Committees so as to be able to fulfil all its responsibilities in terms of operational, industrial and financial expertise, auditing and risk control, ethics and compliance, and social, environmental and governance considerations, the objective being that its composition is at all times aligned with all the Company's issues and strategy.

Along these lines, the Nominations and Remuneration Committee is responsible for overseeing the Board Member selection process described in the annex to its internal rules.

The diversity policy and this Board Member selection process are described in more detail in the paragraph entitled "Diversity policy and selection process".

The following table reflects the composition of the Board of Directors and its Committees as of 7 May 2024:

						Committee membership						
Name	Sex	Age	Nationality	Number of Alstom shares held	Independent Board Member	Audit and Risks	N&R(1)	E&C(2)	Integration	Start 1st directorship	End current directorship	Years on the Board(3)
Mr Henri Poupart-Lafarge Chairman of the Board of Directors and Chief Executive Officer	M	55	French	149,898						2015	2027	9
Mr Yann Delabrière Lead independent director	M	73	French	16,306	√		Chair			2017	2024	7
Bpifrance Investissement, represented by Mr José Gonzalo	-	-		28,845,500	√	√	√			2023	2027	1
Mr José Gonzalo, permanent representative of Bpifrance Investissement	M	58	French	-								
Caisse de Dépôt et Placement du Québec, represented by Ms Kim Thomassin	-	-		66,832,600		√	√			2021	2024	3.5
Ms Kim Thomassin, permanent representative of CDPQ	F	52	Canadian	-								
Ms Bi Yong Chungunco	F	61	Filipino	2,000	√			√		2014	2026	10
Ms Clotilde Delbos	F	56	French	2,653	√	√				2018	2026	6
Mr Daniel Garcia Molina Board Member representing employees	M	52	Spanish	60	-				√	2021	2025	3.5
Mr Gilles Guilbon Board Member representing employees	M	60	French	296	-		√			2021	2025	3.5
Ms Sylvie Kandé de Beaupuy	F	67	French and Senegalese	2,518	√			Chair		2017	2027	7
Mr Frank Mastiaux	M	60	German	2,000	√		√		Chair	2020	2024	4
Mr Philippe Petitcolin	M	71	French	-	√					2024	2024	3 months
Mr Baudouin Prot	M	72	French	1,600	√		√	√		2018	2026	6
Ms Sylvie Rucar	F	67	French	2,235	√	Chair	√			2015	2027	9
	55% M / 45% F (4)	**Average: 61 years**		**95,857,666**	**82% independent(4)**	**75% independent**	**83% independent**	**100% independent**	**67% independent (6)**	**-**	**-**	**Average: 5.2 years**
Mr Benoît Raillard Observer	M	59	French	-	-	-	-	-		2021	2024	
Mr Jay Walder Observer	M	65	American and British	100(5)	-				√	2024	2024	
			Eight nationalities represented on the Board									

(1) Nominations and Remuneration Committee
(2) Ethics and Compliance Committee
(3) On the date of the 2024 Annual Shareholders' Meeting.
(4) The Board Members representing employees are not included in the calculation of these percentages.
(5) Mr Jay Walder also holds 22,700 American Depositary Receipts.
(6) Including Mr. Jay Walder

During the past fiscal year, Bpifrance Investissement was appointed as a Board Member by the Shareholders' Meeting of 11 July 2023, which also renewed the terms of office of Ms Sylvie Kandé de Beaupuy, Ms Sylvie Rucar and Mr Henri Poupart-Lafarge and ratified the co-option of Mr Jay Walder, who had been appointed as a Board Member to replace Mr Serge Godin in November 2022.

On 12 March 2024, the Board of Directors co-opted Mr Philippe Petitcolin as an independent Board Member to replace Mr Jay Walder, who had resigned, for the remainder of the latter's directorship, i.e. until the close of the 2024 Annual Shareholders' Meeting. The Board of Directors also appointed Mr Jay Walder as Observer until that same date.

The co-option of Mr Philippe Petitcolin as a Board Member will be submitted for ratification to the 2024 Annual Shareholders' Meeting, which will also be asked to vote on the renewal of his directorship and on the appointment of Mr Jay Walder as a Board Member, in both cases for a term of four years.

In addition to the directorships of Mr Philippe Petitcolin and Mr Jay Walder, a proposal will be put to this same meeting to renew the directorship of Caisse de Dépôt et Placement du Québec for a further four years.

The directorships of Mr Yann Delabrière and Mr Frank Mastiaux will expire at the end of this same meeting.

The mandate of Mr Benoit Raillard, Observer appointed by the Board of Directors, will also expire at the close of the 2024 Shareholders' Meeting, and the Board of Directors, at its meeting on 7 May 2024, proposed to reappoint him as Observer for a further four years, expiring at the close of the 2028 Shareholders' Meeting.

Accordingly, at the end of the 2024 Annual Shareholders' Meeting and subject to a favourable vote by the meeting on all the resolutions relating to the composition of the Board of Directors, the Board of Directors would be composed of 12 Board Members and one Observer, the proportion of women would be 50% (the Board Members representing employees and the Observer not being included in the calculation of this percentage), 7 nationalities would be represented and the proportion of independent Board Members would be 80% (the Board Members representing employees and the Observer not being included in the calculation of this percentage), with 8 Board Members qualified as independent according to the Company and the AFEP-MEDEF Code.

As announced by the Company in its press release of 15 November 2023, the split of the functions of Chairman of the Board of Directors and Chief Executive Officer will become effective at the close of this same Shareholders' Meeting.

On this date, Mr Philippe Petitcolin, an independent Board Member, will assume the role of Chairman of the Board of Directors, with Mr Henri Poupart-Lafarge continuing as Chief Executive Officer of the Company.

5.1.1.2 Changes in the composition of the Board of Directors and Committees in fiscal year 2023/24

Changes during the last fiscal year and their impact on the composition of the Committees are set out in the tables below:

Situation of the Board of Directors

	From 9 May 2023 to the Shareholders' Meeting of 11 July 2023	Shareholders' Meeting of 11 July 2023	From 11 July 2023 to 7 May 2024
Departure: End of directorship (E), Resignation (R) or Replacement as Permanent Representative (RPR)			Mr. Jay Walder (R)(1)
Renewal of directorship		Ms Sylvie Kandé de Beaupuy(1) Mr Henri Poupart-Lafarge Ms Sylvie Rucar(1)	
Ratification (R)/Appointment (A)/ Co-option (C)		Bpifrance Investissement (A)(1) Mr Jay Walder (R)(1)	Mr. Philippe Petitcolin (C)(1)

(1) Independent Board Members, it being understood that Mr Jay Walder resigned as a Board Member on 12 March 2024 and was appointed as an Observer until the 2024 Annual Shareholders' Meeting.

Situation of the Committees

	Situation as of 31 March 2023	Situation as of 7 May 2024
AUDIT AND RISKS COMMITTEE		
Chairwoman	Ms Sylvie Rucar*	Situation unchanged
Members	Ms Clotilde Delbos* CDPQ, represented by Ms Kim Thomassin	Bpifrance Investissement represented by Mr José Gonzalo* Ms Clotilde Delbos* CDPQ, represented by Ms Kim Thomassin
NOMINATIONS AND REMUNERATION COMMITTEE		
Chairman	Mr Yann Delabrière*	Situation unchanged
Members	Ms Sylvie Rucar* Mr Frank Mastiaux* Mr Baudouin Prot* Mr Gilles Guilbon**	Bpifrance Investissement represented by Mr José Gonzalo* CDPQ represented by Ms Kim Thomassin Ms Sylvie Rucar* Mr Frank Mastiaux* Mr Baudouin Prot* Mr Gilles Guilbon**
ETHICS AND COMPLIANCE COMMITTEE		
Chairwoman	Ms Sylvie Kandé de Beaupuy*	Situation unchanged
Members	Ms Bi Yong Chungunco* Mr Baudouin Prot*	Situation unchanged
INTEGRATION COMMITTEE		
Chairman	Mr Frank Mastiaux*	Situation unchanged
Members	CDPQ, represented by Ms Kim Thomassin Mr Daniel Garcia Molina** Mr Jay Walder***	Situation unchanged

* Independent Board Member

** Board Member representing employees.

*** Independent Board Member until 12 March 2024 then Observer until the 2024 Annual Shareholders' Meeting

5.1.2 CORPORATE GOVERNANCE STRUCTURE

5.1.2.1 Situation until the 2024 Annual Shareholders' Meeting: combining of the functions of Chairman of the Board of Directors and Chief Executive Officer

At its meeting on 28 January 2016, the Board of Directors decided to keep the functions of Chairman and Chief Executive Officer combined as one and appointed Mr Henri Poupart-Lafarge as Chairman & Chief Executive Officer of the Company.

5.1.2.2 Situation as from the 2024 Annual Shareholders' Meeting: split of the functions of Chairman of the Board of Directors and Chief Executive Officer

Following the publication on 4 October 2023 of preliminary financial information for the first half of the 2023/24 fiscal year and the revision of the outlook for the 2023/24 fiscal year, the Board of Directors unanimously, and after holding two executive sessions, took the decision, announced on 15 November 2023, to split the functions of Chairman of the Board of Directors and Chief Executive Officer with effect from the end of the 2024 Annual Shareholders' Meeting.

This split, decided as part of the measures to improve accountability and financial discipline, is part of a long-term corporate governance objective to enable the Board of Directors to fully carry out its duties under the responsibility of a dedicated Chairman.

Accordingly, and subject to a favourable vote at the 2024 Annual Shareholders' Meeting on the appointment of Mr Philippe Petitcolin as a Board Member and an amendment to the Articles of Association to raise the age of the Chairman of the Board of Directors, the functions of Chairman of the Board of Directors and Chief Executive Officer will be split as from that same date and will be exercised in accordance with the terms and conditions described below, which are set out in the Internal Rules of the Board of Directors updated on 7 May 2024 and taking effect as from the implementation of the split.

1. Powers of the Chairman of the Board of Directors

The Internal Rules of the Board of Directors that will take effect as from the split of functions stipulate that, in accordance with the applicable legal texts, the Chairman of the Board of Directors organises and directs the work of the Board, on which he or she reports to the Shareholders' Meeting, and ensures that the Company's bodies function properly and, in particular, that the Board Members are in a position to fulfil their duties.

In this context, the Chairman of the Board of Directors:

- together with the Chief Executive Officer, sets the timetable for Board meetings and the agenda, in order to take full account of issues of importance to the Group and those that may be raised by the Board Members or Observers;
- calls meetings of the Board of Directors, sets the agenda and ensures that the information provided to Board Members and Observers enables them to make informed decisions. In this respect, he or she helps to ensure that information flows smoothly between the Board and the Chief Executive Officer, and between the Board and its Committees;
- informs Board members as necessary between two meetings;
- ensures that the Internal Rules are applied when Board of Directors' meetings are prepared and held, and that the Board Members and Observers comply with them;
- encourages and promotes open/critical discussion and ensures that all points of view can be expressed within the Board;
- ensures that the responsibilities exercised within the Board are clear to all Board Members/Observers;
- may submit matters for consideration by the various Committees set up by the Board of Directors.

In addition to the duties conferred by law, the Chairman of the Board of Directors has the following powers, which he or she exercises in conjunction with the Chief Executive Officer, as the Chief Executive Officer is responsible for the operational management of the Company:

- the Chairman is consulted by the Chief Executive Officer on major decisions concerning the definition of the Group's strategy and/or organisation;
- At the request of the Chief Executive Officer, the Chairman may take part in internal meetings with management on these subjects in order to shed light on strategic issues;
- At the request of the Chief Executive Officer, the Chairman may attend meetings with the Group's customers;
- the Chairman may meet with the Company's Executive Corporate Officers and managers after informing the Chief Executive Officer, in order to share his opinions and comments with the latter;
- The Chairman is informed of the main social, environmental and governance issues of interest to shareholders and investors and maintains a permanent dialogue with them in consultation with the Chief Executive Officer. He or she keeps the Board of Directors regularly informed of these discussions and their content;
- The Chairman contributes his or her experience to the Group and ensures that the Group's values and culture are respected;
- the Chairman may, on his or her initiative, attend in an advisory capacity all meetings of Board committees of which he or she is not a member. As regards the Nominations and Remuneration Committee, the Chairman is involved in work concerning the selection and appointment of Board Members, the composition of the management team and the succession plan for Executive Corporate Officers, with the exception of work pertaining to his/her own remuneration. The Chairman may consult these Committees on any matter falling within their remit;
- the Chairman chairs and convenes executive sessions (the operation of which is described further in this Universal Registration Document);
- The Chairman takes preventive action to raise awareness among Board Members/Observers of conflicts of interest and examines potential conflicts of interest.

The Secretariat of the Board of Directors is available to assist the Chairman of the Board of Directors with the foregoing duties.

The Chairman reports to the Board of Directors on the performance of his or her duties.

2. Powers of the Chief Executive Officer

The Internal Rules of the Board of Directors that will take effect as from the split of functions stipulate that the Chief Executive Officer represents the Company in its dealings with third parties and is vested with the broadest powers to act in all circumstances on behalf of the Company within the scope of the corporate purpose, within the limits of the powers reserved for the Board of Directors and for Shareholders' Meetings and the limitations set out in said Internal Rules.

In agreement with the Chief Executive Officer, the Board of Directors determines the scope and duration of the powers granted to the Deputy Chief Executive Officers, who have the same powers vis-à-vis third parties as the Chief Executive Officer.

The Chief Executive Officer may meet with members of the Board of Directors without the Chairman being present.

In addition, the Chief Executive Officer receives an annual authorisation from the Board of Directors, acting in accordance with the provisions of Article L. 225-35 of the French Commercial Code, allowing him or her to grant sureties, endorsements and guarantees on behalf of Alstom, up to an amount determined by the Board.

He or she also receives an annual authorisation from the Board of Directors, acting on the basis of Article L. 228-40 of the French Commercial Code, to issue bonds up to a maximum nominal amount. Should the Chief Executive Officer make use of this authorisation, he or she must report it at the next meeting of the Board of Directors following the decision to issue such bonds.

3. Limitations on the powers of the Chief Executive Officer

The internal rules of the Board of Directors stipulate that the Board must deliberate in advance on:

- any transaction that is not part of the Group's announced strategy or that could significantly affect it;
- any transaction that could materially modify the financial structure or results of the Group;
- any single acquisition or divestiture in excess of 80 million euros, any partnership where the Group's contribution exceeds 80 million euros, and any financing transaction that exceeds 400 million euros for new medium- or long-term loans or 1 billion euros for short-term treasury bills, it being understood that the Board must be informed of acquisitions, disposals or partnerships for a unit amount of more than 40 million euros.

For acquisitions and divestitures, the amount to be taken in consideration is the enterprise value, regardless of the payment terms (immediate or deferred, cash or in shares, etc.). For partnerships or newly created companies, the amount to be taken into consideration is the Group's financial commitment (contribution to the share capital or shareholder loan, exposure to external financing, etc.).

The Board of Directors also approves the composition of the Group's management team.

5.1.2.3 Balance of powers

Corporate governance mechanisms

The split of the functions of Chairman of the Board of Directors and Chief Executive Officer, which will take effect from the 2024 Annual Shareholders' Meeting, will be in addition to the other mechanisms already in place within the Company to ensure and guarantee, at all times, balanced, controlled and effective governance, including:

- the Board of Directors' constant and continuous involvement in executing the strategy, including the Corporate Social Responsibility strategy (which includes the climate strategy). Accordingly, following the publication on 4 October 2023 of preliminary financial information for the first half of fiscal year 2023/24 and the revision of the outlook for fiscal year 2023/24, an ad hoc committee, which meets at least monthly and whenever necessary and includes the lead independent director, who chairs it, as well as the members of the Audit and Risks Committee and the Executive Corporate Officer, was formed to examine the deleveraging plan prepared by the Group and report on it to the Board of Directors;
- the existence of a high proportion of independent Board Members on the Board (82% as of 31 March 2024) and Committees, which have been chaired by independent Board Members since their creation and the composition of which complies with market recommendations. In addition, the Executive Corporate Officer is not a member of any of the Board Committees and attends Committee meetings only at the invitation of the Committee Chairs;
- the Committees cover all essential matters to ensure control of the Company (governance, remuneration, finance, integration, ethics and compliance) and, in this context, Committee members can speak directly and as they wish with members of the management team, and can call upon external consultants when necessary;
- strong involvement of the Board of Directors in terms of meetings and members' attendance at meetings;
- information provided on a regular basis to the Board, both at its meetings and outside of its meetings, detailing the business activities of the Group and any significant events, including a monthly press review and financial analysis reports;
- frequent and now established interactions between the Board Members and members of the management team or the functional or operational heads of the Group's key functions, particularly through their participation in and presentations at Board and Committee meetings and during site/project visits that take place on an annual basis;
- ongoing review of corporate governance practices and the operation of the Board of Directors and Committees, which allows areas for improvement and priorities to be identified and the follow-up of recommendations to be assessed through:
  - an annual evaluation conducted internally and led by the Nominations and Remuneration Committee or, every three years, entrusted to an external consultant. The last evaluation entrusted to such a consultant covered fiscal year 2022/23;
  - meetings of non-executive Board Members (executive sessions) which, until the split of the functions of Chairman and Chief Executive Officer is implemented, will be chaired by the lead independent director and then, once the split takes effect, by the Chairman of the Board of Directors; the number of these sessions has increased considerably over the past few years. Three executive sessions were held during fiscal year 2023/24;
  - regular review of the internal rules of the Board and its Committees, where necessary, to take into account changes in governance within the Company and to reflect any regulatory developments. During fiscal year 2023/24, at its meeting on 12 March 2024, the Board of Directors amended its internal rules and those of the Committees to take into account the impact of the entry into force of Directive (EU) 2022/2464 of 14 December 2022 on corporate sustainability reporting (the "CSRD" Directive) and French Order No. 2023-1142 of 6 December 2023. In this context, responsibility for the sustainability reporting process was entrusted to the Audit Committee, renamed the Audit and Risks Committee, and its internal rules were thoroughly reviewed. The Internal Rules of the Board of Directors were also amended to ensure that its statutory role in determining the Group's social and environmental responsibility strategy, which includes the climate strategy, falls within its remit;
- Ongoing and permanent dialogue/exchanges with institutional investors, proxy advisors and shareholders outside of and in the context of Shareholders' Meetings on key matters concerning the Company's governance and CSR in the broad sense, which will, until the split of functions, be led by the lead independent director and, from that same date, by the Chairman of the Board of Directors, in agreement with the Chief Executive Officer;
- the existence of a Chief Operating Officer, who supports the Executive Corporate Officer on operational and cross-functional matters (Purchasing, Quality, etc.) and attends all Board of Directors' meetings;
- review of the remuneration of the Executive Corporate Officer by the Nominations and Remuneration Committee, chaired by an independent Board Member and 83% of whose members are independent Board Members as of 31 March 2024, which ensures that this remuneration is aligned with the interests of all relevant stakeholders. Thus, in fiscal year 2023/24, in view of the consequences of the free cash flow deficit in the first half of 2023/24 announced on 4 October 2023, on the proposal of Mr Henri Poupart-Lafarge and on the recommendation of the Nominations and Remuneration Committee, the Board of Directors meeting on 14 November 2023 decided to reinforce the Chairman & Chief Executive Officer's annual variable remuneration scheme for 2023/24, as approved by the Board of Directors meeting on 9 May 2023, by introducing an additional, stringent criterion reflecting the achievement of the Group's adjusted free cash flow targets for 2023/24, which will apply to the payment of the Chairman & Chief Executive Officer's collective and personal objectives;
- regular review of the composition of the Leadership Team and associated succession plans, including the succession plan for the Executive Corporate Officer;
- the existence of limitations on the powers of the Executive Corporate Officer as described above in this Universal Registration Document.

Lead independent director

Background to the appointment of a lead independent director

The Internal Rules of the Board of Directors that will come into force as from the 2024 Annual Shareholders' Meeting, as updated by the Board of Directors on 7 May 2024, stipulate that when the functions of Chairman and Chief Executive Officer are combined, the Board of Directors must, in accordance with its internal rules, appoint a lead independent director whose main task is to ensure that the Company's governance bodies function properly.

The lead director is appointed for the duration of his or her directorship and may be re-elected. The Board of Directors can terminate his/her functions at any time.

Conditions and terms of the exercise of the duties of the lead independent director (until the 2024 Annual Shareholders' Meeting)

The version of the internal rules of the Board of Directors applicable until the 2024 Annual Shareholders' Meeting sets out the conditions and terms of the exercise of the duties of the lead director as follows. These provisions will be deleted from the internal rules on that same date in view of the implementation of the split of the functions of Chairman and Chief Executive Officer.

Operation of the Board of Directors and Board Committees

- The Chairman of the Board of Directors consults with the lead director regarding Board meeting agendas and can recommend including additional matters on the agenda;
- the lead director may request that the Chairman of the Board of Directors call a meeting of the Board of Directors to discuss a specific agenda;
- the lead director can convene the Board of Directors if the Chairman of the Board is unable to do so and chair Board meetings if the Chairman is absent;
- the lead director ensures that the internal rules are applied when Board of Directors' meetings are prepared and held, and that the Board Members and the Observer comply with such internal rules;
- the lead director ensures that the Board Members and Observer are able to perform their duties under the best possible conditions and, in particular, that they have a high level of information prior to Board meetings;
- in situations where the Executive Corporate Officers may have a conflict of interest, the lead director may convene and chair, at his/her initiative and at any time, including between two Board of Directors' meetings, a so-called "executive" session according to a predefined agenda, and in addition to the two annual sessions whose purpose is to review i) the remuneration of the Executive Corporate Officers on the basis of their performance, and ii) the effectiveness of governance and the appropriateness of the management team in terms of implementing the strategy;
- the lead director may be the Chairman of the Nominations and Remuneration Committee;
- the lead director may attend any meeting of any Committee of which he or she is not a member and has access to the work completed by such Committees and to the information made available to them.

Relations with Board Members

- The lead director maintains a regular dialogue with the Board Members and the Observer and is, if need be, their spokesperson to the Chairman of the Board.

Conflicts of interest

- The lead director plays a preventive role in raising awareness among Board Members/the Observer with respect to conflicts of interest;
- Together with the Chairman of the Board of Directors, he/she reviews potential conflicts of interest.

Dialogue with shareholders

- The lead director is informed of the main social, environmental and governance issues of interest to shareholders and investors and maintains a permanent dialogue with them in consultation with the Chairman of the Board of Directors. He or she keeps the Board of Directors regularly informed of these discussions and their content.

The lead director reports annually to the Board of Directors and to the Shareholders' Meeting regarding his/her work.

The Secretariat of the Board of Directors is available to assist the lead director with the completion of his/her assignments.

Assessment of the lead independent director’s activities in fiscal year 2023/24

On 4 July 2017, the Board of Directors decided to assign the function of lead director and chairmanship of the Nominations and Remuneration Committee to Mr Yann Delabrière, an independent Board Member.

In view of the assessment of his activities in 2022/23 as described in the 2022/23 Universal Registration Document on page 192, and the 2022/23 evaluation of the Board and Committees, which confirmed the effectiveness of the role played by Mr Yann Delabrière and the professionalism and sound basis of his relationship with Mr Henri Poupart-Lafarge, the Board of Directors decided to renew Mr Yann Delabrière's term of office as lead independent director for a period of one year from the 2023 Shareholders' Meeting until the expiry of his directorship, i.e. until the 2024 Shareholders' Meeting.

In fiscal year 2023/24, the activities of Mr Yann Delabrière as lead independent director were mainly as follows:

- he had regular discussions with the Chairman & Chief Executive Officer about the main issues related to business activity, the competitive environment, the strategy, the economic and geopolitical environment, regulatory developments in terms of sustainability and their impact in terms of the Group's organisation. The deleveraging plan was also a major topic of discussion at the ad hoc Committee set up following the publication of the 4 October 2023 press release and which is chaired by the lead independent director;
- together with the Chairman & Chief Executive Officer, he prepared the Board of Directors’ annual work plan and, especially in terms of preparing for Board meetings, reviewed all the important matters presented or decided at those meetings;
- he made himself available to the Board Members and maintained a regular dialogue with those who wished to speak with him. As Chairman of the Nominations and Remuneration Committee, he oversaw the yearly evaluation of the Board and Committees, which was carried out internally on the basis of questionnaires and individual interviews with each Board Member and the Observer;
- he chaired three meetings of the non-executive Board Members (executive sessions), the purpose of which was to review the remuneration of the Chairman & Chief Executive Officer, his succession plan and the Company's corporate governance structure following the publication on 4 October 2023. The work carried out on this subject led to the decision taken by the Board of Directors on 14 November 2023 to proceed with the split of functions and to select Mr Philippe Petitcolin as the future Chairman of the Board of Directors;
- he spoke regularly with the Chairman & Chief Executive Officer about the composition of the management team, changes to the team, the related talent pool and the succession plan;
- the lead independent director discussed governance issues and, more generally, social responsibility and sustainable development issues with certain investors and proxy advisors in preparation for the July 2023 Shareholders' Meeting, as well as matters not related to the Shareholders' Meeting during the year. The lead independent director, who is regularly called upon, made himself available to investors and proxy advisors throughout the year in order to maintain quality dialogue, on which he reports to the Board of Directors;
- the lead independent director continued his site visit programme, which enabled him to enhance his knowledge of the Group’s activities and speak with the Group’s employees.
- As Chairman of the Nominations and Remuneration Committee:
  - He supervised the review of the internal rules of the Board of Directors and the Committees to take into account the impact of the entry into force of Directive (EU) 2022/2464 of 14 December 2022 on corporate sustainability reporting (the so-called “CSRD” Directive) and French Order No. 2023-1142 of 6 December 2023
  - He requested several comparative studies in terms of remuneration and governance to ensure the Company's alignment with best market practices. In this context, he initiated and oversaw preparatory work on the restructuring and composition of the Committees
  - Together with an expert consultant, he defined the outline of a training course on ESG issues for the Board of Directors, which could be delivered during the current fiscal year.

Mr Yann Delabrière's role as lead independent director will end at the close of the 2024 Annual Shareholders' Meeting, as his directorship is due to expire at the close of that same meeting.

In view of the split of the functions of Chairman and Chief Executive Officer, which will take effect on that same date, the provisions described earlier in this Universal Registration Document relating to the conditions and terms of the exercise of the duties of the lead independent director will be deleted from the Board's Internal Rules, leaving only the provisions defining the context of his appointment.

5.1.3 INFORMATION REGARDING MEMBERS OF THE BOARD OF DIRECTORS

5.1.3.1 Diversity policy, selection procedure and succession plan

Components of the diversity policy and selection process

On the recommendation of the Nominations and Remuneration Committee, the Board of Directors regularly, and at least once a year, reviews its composition and that of its committees so as to be able to fulfil all its responsibilities in terms of operational, industrial and financial expertise, auditing and risk control, ethics and compliance, social, environmental and governance considerations, the objective being that its composition is at all times aligned with all the Company's issues and strategy.

The composition of the Board of Directors and its Committees is also reviewed as part of the yearly evaluation of the Board, with Board Members invited to comment on the composition of the Board in terms of size, skills and the selection procedure in place.

To achieve the diversity goal it has set itself, the Board of Directors ensures at all times:

- that Board Members have complementary skills assessed on the basis of each person's educational background and experience, with this complementarity reflected in a skills matrix;
- diversity assessed at a personal level on the basis of several criteria that meet regulatory requirements, where applicable:
  - nationality and/or international profile,
  - operational and industrial skills,
  - age,
  - gender,
  - compliance with rules regarding holding multiple directorships,
  - independence,
  - seniority on the Board of Directors,
  - specific needs identified within a Committee,
  - representation of a shareholder/employees.

Independent Board Members, whether newly appointed or co-opted, are therefore subject to a selection process that, at any given time, takes into account the Company's needs assessed on the basis of the above factors.

This process, which has been entrusted to a specialist external firm, is led by the Chairman of the Nominations and Remuneration Committee and, as from the split of functions, will be carried out in coordination with the Chairman of the Board of Directors, with the involvement of the Chief Executive Officer.

In addition, the Committee conducts its own studies on potential candidates before approaching them.

The Committee also analyses, on the basis of these same factors, the profile of an independent Board Member whose directorship is about to expire and, following its analysis, decides whether or not to recommend his/her reappointment to the Board of Directors.

In addition, the Board of Directors, on the recommendation of the Nominations and Remuneration Committee, reviews other Board Members (Board Members representing shareholders, Board Members representing employees) to ensure that they are able to adhere to the Board's culture.

Thus, all prospective candidates, regardless of the Board Member category to which they belong, meet individually with the Executive Corporate Officers and the members of the Nominations and Remuneration Committee.

In addition, an onboarding programme is offered to new Board Members, which allows them to meet the Group's principal operational and functional directors, make site visits and speak with employees.

The Board Member selection process is described in the annex to the internal rules of the Nominations and Remuneration Committee.

Implementation of the diversity policy and results over the past fiscal year

During the last fiscal year, implementation of the diversity policy led to a proposal at the 2023 Shareholders' Meeting of the appointment of Mr Jay Walder, who had been co-opted by the Board of Directors on 15 November 2022.

Mr Jay Walder had been co-opted to replace Mr Serge Godin, who had resigned, following a process carried out, according to the selection procedure in place at the Company, by a specialised external firm on the basis of a profile defined jointly by Caisse de Dépôt et Placement du Québec, CDPQ, (as a reminder, CDPQ is entitled to appoint two Board members and an Observer) and the Company, taking into account the specific needs of the Board of Directors.

The Board of Directors had found that Mr Jay Walder has sound expertise in the field of transportation, having held executive positions at public transportation entities, Alstom's traditional customers. The Board of Directors had also felt that his long international career and his knowledge of the US market were valuable assets for the Board of Directors.

On the basis of these considerations, the Board of Directors confirmed that it was in favour of his co-option as a Board Member and his appointment as a member of the Integration Committee, and on 9 May 2023 the Board of Directors, on the recommendation of the Nominations and Remuneration Committee, voted in favour of his appointment by the Shareholders' Meeting of 11 July 2023 for a term of four years, on the basis of these same considerations.

On 9 May 2023, the Board of Directors also decided to have the Shareholders' Meeting of 11 July 2023 vote on the appointment as a Board Member of Bpifrance Investissement, the management company that handles Bpifrance's equity investments, which then held 7.5% of the company's capital (via the Lac1 fund). In this context, it was noted that the Lac1 fund's objective is to invest over the long term in the capital of listed French multinationals by being involved in their governance.

Bpifrance Investissement is represented by Mr José Gonzalo.

On 15 November 2023, the Company announced that Mr Philippe Petitcolin would become Chairman of the Board of Directors with effect from the 2024 Annual Shareholders' Meeting.

The Board of Directors, on the recommendation of the Nominations and Remuneration Committee, considered that Mr Philippe Petitcolin fulfils all the criteria required for the position of Chairman of the Board of Directors of Alstom:

- a long and successful track record in executive positions (as a former executive corporate officer) in the industrial sector in the broad sense;
- a distinguished track record and credibility in terms of development, transformation and acquisition/integration;
- a solid experience in governance and on Boards of Directors.

On 12 March 2024, taking these factors into account, the Board of Directors co-opted Mr Philippe Petitcolin as an independent Board Member to replace Mr Jay Walder, who had resigned, for the remainder of the latter's directorship, i.e. until the close of the 2024 Annual Shareholders' Meeting. The Board of Directors also appointed Mr Jay Walder as Observer until that same date. Since then, Mr Philippe Petitcolin has been fully involved in the work and discussions of the Board of Directors.

On the recommendation of the Nominations and Remuneration Committee, the Board of Directors meeting on 7 May 2024 decided to put to a vote of the 2024 Annual Shareholders' Meeting the ratification of the co-option of Mr Philippe Petitcolin as a Board Member, along with the renewal of his directorship and the appointment of Mr Jay Walder as a Board Member, in both cases for a term of four years.

In this respect, the considerations that led to the co-option of Mr Jay Walder in November 2022 were reiterated.

In addition to the directorships of Mr Philippe Petitcolin and Mr Jay Walder, which will be put to the vote of the shareholders, a proposal will be made to this same meeting to renew the directorship of Caisse de Dépôt et Placement du Québec for a further four years.

The directorships of Mr Yann Delabrière and Mr Frank Mastiaux will expire at the end of this same meeting.

The mandate of Mr Benoit Raillard, an Observer appointed by the Board of Directors, will also expire at the close of the 2024 Annual Shareholders' Meeting, and the Board of Directors meeting on 7 May 2024 proposes to reappoint him as Observer for a further four years, expiring at the close of the 2028 Shareholders' Meeting.

All information regarding candidates whose directorship is subject to renewal/ratification or whose appointment is being put to a vote is provided in the notice of meeting brochure for the 2024 Annual Shareholders' Meeting.

The Nominations and Remuneration Committee also reviewed the profiles, skills and independence of the Board Members as it does every year.

Succession plan for the Group's Executive Corporate Officer and management team

The succession plan for the Executive Corporate Officer is the subject of a written procedure memorandum, including solutions in principle, and is reviewed on a regular basis and at least once a year by the Nominations and Remuneration Committee and in an executive session of the Board of Directors.

During the past fiscal year, this plan was reviewed in an executive session on 9 May 2023 and then by the Nominations and Remuneration Committee on 11 March 2024.

This plan mainly deals with the temporary succession situation in the event of an unforeseen vacancy in the position of Executive Corporate Officer, and includes a component linked to a more traditional medium/long-term succession.

This plan is based in particular on a regular review of the composition of the Group's management team, including the Executive Corporate Officer, as soon as this becomes necessary, for example in the event of the appointment of a new member, and on the associated succession plan (with three timeframes: emergency successors, successors in 1-2 years, successors in 3-5 years), which is itself reviewed annually by the Nominations and Remuneration Committee and reported on to the Board of Directors. More generally, this review provides an opportunity to examine the actions taken to develop talent and diversity within the Group.

5.1.3.2 Directorships and duties performed by Board Members and the Observer, key skills

This section has been prepared on the basis of information provided by the Board Members and the Observer in order to prepare the Universal Registration Document and gather the information used by the Board of Directors to create the skills matrix and qualify the Board Members as independent.

The information is accurate as of 7 May 2024:

Mr Henri Poupart-Lafarge

Age: 55.

Nationality: French.

Business address: Alstom – 48, rue Albert-Dhalenne – 93400 Saint-Ouen-sur-Seine (France).

Principal function: Chairman & Chief Executive Officer of Alstom.

First appointment: 30 June 2015

End of current directorship: Shareholders' Meeting held in 2027 to approve the financial statements for the fiscal year ended 31 March 2027.

Holds 149,898 shares.

Other current directorships and positions:

In France:

Within the Alstom Group:

- Chairman of Alstom Foundation since 10 September 2015

Outside the Alstom Group:

- Board member of Société Générale* since 18 May 2021

Abroad:

-

Past directorships and positions (held during the past five years):

In France:

Outside the Alstom Group:

-

Within the Alstom Group:

-

Abroad:

Outside the Alstom Group:

- Board member of Transmashholding (Russia) from 2012 to 2019

Biography:

Mr Henri Poupart-Lafarge is a graduate of École Polytechnique, École Nationale des Ponts et Chaussées and Massachusetts Institute of Technology (MIT). He started his career in 1992 at the World Bank in Washington, D.C., before joining the French Ministry of Economy and Finance in 1994. Mr Henri Poupart-Lafarge joined Alstom in 1998 as Head of Investor Relations and responsible for management control. In 2000, he became the Transmission and Distribution Sector's Senior Vice-President Finance, a position he held until the sale of the sector in 2004. From 2004 to 2010, he was Chief Financial Officer of the Alstom Group, from 2010 to 2011 President of the Alstom Grid Sector and was President of the Transport Sector from 4 July 2011 until his appointment as Chairman & Chief Executive Officer. He has been the Chairman & Chief Executive Officer of Alstom since 1 February 2016.

Key skills brought to Alstom's Board of Directors:

Mr Henri Poupart-Lafarge brings to the Board his in-depth knowledge of Alstom's business, history and culture, having joined the Group more than 25 years ago. His professional background and managerial experience enable him to understand and advise the Board on all the Group's strategic and operational issues, including social, societal and environmental issues.

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* Listed company.

Mr Yann Delabrière

Age: 73.

Nationality: French.

Business address: Alstom – 48, rue Albert-Dhalenne – 93400 Saint-Ouen-sur-Seine (France).

Principal function: Chairman of MM Consulting SAS

First appointment: 17 March 2017

End of current directorship: Shareholders' Meeting held in 2024 to approve the financial statements for the fiscal year ended 31 March 2024.

Independent Board Member.

Lead director.

Chairman of the Nominations and Remuneration Committee.

Holds 16,306 shares (of which 12,653 shares through MM Consulting).

Other current directorships and positions:

In France:

- Chairman of MM Consulting SAS (France) since October 2016

Abroad:

- Member of the Supervisory Board of STMicroelectronics* (Netherlands) since May 2020
- Board member and chairman of the audit committee of Leddartech* (Canada) since February 2021

Past directorships and positions (held during the past five years):

In France:

- Chairman of the Supervisory Board of Idemia Group from July 2020 to March 2023
- Chairman of the Board of Directors of Idemia France (Idemia Group) from July 2020 to March 2023
- Chairman of the Management Board of Idemia from October 2018 to June 2020
- Chairman of Idemia Identity & Security France from October 2018 to July 2020
- Chairman of Galaxy Manco from October 2018 to July 2020

Abroad:

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Biography:

Mr Yann Delabrière is a graduate in mathematics of the École normale supérieure and of the École nationale d'administration. He began his career at the French Cour des Comptes before working in the cabinet office of the Foreign Trade Ministry. He then became the Chief Financial Officer of Coface and then of the Printemps group. In 1990, he joined PSA as Chief Financial Officer and became a member of the Executive Committee in 1998. Mr Yann Delabrière was Chairman and Chief Executive Officer of Faurecia from 2007 until July 2016 and remained Chairman of the Board until May 2017. He was then appointed Chairman of the Management Board of Zodiac Aerospace, a position he held from June 2017 until February 2018. He then became Chairman of the Supervisory Board of Idemia Group and then Chairman of the Management Board from October 2018 to July 2020, at which time he again assumed the role of Chairman of the Supervisory Board until March 2023. He is also a member of the Supervisory Board of STMicroelectronics, a board member and chairman of the audit committee of Leddartech and a former board member of Capgemini SE and Société Générale.

Key skills brought to Alstom's Board of Directors:

Mr Yann Delabrière has held financial and executive positions at a number of leading industrial and transport companies, where he also gained experience in climate change, cybersecurity and social and societal issues. He brings to the Board his sound experience in key areas for the Group, a recognised strategic vision and significant expertise in corporate governance.

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* Listed company.

Bpifrance Investissement, represented by Mr José Gonzalo

Bpifrance Investissement

Simplified joint-stock company with a single shareholder (société par actions simplifiée unipersonnelle) with share capital of 20,000,000 euros.

Registered office: 27/31, avenue du Général-Leclerc, 94710 Maisons-Alfort, France.

Date of Bpifrance Investissement's first appointment: 11 July 2023.

End of current directorship: Shareholders' Meeting held in 2027 to approve the financial statements for the fiscal year ended 31 March 2027.

Independent Board Member

Member of the Audit and Risks Committee.
Member of the Nominations and Remuneration Committee.

Bpifrance holds 28,845,500 shares (via the Lac1 fund).

Mr José Gonzalo

Age: 58.

Nationality: French.

Business address: Bpifrance, 6/8, boulevard Haussmann, 75009 Paris, France.

Principal function: Executive Director, Mid & Large Cap and SME Equity, Bpifrance

Permanent representative of Bpifrance Investissement since 11 July 2023.

Mr José Gonzalo does not hold any Alstom shares.

Current directorships and positions of Bpifrance Investissement:

In France:

- Board member of Abeo* since 19 July 2017
- Board member of Advicenne Pharma* since 29 April 2011
- Board member of Arkema* since 20 May 2021
- Board member of Bénéteau* since 8 February 2019
- Member of the Supervisory Board of Elis* since 25 May 2023
- Board member of Euroapi* since 3 May 2022
- Board member of Fermentalg* since 11 July 2013
- Board member of Forsee Power* since 20 December 2018
- Member of the Supervisory Board of Kalray* since 6 July 2018
- Observer on the Board of Directors of Maat Pharma* since 30 October 2020
- Board member of Mcphy Energy* since 3 July 2017
- Board member of Mersen* since 30 October 2013
- Board member of Metabolic Explorer* since 7 July 2021
- Board member of Nacon* since 30 July 2020
- Board member of Neoen* since 12 September 2018
- Board member of SEB SA* from 19 May 2022
- Member of the Supervisory Board of Serge Ferrari Group* since 19 April 2023
- Board member of SPIE SA* since 4 March 2022
- Observer on the Board of Directors of Teract* since 29 July 2022
- Board member of Verallia* since 3 October 2019
- Observer on the Board of Directors of Voyageurs du monde* since 29 April 2021

Abroad:

-

Past directorships and positions of Bpifrance Investissement (held during the past five years):

In France:

- Board member of Adocia* from December 2009 to December 2022
- Board member of Albioma* from May 2017 to August 2022
- Board member of Balyo* from February 2015 to November 2023
- Board member of Bastide Le Confort Medical* from December 2019 to May 2021
- Observer on the Supervisory Board of Elis* from January to May 2023
- Board member of Eos Managing* from December 2011 to June 2020
- Board member of Eutelsat Communications* from November 2021 to September 2023
- Observer on the Board of Directors of Gensight Biologics* from December 2013 to January 2021
- Observer on the Board of Directors of Nacon* from February 2020 to July 2020
- Board member of Pixium Vision* from November 2013 to May 2019
- Observer on the Board of Directors of Poxel* from June 2017 to February 2020
- Board member of Sensorion* from 12 September 2014 to August 2023
- Board member of Supersonic Imagine* from December 2010 to August 2019
- Board member of Vergnet SA* from July 2017 to June 2018
- Board member of Vilmorin & Cie* from December 2020 to July 2023

Abroad:

- Observer on the Board of Directors of GETAROUND* from April 2019 to December 2022

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* Listed company.

Other current directorships and positions of Mr José Gonzalo:

In France:

- Chairman and Chief Executive Officer and board member of Bpifrance International Capital since 14 December 2018
- Permanent representative of Bpifrance Investissement, board member of CMA-CGM since 25 March 2020
- Permanent representative of Bpifrance Investissement, board member of GALILEO GLOBAL EDUCATION STRATEGY since 18 October 2022
- Permanent representative of Bpifrance Participations, board member of PAPREC since 27 June 2018
- Board member of ESSILORLUXOTTICA* since 21 May 2021

Abroad:

-

Past directorships and positions of Mr José Gonzalo (held during the past five years):

In France:

- Permanent representative of Bpifrance Participations, member of the Supervisory Board of DIOT - SIACI TOPCO from November 2021 to January 2024
- Permanent representative of Bpifrance Investissement, board member of TOTAL EREN from October 2015 to July 2023
- Permanent representative of Bpifrance Participations, board member of AVRIL PÔLE VÉGÉTAL from October 2014 to December 2019
- Observer on the Board of Directors of CMA CGM from April 2014 to March 2020
- Permanent representative of Bpifrance Participations, board member of GROUPE LIMAGRAIN HOLDING from December 2017 to October 2020

Abroad:

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Biography:

Mr José Gonzalo is a graduate of Sciences-Po Paris and Université Paris Dauphine. He has 25 years of experience in Mergers & Acquisitions and Private Equity. After starting his career in the Mergers and Acquisitions Department of Compagnie Financière Rothschild, he joined the Orange Group, where he held the positions of Development Director and Mergers and Acquisitions Director at subsidiaries and the head office.

He joined Capgemini in 2009 as Head of Mergers & Acquisitions before moving to Bpifrance. He joined Bpifrance in 2014 as a member of the Mid & Large Cap Management Committee and co-manager of the ETI 2020 fund, for which he carried out investments in companies such as Eren, Quadran, Sandaya, Inseec, Medipole and Les Petits Chaperons Rouges.

In October 2016, José Gonzalo became Executive Director at Bpifrance, Mid & Large Cap Division. Since 1 August 2018, he has also been Executive Director in charge of the SME equity business.

He oversaw the buyout of the stake held by Agence des participations de l'État (APE) in PSA, which then became Stellantis.

Key skills brought to Alstom's Board of Directors:

Mr José Gonzalo, with his sound expertise in corporate finance, financial and market transactions and external growth, supports the Board of Directors and provides it with valuable advice in all its work on strategy and transformation.

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* Listed company.

Caisse de Dépôt et Placement du Québec, represented by Ms Kim Thomassin

CDPQ

Institutional Investor.

Registered office: 1000, place Jean-Paul-Riopelle, Montréal (Quebec), HBZ 2B3, Canada.

Date of CDPQ's first appointment: 29 October 2020, with effect from 29 January 2021.

End of current directorship: Shareholders' Meeting held in 2024 to approve the financial statements for the fiscal year ended 31 March 2024.

Member of the Audit and Risks Committee.
Member of the Integration Committee.

Member of the Nominations and Remuneration Committee.

CDPQ holds 66,832,600 shares.

Ms Kim Thomassin

Age: 52.

Nationality: Canadian.

Business address: 1000, place Jean-Paul-Riopelle, Montréal (Quebec), HBZ 2B3, Canada.

Principal function: Executive Vice-President and manager at Caisse de Dépôt et Placement du Québec

Permanent representative of CDPQ since 29 October 2020, effective 29 January 2021.

Ms Kim Thomassin does not hold any Alstom shares.

Current directorships and positions of CDPQ:

In France:

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Abroad:

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Past directorships and positions of CDPQ (held during the past five years):

In France:

- Member of the Board of Directors of Elior Group (France) from March 2016 to April 2020

Abroad:

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Other current directorships and positions of Ms Kim Thomassin:

In France:

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Abroad:

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Past directorships and positions of Ms Kim Thomassin (held during the past five years):

In France:

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Abroad:

- Executive Vice-President, Legal Affairs and Secretariat, Caisse de Dépôt et Placement du Québec (Canada) until April 2020
- Member of the Board of Directors of Ivanhoé Cambridge Inc. (Canada), CDPQ Group, from September 2017 to March 2021
- Member of the Advisory Board of Findev Canada (Canada) from May 2020 to February 2022
- Member of the Board of Directors of Ceres (Canada) from July 2019 to April 2021
- Member of the Board of Directors of Cirque du Soleil (Canada) from March 2017 to November 2020

Biography:

As Executive Vice-President and manager since April 2020, Ms Kim Thomassin leads CDPQ's investment strategy in Québec and financing and support activities for medium and large companies in the province. She also oversees the investment and operating partner teams in Quebec. She sits on the Executive Committee and on the Investment-Risk Committee. Prior to her current position, Ms Thomassin held the role of Executive Vice-President, Legal Affairs and Secretariat. In that role, she oversaw the Legal Affairs, Secretariat, Compliance and Stewardship Investing teams.

Before joining CDPQ in 2017, Ms Thomassin was National Client Leader and Managing Partner for the Québec Region at McCarthy Tétrault. As a member of the Leadership Team, she contributed to the firm's regional and national management while strengthening its national presence. In her 17 years at the firm, she held various important positions and specialised in project finance and acquisition transactions in the energy and infrastructure sectors. She has been involved in several transactions related to large-scale Canadian and international projects. She has also represented public institutions and developers in connection with public-private partnerships. Ms Thomassin received a B.C.L./LL.B. from Université Laval and minored in psychology at McGill University. She also studied at the University of Western Ontario's Faculty of Law. Ms Thomassin is a member of the Québec Bar.

In addition to being a member of Alstom's Board of Directors, Ms Kim Thomassin is Campaign Cabinet Co-President of the Montreal Children's Hospital Foundation. In 2022, she was appointed Honorary Co-Chair of two organisations: the Hôpital Maisonneuve-Rosemont Foundation and the Lise Watier Foundation. In addition, she is one of four members of an expert panel on sustainable finance set up by the federal government to engage with Canadian business experts. In 2019, she was named GC Influencer by Chambers GC Influencers Global 100, a distinction that recognises the leadership and contributions of heads of legal departments around the world. In 2016, she received the Medal of the National Assembly of Quebec in recognition of her career and her commitment to the advancement of women.

- Member of the Board of Directors of Attraction Media (Canada) from January 2016 to April 2020
- Member of the Board of Directors of CCMM (Foundation of the Chamber of Commerce of Metropolitan Montreal) (Canada) from October 2015 to May 2019

Her leadership has also been recognised through various distinctions, including the Christine Tourigny Award of Merit, the title of Advocatus Emeritus from the Quebec Bar and the Lexpert Zenith Award as lead attorney. In 2012, the Women's Executive Network (WXN) recognised her as one of Canada's 100 Most Powerful Women.

Key skills brought to Alstom's Board of Directors:

Having headed up the sustainable investment teams at Caisse de Dépôt et Placement du Québec, Ms Kim Thomassin brings significant insight to the Board of Directors on ESG issues ranging from climate change to ethics, compliance and governance. Her experience in government and public policies gives her a keen understanding of the environment in which Alstom operates. Currently in charge of investment strategy in Quebec at CDPQ, she works in a very varied industrial and risk management environment.

Ms Bi Yong Chungunco

Age: 61.

Nationality: Filipino.

Business address: Alstom – 48, rue Albert-Dhalenne – 93400 Saint-Ouen-sur-Seine (France).

Principal function: President of Telengtan Brothers and Sons (Philippines)

First appointment: 1 July 2014

End of current directorship: Shareholders' Meeting held in 2026 to approve the financial statements for the fiscal year ended 31 March 2026.

Independent Board Member.

Member of the Ethics and Compliance Committee.

Holds 2,000 shares.

Other current directorships and positions:

In France:

–

Abroad:

–

Past directorships and positions (held during the past five years):

In France:

–

Abroad:

- Chief Executive Officer of Luzon International Premiere Airport Development Corporation from February 2019 to August 2022

Biography:

Until August 2022, Ms Bi Yong Chungunco was Chief Executive Officer of Luzon International Premiere Airport Development Corporation, the consortium that was awarded under a public-private partnership project the operations and maintenance of Clark International Airport (Philippines) and Clark Civil Aviation Complex.

Until August 2017, Ms Chungunco was Head of Divestments at the LafargeHolcim Group, mainly for the Asia Pacific region, and Head of Lafarge China.

From July 2015 to March 2016, she was Area Manager, South East Asia (West) of LafargeHolcim Group, overseeing operations in Malaysia, Singapore, Bangladesh, Sri Lanka, and Myanmar, and also served as Corporate Secretary of Lafarge SA. Prior to that, she was Senior Vice-President, Group General Counsel and Corporate Secretary at Lafarge SA, based in Paris, France.

She joined the Lafarge Group in 2002 as Senior Vice-President for Legal, Corporate Governance and External Relations at the Lafarge subsidiary in the Philippines. From 2004 to 2007, she was Regional Head of Legal Affairs and then Deputy Head of Legal Affairs at Lafarge, overseeing from Paris the group's mergers and acquisitions and coordinating the worldwide legal network. From 2008 to 2012, she was Chief Executive Officer and board member of Lafarge Malayan Cement Berhad, one of the largest industrial companies listed on the Malaysian Stock Exchange (51% owned subsidiary of Lafarge, with operations in Malaysia and Singapore). A lawyer by training, she worked at various law firms prior to joining Lafarge Group.

Since 1 September 2023, Ms Bi Yong Chungunco has been President of Telengtan Brothers and Sons (Philippines).

Key skills brought to Alstom's Board of Directors**:**

Ms. Bi Yong Chungunco has extensive experience in running companies, private and listed companies, particularly in the South East Asia region, with major focus in the area of governance, stakeholders management, human resources, and sustainability initiatives. A lawyer by training, she has also managed complex strategic projects and cross-border M&A transactions, including restructuring and integration. Her broad experience in manufacturing and infrastructure sectors enables her to offer the Board of Directors holistic and cross-functional insights.

Ms Clotilde Delbos

Age: 56.

Nationality: French.

Business address: Alstom – 48, rue Albert-Dhalenne – 93400 Saint-Ouen-sur-Seine (France).

Principal function: -

First appointment: 17 July 2018.

End of current directorship: Shareholders' Meeting held in 2026 to approve the financial statements for the fiscal year ended 31 March 2026.

Independent Board Member.

Member of the Audit and Risks Committee.

Holds 2,653 shares.

Other current directorships and positions:

In France:

- Board member of Sanofi* since 30 April 2024
- Chair of Hactif Advisory since December 2023
- Co-Manager of Hactif Patrimoine (France) since 2017
- Board member of AXA* since 2021

Abroad:

–

Past directorships and positions (held during the past five years):

In France, at Renault Group:

- Acting Chief Executive Officer of Renault Group* (France) until 2020
- Chair of Mobilize Invest (now Caremakers Invest), Renault Group (France) until 2020
- Chief Financial Officer of Renault Group until February 2022
- Executive Vice-President of Renault Group until December 2022
- Chief Executive Officer of Mobilize, Renault Group, until December 2022
- Board member and Chair of the Board of Directors of Banque RCI SA, Renault Group (France) until December 2022
- Chair of Renault Venture Capital (now Mobilize Ventures), Renault Group (France) until December 2022
- Chair of Renault Mobility as an Industry, Renault Group (France) until December 2022
- Chief Executive Officer, Nouvelles Mobilités brand, Renault Group until December 2022

Abroad, at Renault Group*:

- Member of the Management Board of Alliance Rostec Auto B.V. (Netherlands) from October 2017 to May 2020
- Member of the Supervisory Board of Alliance Ventures B.V. (Netherlands) from October 2019 to September 2020
- Chair and Chief Executive Officer of Renault Nissan B.V. (Netherlands) from November 2019 to November 2020
- Board member of Renault Espana (Spain) from April 2021 to March 2022

Biography:

Ms Clotilde Delbos graduated from EM Lyon. She began her career in California, then at Price Waterhouse in Paris before joining the Pechiney Group in 1992. She held various positions in France and Brussels in Internal Audit, Treasury and Mergers & Acquisitions before becoming Division Chief Financial Officer (Bauxite Alumina and International Trade). After the acquisition of Pechiney by the Québec group Alcan, Clotilde Delbos became CFO of the Engineered Products division in 2005, until its sale in 2011 to the Apollo Global Management investment fund and the Strategic Investment Fund. At the new company, Constellium, her last two positions were Deputy Chief Financial Officer and Chief Risk Officer.

Ms Clotilde Delbos joined Renault Group in 2012 as Group Director of Performance and Control. In April 2016, Ms Delbos was appointed Chief Financial Officer of Renault Group and Chair of the Board of Directors of RCI Banque.

On 11 October 2019, she was appointed Acting Chief Executive Officer of Renault SA until Mr Luca de Meo took up his position as Chief Executive Officer of Renault SA and as Chairman of Renault SAS on 1 July 2020.

On 1 July 2020, Ms Clotilde Delbos was named Executive Vice-President of Renault Group. She remained Chief Financial Officer of Renault Group and Chair of the Board of Directors of RCI Bank & Services.

On 1 January 2021, Ms Clotilde Delbos was appointed Chief Executive Officer of the New Mobilities brand (Mobilize). She remains Executive Vice-President, Chief Financial Officer (until 1 March 2022) Renault Group and Chair of the Board of Directors of RCI Bank & Services. She is a member of the Board of Management of Renault Group.

On 1 January 2023, Ms Clotilde Delbos resigned from all her positions at Renault Group.

Key skills brought to Alstom's Board of Directors:

Ms Clotilde Delbos' recognised expertise in finance in the broad sense (audit, internal control, financing, controlling, risk management, mergers and acquisitions, etc.), as well as her experience in company management, especially acquired during the course of her international management career, enables her to make a major contribution to the Board of Directors and to the Audit and Risks Committee of Alstom, of which she has been a member since the beginning of her directorship. Her long experience in the automotive industry also enables her to advise the Board on issues relating to the climate transition.

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* Listed company.

Mr Daniel Garcia Molina

Age: 52.

Nationality: Spanish.

Business address: Alstom, Carretera de Santa Perpetua a Mollet, S/N, Santa Perpetua de Mogoda, 08130, Barcelona, Spain.

Principal function: employee in the Industrialisation Department of the Santa Perpetua site (Spain).

First appointment: 1 January 2021.

End of current directorship: 1 January 2025.

Board Member representing employees within the meaning of Article L. 225-27-1 of the French Commercial Code.

Holds 60 shares.

Member of the Integration Committee.

Other current directorships and positions:

In France:

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Abroad:

–

Past directorships and positions (held during the past five years):

In France:

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Abroad:

- Secretary of the European Works Forum from December 2015 to December 2019.
- Vice-Secretary of the European Works Forum from December 2019 to December 2020.

Biography:

Mr Daniel Garcia Molina is an employee in the Industrialisation Department of the Santa Perpetua site (Spain).

From 2012 to November 2020, he held the positions of General Secretary of the labour union at the Santa Perpetua site and General Coordinator of its labour union for Alstom Spain.

In parallel with his other trade union positions in Spain, from December 2012 to December 2015, Mr Molina was Vice-Secretary of the European Works Council (called the European Works Forum at Alstom) and, in December 2015, he became its Secretary.

In December 2019, he again assumed the position of Vice-Secretary of the European Works Forum until December 2020.

He is currently studying business administration and management at the University of La Salle in Barcelona.

Key skills brought to Alstom's Board of Directors:

Mr Daniel Garcia Molina has extensive experience of representing employees within the Alstom Group at European level. He has been involved in a number of strategic projects with major social and societal implications, and advises the Board of Directors on issues of relevance to employees.

Mr Gilles Guilbon

Age: 59.

Nationality: French.

Business address: Alstom, 33, avenue du Commandant-Lisiack, 17440 Aytré (France).

Principal function: Project guarantee manager at the La Rochelle site (France).

First appointment: 1 January 2021.

End of current directorship: 1 January 2025.

Board Member representing employees within the meaning of Article L. 225-27-1 of the French Commercial Code.

Holds 296 shares.

Member of the Nominations and Remuneration Committee.

Other current directorships and positions:

In France:

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Abroad:

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Past directorships and positions (held during the past five years):

In France:

–

Abroad:

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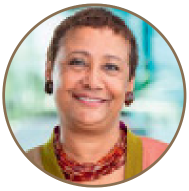
Biography:

Mr Gilles Guilbon is an alumnus of École nationale supérieure de mécanique et d'aérotechnique. He also holds an advanced degree in mechanics. He began his career in 1988 at Safran Group as Head of Methods before joining Alstom in 1991 as Head of Planning for the METEOR metro. In 1992, Mr Guilbon became head of industrialisation of electro-mechanical signalling products. In 1995, he moved to the La Rochelle site where he assumed various responsibilities in the Methods and Quality Department for high-speed trains and tramways. He is currently Project Product Introduction Manager.

Key skills brought to Alstom's Board of Directors**:**

Mr Gilles Guilbon brings to Alstom's Board of Directors his extensive knowledge of Alstom's activities and products and of the operation of the Group's industrial sites. His training and professional background enable him to make a valuable contribution on technological and operational issues, in addition to his perception of the Group's social and societal challenges.



Ms Sylvie Kandé de Beaupuy

Age: 67.

Nationality: French and Senegalese.

Business address: Alstom – 48, rue Albert-Dhalenne – 93400 Saint-Ouen-sur-Seine (France).

Principal function: Chair of SKB Consulting SAS.

First appointment: 30 January 2017

End of current directorship: Shareholders' Meeting held in 2027 to approve the financial statements for the fiscal year ended 31 March 2027.

Independent Board Member.

Chairwoman of the Ethics and Compliance Committee.

Holds 2,518 shares.

Other current directorships and positions:

In France:

-

Abroad:

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Past directorships and positions (held during the past five years):

In France:

Executive Vice-President – Senior Compliance Officer, Airbus* from November 2015 to January 2023

Abroad:

–

Biography:

Ms Sylvie Kandé de Beaupuy is currently a consultant at a company of Apollo Global Management, an alternative investment company listed on the New York Stock Exchange and headquartered in the United States. Prior to that, she was Executive Vice-President, Chief Ethics & Compliance Officer at Airbus from 2015 until very recently. During her time at Airbus, she played a major role in the investigations conducted by the anti-corruption authorities, namely the National Financial Prosecutor's Office (PNF), the UK Serious Fraud Office (SFO) and the US Department of Justice (DOJ). She developed the anti-corruption programme that served as the basis for the assessment carried out by the above authorities aimed at reaching agreements with the authorities, particularly the deferred prosecution agreement with the PNF.

Before joining Airbus, from 2008 to 2015 she was Senior Vice-President – Group Chief Compliance Officer and then Executive Vice-President at Technip, a world leader in the oil services industry. Ms Sylvie Kandé de Beaupuy started her career as a lawyer and member of the Paris Bar and was part of the Corporate/M&A team at Clifford Chance in Paris for almost 20 years.

Key skills brought to Alstom's Board of Directors**:**

Ms Sylvie Kandé de Beaupuy, a lawyer with a leading firm for many years before joining a number of international companies, has recognised expertise in the fields of ethics and compliance, which enables her to provide the Board of Directors with significant guidance on all related areas (including human rights, anti-corruption, etc.) and risks. Her experience in dealing with public and government authorities relating to these areas is also a major asset, enabling her to fully understand the operational and contractual environment in which the Alstom Group operates.

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* Listed company.

Mr Frank Mastiaux

Age: 60.

Nationality: German.

Business address: Alstom – 48, rue Albert-Dhalenne – 93400 Saint-Ouen-sur-Seine (France).

Principal function: -

First appointment: 8 July 2020.

End of current directorship: Shareholders' Meeting held in 2024 to approve the financial statements for the fiscal year ended 31 March 2024.

Independent Board Member.

Chairman of the Integration Committee and member of the Nominations and Remuneration Committee.

Holds 2,000 shares.

Other current directorships and positions:

In France:

–

Abroad:

- Member of the Advisory Board of Boehringer Ingelheim (Germany) since 2020
- Chairman of the Advisory Board of Sunfire GmbH (Germany) since December 2022

Past directorships and positions (held during the past five years):

In France:

–

Abroad:

- Chairman of the Management Board and Chief Executive Officer of EnBW Energie Baden-Württemberg* (EnBW) (Germany) from October 2012 to September 2022

Biography:

Mr Frank Mastiaux was Chairman of the Management Board and Chief Executive Officer of EnBW Energie Baden-Württemberg AG (EnBW), Germany's third largest energy company, from October 2012 to September 2022. Holder of a doctorate in chemistry obtained in 1993, he began his career at VebaOel AG in Gelsenkirchen, where he held various management positions until 1999. From 1998 to 1999, Mr Mastiaux was seconded to CITGO Petroleum (Tulsa, Oklahoma, United States) as Corporate Development Director. In 1999, he was named Head of Supply Chain and Sales at VebaOel and then became General Manager of ARAL Mineralöl-Vertrieb GmbH following the merger of Veba and ARAL in 2000. In 2001, after the takeover by BP, he became General Manager for Strategy, Marketing and Organisation of the BP Group in London. From 2005 to 2007, he was CEO in charge of BP's global Liquefied Petroleum Gas (LPG) division. In 2007, Mr Frank Mastiaux joined E.ON as founding CEO of E.ON's renewable energies division (E.ON Climate & Renewables). In 2011, he also became responsible for E.ON's expansion in high-growth markets outside Europe as CEO of E.ON International Energy.

Key skills brought to Alstom's Board of Directors**:**

Thanks to his extensive managerial and executive experience at international companies and his knowledge of the challenges of environmental and climate transition (Mr Frank Mastiaux, who has a doctorate in chemistry, has spent most of his career in the energy sector), Mr. Frank Mastiaux offers the Board of Directors, in particular, significant and recognised expertise in the development of its climate strategy and in all the challenges of the Group's transformation.

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* Listed company.

Mr Philippe Petitcolin

Age: 71.

Nationality: French.

Business address: Alstom – 48, rue Albert-Dhalenne – 93400 Saint-Ouen-sur-Seine (France).

Principal function: Chairman of the Board of Directors of KNDS (Netherlands)

First appointment: 12 March 2024.

End of current directorship: Shareholders' Meeting held in 2024 to approve the financial statements for the fiscal year ended 31 March 2024.

Independent Board Member.

Holds no Alstom shares on 7 May 2024.

Other current directorships and positions:

In France:

- Board member of EDF since 2019
- Board member of Pernod Ricard* since 2019
- Chairman of the Supervisory Board of Diot-Siaci since 2021

Abroad:

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Past directorships and positions (held during the past five years):

In France:

- Chief Executive Officer and Board Member of Safran* from April 2015 to December 2020
- Board member of Suez* from January to December 2021

Abroad:

- Board member of Belcan Corp

Biography:

Mr Philippe Petitcolin held various positions at Europrim, Filotex (an Alcatel-Alstom subsidiary) and Labinal (now Safran Electrical & Power) before joining Snecma (now Safran Aircraft Engines) as Chairman and Chief Executive Officer.

From 2011 to 2015, he held a number of executive and non-executive positions within the Safran Group and on 23 April 2015 was appointed as a board member of SAFRAN by the Shareholders' Meeting and Chief Executive Officer by the Board of Directors on that same day, a position he held until December 2020.

In 2015, he became a member of the Board of the European association The Aerospace and Defence Industries (ASD), Vice-Chairman of Gifas (Groupement des industries françaises aéronautiques et spatiales) and was also appointed as a board member of Belcan Corporation, an engineering services company.

In March 2021, he was appointed chairman of the board of the Dutch defence company KNDS. He is also a board member of EDF and Pernod Ricard and chairman of the supervisory board of Diot Siaci.

Key skills brought to Alstom's Board of Directors**:**

Mr Philippe Petitcolin has had a long and fruitful career as a manager in the industrial sector, particularly in transport, defence and security. He brings to the Board of Directors his knowledge of the operating environment in which the Group operates, characterised by complex, particularly in terms of technology, and long-term contracts that may be concluded with public and government authorities. He is also recognised for his expertise and vision in acquiring, integrating and transforming companies.

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* Listed company.

Mr Baudouin Prot

Age: 72.

Nationality: French.

Business address: Alstom – 48, rue Albert-Dhalenne – 93400 Saint-Ouen-sur-Seine (France).

Principal function: Chairman of the Supervisory Board of Emeria.

First appointment: 17 July 2018.

End of current directorship: Shareholders' Meeting held in 2026 to approve the financial statements for the fiscal year ended 31 March 2026.

Independent Board Member.

Member of the Nominations and Remuneration Committee and Member of the Ethics and Compliance Committee.

Holds 1,600 shares.

Other current directorships and positions:

In France:

- Chairman of the Board of Directors of the Fraikin Group since September 2020
- Board member of Kering* since 1998
- Chairman of BNP Paribas Emergency and Development Fund since 2013

Abroad:

- Board member of Finastra (United Kingdom) since 2017
- Member of the ADOBE International Advisory Board since March 2021
- Senior Advisor at Partners Group (Switzerland) since 2017

Past directorships and positions (held during the past five years):

In France:

- Board member of Veolia Environnement* from 2006 to 2018

Abroad:

- Board member of BGL BNP Paribas (Luxembourg) from 2015 to 2021
- Senior Advisor at Boston Consulting Group (United States) from 2015 to May 2023

Biography:

Mr Baudouin Prot began his career as Finance Inspector after graduating from the École nationale d'administration in June 1976. He joined Banque Nationale de Paris in 1983 as Deputy Director of Banque Nationale de Paris Intercontinentale prior to assuming the leadership of the Europe Department in 1985. He joined the management team of Réseaux France in 1987. For 10 years (1987-1996), he was in charge of Réseaux France and was appointed Deputy CEO in 1992. In 1996, he accepted the position of Director of Banque Nationale de Paris and, when BNP Paribas was created, he was appointed Deputy CEO of the new group. In 2000, he became a member of the Board of Directors of BNP Paribas. In 2003, Mr Prot became CEO of the BNP Paribas group, a position he held until 2011. From 2011 to 2014, he served as Chairman of the Board of Directors of BNP Paribas. Since October 2016, he has served as Chairman of the Supervisory Board of Emeria (formerly Foncia Management).

Key skills brought to Alstom's Board of Directors**:**

Mr Baudouin Prot has many years of recognised executive experience in the banking and market operations sectors, enabling him to advise the Board on financial matters in the broad sense and to provide it with his strategic vision. His awareness of ethics, compliance and governance issues are also major assets for the Board of Directors.

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* Listed company.

Ms Sylvie Rucar

Age: 67.

Nationality: French.

Business address: SR Corporate Finance Advisory – 9 bis, rue Saint-Amand – 75015, Paris (France).

Principal function: CEO of SRCFA.

First appointment: 30 June 2015

End of current directorship: Shareholders' Meeting held in 2027 to approve the financial statements for the fiscal year ended 31 March 2027.

Independent Board Member.

Chairwoman of the Audit and Risks Committee.

Member of the Nominations and Remuneration Committee.

Holds 2,235 shares.

Other current directorships and positions:

In France:

- Board Member of Avril Gestion (France), member of the Nominations and Remuneration Committee since August 2015

Abroad:

–

Past directorships and positions (held during the past five years):

In France:

- Senior Advisor at Alix Partners (US consulting firm, Paris office) from November 2010 to January 2022
- Board member and Chair of the Audit Committee of CFAO (France) from June 2012 to July 2022

Abroad:

- Board member and member of the Audit Committee of Savannah Energy* (Great Britain) from February to July 2023

Biography:

Ms Sylvie Rucar began her career in 1978 at Citroën (PSA Group) and then served in the PSA Group's Finance Department from 1984 to 2007. There she worked in mergers and acquisitions, financial control and international finance, and was Group Treasurer before becoming Chief Financial Officer and Chair of Banque PSA Finance. She was a member of PSA Group's Management Committee.

In early 2008, Ms Sylvie Rucar joined Société Générale, where she was Deputy CFO and Chief Operating Officer (COO) of the Group's Investor Services department and, in mid-2009, joined the Cogepa family office. From 2011 to 2022, she advised companies on mergers and acquisitions, financing and restructuring at the Alix Partners consulting firm, serving as Senior Advisor. Ms Sylvie Rucar is a graduate of ESCP-Europe Business School.

Key skills brought to Alstom's Board of Directors:

Ms Sylvie Rucar has held a number of positions of responsibility in the financial field at industrial and services companies, expertise she also deploys as a consultant. This experience enables her to offer her broad financial expertise, particularly in financing, mergers and acquisitions, accounting standards, risk management and controlling, to both the Board of Directors and to the Audit and Risks Committee, which she has chaired since 2018.

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* Listed company.

Mr Jay Walder (Observer)

Age: 65.

Nationality: American and Bristish.

Business address: Alstom – 48, rue Albert-Dhalenne – 93400 Saint-Ouen-sur-Seine (France).

Principal function: Chairman and Chief Executive Officer of SAB International LLC (USA)

First appointment: 15 November 2022 (Board Member) / 12 March 2024 (Observer)

End of current directorship: Mr Jay Walder's term of office as Observer will expire at the end of the Shareholder's Meeting held in 2024 to approve the financial statements for the fiscal year ended 31 March 2024.

Independent Board Member until 12 March 2024 then Observer

Member of the Integration Committee.

Holds 100 shares and 22,700 American Depositary Receipts

Other current directorships and positions:

In France:

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Abroad:

- Non-executive director, Boldyn Networks (formerly BAI Global HOLDCO Ltd) (UK) since November 2022
- Non-executive director, OTG Management (United States) since March 2024
- Non-executive director, The Community Builders (USA) since June 2023 (not-for-profit organisation)

Past directorships and positions (held during the past five years):

In France:

–

Abroad:

- Board member and Chief Executive Officer, Virgin Hyperloop (USA) from November 2018 to February 2021
- Board member and Chief Executive Officer, Motivate International LLC (USA) from October 2014 to September 2018
- Non-executive director, Citymapper (Great Britain) from November 2021 to July 2022
- Advisor, Lyft, Inc* (USA) from December 2018 to May 2020
- Non-executive board member, Transit Wireless (USA) from April 2018 to October 2021
- Advisor, BAI Communications US Holdings (USA) from October 2021 to November 2022
- Non-executive board member, Gowanus Canal Conservancy (USA) from June 2018 to April 2019 (not-for-profit organisation)
- Advisory board member, Dubai Council for the Future of Logistics (United Arab Emirates) from 2019 to 2020
- Non-executive board member, The Community Builders (USA) from November 2018 to April 2019 (not-for-profit organisation)
- Advisory board member, Friends of the Brooklyn Queens Connector (USA) from May 2017 to March 2023 (not-for-profit organisation).
- Advisory board member, Harvard University, Harvard Kennedy School, Taubman Center for State and Local Government (USA) from May 2008 to June 2023 (not-for-profit organisation)

Biography:

Mr Jay Walder is a Senior Advisor at McKinsey & Company and a non-executive director on the boards of directors of Boldyn Networks, OTG Management and The Community Builders.

From November 2018 to February 2021, he was Chief Executive Officer of Virgin Hyperloop.

Prior to that, Mr Walder served as Chief Executive Officer of Motivate International, the largest bike sharing company in the United States, and previously as Chief Executive Officer of MTR Corporation in Hong Kong. Before joining MTR, Mr Walder was Chairman and Chief Executive Officer of the New York Metropolitan Transportation Authority.

Earlier in his career, Mr Walder was a partner at McKinsey & Company London, where he led the firm's Global Infrastructure Practice.

Prior to that, he was Managing Director, Finance & Planning at Transport for London, a lecturer in public policy at Harvard Kennedy School and a visiting professor at the National University of Singapore. He also served on the Executive Board of the International Association of Public Transport (UITP) on the Executive Committee of the American Public Transit Association (APTA) and on the advisory board of the Taubman Center of Harvard Kennedy School.

Mr Jay Walder received a Master's degree in public policy from Harvard University and a Bachelor's degree in economics and political sciences with honours from Binghamton University. He completed the Executive Programme in Strategic Leadership from Templeton College at the University of Oxford.

Key skills brought to Alstom's Board of Directors**:**

Mr Jay Walder brings to the Board of Directors his in-depth knowledge of the US market and the rail industry, as well as his vision as an executive, having headed several international public transport companies, some of them listed. He thus contributes to operational discussions within the Alstom Board and shares his strategic vision of the current and future challenges facing the rail industry, particularly in terms of technology.

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* Listed company.

Mr Benoît Raillard (Observer)

Age: 59.

Nationality: French.

Business address: CDPQ London LLP – Private Equity, 70 Broadwick Street, London W1F 9QZ (Great Britain).

Principal function: Vice-President and Operating Partner, Private Equity for Europe at CDPQ.

First appointment: 26 January 2021, effective 29 January 2021.

End of current directorship: Shareholders' Meeting held in 2024 to approve the financial statements for the fiscal year ended 31 March 2024.

Mr Benoît Raillard does not hold any Alstom shares.

Other current directorships and positions:

In France:

- Director of Biogroup (France) since January 2019

Abroad:

- Board member of FNZ (Great Britain) since July 2019
- Board member of Veolia Water Technology and Solutions (United States) since February 2018

Past directorships and positions (held in the past five years):

In France:

- Board member of Alvest (France) from March 2018 to January 2024
- Board member of Courtepaille (France) from September 2015 to September 2020
- Board member of Foncia (France) from January 2018 to October 2019
- Board member of Sebia (France) from March 2019 to January 2024

Abroad:

- Board member of Avison Young (USA/Canada) from August 2018 to April 2023
- Board member of TVS Supply Chain Services (SCS) (India) until July 2020
- Board member of Dalcor Pharmaceuticals (Great Britain/Canada) until December 2019
- Board member of Datamars (Switzerland) until October 2019

Biography:

Mr Benoît Raillard has been Vice-President and Operating Partner, Private Equity for Europe at CDPQ since November 2017. In this role, he oversees part of the private equity investment portfolio in the region. Based in London, he is also involved in the due diligence process for new investment opportunities. He sits on the Private Equity Investment Committee of CDPQ. Mr Benoît Raillard has over 25 years of experience in private equity, general management roles and strategy consulting. Before joining CDPQ, he was Managing Director and Operating Partner at the pan-European fund Gimv and Senior Director at Alix Partners, where he specialised in restructuring for investment funds. For 15 years, he has held general management positions at private equity-backed service companies (Elis, 5àSec). Prior to that, he worked in strategy consulting at Bain & Company, in sales and marketing management at Eli Lilly, and in operations management at BNPP in New York. He holds an MBA from Harvard Business School and a MSc in aeronautic engineering from École centrale de Paris. He is an alumnus of Institut d'études politiques de Paris. He currently serves on the Boards of Directors of FNZ, Veolia Water Technologies & Solutions and Biogroup. He was previously a Board Member at Alvest, Sebia, Avison Young, Emeria (formerly Foncia), Datamars, TVS Supply Chain Services and Dalcor.

Key skills brought to Alstom's Board of Directors**:**

Mr Benoît Raillard's long experience in investment strategies, particularly involving financial and risk analyses, enables him to provide the Board of Directors with relevant support in its strategic choices and operations.

5.1.3.3 Skills matrix

During the past fiscal year, the Company developed and deployed a new methodology to assess more objectively the key skills brought to Alstom's Board of Directors by its Board Members and Observers based on their academic and professional backgrounds.

In line with its priorities and objectives, the Board of Directors reviewed and validated a list of key skills relevant to the Group, which were set out in a matrix.

Each member of the Board of Directors was then asked in a specific biographical questionnaire (in addition to the usual annual questionnaire) to select his or her skills from the matrix and indicate his or her level of expertise/knowledge on a scale of 1 (significant experience) to 3 (general understanding) and justify these selected skills in terms of significant experience, knowledge or training.

The matrix showing the diverse expertise of the members of the Board of Directors as of 7 May 2024 is presented below, and a short paragraph summarising the key skills and knowledge brought to the Board is included in the profile of each Board Member, providing a link with the matrix:

	Skills	Board Members and Observers															
		Bi Yong Chungunco	Yann Delabrière	Clotilde Delbos	Daniel Garcia Molina	Gilles Guilbon	José Gonzalo	Sylvie Kandé de Beaupuy	Frank Mastiaux	Philippe Petitcolin	Henri Poupart-Lafarge	Baudouin Prot	Benoît Raillard	Sylvie Rucar	Kim Thomassin	Jay Walder	Percentage of Board members and observers
	Executive management of a listed or unlisted company of significant size in terms of revenue	1	1	1	-	-	-	1	1	1	1	1	1	2	1	1	80% (i.e. 12 Board Members or Observers)
	Strategy / Mergers – Acquisitions	1	1	1	3	-	1	1	1	1	1	1	1	1	1	1	93.3% (i.e. 14 Board Members or Observers)
	Ethics and Compliance	1	2	2	3	3	2	1	2	1	1	1	1	3	1	2	100% (i.e. 15 Board Members or Observers)
Industrial experience	Railway industry	2	-	2	2	2	-	-	3	3	1	-	-	-	3	1	60% (i.e. 9 Board Members or Observers)
	Other transport industries	3	1	1	3	3	1	-	1	1	3	-	-	-	3	1	73% (i.e. 11 Board Members or Observers)
	Industries other than transport	1	-	2	3	-	-	-	1	1	2	-	1	-	1	1	60% (i.e. 9 Board Members or Observers)
Finance and audit	Risk management	2	1	1	-	3	2	-	3	1	1	1	1	1	1	3	86.7% (i.e. 13 Board Members or Observers)
	Accounting standards and consolidated financial statements	2	1	1	-	-	2	-	3	3	1	1	1	1	3	3	80% (i.e. 12 Board Members or Observers)
	Corporate finance and capital markets practice	2	1	1	-	-	1	2	3	1	1	1	1	1	1	3	86.7% (i.e. 13 Board Members or Observers)
	Audit and internal control	2	2	1	-	-	2	-	3	1	1	1	1	2	2	3	80% (i.e. 12 Board Members or Observers)
	Controlling	2	1	1	-	3	2	-	3	2	1	1	1	1	2	3	86.7% (i.e. 13 Board Members or Observers)
Legal and regulatory	Legal affairs	1	3	3	-	-	-	2	3	2	1	2	2	1	1	3	80% (i.e. 12 Board Members or Observers)
	Experience in government and public policy/affairs	2	3	3	-	-	1	3	2	1	1	2	-	3	1	1	80% (i.e. 12 Board Members or Observers)
CSR	Experience in climate change issues	2	1	2	3	3	1	-	1	1	1	2	-	3	1	3	86.7% (i.e. 13 Board Members or Observers)
	Human resources management	2	2	2	2	3	-	2	3	2	1	1	2	2	1	2	93.3% (i.e. 14 Board Members or Observers)
	Social and societal issues	2	2	1	3	-	2	-	2	1	1	2	-	3	1	3	80% (i.e. 12 Board Members or Observers)

	Skills	Board Members and Observers														
		Bi Yong Chungunco	Yann Delabrière	Clotilde Delbos	Daniel Garcia Molina	Gilles Guilbon	José Gonzalo	Sylvie Kandé de Beaupuy	Frank Mastiaux	Philippe Petitcolin	Henri Poupart-Lafarge	Baudouin Prot	Benoît Raillard	Sylvie Rucar	Kim Thomassin	Jay Walder	Percentage of Board members and observers
Governance	Experience in the management of listed companies	1	1	1	-	3	1	-	1	1	1	1	2	2	1	1	86.7% (i.e. 13 Board Members or Observers)
	Selection and remuneration of management teams	2	2	1	-	3	1	-	2	1	1	1	1	3	1	1	86.7% (i.e. 13 Board Members or Observers)
Technology	Transport-related technology	3	1	3	3	3	-	-	1	1	1	-	-	-	3	1	66.7% (i.e. 10 Board Members or Observers)
	Digitalisation	3	2	3	3	3	-	-	2	2	1	2	2	-	3	2	80% (i.e. 12 Board Members or Observers)
	Cybersecurity	3	2	3	3	3	-	-	2	2	1	2	2	-	2	3	80% (i.e. 12 Board Members or Observers)
International	Management of multinational companies	1	1	1	-	-	-	-	1	1	1	1	1	1	1	1	73.3% (i.e. 11 Board Members or Observers)
	Management experience outside Europe	1	-	2	-	-	-	-	1	1	3	2	1	3	1	1	66.7% (i.e. 10 Board Members or Observers)

5.1.3.4 No convictions

This section has been prepared on the basis of information provided by the members of the Board of Directors in response to the annual questionnaire sent to them by the Company.

The information is accurate as of 7 May 2024.

To the Company's knowledge, no member of the Board of Directors:

- has been convicted of fraud in the last five years; or
- has been implicated and/or been the subject of an official public sanction in the last five years;
- has, while serving as a member of an administrative, management or supervisory body, been involved in a bankruptcy, receivership, liquidation or placement of a company under judicial administration in the past five years;
- has been disqualified by a court from having the right to serve as a member of an issuer's administrative, management or supervisory body or from being involved in the management or operation of an issuer's business during the past five years.

5.1.3.5 Conflicts of interest

The applicable rules and procedures in place at Alstom

The Board Members Charter appended to the Board of Directors' internal rules provides that each Board Member or Observer must inform the Board of Directors as soon as he/she becomes aware of any actual or potential conflict of interest and must refrain from participating in the discussions and voting on the corresponding deliberation (bearing in mind that Observers participate in Board meetings only in an advisory capacity).

The Charter specifies that each Board Member/Observer must consult the Chairman of the Board of Directors (or, when the Board Member in question is the Chairman of the Board of Directors, the Chairman of the Nominations and Remuneration Committee) prior to carrying out any activity or accepting any position or obligation that could, according to him/her, place him/her in a conflict of interest, even if this is only potential. The Chairman may submit such questions to the Nominations and Remuneration Committee or to the Board of Directors. The Board Member/Observer is required to present his/her resignation if a conflict of interest cannot be resolved to the Board's satisfaction.

In addition, the Chairman of the Board of Directors may, at any time, request a written statement from each Board Member/Observer that they do not have an undeclared conflict of interest.

Upon taking office, and once a year thereafter, each Board Member/Observer must report to the Company on the existence or non-existence of an actual or potential conflict of interest by answering a questionnaire provided by the Company. He/she must notify the Company of any change making his/her statement inaccurate or respond to the Chairman of the Board of Directors' request at any time, in accordance with the Board Members Charter.

Procedure for evaluating ordinary agreements

In accordance with Article L. 22-10-12 of the French Commercial Code, the Company has implemented a procedure to regularly evaluate ordinary agreements entered into under normal market conditions.

The principal characteristics of this procedure, as approved by the Board of Directors on 10 March 2020 and covered by an internal instruction, are as follows:

- establishment and updating of a list of the relevant related parties by identifying and classifying the relevant agreements;
- two-step implementation:
  - control, at least annually, on the basis of the questionnaire sent to the members of the Board of Directors;
  - qualification: phase involving the legal, commercial and/or finance functions and the Statutory Auditors, if the opinion of the Auditors becomes necessary;

- annual report of the Board of Directors and review of the procedure on an annual basis so that its effectiveness can be improved as necessary.

On 7 May 2024, the results of this procedure in respect of fiscal year 2023/24 were presented to the Board of Directors, which considered the agreements between Société Générale and Alstom, both of which have Mr Henri Poupart-Lafarge as a Board Member to be ordinary agreements concluded under normal market conditions.

Other information

In addition, to the Company's knowledge, as of 7 May 2024:

- there is no direct or indirect conflict of interest, including one that is simply potential, between the duties of a member of the Board of Directors in relation to Alstom and the member's private interests and/or other duties;
- apart from the appointments of Caisse de Dépôt et Placement du Québec as a Board Member and of Mr Benoît Raillard, proposed by Caisse de Dépôt et Placement du Québec as an Observer, as per the terms of the agreements concluded between CDPQ and the Company at the time of the acquisition of Bombardier Transportation, and the appointment of Bpifrance investissement as a Board Member, there is no arrangement or agreement between the Company and the principal shareholders, customers, suppliers or others under which a member of the Board of Directors has been appointed in this capacity;
- there is no family relationship among the members of the Company's Board of Directors;
- there are no services agreements between the members of the Board of Directors and the Company or any of its subsidiaries that provide for the grant of benefits upon the expiration of such an agreement.

In addition, to the Company's knowledge, apart from the commitment described below:

- an undertaking made in an investment agreement by Caisse de Dépôt et Placement du Québec, until 16 September 2030, that its shareholding will not exceed 22% of the ordinary shares issued by Alstom without Alstom's agreement. Within the limits of this commitment, CDPQ could acquire other Alstom securities depending on market conditions. In addition, CDPQ undertook in the same investment agreement to retain its Alstom shares for a period of 21 months from the closing date of 29 January 2021 (excluding transfers in the context of a public offer, transfers authorised by Alstom, transfers to an affiliate, transfers following the opening of a procedure under book six of the French Commercial Code or transfers enabling CDPQ to hold less than 19.8% of Alstom shares prior to a distribution).

There are no restrictions applicable to the members of the Board of Directors regarding the sale of their stake in the Company's share capital other than the internal rules set by the Group or, more generally, the applicable laws or regulations regarding the obligation to refrain from trading in the Company's shares in order to prevent insider trading.

In this respect, it is reminded that at 31 March 2024, Caisse de Dépôt et Placement du Québec holds 17.39 % of the share capital of the Company.

Board Members' independence

Pursuant to the AFEP-MEDEF Code and the Board of Directors' internal rules, the Board assesses annually, in practice during its May meeting, each Board Member's situation in light of independence criteria.

In this regard, once a year every Board Member is asked to send the Company an official statement regarding each of these criteria via the questionnaire sent to him/her by the Company, which itself performs checks according to the above-mentioned procedure to regularly evaluate ordinary agreements entered into under normal market conditions.

The Board of Directors also examines the qualification of a Board Member as independent at the time of a co-option or, in the run-up to the Annual Shareholders' Meeting and concurrently with the annual review, in the context of proposed reappointments or new appointments.

During the past fiscal year, the Board of Directors meeting on 12 March 2024 specifically reviewed the independence of Mr Philippe Petitcolin at the time of his co-option, with the annual independence review being carried out during the meeting of 7 May 2024 on the basis of the recommendations of the Nominations and Remuneration Committee, which it approved in full.

The Board referred to the definition provided in the AFEP-MEDEF Code, which it applies, and considers a Board Member to be independent when he/she has no relationship of any kind with the Company, its Group or its Management that could compromise his/her ability to exercise independent judgement.

The Board takes into account all the criteria recommended by the AFEP-MEDEF Code to assess the independence of its members and to find that, in order to be qualified as independent, a Board Member must not:

- be or have been during the past five years an employee or an Executive Corporate Officer of the Company, an employee, Executive Corporate Officer or Board Member of a company within the Company's scope of consolidation, or an employee, Executive Corporate Officer or Board Member of the Company's parent company or of a company consolidated by such parent company;
- be an Executive Corporate Officer of a company in which the Company directly or indirectly holds a directorship, or in which an employee designated as such or an Executive Corporate Officer of the Company (currently or during the past five years) holds a directorship;
- be, directly or indirectly, a customer, supplier, investment or commercial banker, or advisor:
  - which is significant for the Company or its Group, or
  - for which the Company or its Group represents a material proportion of the business;
- have a close family relationship with a Corporate Officer;
- have been a Statutory Auditor of the Company during the past five years;
- have been a Board Member of the Company for more than 12 years (with the loss of status as an independent Board Member occurring on the date on which this 12-year period is reached);
- be controlled by or represent a shareholder holding alone or in concert more than 10% of the capital or voting rights of the Company;
- receive variable remuneration in cash or shares or any other remuneration tied to the performance of the Company or the Group.

In accordance with the AFEP-MEDEF Code's recommendation, the Board of Directors may conclude that a Board Member does not qualify as independent even though he/she meets the independence criteria, and vice versa.

The Board checks in particular the significant business relationships criterion. When business activities or relationships are identified between the Company and the companies at which Board Members qualified as independent perform functions or hold directorships, the Board takes into account the nature of the activities/relationships, their non-significant amount as assessed from each party's point of view, the fact that the Board Member does not hold an executive position at the company or group in question and the existence of any other qualitative criterion (such as the length and continuity of the relationship) in order to assess Board Members' independence.

Therefore, after reviewing all of these criteria, the Board of Directors decided that, as of 7 May 2024, nine Board Members in office (excluding Board Members representing employees and the Observers) should be qualified as independent, corresponding to 82%.

AFEP-MEDEF CRITERIA

(The independence criterion is considered met when marked with a "√")	Not be or have been an employee, Executive Corporate Officer or Board Member during the last 5 years	Absence of cross-directorships	Absence of material business relationships	Absence of close family ties with a Corporate Officer of the Company	Not be or have been Statutory Auditor of the Company during the last 5 years	Length of directorship <12 years	<10% shareholding and voting rights	No variable remuneration tied to the Company's performance	Qualification assigned by the Board
Mr Henri Poupart-Lafarge		√	√	√	√	√	√		Not independent
Bpifrance Investissement represented by Mr José Gonzalo	√	√	√	√	√	√	√	√	Independent
CDPQ represented by Ms Kim Thomassin	v	v		v	v	v		v	Not independent
Ms Bi Yong Chungunco	√	√	√	√	√	√	√	√	Independent
Mr Yann Delabrière	√	√	√	√	√	√	√	√	Independent
Ms Clotilde Delbos	√	√	√	√	√	√	√	√	Independent
Ms Sylvie Kandé de Beaupuy	√	√	√	√	√	√	√	√	Independent
Mr Frank Mastiaux	√	√	√	√	√	√	√	√	Independent
Mr Philippe Petitcolin	√	√	√	√	√	√	√	√	Independent
Mr Baudouin Prot	√	√	√	√	√	√	√	√	Independent
Ms Sylvie Rucar	√	√	√	√	√	√	√	√	Independent

With regard to the Board Members whose reappointment/appointment will be submitted to the 2024 Annual Shareholders' Meeting, the Board of Directors reiterated that Mr Philippe Petitcolin has all the characteristics of an independent Board Member based on all the criteria set out in the Code.

The Board of Directors considered Mr Jay Walder, initially co-opted to replace Mr Serge Godin, to be free of any interests with respect to CDPQ, an entity with which there is no shareholders' or similar agreement. The Board of Directors also noted that Mr Jay Walder does not receive instructions from CDPQ and that there is no arrangement between Mr Jay Walder and CDPQ regarding decision-making within the Alstom Board of Directors.

On the basis of these factors, Alstom's Board of Directors considered that Mr Jay Walder's freedom of judgement on the Board is not likely to be compromised, as none of these factors are such as to characterise a lack of independence.

The Board confirmed that CDPQ, which owns more than 10% of the Company, cannot be considered an independent Board Member.

Hence, following the 2024 Annual Shareholders' Meeting, subject to a favourable vote by the shareholders regarding the candidates whose directorship is subject to ratification/renewal or whose appointment is subject to a vote, the percentage of independent Board Members would be 80%.

5.1.3.6 Ethics for the Board Members and Observers – Rules of conduct

Board Members Charter

Attached to the Board's internal rules is the Board Members' Charter, which defines the Board Members' and Observers' rights and obligations and the content of which mostly complies with the AFEP-MEDEF Code's recommendations.

As a reminder, the internal rules were amended by the Board of Directors through decisions taken on 22 September 2020 and 26 January 2021, particularly in connection with the Bombardier Transportation acquisition, mainly to:

- make certain provisions of the internal rules applicable to the Observers, particularly those relating to conflicts of interests and the rules regarding the obligation to refrain from trading in the Company's shares;
- more strictly define the concept of confidential information and define the rules for disclosure of such information to be followed by a Board Member or Observer that is a legal entity;
- clarify the legal and contractual rules applicable to insider trading.

Thus, before accepting their appointment, all Board Members/ Observers must familiarise themselves with the laws and regulations that relate to their position, the Company's Articles of Association, the Group's Code of Ethics, the internal operating rules of the Board of Directors and Board Committees, and the Board Members Charter. Any Board Member/Observer can consult the Secretary of the Board at any time regarding the scope of these rules and the rights and obligations related to their role.

All Board Members and the Observer must devote the necessary time and attention to their duties and, when accepting a new directorship, consider whether this will allow them to fulfil their duty to participate, unless they are genuinely prevented from doing so, in all meetings of the Board of Directors and the committees of which they are members, and in Shareholders' Meetings.

Pursuant to the Board Members Charter, Board Members and the Observer are bound by professional secrecy and must personally protect the confidentiality of any information they obtain in connection with their duties that has not been made public.

As indicated above, these rules were also supplemented to specify the communications rules applicable to this information to be followed by a Board Member/Observer that is a legal entity.

Thus, if the Board Member/Observer is a legal entity, it must:

- ensure that confidential information provided to its permanent representative on the Board of Directors is not disclosed to any third party other than (i) to a limited number of persons, on a strictly need-to-know basis, who are employees, other staff members working as consultants exclusively for such Board Member/Observer, Board Members or Executive Corporate Officers of such Board Member/Observer and whose identity and contact details are provided to the Company in writing prior to disclosure, and (ii) to that Board Member's/Observer's legal advisors and Statutory Auditors (if applicable) (the "Authorised Recipients");
- ensure that neither its permanent representative nor any Authorised Recipient is an employee, Board Member, Corporate Officer or consultant at an entity included on (i) the list of the Company's identified competitors, (ii) the list of the Company's five (5) largest customers (on the basis of the consolidated revenue generated by the Company with such customers during the previous fiscal year), (iii) the list of the Company's five (5) largest suppliers (on the basis of the payments made by the Company to such suppliers on a consolidated basis during the previous fiscal year). These lists will be made available to that Board Member/Observer upon request, it being specified that the list of the five (5) largest customers and the list of the five (5) largest suppliers must be updated once a year;
- require that its permanent representative and the Authorised Recipients (i) not disclose confidential information to any third party whatsoever (without prejudice to the disclosure right referred to above), (ii) implement necessary and adequate measures, notably with regard to the storage of confidential information in a separate folder or file, to secure such information from unauthorised access, use, reproduction or disclosure, and (iii) comply with all obligations set forth in the Charter (including rules resulting indirectly from the charter, such as rules set out in the Company's Code of Conduct), where applicable; and
- provide the Company with all necessary information required by applicable rules and by the Company for the purposes of preparing and maintaining any insider list, including with respect to its permanent representative and the Authorised Recipients.

In addition, the Charter states that the Board Member must also comply with the provisions of the AFEP-MEDEF Code and the legal provisions in force concerning rules applicable to plurality of directorships. Each Board Member must inform the Company of directorships held at other companies, including participation in Board committees at such French or foreign companies. He/she must disclose any new directorship or professional responsibility to the Company as soon as possible. When the Board Member performs executive functions at the Company, he/she must also obtain the Board's opinion prior to accepting a new directorship at a company outside the Group.

The Board Members Charter also reminds Board Members and Observers of their obligation to comply with the Group's internal rules and, more generally, with the applicable laws or regulations regarding the obligation to refrain from trading in the Company's shares, as set forth in the Group's Code of Conduct on inside information and the prevention of insider trading.

Code of Conduct on inside information and the prevention of insider trading

The Code of Conduct on inside information and the prevention of market abuse defines the situations in which certain individuals must refrain from trading in the Company's shares. These principles are also contained in the Group's Code of Ethics.

The Group's Code of Ethics and the Code of Conduct are delivered to all Board Members/Observers at the beginning of their term and following each amendment. Compliance with confidentiality rules is also one of the essential rules of the Group's Code of Ethics.

The Code of Conduct applies to Board Members, the Observers, Executive Corporate Officers and persons equivalent to Executive Corporate Officers, and Group employees who have occasional or regular access to inside information.

The schedule of lock-up periods is provided to the persons concerned prior to the beginning of each fiscal year, and such persons are notified of the start of each lock-up period by email several days in advance.

The Board's internal rules and this Code of Conduct to which the Board's internal rules refer also remind the Corporate Officers and persons equivalent to Executive Corporate Officers of their legal obligations to report transactions in the Company's shares carried out either by them or by persons close to them.

Pursuant to the Code of Conduct, transactions in the Company's shares are not allowed:

- during the 30 calendar days before Alstom's annual and interim results are disclosed to the public and up to the second trading day following the date on which the information is disclosed to the public;
- during the 15 calendar days before the public disclosure of revenue and orders (or other results) for the first and third quarters of each fiscal year and up to the second trading day following the date on which the information is disclosed to the public; and
- in any case, when inside information is held and up to the second trading day following the date on which such information is disclosed to the public.

5.1.4 CONDITIONS FOR THE PREPARATION AND ORGANISATION OF THE WORK OF THE BOARD OF DIRECTORS

5.1.4.1 Composition, tasks, organisation and operation of the Board

The rules governing the composition, tasks, organisation and operation of the Board of Directors are defined in the Board of Directors' internal rules, the purpose of which is to supplement applicable laws and regulations.

The rules are regularly reviewed by the Board of Directors to determine whether its provisions need to be amended or clarified in order to comply with regulations in force or to improve the efficiency and operation of the Board and its committees.

During the past fiscal year, the Board of Directors amended its internal rules on 12 March 2024 to clarify in particular, that its statutory role in determining the Group's social and environmental responsibility strategy, which includes the climate strategy, falls within its remit.

On 7 May 2024, the Board of Directors also amended its internal rules to reflect the split of the functions of Chairman of the Board of Directors and Chief Executive Officer. This version will apply from the 2024 Annual Shareholders' Meeting, the date on which the split of functions will become effective. The provisions of the internal rules described below that are currently applicable will continue to apply as they stand once the split of functions becomes effective (with the exception, however, of the provisions that are indicated as only applying until that date, which essentially concern the lead independent director).

5.1.4.1.1 In terms of composition

On the proposal of the Nominations and Remuneration Committee, the Board of Directors regularly, and at least once a year, reviews its composition and that of its Committees so as to be able to fulfil all its responsibilities in terms of operational, industrial and financial expertise, auditing and risk control, ethics and compliance, social, environmental and governance considerations, the objective being that its composition is at all times aligned with all the Company's issues and strategy.

The Nominations and Remuneration Committee is responsible for overseeing the Board Member selection process as described in the annex to its internal rules.

The Board's internal rules also stipulate that at least half of the Board must be composed of independent Board Members, with the independence of a Board Member determined by the Board of Directors deliberating on the proposal of the Nominations and Remuneration Committee.

The criteria applied and the review of each Board Member's situation are discussed at least once a year and published in the report on corporate governance.

5.1.4.1.2 In terms of tasks

As indicated in the introduction, during the past fiscal year the Board of Directors amended its internal rules on 12 March 2024 to clarify that its statutory role in determining the Group's social and environmental responsibility strategy, which includes the climate strategy, falls within its remit.

The internal rules stipulate that the Board of Directors determines and regularly reviews, on the proposal of the Chief Executive Officer, the Group's strategy, including its social and environmental responsibility strategy (which includes the climate strategy), appoints and dismisses Executive Corporate Officers and sets their remuneration, oversees management and ensures the quality of the information provided to shareholders and the markets.

It is kept regularly informed and is aware at all times of developments in the business, markets and competitive environment, the main challenges facing the Company, including in the area of social and environmental responsibility, the Group's results, financial position, debt, cash position and, more generally, the Group's commitments.

Based on the strategy it has approved, it regularly reviews opportunities and risks, such as financial, legal, operational, social and environmental risks, and the measures taken as a consequence.

It ensures, where appropriate, that a system is in place to prevent and detect corruption and influence peddling and receives all the necessary information for this purpose. It also ensures that the Executive Corporate Officers implement a policy of non-discrimination and diversity, particularly with regard to the balanced representation of men and women on management bodies.

In practice, each year it examines and approves the medium-term strategic plan and the annual budget.

The Board of Directors also discusses in advance any transaction that is not part of the Group's announced strategy or that could significantly affect the Group or materially modify its financial structure or results;

The Board of Directors therefore reviews and approves in advance acquisitions and divestitures where the unit amount exceeds 80 million euros, partnerships where the Group's contribution exceeds 80 million euros, and financing transactions where the unit amount exceeds 400 million euros for new medium- or long-term loans, or 1 billion euros for short-term treasury notes.

The Board of Directors is informed of acquisitions, disposals and partnerships with a unit value of more than 40 million euros.

For acquisitions and divestitures, the amount to be taken into consideration is the enterprise value, regardless of the payment terms (immediate or deferred, in cash or in shares, etc.). For partnerships or newly created companies, the amount to be taken into consideration is the Group's financial commitment (contribution to the share capital or shareholder loan, exposure to external financing, etc.).

It also approves the composition of the Group's management team.

The version of the Board's internal rules applicable as from the split of functions formally stipulate that the Board of Directors is also informed of the most significant current invitations to tender, for which a presentation of the strategy and risks is submitted to it.

5.1.4.1.3 In terms of organisation and operation

The internal rules stipulate that the Board must hold at least four meetings a year, with specific meetings on strategy, human resources, risk management, sustainability issues or any other subject organised according to priorities and needs.

In practice, however, at least six Board of Directors meetings are included in the Board's work plan each year.

The Board of Directors meets at least twice a year, in a so-called “executive” session, without the Executive Corporate Officers present, to examine i) the remuneration of the Executive Corporate Officers on the basis of their performance, and ii) the effectiveness of governance and the appropriateness of the management team in terms of implementing the strategy. As from the split of the functions of Chairman and Chief Executive Officer, these meetings, previously chaired by the lead independent director, will be chaired by the Chairman of the Board of Directors.

In situations where the Executive Corporate Officers may have a conflict of interests, the Chairman of the Board of Directors (and prior to him/her the lead independent director) may also convene and chair, at his/her initiative and at any time, including between two Board of Directors' meetings, such a session in addition to the two annual sessions provided for above, according to a predefined agenda.

As from the split of functions, a session may also be held without the Chairman being present, with such session chaired by the Chairman of the Nominations and Remuneration Committee and at his/her initiative.

The Board evaluates its own operation and that of its Committees annually and, at least every three years, also has this operation formally evaluated with the help of an external consultant.

The Board of Directors sets up one or more specialist Committees, determines their composition and remit and ensures that their work is coordinated, particularly with regard to addressing sustainability issues by, at the very least, providing for/encouraging the cross-participation of Board Members on the committees concerned. The role of these Committees is to study and prepare certain matters for discussion by the Board and submit their opinions, proposals or recommendations to the Board of Directors.

The report on corporate governance attached to or included in the management report gives a summary of the activities of the Board of Directors, which reviews and approves the content of all the components of this report. The Board of Directors also reviews and approves the sustainability information included in the Group's management report.

5.1.4.2 Training of Board Members/Observers

Upon being appointed to the Board of Directors, each Board Member/Observer receives all information needed to perform his/her duties and may request any document he/she considers appropriate.

Meetings are held with those responsible for the Group's principal central functions, as are meetings that include a detailed presentation of the businesses and visits to production sites, which allow Board Members/Observers to meet with the management teams and develop a deeper understanding of issues specific to the Company, its activities and its markets.

As part of the development of continuing training initiatives, all Board Members/Observers can also participate in onboarding and training programmes designed for new Board Members.

During the yearly evaluations of the Board, members are asked to indicate whether they feel the need to update their knowledge or broaden their skills and, where appropriate, these requests are taken into account as part of the action plan put in place.

The Board's internal rules specify that any further training that a Board Member or Observer may receive, as he/she considers necessary, must cover the Group's specific characteristics, activities, business sectors, social and environmental responsibility issues, particularly climate issues, and all accounting and financial areas.

5.1.4.3 Information to be provided to Board Members/Observers

Prior to each Board or committee meeting and with reasonable advance notice (generally a week), the Board Members/Observers receive a file on the agenda items that require prior analysis and consideration.

Outside of Board meetings, the Chairman systematically informs the Board Members/Observers of any change that has a significant impact on transactions or information previously communicated to them or on matters discussed during meetings, and regularly sends them any significant information regarding the Company.

Board Members/Observers also receive all press releases, financial analysis reports and a monthly press review.

Board Members may, at any time, request further information from the Executive Corporate Officer, who determines whether the information is appropriate. The Board Members may also ask to meet with the Group's senior executives without the Executive Corporate Officers being present, after first informing the latter.

The Group's operational managers and function heads, as well as individuals from outside the Group, participate in meetings at the Chairman's request depending on the items on the agenda.

5.1.4.4 Sustainability training/information

The Board of Directors, which is responsible for determining and reviewing the Group's strategy, including its social and environmental responsibility strategy (which includes the climate strategy), has several channels for information/training on sustainability issues impacting the Group and in general.

Each meeting of the Board of Directors is an opportunity for Board Members to learn about the various topics relating to sustainability: for example, the presentations of the Product lines and Regions systematically cover a topic related to sustainability (climate, environment, diversity, etc.).

Some Board meetings also include specific sessions dedicated to ethics and compliance issues and to the Group's principal social rights and human capital policies. The sustainability and climate strategy is presented annually to the Board of Directors, which is informed of the progress of the Company's decarbonisation plan and the ratings assigned by ESG agencies.

Developments in the area of governance are presented to the Board at least annually and give rise to the implementation of an action plan. During the past fiscal year, for example, the CSRD directive was presented to the Board of Directors, which decided to amend its internal rules and those of its committees to take its impact into account.

Finally, a Board meeting is held each year, when possible, at one of the Group's main sites, which includes an in-depth presentation of the relevant business and visits to industrial production sites that enable discussions with operational managers.

The outline of a training course on ESG issues, including a detailed presentation of the CSRD Directive, has been defined by the Chairman of the Nominations and Remuneration Committee together with an expert consultant and may be offered during the current fiscal year.

5.1.4.5 Committees of the Board of Directors

The Board of Directors' internal rules, as updated on 12 March 2024, stipulate that the Board of Directors must set up one or more specialist Committees, determine their composition and remit and ensure that their work is coordinated, particularly with regard to addressing sustainability issues by, at the very least, providing for/encouraging the cross-participation of Board Members on the Committees concerned. The role of these Committees is to study and prepare certain matters for discussion by the Board, the sole decision-making body, and submit their opinions, proposals or recommendations to the Board of Directors.

Each Committee's composition, duties and rules of operation are defined in specific internal rules proposed by that Committee and approved by the Board of Directors. Each Committee regularly reviews its internal rules to take into account changes in regulations or recommendations, and can submit any modifications that it considers appropriate to the Board.

5.1.4.5.1 Creation of Committees

At the time of the Company's stock exchange listing in 1998, the Board of Directors set up two committees, the Audit Committee (called the Audit and Risks Committee since 12 March 2024 and responsible for overseeing the sustainability reporting process) and the Nominations and Remuneration Committee.

In September 2010, the Board of Directors decided to set up a third committee, the Ethics, Compliance and Sustainable Development Committee. This committee was renamed the Ethics and Compliance Committee in 2020 and, since then, has focused solely on ethics, compliance and human rights issues (with sustainable development issues, including environmental and climate issues, now referred directly to the Board of Directors). The Company's main social rights and human capital policies are reviewed by the Nominations and Remuneration Committee, whose internal rules were amended in 2022 to include these specific subjects, thereby enabling all human capital issues in the broad sense to be covered by committees.

In addition, and as part of the acquisition of Bombardier Transportation, an Integration Committee was created effective the closing date of the acquisition, 29 January 2021, for a period of two years commencing on that same date. The duration of this committee was extended for two additional years, i.e. until 29 January 2025, by a decision of the Board of Directors on 12 July 2022.

Therefore, as of 7 May 2024, the Company has four specialist committees whose responsibilities are described on the following pages:

- the Audit and Risks Committee;
- the Nominations and Remuneration Committee;
- the Ethics and Compliance Committee;
- the Integration Committee.

5.1.4.5.2 Composition of Committees

According to the internal rules of the Audit and Risks Committee and the Ethics and Compliance Committee, these committees must consist of at least three members, at least two-thirds of whom, including the committee Chairman, must be independent Board Members. The internal rules of the Nominations and Remuneration Committee, for its part, recommend that the committee consist of at least three members and that a majority of them be independent, including the committee Chairman.

Board Members' professional backgrounds and skills are taken into consideration by the Board for committee appointments.

The Executive Corporate Officer is not a member of any of the Board committees and attends committee meetings only at the invitation of the committee Chairs. As of the split of functions, the Chairman of the Board of Directors may, on his or her initiative, attend in an advisory capacity all meetings of Board committees of which he or she is not a member. As regards the Nominations and Remuneration Committee, the Chairman will be involved in work concerning the selection and appointment of Board Members, the composition of the management team and the succession plan for Executive Corporate Officers, with the exception of work pertaining to his/her own remuneration. The Chairman may consult these Committees on any matter falling within their remit.

In practice, as of 7 May 2024, all the Committees are chaired by an independent Board Member, all the members of the Ethics and Compliance Committee are independent and at least two-thirds of the members of the other Committees are independent.

5.1.4.5.3 Organisation and operation of Committees

In practice, each Board meeting is generally preceded by a meeting of one or more Committees, depending on the items on the Board's meeting agenda. The committees report to the Board on their work and observations and, as necessary, submit their opinions, proposals and recommendations to it.

In the course of its work, each committee is entitled to meet with any of the Group's senior executives without the Executive Corporate Officers present, retain the services of experts at its sole discretion and request any information it may need to properly perform its duties.

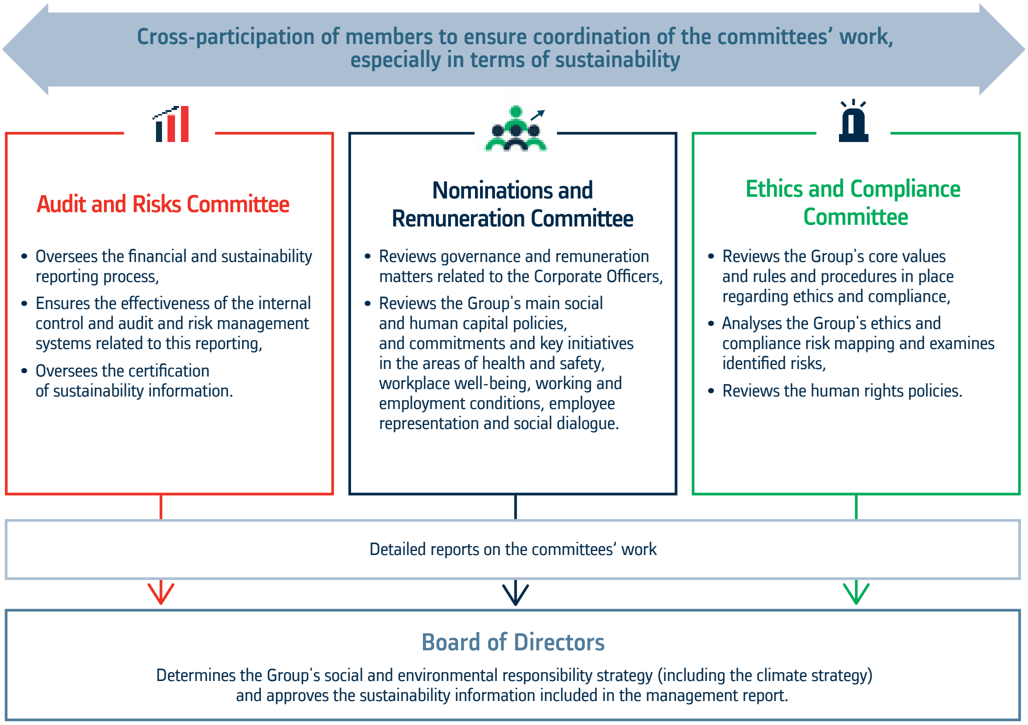
Moreover, each member of a committee may propose that a meeting be held if he/she feels that it is necessary to discuss a particular issue.

The committees' work is the subject of a detailed report at the Board meeting and each committee prepares a report on its activity during the past fiscal year, which is included in the Universal Registration Document.

During fiscal year 2023/24, work was carried out, based in particular on extensive comparative studies analysing the situation of French and European companies, on the structuring and composition of committees to take into account the growing importance of sustainability issues in the broad sense, including climate issues, and regulatory developments in this area. This work will resume with the arrival of the Chairman of the Board of Directors.

The Board of Directors may also decide at any time to create an ad hoc committee of Board Members to review a specific matter. It did so in connection with the acquisition of the entities of Bombardier Inc.'s Transportation division (Bombardier Transportation) and, more recently, as part of the review of the deleveraging plan prepared by the Group as announced to the market on 15 November 2023.

5.1.4.5.4 Sustainability issues addressed by the Committees



Cross-participation of members to ensure coordination of the committees' work, especially in terms of sustainability

Audit and Risks Committee

- Oversees the financial and sustainability reporting process,
- Ensures the effectiveness of the internal control and audit and risk management systems related to this reporting,
- Oversees the certification of sustainability information.

Nominations and Remuneration Committee

- Reviews governance and remuneration matters related to the Corporate Officers,
- Reviews the Group's main social and human capital policies, and commitments and key initiatives in the areas of health and safety, workplace well-being, working and employment conditions, employee representation and social dialogue.

Ethics and Compliance Committee

- Reviews the Group's core values and rules and procedures in place regarding ethics and compliance,
- Analyses the Group's ethics and compliance risk mapping and examines identified risks,
- Reviews the human rights policies.

Detailed reports on the committees' work

Board of Directors

Determines the Group's social and environmental responsibility strategy (including the climate strategy) and approves the sustainability information included in the management report.

As indicated in its internal rules, the Board of Directors ensures that the work of the committees is properly coordinated (particularly with regard to addressing sustainability issues) by, at the very least, providing for/encouraging the cross-participation of Board Members on the committees concerned. The Committees must therefore coordinate with each other on their sustainability issues.

This is particularly true for the Audit and Risks Committee which, as indicated above, was given responsibility for the sustainability reporting process and whose internal rules were amended accordingly by a decision of the Board of Directors on 12 March 2024. The Committee's internal rules expressly state that it must coordinate with the other Committees, particularly on sustainability issues relating to the remuneration of Executive Corporate Officers and to ethics and compliance risks, by relying, where appropriate, on the cross-participation of members of the Committees concerned.

Similarly, the internal rules of the Nominations and Remuneration Committee and the Ethics and Compliance Committee stipulate that the committees must act in tandem, particularly on sustainability issues, by relying, where appropriate, on the cross-participation of members of both committees.

The detailed reports systematically given by the Chair of each Committee at the following Board meeting also enable the Board and the Committee Chairs to be informed of/take up any issues requiring coordination of their work.

The most recent versions of the internal rules of the Board of Directors and of the Board Committees, as well as the Board Members Charter appended to the Board's internal rules, large excerpts of which are included in this report, are available at all times on Alstom's website.

5.1.4.6 Attendance of Board members in fiscal year 2023/24

During the past fiscal year, attendance of Board members at all Board meetings was as follows:

	Board of Directors	Executive sessions of the Board of Directors	Audit and Risks Committee	Nominations and Remuneration Committee	Ethics and Compliance Committee	Integration Committee
	9 meetings	3 meetings	5 meetings	5 meetings	3 meetings	2 meetings
Henri Poupart-Lafarge	100%	-				
Yann Delabrière	100%	100%		100%		
CDPQ **represented by Kim Thomassin**	100%	100%	100%	100%		100%
Bpifrance Investissement **represented by José Gonzalo**	83%	100%	100%	100%		
Bi Yong Chungunco	100%	100%			100%	
Clotilde Delbos	100%	100%	100%			
Daniel Garcia Molina	100%	100%				100%
Gilles Guilbon	100%	100%		100%		
Sylvie Kandé de Beaupuy	100%	100%			100%	
Frank Mastiaux	100%	100%		100%		100%
Philippe Petitcolin (Board Member from 12 March 2024)	100%	100%				
Baudouin Prot	88%	33%		80%	66%	
Benoit Raillard (Observer)	100%	100%				
Sylvie Rucar	100%	100%	100%	100%		
Jay Walder (Observer from 12 March 2024)	100%	100%				100%
AVERAGE IN FISCAL YEAR 2023/24	**98%**	**95 %**	**100%**	**97%**	**88%**	**100%**

5.1.4.7 Board of Directors

The Board's activity in fiscal year 2023/24

NUMBER OF MEETINGS

Fiscal year 2023/24	Fiscal year 2022/23	Fiscal year 2021/22
9(1)	7(2)	7

(1) In addition, the Board met three times in executive sessions.
(2) In addition, the Board met five times in executive sessions.

Name	Individual rate of attendance at Board meetings during fiscal year 2023/24 (number of corresponding meetings)
Mr Henri Poupart-Lafarge Chairman of the Board of Directors and Chief Executive Officer	100% (9/9)
Mr Yann Delabrière Lead independent director	100% (9/9)
Bpifrance Investissement, represented by Mr José Gonzalo	83% (5/6)
Ms Bi Yong Chungunco	100% (9/9)
Caisse de Placement et Dépôt du Québec (Represented by Ms Kim Thomassin)	100% (9/9)
Ms Clotilde Delbos	100% (9/9)
Mr Daniel Garcia Molina Board Member representing employees	100% (9/9)
Mr Gilles Guilbon Board Member representing employees	100% (9/9)
Ms Sylvie Kandé de Beaupuy	100% (9/9)
Mr Frank Mastiaux	100% (9/9)
Mr Philippe Petitcolin	100% (1/1)
Mr Baudouin Prot	88% (8/9)
Mr Benoît Raillard Observer	100% (9/9)
Ms Sylvie Rucar	100% (9/9)
Mr Jay Walder	100% (9/9)
Overall average attendance rate	**98%**
Overall average attendance rate in fiscal year 2022/23	99%
Overall average attendance rate in fiscal year 2021/22	100%

The overall average attendance rate at the three executive sessions held during the fiscal year was 95%.

The main topics discussed in fiscal year 2023/24 were as follows, with the committee Chairs reporting on the work of the committees at each subsequent Board meeting:

Subject	Activity
Business review	● Update on the Group's activity, particularly in terms of commercial results, the Group's development compared with its competitors, execution of the main projects and EHS (Environment, Health, Safety) results, at each Board meeting. ● Visits to the Bangalore and Coimbatore sites (India) along with in-depth presentations by local management of the Group's activities in the APAC Region and in India
Deleveraging **plan**	● Review at each meeting since 4 October 2023 of the main debt reduction options, including measures taken under the overall operational, commercial and cost efficiency plan
Accounting and financial issues / Financial communication	● Regarding the annual parent company and consolidated financial statements: ■ review and approval of the parent company and consolidated financial statements for fiscal year 2022/23, the consolidated financial statements for the first half of 2023/24 and the related management reports (in the presence of the Group's Statutory Auditors)/Review of the draft press releases on these results prior to their publication; ■ review of the appropriation of 2022/23 profit and decision to propose payment of the 2022/23 dividend in shares; ■ approval of management planning documents. ● Review of the unaudited preliminary financial results for the first half of fiscal year 2023/24 and approval of the revised free cash flow objectives for fiscal year 2023/24 / Approval of the press release published on 4 October 2023. ● Decision on a new revolving credit line in the amount of 2,500,000,000 euros. ● Review of the Group's financial position, cash flow changes, indebtedness, liquidity position and financial rating (at the time the annual and half-year financial statements are approved and on a regular basis). ● Market update: changes in share price, debriefing following presentations of the annual and half-year results to analysts, financial reporting and investor relations issues in the broad sense (at each Board meeting). ● Renewal: ■ of the Chairman & Chief Executive Officer's annual authorisation to grant sureties, guarantees and security; ■ of the Chairman & Chief Executive Officer's annual authorisation to issue bond products. ● Annual authorisation given to the Chairman & Chief Executive Officer to implement a share buyback programme.
Risks	● Information on the progress of the main pending lawsuits and investigations. ● Regular information on control, internal audit and risk management systems. ● Review of the Group's risk mapping at the time of the review of the three-year financial plan.
Strategy	● Approval of the three-year financial plan. ● Updates on the drafting of a new strategic plan and on Region and Product Lines. ● Review and approval of the CSR strategy, including the climate strategy, and review of the ESG scores. ● Generally speaking, update on strategic and operational issues included on the agenda of each Board meeting to ensure alignment between General Management and the Board Members.
Governance	● Corporate governance structure: decision to split the functions of Chairman and Chief Executive Officer effective following the 2024 annual Shareholders' Meeting and to appoint Mr Philippe Petitcolin as Chairman as of that same date, with Mr Henri Poupart Lafarge continuing to serve as Chief Executive Officer. ● Composition of the Board of Directors: review of directorships and proposal to renew directorships expiring at the annual Shareholders' Meeting on 11 July 2023 / Review of the composition of the Board of Directors in preparation for the 2024 annual Shareholders' Meeting. ● Regular review of the composition of the committees. ● Review of the independence of Board Members. ● Review of the lead independent director's activity during the last fiscal year (the conclusions of discussions with investors and proxy advisors throughout the year, in particular) and decision, effective following the annual Shareholders' Meeting on 11 July 2023, to propose the reappointment of Mr Yann Delabrière as independent Board Member for the remainder of his directorship. ● Presentation of the findings of the evaluation of the Board and committees in fiscal year 2023/24 conducted by an external consultant / Decision regarding the associated action plan. ● Review of the Board's annual work plan and the 2023/24 schedule of Board and committee meetings. ● Review of regulated agreements and of implementation of the procedure for evaluating ordinary agreements entered into under normal market conditions. ● Review of changes to the management team (including the succession plan) and individual presentations of certain members. ● Three meetings held with all Board Members present but without the Chairman & Chief Executive Officer present (executive sessions), which covered the governance structure and the Chairman & Chief Executive Officer's remuneration and succession plan. ● Decision to amend the internal rules of the Board of Directors and committees to take into account the entry into force of the Corporate Sustainability Reporting Directive (CSRD) and the order of 6 December 2023 / Review of draft internal rules of the Board amended to take into account the split of functions (adopted on 7 May 2024). ● Announcement of blackout periods for 2024. ● Approval of the new methodology for preparing the skills matrix and validation of the matrix.

Subject	Activity
Remuneration	- Remuneration policy: determination of the remuneration policy for the Chairman & Chief Executive Officer for fiscal year 2023/24 and work on developing the remuneration policy for the split functions of Chairman and Chief Executive Officer. - Decision to maintain the remuneration policy for members of the Board of Directors for fiscal year 2023/24 and decision to make payment of the Board members' remuneration for the second half of 2023/24 subject to the achievement of adjusted free cash flow objectives for 2023/24 as announced to the market on 4 October 2023. - Setting of the amount of the Chairman & Chief Executive Officer's variable remuneration for fiscal year 2022/23 according to the achievement of financial and personal objectives. - Setting of objectives to determine the Chairman & Chief Executive Officer's variable remuneration for fiscal year 2023/24 and decision to strengthen this scheme by introducing an additional criterion that reflects the achievement of the Group's adjusted free cash flow objectives for 2023/24 as announced to the market on 4 October 2023. - Review of achievement of the performance conditions of the performance share plan that came into effect on 15 May 2023 (PSP 2020). - Grant of the 2023 performance share plan.
Ethics and Compliance	- Presentation on the deployment of ethics and compliance policies within the Group.
Sustainable development	- As part of the Board of Directors' visit to the Bangalore and Coimbatore sites (India): review of sustainable development objectives and local initiatives (particularly in terms of diversity, environment, talent development, support for local communities, etc.). - Presentation of the human capital strategy including: ▪ diversity and inclusion; ▪ gender balance policy within the governing bodies and associated action plans. - Review and approval of the CSR strategy, including the climate strategy, in preparation for a presentation to the Shareholders' Meeting on 11 July 2023 / Update on market and regulatory developments resulting from the European directive of 14 December 2022 on corporate sustainability reporting (CSRD directive) and the order transposing this directive of 6 December 2023.
Universal Registration Document and Shareholders' Meetings	- Review and approval of the 2022/23 Universal Registration Document. - Shareholders' Meeting: drafting of the agenda, resolutions and meeting notices for the annual Shareholders' Meeting on 11 July 2023. - The lead director's report on his discussions with investors and proxy advisors.

5.1.4.8 Audit and Risks Committee

Composition

At 7 May 2024, the Audit and Risks Committee has four members: Ms Sylvie Rucar, committee Chairwoman, Bpifrance Investissement, represented by Mr José Gonzalo, Ms Clotilde Delbos and Caisse de Dépôt et Placement du Québec, represented by Ms Kim Thomassin.

Three members of this committee, including its Chairwoman, are independent, in accordance with the AFEP-MEDEF Code, which recommends that two-thirds of its members be independent.

The members of the Audit and Risks Committee have specific expertise in financial, accounting or statutory audit matters due to their education or professional experience, as described in their biographies.

Duties

Pursuant to its internal rules, the general purpose of the Committee, acting under the authority of the Board of Directors, is to assist the Board in overseeing issues relating to the development and control of accounting, financial and sustainability information. Its responsibilities are as follows:

i. It monitors the process for preparing financial and sustainability information, including in digital format as indicated in Article 29d of Directive 2013/34/EU, and the process for determining the information to be disclosed in accordance with the sustainability reporting standards adopted pursuant to Article 29b of this Directive. Where necessary, it makes recommendations to ensure the integrity of these processes;

ii. It monitors the effectiveness of the internal control, risk management and internal audit systems, as regards the procedures relating to the preparation and processing of accounting, financial and sustainability information, including in digital format, without breaching its independence;

iii. It makes a recommendation to the Board of Directors on the statutory auditors whose appointment is proposed by the Shareholders' Meeting, in connection with the certification of accounts or of sustainability information and, where applicable, on the independent assurance services provider(s) responsible for the certification of sustainability information. For the certification of accounts, this recommendation is prepared in accordance with the provisions of Article 16 of Regulation (EU) 537/2014, and the Committee makes a recommendation to the Board of Directors when the reappointment of the statutory auditor(s) is considered under the conditions set out in Article L. 821-45 of the French Commercial Code. It also makes a recommendation to the Board of Directors on the amount of fees that the Company intends to pay them;

iv. It monitors statutory audits and certification of sustainability information, for which it takes into account the findings and conclusions of the Haute Autorité de l'Audit following audits conducted pursuant to Articles L. 820-14 and L. 820-15 of the French Commercial Code;

v. It ensures compliance with the conditions of independence required of those involved in the certification of accounts and certification of sustainability information; where applicable, it takes the measures necessary for the application of Article 4(3) of Regulation (EU) 537/2014 and ensures compliance with the conditions referred to in Article 6 of that Regulation;

vi. It approves the provision of services referred to in Article L. 821-30 of the French Commercial Code.

In particular, it ensures: (i) the regularity, fairness and accuracy of the Company's financial statements and any other financial or sustainability information or report provided to shareholders, the public and securities market authorities; and (ii) the Company's compliance with applicable legal and regulatory obligations regarding financial and sustainability information.

More specifically, the Committee is responsible for:

- examining the scope of consolidation, the draft consolidated and company financial statements and the related reports that will be submitted to the Board of Directors for approval, and the additional report of the Statutory Auditors responsible for the certification of accounts, and discussing such documents with General Management and the Statutory Auditors;
- examining with General Management and the Statutory Auditors the generally accepted accounting principles and methods and the various accounting treatments applied to prepare the financial statements, along with any changes brought to the Committee's attention by the Statutory Auditors to these accounting principles, methods and rules, while ensuring their relevance; The Statutory Auditors who certify the sustainability information and the independent assurance services provider(s) also inform the Committee of any changes they believe should be made to the sustainability report, making any relevant observations on the evaluation methods used to prepare them;
- examining with the Statutory Auditors and, where applicable, the independent assurance services provider, the nature, scope and results of their audit and work carried out, their observations, suggestions, changes they believe should be made to the elements of their audit, irregularities and inaccuracies they may have discovered in the course of their work or services, and the conclusions drawn from their observations and corrections regarding the elements relating to the period in question compared with those of the previous period. Along these lines, the Statutory Auditors inform the Committee of any material weaknesses in internal control as regards the procedures relating to the preparation and processing of accounting and financial information. Where applicable, they also inform the Committee, as does the independent assurance services provider, of any material weaknesses in internal control as regards the procedures relating to the preparation and processing of sustainability information;
- assessing the validity of the methods chosen for processing significant transactions as well as those transactions through which a conflict of interest could have occurred;
- examining General Management's presentation on risk exposure (including legal, social and environmental risks) and significant off-balance sheet commitments at the time of the Committee's review of the financial statements;
- reviewing and evaluating, at least annually, the effectiveness of the internal control procedures and risk management procedures in place, including those associated with the preparation and processing of accounting, financial and sustainability information; the Committee ensures that the main risks are identified, managed and brought to its attention. In particular, it seeks the opinion of the Ethics and Compliance Committee on the risk mapping as it relates to ethics and compliance and on the procedures in place for preventing the main identified risks;
- reviewing and evaluating, on an annual basis, the organisation and operation of the internal audit function whose Charter is made available to it; the Committee approves the internal audit programme, monitors changes to it and the results of action plans;
- examining, on an annual basis, the amount of fees paid by the Group to the networks to which the Statutory Auditors or independent assurance services providers belong, including for non-audit services or certification of sustainability information authorised by Regulation (EU) 537/2014 of 16 April 2014 and French regulations. Details of the services and audits provided may be sent to the Committee at its request.

It coordinates with the other Committees, including on sustainability issues relating to the remuneration of Executive Corporate Officers and to ethics and compliance risks, relying, where applicable, on the cross-participation of members of the relevant Committees.

The Committee may also perform any other assignment that the Committee itself or the Board of Directors deems necessary or appropriate. It may seek any external assistance it deems necessary.

The Committee may consult the Chief Financial Officer, the Group General Counsel, the Accounting Director, the Director of Management Control, the Director of Internal Audit and Risk Management, the Head of Treasury, the Director of Sustainable Development and any other senior executive of the Group that it deems appropriate, under the conditions it determines and, in all cases, without General Management present.

It consults the Statutory Auditors without General Management or any other senior executive of the Group present at a frequency determined by it.

The Committee may, at its sole discretion, use the services of lawyers, experts and other independent external advisers it deems appropriate, at the Company's expense.

The Committee may request all the information and training necessary to perform its duties.

Unless the Committee decides otherwise, the Statutory Auditors attend all meetings.

The Audit and Risks Committee's activity in fiscal year 2023/24

NUMBER OF MEETINGS

Fiscal year 2023/24	Fiscal year 2022/23	Fiscal year 2021/22
5	4	5

Attendance rate	Individual attendance rate in fiscal year 2023/24
Ms Sylvie Rucar	100% (5/5 meetings)
Bpifrance Investissement (represented by Mr José Gonzalo)	100% (2/2 meetings)
Ms Clotilde Delbos	100% (5/5 meetings)
CDPQ (represented by Ms Kim Thomassin)	100% (5/5 meetings)
Overall average attendance rate	**100%**
Overall average attendance rate in fiscal year 2022/23	100%
Overall average attendance rate in fiscal year 2021/22	100%

The Chief Financial Officer, the Director of Internal Audit and Risk Management, the Accounting Director, the Director of Management Control and representatives from each of the two audit firms attended all five meetings. The Head of Investor Relations and M&A attended four meetings. The General Counsel, the CSR and Sustainable Development Director and the Director in charge of the transformation of the Finance function attended two meetings. The Chief Operating Officer, the Director of Tax and Customs, the Director of Treasury and Financing and the Director of Treasury Performance attended one meeting.

In addition, a dialogue session between the members of the Committee and the Statutory Auditors, without the Group's Management present, is organised at each meeting.

The Audit and Risks Committee discussed the following topics during its various meetings, which the Committee Chairwoman reported on at the following Board of Directors meeting:

Subject	Activity
Accounting and finance	● Review of the half-year and annual consolidated financial statements, review of the annual company financial statements (financial statements, notes and management report), including detailed presentations by the Finance Department of the principal risks facing the Group (risks related to the business, contract performance and main lawsuits), changes in the cash position, off-balance sheet commitments and provisions. ● Detailed review of the 2023/24 budget and the 2023/26 three-year plan. ● Review of financial reporting principles and elements. ● Detailed review of short- and long-term actions for operational cash flow improvement. ● Approval of the Group's tax policy.
Non-financial information	● Review of the methodology used for the taxonomy and the results obtained. ● Review of ESG information prepared for section 6 of the 2022/23 Universal Registration Document. ● Review of the Statutory Auditors' report on the 2022 Non-Financial Performance Statement. ● Detailed review of progress made in implementing the CSRD Directive. Presentation of the methodology for assessing double materiality and the draft consolidated matrix of impacts, risks and opportunities.
Risks	● Presentation of the updated risk mapping, analysing changes in the main risks since the previous fiscal year and specifying the mitigation plans put in place. ● Detailed review of litigation and investigations presented by the Legal Department. ● In-depth review of the management and mitigation mechanisms for foreign exchange risk.
Audit and internal control	● Review of the prior year's internal audit campaign and the principal lessons learned from it and monitoring of the progress of corrective measures resulting from the audits. ● Approval of the fiscal year 2024/25 audit plan. ● Presentation of the detailed results of the annual internal control campaign and of the action plans implemented to improve internal control and risk control, eliminate weaknesses and ensure compliance with applicable regulations.
Statutory Auditors	● Report of the Statutory Auditors on the half-year and annual financial statements. ● Statutory Auditors' observations and recommendations on internal control. ● Review of the amount of fees paid to the Statutory Auditors in respect of the past fiscal year and verification of compliance of the audits with the regulation governing relations between the Company and its Statutory Auditors. ● On the basis of presentations by General Management and the Statutory Auditors, the Committee verified the relevance of the accounting methods and treatments used in preparing the financial statements.

5.1.4.9 Nominations and Remuneration Committee

Composition

At 7 May 2024, the Nominations and Remuneration Committee has seven members: Mr Yann Delabrière, lead director and Chairman of the Committee, Bpifrance Investissement, represented by Mr José Gonzalo, Caisse de Dépôt et Placement du Québec, represented by Ms Kim Thomassin, Mr Frank Mastiaux, Ms Sylvie Rucar, Mr Baudouin Prot and Mr Gilles Guilbon.

With the exception of CDPQ, all the members of this committee are independent, considering that Mr Gilles Guilbon, Board Member representing employees, is not included in the calculation of independence. The Committee's composition is therefore in line with the AFEP-MEDEF Code, which recommends that a majority of the members of committees in charge of nominations and remuneration be independent.

Duties

Pursuant to its internal rules, the Committee is responsible for examining and making recommendations or proposals to the Board of Directors on the following matters which, where applicable, are intended to be described in the report on corporate governance or which fall within the category of sustainability information to be included in the management report:

- the split or combination of the functions of Chairman of the Board of Directors and Chief Executive Officer;
- the appointment (and removal) of the Chairman of the Board of Directors and of the Chief Executive Officer;
- the composition, which it reviews regularly and at least once a year, of the Board of Directors and the Board Committees, particularly in terms of expertise, and their operation;
- the reappointment of Board Members whose directorship is expiring and the appointment of new Board Members, including in case of an unforeseeable vacancy, according to the selection procedure described in the annex to the internal rules, as well as the removal of Board Members;

- the appointment (and removal), on the proposal of the Chief Executive Officer, of any other Executive Corporate Officer of the Company and members of the management team;
- the succession plans for the Company's Executive Corporate Officers and members of the management team;
- the Company's application of the corporate governance principles that the Company abides by. Along these lines, the Committee gives the Board its opinion on the report on corporate governance and, where applicable, on the information on corporate governance to be included in the sustainability section of the management report;
- the definition of independent Board Member of the Company and the list of independent Board Members, which will be included in the Company's report on corporate governance/management report;
- all the components of the remuneration of the Company's Executive Corporate Officers, including grants of stock-options and performance shares, as well as remuneration and benefits of any kind (including pensions and severance indemnities) paid by the Company or other Group companies. The Committee reviews and defines the rules for determining the variable portion of such remuneration, ensures their consistency with the annual performance evaluation of Executive Corporate Officers and the Company's strategy, and then monitors the application of these rules;
- the Company's general policy on stock-option plans, including the frequency of grants, as well as any proposed option plans, including their beneficiaries;
- the Company's general policy on employee shareholding plans and any proposed plans;
- the Board Members' remuneration and applicable allocation rules.

The Chief Executive Officer informs the Committee of the remuneration of the members of the management team and the procedure for determining this remuneration.

In addition, each year the Committee reviews the Company's main social rights and human capital policies, the commitments and main initiatives in the areas of Health and Safety, Workplace Well-Being, Working and Employment Conditions (Diversity and Inclusion, Pay Equity, Benefits, Talent Management, Corporate Culture), and employee representation and social dialogue (in case of a specific event, such as a restructuring), as this information is included in the management report in connection with sustainability information.

It coordinates with the Audit Committee on sustainability issues relating to the remuneration of Executive Corporate Officers, relying, where applicable, on the cross-participation of members of both committees.

The Committee prepares and submits to the Board of Directors for approval the Yearly Evaluation of the Board and Committees (including its own operation), which is formally evaluated every three years with the help of an external consultant whose independence it ensures. In any case, it devotes an item on its agenda to a discussion on the operation of the Board of Directors and its Committees once a year.

The Committee also prepares the annual evaluation of the Company's Executive Corporate Officers without the Executive Corporate Officers concerned present.

The Committee addresses any other matter related to any of these topics which the Board of Directors or the Committee deems necessary or appropriate.

Activity of the Nominations and Remuneration Committee in fiscal year 2023/24

NUMBER OF MEETINGS

Fiscal year 2023/24	Fiscal year 2022/23	Fiscal year 2021/22
5	6	7

Attendance rate	Individual attendance rate in fiscal year 2023/24
Mr Yann Delabrière	100% (5/5 meetings)
Bpifrance Investissement (represented by Mr José Gonzalo)	100% (3/3 meetings)
CDPQ (represented by Ms Kim Thomassin)	100% (3/3 meetings)
Mr Gilles Guilbon	100% (5/5 meetings)
Mr Frank Mastiaux	100% (5/5 meetings)
Mr Baudouin Prot	80% (4/5 meetings)
Ms Sylvie Rucar	100% (5/5 meetings)
Overall average attendance rate	**97%**
Overall average attendance rate in fiscal year 2022/23	100%
Overall average attendance rate in fiscal year 2021/22	100%

During one of its meetings in fiscal year 2023/24, the Committee met in an executive session, without the members of the management team present.

The Nominations and Remuneration Committee discussed the following topics during its various meetings, which the Committee Chairman reported on at the following Board of Directors meeting:

Subject	Activity
Governance	● Composition of the Board of Directors: ■ In preparation for the annual Shareholders' Meeting on 11 July 2023, review of the Board Members' profiles, particularly in terms of skills in light of the renewal of some members' directorships, and recommendation to appoint an additional Board Member, Bpifrance Investissement, represented by Mr José Gonzalo. ■ Recommendation to the Board of Directors on reshaping the committees. ■ Recommendation to the Board of Directors, in connection with the split of functions, that Mr Philippe Petitcolin be appointed as a Board Member and Chairman of the Board of Directors with effect from the 2024 annual Shareholders' Meeting. ■ In preparation for the 2024 annual Shareholders' Meeting, review of directorships that are expiring. ● Review of the structure of existing Committees to reflect the growing importance of sustainability issues. ● Review of the independence of Board Members and recommendation to the Board of Directors. ● Review of the lead independent director's activity during the last fiscal year (the conclusions of discussions with investors and proxy advisors throughout the year, in particular). ● Review of the results of the evaluation of the Board and committees in fiscal year 2023/24 carried out internally / Validation of the findings for presentation to the Board of Directors and development of an action plan. ● Review of the Corporate Governance section of the 2022/23 Universal Registration Document. ● Review of a new methodology for preparing the skills matrix and of the matrix itself. ● Information on the components of ESG training for the Board of Directors.
Remuneration	● Proposal to determine the remuneration policy for the Chairman & Chief Executive Officer for the 2023/24 fiscal year and work aimed at preparing the remuneration policy for the split functions of Chairman and Chief Executive Officer applicable from the 2024 Annual Shareholders' Meeting. ● Proposal to maintain the remuneration policy for members of the Board of Directors for fiscal year 2023/24 and decision to make payment of the Board members' remuneration for the second half of 2023/24 subject to the achievement of adjusted free cash flow objectives for 2023/24. ● Proposal of the amount of the Chairman & Chief Executive Officer's variable remuneration for fiscal year 2022/23 according to the achievement of financial and personal objectives. ● Proposal to set objectives to determine the Chairman & Chief Executive Officer's variable remuneration for fiscal year 2023/24 and proposal to build on this by introducing an additional criterion that reflects the achievement of the Group's adjusted free cash flow objectives for 2023/24 as announced to the market on 4 October 2023. ● Review of achievement of the performance conditions of the performance share plan that came into effect on 15 May 2023 (PSP 2020). ● Proposed grant of the 2023 performance share plan. ● Review of the components of the remuneration fairness ratio. ● Review of the remuneration paid to the management team.
Diversity, inclusion and succession plans	● Regular review of changes and the composition of the management team and the associated succession plan (including the Chairman & Chief Executive Officer, in an executive session of the Committee). ● Gender balance policy within the governing bodies and associated action plans. ● Human capital: presentation of objectives, achievements, performance indicators and priorities.
Relations with investors and proxy advisors/ESG agencies/legal developments	With a view to implementing all necessary measures/procedures, information regarding: ● the content and conclusions of the lead independent director's discussions with investors and proxy advisors; ● any relevant regulatory changes or market practices in the area of corporate governance, ESG issues and remuneration; and ● ESG agency ratings.

5.1.4.10 Ethics and Compliance Committee

Composition

At 7 May 2024, the Ethics and Compliance Committee has three members: Ms Sylvie Kandé de Beaupuy, committee Chairwoman, Ms Bi Yong Chungunco and Mr Baudouin Prot.

To date, all members of the committee, including its Chairwoman, are independent.

Duties

Pursuant to its internal rules, the Ethics and Compliance Committee focuses on ethics and compliance issues.

The Committee is responsible for examining topics within its remit and making recommendations or proposals to the Board, particularly with regard to sustainability information that concerns it, as such information is included in the management report.

Thus, the Committee is responsible for the following:

- reviewing the definition of the Group's core values and ethics and compliance policy;
- reviewing the organisation of the Ethics and Compliance function and making recommendations as appropriate;
- reviewing the Group's Code of Ethics and the rules and procedures put in place (including those governing relations with third parties and the alert procedure); it is informed of the procedures for their dissemination and application;
- reviewing the presentation of the Group's ethics and compliance risk mapping, analysing identified risks and being informed of changes in risks and the characteristics of the measures taken to manage them;
- the review by the Chief Compliance Officer of the presentation of the Company's annual activity report on ethics and compliance and the actions undertaken; the committee reviews and expresses an opinion on the action plan for the following year and monitors its progress;
- the committee is informed of any breaches of the ethics and compliance policy and reviews the action plans implemented following such breaches;
- examining relations with stakeholders regarding ethics issues;
- reviewing the human rights policies (other human resources matters are the responsibility of the Nominations and Remuneration Committee).

As appropriate, the Committee sends the Audit and Risks Committee information that it deems necessary in light of the ethics and compliance risk mapping.

In all cases, it works closely with the other Committees, relying, where applicable, on the cross-participation of members of these Committees.

Activity of the Ethics and Compliance Committee in fiscal year 2023/24

NUMBER OF MEETINGS

Fiscal year 2023/24	Fiscal year 2022/23	Fiscal year 2021/22
3	9	5

Attendance rate	Individual attendance rate in fiscal year 2023/24
Ms Sylvie Kandé de Beaupuy	100% (3/3 meetings)
Ms Bi Yong Chungunco	100% (3/3 meetings)
Mr Baudouin Prot	66% (2/3 meetings)
Overall average attendance rate	**88%**
Overall average attendance rate in fiscal year 2022/23	100%
Overall average attendance rate in fiscal year 2021/22	100%

The Group General Counsel and the Chief Compliance Officer attended all three meetings.

The Ethics and Compliance Committee discussed the following topics at its various meetings, which the Committee Chairwoman reported on at the following Board of Directors meeting:

Subject	Activity
Ethics and compliance	• Bombardier Transportation integration plan from an ethics and compliance point of view, monitoring the status of its implementation and finalisation. • The Group's Ethics and Compliance goals and performance indicators in fiscal year 2023/24. • Status of the implementation of the Alstom Integrity Programme, including the new 2020 Code of Ethics, the Group's instructions, training and awareness efforts, and the deployment of additional resources to the Company's Ethics and Compliance Department, particularly given the expansion of that department's responsibility for competition and human rights law and the acquisition of Bombardier Transportation. • Result of the sixth ISO 37001 "Anti-bribery management systems" audit and renewal until 2026 of the certification of all regions, including the former Bombardier Transportation. • Review of sanctions policies. • Review of data from the Group's Alert procedure for fiscal year 2023/24. • Review of initiatives promoting an Ethics Culture and of the Group's "Speak Up" initiative. • Information about the progress of past and/or pending procedures and investigations.

5.1.4.11 Integration Committee

Composition

At 7 May 2024, the Integration Committee has four members: Mr Frank Mastiaux, Committee Chairman, Caisse de Dépôt et Placement du Québec, represented by Ms Kim Thomassin, Mr Daniel Garcia Molina and Mr Jay Walder, independent Board Member until 12 March 2024 and then Observer.

Its composition therefore complies with its internal rules, which stipulate that it must be composed of four members, at least two of whom must be independent members of the Board of Directors and one must be proposed by Caisse de Dépôt et Placement du Québec.

Duties

Pursuant to its internal rules, the committee's role is to facilitate and oversee Bombardier Transportation's integration into Alstom. It acts as a body that enables the Chairman and Chief Executive Officer to understand the issues related to the integration of the two companies, whose short-, medium- and long-term impacts it will assess.

The committee's responsibilities may include, but are not limited to, reviewing:

- employee values, culture and engagement;
- convergence of the product portfolio;
- optimisation of the industrial footprint;
- evaluation of synergies.

Activity of the Integration Committee in fiscal year 2023/24

Fiscal year 2023/24	Fiscal year 2022/23	Fiscal year 2021/22
2	3	3

The Chairman & Chief Executive Officer attended both meetings held during the fiscal year.

Attendance rate	Individual attendance rate in fiscal year 2023/24
Mr Frank Mastiaux	100% (2/2 meetings)
CDPQ, represented by Ms Kim Thomassin	100% (2/2 meetings)
Mr Daniel Garcia Molina	100% (2/2 meetings)
Mr Jay Walder	100% (2/2 meetings)
Overall average attendance rate	**100%**
Overall average attendance rate in fiscal year 2022/23	93 %
Overall average attendance rate in fiscal year 2021/22	93%

During its meetings last fiscal year, the Integration Committee continued to work on the topics described below, which the Committee Chairman reported on at the following Board of Directors meeting:

- update on the ongoing integration programme and review of priorities; Along these lines, the Committee reviewed the conclusions of an evaluation audit conducted by an external consultant;
- focus on the interim procedures in place, the organisation and value creation;
- effectiveness of integration review.

5.1.5 ANNUAL EVALUATION OF THE OPERATION OF THE BOARD AND COMMITTEES AND FOLLOW-UP ACTIONS

Since 2004, the Board has conducted an annual evaluation of its organisation and operation and that of its committees.

Thus, pursuant to the internal rules of the Nominations and Remuneration Committee, the Committee prepares and submits to the Board of Directors for approval the Yearly Evaluation of the Board and Committees (including its own operation), which is formally evaluated every three years with the help of an external consultant.

The internal evaluation is based on a questionnaire prepared by the Nominations and Remuneration Committee and sent to each Board Member, and on individual meetings with the lead independent director; the evaluation includes an assessment of each Board Member's individual contribution in the form of a self-evaluation.

Given that the 2022/23 evaluation was outsourced to Russell Reynolds Associates, the firm that conducted the previous external evaluation (for fiscal year 2019/20), the evaluation for fiscal year 2023/24 was conducted internally.

Therefore, the Board Members and the Observer received a questionnaire inviting them to give their opinion on a number of topics, based on a rating table, including:

- the composition of the Board;
- the operation of the Board and Committees concerning:
  - agendas,
  - working methods and the decision-making process,
  - documentation and information made available,
  - executive sessions,
  - the role of the lead independent director,
  - coordination between the Board and its Committees;
- the operation of the Committees;
- an assessment of personal contribution;
- follow-up to the action plan from the previous evaluation.

The questionnaires were returned to the Company in January 2024 and processed by the Board Secretariat; the results were sent to the lead independent director to serve as a basis for his one-on-one talks with each Board Member and the Observer throughout February 2024. All this information was reviewed and analysed by the lead independent director and the Chairman & Chief Executive Officer before being presented to and discussed by the Nominations and Remuneration Committee and the Board of Directors in March 2024, together with an associated action plan.

The findings of this exercise and the associated action plan are shown in the table below:

Subject	Finding	Areas for improvement/change
Monitoring of operational performance	The Board of Directors was unable to anticipate and discuss the Company's performance gap announced to the market on 4 October 2023.	Refocus the Board's agenda on operational performance. Ensure that the documents prepared for the Board of Directors provide, for each item on the agenda, a basis for an appropriate decision-making process.
Strategic plan	The strategic and ESG plans could not be completed, given the situation faced by the Company since the end of 2023, which prompted the Board of Directors to implement a deleveraging plan.	Finalise the design of a long-term strategy for the Company, including the ESG strategy.
Management team	The process of managing the talent pool and succession plans remains a major focus for the Board of Directors.	Continue to develop succession plans for this team with the support of the new Chairman of the Board of Directors.

5.1.6 REMUNERATION OF CORPORATE OFFICERS

The following comments are made pursuant to Articles L. 22-10-8, L. 22-10-9, L. 22-10-34 and R. 22-10-14 of the French Commercial Code.

At the 2024 annual Shareholders' Meeting, the following resolutions will be voted on by the shareholders:

- approval of the remuneration policy for the Chief Executive Officer;
- approval of the remuneration policy for the Chairman of the Board of Directors;
- approval of the remuneration policy for members of the Board of Directors;
- approval of the information relating to the remuneration of the Chairman & Chief Executive Officer and the members of the Board of Directors mentioned in Article L. 22-10-9 I of the French Commercial Code;
- approval of the fixed, variable and exceptional components making up the total remuneration and benefits of any kind paid during the fiscal year ended 31 March 2024 or allocated in respect of the same fiscal year to the Chairman & Chief Executive Officer.

5.1.6.1 General principles of the remuneration policy for Corporate Officers

Definition, review and implementation of the remuneration policy

Definition

The remuneration policy applicable to Corporate Officers is set by the Board of Directors on the recommendation of the Nominations and Remuneration Committee and is then submitted annually to the shareholders for approval. The responsibilities of the Nominations and Remuneration Committee in this respect are defined in its internal rules. The Board of Directors and the Nominations and Remuneration Committee carefully analyse comments about remuneration made by shareholders and proxy advisors at the governance roadshows held during the last fiscal year.

This definition process applies to both the remuneration policy applicable to the Executive Corporate Officers and to the policy applicable to members of the Board of Directors.

The remuneration policy for the Company's Corporate Officers, defined in accordance with the recommendations of the AFEP-MEDEF Code to which the Company refers, is aligned with its corporate interest, contributes to its sustainability, seeks to produce a clear, motivating and coherent framework that supports the Group's objectives and facilitates the implementation of its industrial and commercial strategy. It is underpinned by a goal of transparency vis-à-vis the market, while respecting any confidentiality that may be necessary.

More specifically, the policy applicable to the Executive Corporate Officer hinges on the following principles, based on the recommendations of the AFEP-MEDEF Code:

- **Balance.** The Executive Corporate Officer's remuneration consists of a fixed annual portion, a variable annual cash portion and an annual grant of performance shares. The Board of Directors ensures that these three components remain balanced and that greater weight is given to the short- and long-term variable components directly linked to the performance of the Group and the Executive Corporate Officer. The Board of Directors takes into account all the components of the Executive Corporate Officer's remuneration when making an overall assessment of the financial conditions during his directorship.
- **Performance.** The remuneration policy for the Executive Corporate Officer is mainly based on variable long-term remuneration, the objectives of which are aligned with those of the Company, thus ensuring that a predominant portion of his remuneration is based on implementation of the Company's strategy. The short-term portion (cash) of variable remuneration is based on collective objectives, applicable to the entire Group and strictly quantifiable, and on specific objectives for the Executive Corporate Officer, a portion of which is quantifiable with the other portion tied to his general management duties. The long-term component (performance shares) is based on performance conditions, the achievement of which is assessed after at least three years and which are consistent with the Group's long-term objectives, such as those set out in its strategic plan.
- **Transparency.** The Company discloses all components of the Executive Corporate Officer's remuneration. Since they are not considered confidential in relation to the Company's competitors (which, for the most part, are not listed and are therefore not subject to the transparency requirements related to the Company's listing), the objectives to be achieved and actual results are disclosed in detail. This transparency principle also underlies the remuneration policy for members of the Board of Directors.
- **Requirement.** The performance criteria and conditions on which the variable portion of remuneration is based are defined by the Board of Directors so as to ensure alignment with best market practices, on the basis of comparative analysis against a group of CAC 40 and SBF 120 companies of similar size (in terms of market capitalisation and revenue) and/or with comparable activities, as well as certain foreign companies, with the aim of having an international perspective. The Board of Directors also ensures that a high level of consistency is maintained with the remuneration arrangements and conditions governing the Group's other employees (through a uniform variable remuneration structure applicable to all Alstom executives).

Review

The remuneration policy for Corporate Officers is designed to ensure stability.

Therefore, the remuneration policy for the Executive Corporate Officer is reviewed annually by the Nominations and Remuneration Committee in order to measure its effectiveness, confirm its alignment with the Group's strategy, take into account the remuneration and employment conditions of the Group's employees, particularly through an analysis of remuneration ratios, analyse the votes cast by shareholders regarding remuneration at Shareholders' Meetings as well as comments related to remuneration made by them and by proxy advisors at governance roadshows and, where applicable, make recommendations and proposals to the Board of Directors.

To gain insight into changes in market remuneration practices for all corporate officers, the Nominations and Remuneration Committee consults studies, including comparative studies, produced by external firms.

Implementation

The remuneration policy is strictly implemented by the Board of Directors in accordance with the resolutions adopted by the Shareholders' Meeting. No payment, grant or commitment may be made by the Board of Directors if it contradicts the remuneration policy approved by the shareholders, under penalty of being declared void.

For example, on the Nominations and Remuneration Committee's recommendations, the Board of Directors sets the performance criteria related to the Executive Corporate Officer's annual variable remuneration at the beginning of the fiscal year and, during the year, the characteristics of any free performance share grant plan that may be created the following fiscal year (particularly for this same officer's benefit) in accordance with all the guiding principles of the remuneration policy and the provisions of the remuneration policy that apply specifically to the Executive Corporate Officer, as approved by the shareholders for the fiscal year in question.

Method for evaluating performance criteria

By no later than the meeting at which the financial statements for the fiscal year are approved, the Board of Directors, on the recommendation of the Nominations and Remuneration Committee, assesses the level of achievement of the performance criteria to which the Executive Corporate Officer's annual variable remuneration is subject. Most of these criteria (60% to 80%) relate to the Group's financial performance or are tied to its social and environmental objectives. The other objectives (20% to 40%) apply specifically to the Executive Corporate Officer and are based on quantifiable criteria or criteria related to his general management duties.

The Board of Directors has discretionary power (separate from the statutory power of derogation provided for in Article L. 22-10-8 of the French Commercial Code) when applying the remuneration policy so as to ensure that the actual annual variable remuneration of the Executive Corporate Officer accurately reflects the Group's performance. If the Board of Directors were to decide, on the proposal of the Nominations and Remuneration Committee and owing to exceptional circumstances, to use this discretionary power, it would need to continue to comply with the principles set out in the remuneration policy and provide shareholders with a clear, precise and full explanation of its choice. This discretionary power would apply only to a limited portion of the annual variable remuneration and could increase or decrease the amount of the bonus theoretically achieved, in accordance with the performance criteria, in respect of the fiscal year (i.e. maximum range of plus or minus 15%), without ever exceeding the ceiling specified in the remuneration policy. Thus, the Board of Directors could decide, on the proposal of the Nominations and Remuneration Committee, that it would be consistent with the remuneration policy – previously approved by the shareholders – to take into account the occurrence during the fiscal year of new circumstances – unforeseeable when the Board determined the remuneration policy for the fiscal year in question – significantly impacting, upwards or downwards, the level of achievement of the performance criteria related to the annual variable remuneration. In this case, the Board could decide, to a limited extent, to change (as described above) the amount of the annual variable remuneration so that it more accurately reflects the Group's actual performance.

On the recommendation of the Nominations and Remuneration Committee and as soon as possible after approval of the financial statements for the fiscal year, the Board of Directors also notes the level of achievement of the performance conditions related to the Executive Corporate Officer's long-term incentive (performance shares) for which the performance period is ending. These performance conditions are fully quantifiable.

Management of conflicts of interest

The Company complies with the recommendations of the AFEP-MEDEF Code on the management of conflicts of interest. The Company's Board Members charter, as appended to the Board of Directors' internal rules and large excerpts of which are included in the first part of this section, specifies the obligations of the Board Members and Observers aimed at preventing any conflict of interest in the performance of their duties.

In practice and as regards remuneration, the Executive Corporate Officer is excluded from all discussions, exchanges or voting, by both the Nominations and Remuneration Committee and the Board of Directors, related to the determination of his remuneration and, where applicable, the objectives underlying his variable remuneration or the assessment of their level of achievement.

Amendment of the remuneration policy and terms of application to newly appointed Corporate Officers

The 2024/25 remuneration policy for the Chairman & Chief Executive Officer, which is applicable to him in this capacity until the 2024 annual Shareholders' Meeting, does not include any changes relative to the 2023/24 remuneration policy approved by 96.82% of the shareholders at the Shareholders' Meeting on 11 July 2023 (10th resolution), except for the adjustment of the structure of his annual variable remuneration, as anounced on 15 November 2023, which is detailed hereafter (section 5.1.6.5).

As part of the split of the functions of Chairman of the Board of Directors and Chief Executive Officer, two separate 2024/25 remuneration policies, defined by the Board of Directors on 7 May 2024, will be voted on at the 2024 annual Shareholders' Meeting and will apply, for fiscal year 2024/25, to the Chief Executive Officer, on the one hand, and to the Chairman of the Board of Directors, on the other.

The remuneration policy applicable to the Chief Executive Officer from the 2024 annual Shareholders' Meeting remains unchanged from the above-mentioned policy previously applicable to the Chairman & Chief Executive Officer, with the exception of the following points (see also section 5.1.6.5 below):

- for annual variable remuneration, change in the weight given to collective objectives and to the Chief Executive Officer's specific objectives, respectively up from 60% to 80% at target performance (i.e. from 120% to 160% at maximum performance) and down from 40% to 20% at target performance (i.e. from 50% to 25% at maximum performance);
- inclusion in annual variable remuneration of an additional condition related to achievement of a positive free cash flow for the exercice, which would impact the payment of the annual variable remuneration in case of non-achievement.

The remuneration policy for the members of the Board of Directors for 2024/25 includes all the rules applicable to them for fiscal year 2023/24 as approved by 99.39% of the shareholders at the Shareholders' Meeting on 11 July 2023 (11th resolution), except for the adjustement announced 15 November 2023 (detailed in Section 5.1.6.5) which is not reconducted for fiscal year 2024/25.

In the event of the appointment of a new Corporate Officer, the remuneration policy applicable to him/her (that of the Executive Corporate Officers or that of the members of the Board of Directors), as described below, will be implemented, where applicable with the necessary adaptations, which would be decided by the Board of Directors on the recommendation of the Nominations and Remuneration Committee.

5.1.6.2 Remuneration policy for members of the Board of Directors

General principles

In accordance with the resolution passed by the shareholders at the Combined Shareholders' Meeting of 1 July 2014, the annual remuneration package for the members of the Board of Directors was set at 1,300,000 euros until further resolution by the meeting.

The principles governing the remuneration of members of the Board of Directors are described in the Board's internal rules.

The distribution is based on a fixed portion and a predominant variable portion, proportional to the Board members' participation in Board and Committee meetings. The Committee Chairs and the lead director receive an additional fixed portion. One-half of the fixed and variable portions are paid during the fiscal year and the remainder the following fiscal year.

As of fiscal year 2021/22, the allocation rules approved by the Board of Directors are as follows:

- The fixed portion is 30,000 euros per Board Member, plus an additional sum of:
  - 20,000 euros for the Chairman of the Audit Committee
  - 15,000 euros for the Chairmen of the other Board Committees.
- The variable part is distributed at a rate of:
  - 4,000 euros per Board meeting attended
  - 3,500 euros per Committee meeting attended.
- Moreover, the additional fixed remuneration allocated to the lead director was set at 30,000 euros by the Board of Directors.

This remuneration policy applies to all Board Members, including those representing employees, with the exception of the Executive Corporate Officers, who do not receive any remuneration related to their position as a Board member. If an Observer is designated to attend Board of Directors' meetings, he/she does not receive any remuneration.

Implementation in fiscal year 2024/25

For fiscal year 2024/25, the allocation rules described above will apply, provided, however, that the component related to the additional fixed remuneration of the Lead Independent Director, which will be prorated until the end of Mr. Yann Delabrière's term of office, is not intended to be renewed once the term of office of the latter has ended.

In addition, Board Members are reimbursed for the expenses incurred in connection with their duties, including travel and accommodation expenses.

The Board of Directors also includes two members representing employees, who each have a permanent employment contract with the Company and receive remuneration under this contract. The notice periods and conditions of dismissal or termination applicable to them are the same as those under the ordinary rules of law.

In accordance with Article L. 22-10-8-II of the French Commercial Code, the remuneration policy for members of the Board of Directors for 2024/25 will be the subject of a resolution voted on at the 2024 Shareholders' Meeting called to approve the financial statements for fiscal year 2023/24, following approval of the 2023/24 policy by 99.39% of shareholders at the meeting on 11 July 2023 (resolution 11).

5.1.6.3 Remuneration policy for the Executive Corporate Officer

Mr Henri Poupart-Lafarge has been Chairman & Chief Executive Officer of the Alstom Group since 1 February 2016. His current directorship was renewed for four years as of the Shareholders' Meeting held on 11 July 2023.

Mr Henri Poupart-Lafarge is not bound to the Company or to any other Group company by an employment contract.

As indicated earlier in this report, on 14 November 2023 the Board of Directors decided to split the functions of Chairman of the Board of Directors and Chief Executive Officer, with effect from the 2024 annual Shareholders' Meeting.

From that date, Mr Henri Poupart-Lafarge will be Chief Executive Officer.

The remuneration policy described below therefore applies to Mr Henri Poupart-Lafarge in respect of his duties as Chairman & Chief Executive Officer until the 2024 annual Shareholders' Meeting, and then as Chief Executive Officer from that date, with no change to its content following the split of functions. It also applies to any new Executive Corporate Officer appointed during fiscal year 2024/25.

General principles

Guiding principles

Based on all the guiding principles of the remuneration policy for Corporate Officers described above, the aim of the remuneration policy for the Executive Corporate Officer is to support the company's strategy and align the Executive Corporate Officer's interests with those of the shareholders and with stakeholders' expectations.

In particular, the policy includes the following points, which were approved by the Board of Directors on the recommendation of the Nominations and Remuneration Committee:

- greater weight given to the variable components according to a "pay-for-performance" approach where performance criteria are strictly aligned with the Group's strategic priorities (including societal and environmental priorities);
- a significant portion of remuneration is based on the long term (minimum period of three years), with quantifiable objectives;
- short-term incentive based partly on quantifiable collective objectives aligned with the Group's objectives, and partly on objectives that apply specifically to the Executive Corporate Officers, a portion of which is quantifiable with the other portion tied to their general management duties;

- remuneration for overperformance (which is, however, capped);
- no exceptional remuneration.

In order to set the Executive Corporate Officer's overall remuneration and the level of its various components, the Nominations and Remuneration Committee issues recommendations supported by market studies, from independent specialised firms, which allows a comparison with similar functions at CAC 40 and SBF 120 companies and at foreign companies, while also ensuring consistency with the internal practices applicable to Alstom's other senior executives and Executive Corporate Officers.

Components

The various components of the Executive Corporate Officer's total remuneration, based on all the principles described above, are as follows:

Fixed remuneration

Fixed remuneration is intended to recognise the importance and scope of the Executive Corporate Officer's responsibilities and his experience. It is set for a minimum period of two years, except in the case of a significant change in the scope of his responsibilities or a substantial change in macroeconomic conditions.

Short-term incentive

The short-term incentive is intended to motivate the Executive Corporate Officer to achieve the annual performance objectives set for him by the Board of Directors in line with the Group's objectives.

It is fully tied to the achievement of performance criteria defined by the Board of Directors on the recommendation of the Nominations and Remuneration Committee. These performance criteria are, for 80%, based on quantifiable collective objectives set for the entire Group (vs. 60% in 2023/24) and, for 20%, based on specific objectives set for the Executive Corporate Officer (vs. 40% in 2023/24), a portion of which is quantifiable (such as commercial performance) with another portion tied his general management duties (such as defining and implementing the Group's strategy).

The level of achievement of these criteria is therefore mostly measured on the basis of performance indicators used more generally within the Company. This last point ensures the relevance of the types of criteria used and their alignment with the Company's strategy. At least one of these criteria takes social or environmental issues into account.

The short-term incentive represents 100% of the fixed annual gross remuneration when objectives are achieved and is capped, in the event of overperformance, at 185% of the fixed annual gross remuneration, with no floor set.

The results achieved, the level of achievement of each criterion and the amount of the short-term variable portion are determined by the Board of Directors by no later than at the meeting during which the financial statements for the fiscal year are approved. The Board of Directors has discretionary power when applying the remuneration policy so as to ensure that the Executive Corporate Officer's actual annual variable remuneration accurately reflects the Group's performance, according to the terms detailed in section "Definition, review and implementation of the remuneration policy – Method for evaluating performance criteria".

The short-term incentive ("Refundable Remuneration") is subject to a clawback mechanism. This mechanism may be implemented by the Board of Directors, on the proposal of the Nominations and Remuneration Committee, in the event that all or part of the Refundable Remuneration was collected as a result of proven fraud or embezzlement affecting the financial statements used for its calculation or its calculation itself, of which the person concerned was the perpetrator or accomplice. The same applies in the event of a significant obvious error in the calculation of the Refundable Remuneration or in the event of gross negligence by the person concerned. This mechanism may only be implemented in one of the two fiscal years following the year in which this remuneration was paid. The refund is made up to the amount of the Refundable Remuneration net of social security charges for the fiscal year in question that the Executive Corporate Officer would not have received if there had been no obvious and significant error. In other cases, the refund may relate to the entire Refundable Remuneration net of social security charges for the fiscal year in question.

Long-term incentive

Long-term remuneration is designed to incentivise the Executive Corporate Officer (and the Group's other senior managers and executives) to achieve the Company's strategic objectives over the long term and support the alignment of its interests with those of the shareholders.

It results from the performance share plans granted annually, which are entirely subject to the achievement of strict internal and/or relative performance conditions based on simple and measurable key criteria of Alstom's strategy. Achievement of the performance conditions is determined after the end of the third fiscal year following the grant date. The Board of Directors will not determine whether performance conditions have been achieved or deliver shares under a given plan prior to the end of this third fiscal year. The vesting of shares is also subject to the Executive Corporate Officer's actual continued presence on the vesting date (except in the event of death, disability or retirement).

In the event of a major change in the Group's strategy or structure, the Board of Directors has pledged to adapt these performance conditions to new issues that emerge in the coming years, as regards the nature of the conditions and the results to be achieved, while continuing to set strict conditions and remaining transparent about these changes.

The Board of Directors may decide to make the definitive grant of all or part of the performance shares to the Executive Corporate Officer subject to non-implementation of the clawback clause (mentioned above) during the vesting period of said performance shares.

The long-term remuneration thus defined and as valued under IFRS 2 recognised in the consolidated financial statements is limited to one year of the target short-term remuneration (target fixed and variable), i.e. 200% of the fixed short-term remuneration.

In addition, the total amount of annual grants to the Corporate Officers may not exceed 2.5% of the overall amount authorised by the Shareholders' Meeting for performance share grants within the Group, or 10% of the overall grant under the plan in question.

Grants are also subject to holding requirements (described below) and to a prohibition on the use of hedging instruments.

Multi-year remuneration

The Company's policy does not provide for multi-year remuneration.

Exceptional remuneration

The Company's policy does not provide for exceptional remuneration.

Remuneration tied to directorship

The Company's policy does not provide for remuneration of the Executive Corporate Officer that is tied to being a Board Member of the Company or, where applicable, of a Group company.

Non-compete undertaking

The Company's policy is to enter into a non-compete undertaking with its Executive Corporate Officer.

In light of the intimate knowledge of the mobility sector and new issues related to digitisation acquired by its Executive Corporate Officer, it is in the Company's interest to provide for a non-compete undertaking that binds the Executive Corporate Officer. This undertaking (described below) applies for a period of two years from the end of his directorship. The consideration for this commitment is a total gross indemnity equal to 1.5 times the average annual gross fixed and variable remuneration, excluding performance shares, received over the last three fiscal years. The Board of Directors reserves the right, particularly in the event of gross misconduct or major financial difficulty, to unilaterally waive the benefit of this undertaking as of the date on which the Executive Corporate Officer's term of office ends.

In any case, the non-compete undertaking is not applicable if the Executive Corporate Officer retires at the end of his directorship. In this case, no indemnity would be due to him.

Severance indemnity

The Company's policy does not provide for a severance indemnity for the Executive Corporate Officer.

Retention conditions of performance shares under a vesting period

If the Executive Corporate Officer leaves the Company, the Board of Directors will, based on a reasoned decision, assess whether he may retain the right, in full or in part, to acquire shares granted under performance conditions, subject to the following limits:

- retention is only possible in case of a forced departure, i.e. in case of dismissal and not resignation;
- no full vesting is authorised before the vesting date specified in the relevant plans' rules. Consequently, no early delivery of performance shares is possible;
- the performance conditions must continue to apply throughout the specified vesting period;
- the number of shares fully vested, as determined after measuring achievement of the performance conditions, will be reduced in proportion to the time spent working for the Company relative to the length of the vesting period of each plan (i.e. prorated reduction); and
- in any event, the appropriateness of the full vesting of the performance shares will be assessed in view of the Company's situation at the date of departure and at the originally scheduled vesting date, and no performance shares may be granted if the Company is facing major financial difficulties.

Supplemental pension plans

To allow the build-up of retirement savings, the Company's policy provides for defined contribution supplemental pension plans for its Executive Corporate Officer. These group defined contribution supplemental pension plans ("Article 82" and "Article 83" of the French Tax Code) also benefit the Group's other senior executives and executive corporate officers. Following the closure (in 2016) and then the winding-up (in 2019) of the "Article 39" supplemental pension plan, the Company's remuneration policy no longer provides for the use of defined benefit supplemental pension plans for its Executive Corporate Officer.

Other benefits

The Company's policy provides that the Executive Corporate Officer is entitled to a company car, supplemental health cover, a death/disability insurance policy, as for other Group employees who have a certain degree of responsibility, and a private unemployment insurance policy, the costs of which are shared by the Company and the beneficiary.

Implementation in fiscal year 2024/2025

At its meeting on 7 May 2024, on the proposal of the Nominations and Remuneration Committee meeting on 6 May 2024, the Board of Directors defined the structure and composition of the Executive Corporate Officer's remuneration in respect of fiscal year 2024/25 in accordance with the principles described above.

In defining the structure and composition of this remuneration, the Board of Directors relied in particular on the results of comparative studies carried out by an independent firm presenting the market practices of various panels of companies whose size, market capitalisation and revenue and/or activities are similar to those of the Group:

- a group of French CAC 40 and SBF 120 companies, including Arkema, Bolloré, Bureau Veritas, Dassault Aviation, Eiffage, Forvia, Legrand, Michelin, Nexans, Renault, Safran, Saint-Gobain, SEB, Solvay, STMicroelectronics, Technip Energies, Thales, Valeo, Veolia Environnement and Worldline.
- a group of German companies, including Continental AG, E.ON, GEA Group, HeidelbergCement, Hella, Infineon, Kion Group, Knorr-Bremse, MTU Aero Engines, Rational, RWE, Siemens Energy, Thyssenkrupp and Traton.
- a group of European companies, including AkzoNobel, ASM International, BAE Systems, Brembo, Continental AG, Ferguson PLC, Forvia, Kion Group, Knorr-Bremse, Legrand, Leonardo, MTU Aero Engines, Nexans, Prysmian, Renault and Rolls Royce.

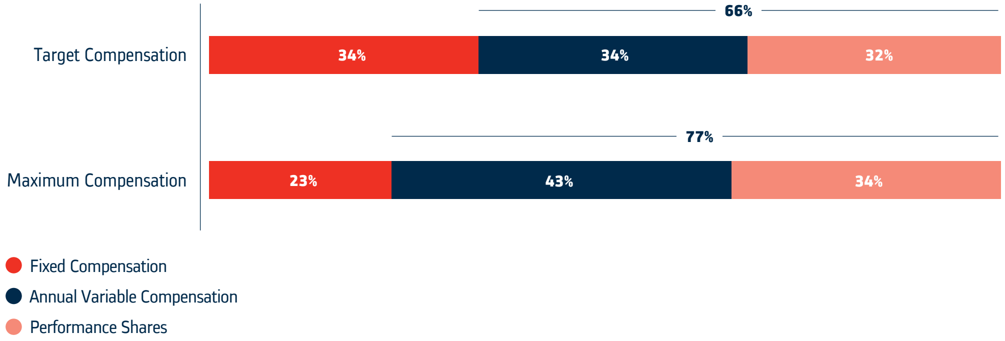
This three-fold segmentation allowed the Board of Directors to have a thorough representation of the remuneration market trends and levels relevant to the Executive Corporate Officer, according to the Group's size, activity and footprint.

The analysis covered all the components of remuneration (fixed remuneration, short- and long-term incentive, other benefits) received by the Executive Corporate Officer.

In accordance with Article L. 22-10-8-II of the French Commercial Code, the remuneration policy for the Executive Corporate Officer will be the subject of a resolution voted on at the 2024 annual Shareholders' Meeting.

In accordance with the general principles set out above, the structure of the Executive Corporate Officer’s remuneration (cash and shares) (excluding post-directorship remuneration) has the following characteristics:

1. Greater weight given to the variable components (based on a “pay for performance” approach) with the following breakdown.



In the Executive Corporate Officer’s remuneration structure, variable components at the target level represent 66% and variable components at the maximum level represent 77% (including performance shares for which the grant on 9 May 2023 is proposed, according to the IFRS valuation).

2. Alignment of the performance criteria with the Group's financial and social/environmental objectives, based on a balanced breakdown.

To meet applicable requirements and ensure alignment with market practices, the Executive Corporate Officer’s remuneration is analysed in relation to various panels of companies of similar size, activities and market capitalisation in France (CAC 40 & SBF 120), Germany and Europe.

PANEL 1 – FRANCE

Arkema
Bolloré
Bureau Veritas
Compagnie de Saint-Gobain
Dassault Aviation
Eiffage
Forvia
Groupe Seb
Legrand
Michelin
Nexans
Renault
Safran
Solvay
STMicroelectronics
Technip Energies
Thales
Valeo
Veolia
Worldline

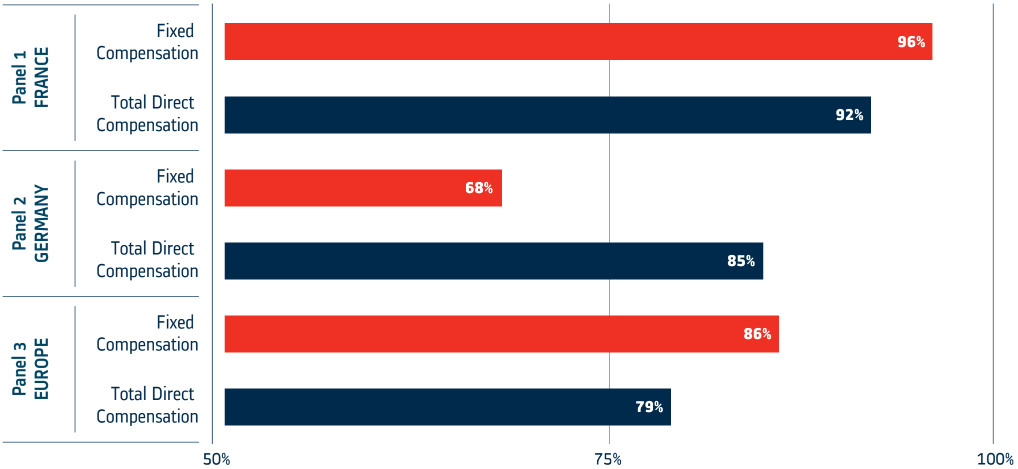
PANEL 2 – GERMANY

Continental AG
E.ON
GEA Group
HeidelbergCement
Hella
Infineon
Kion Group
Knorr-Bremse
MTU Aero Engines
Rational
RWE
Siemens Energy
Thyssenkrupp
Traton

PANEL 3 – EUROPE

Akzo Nobel
ASM International
BAE Systems
Brembo
Continental AG
Forvia
Ferguson PLC
Kion Group
Knorr-Bremse
Legrand
Leonardo
MTU Aero Engines
Nexans
Prysmian
Renault
Rolls-Royce

The Executive Corporate Officer's remuneration relative to these panels is as follows (100% representing the median level of each panel for the considered compensation item):



The total direct remuneration includes the fixed remuneration, the target annual variable remuneration and the IFRS valuation of the performance shares granted in fiscal year 2023/24.

Remuneration during the directorship

Fixed remuneration

The fixed annual remuneration of the Executive Corporate Officer has remained the same since 1 April 2021 at 950,000 euros.

Short-term incentive

The target short-term incentive represents 100% of his annual fixed gross remuneration when objectives are fully achieved and, in case of overperformance, is capped at 185% of his annual fixed gross remuneration. No floor is set.

On the proposal of the Nominations and Remuneration Committee meeting on 6 May 2024, at its meeting on 7 May 2024 the Board of Directors defined the objectives related to the Executive Corporate Officer's short-term incentive in respect of fiscal year 2024/25.

The collective objectives related to the Group's overall performance will represent 80% of the target variable remuneration and will be based on economic criteria such as adjusted EBIT, free cash flow, gross margin on orders received and order book margin adjustment, and on criteria related to workplace safety, representation of women in management and reduction of greenhouse gas emissions in the Group's operations.

The economic performance indicators will represent 81% of the Group's overall performance objectives, i.e. 65 out of 80 points, given that the Board of Directors has opted for more relevant and appropriate representation of the Group's current issues by placing emphasis on financial objectives while still focusing on societal, environmental and governance issues.

The Executive Corporate Officer's specific objectives are based on criteria set by the Board of Directors. They are linked to the exercise of general management functions (financial, operational and commercial performance) and for the most part quantifiable.

For reasons of confidentiality, details of the objectives to be achieved cannot be provided in this Document.

Their level of achievement will be assessed by the Board of Directors on the basis of the fiscal year 2024/25 results. In the event of overperformance, the collective performance criteria and the criteria that apply specifically to the Executive Corporate Officer may represent up to 160% and 25%, respectively, of the fixed annual gross remuneration (i.e. an overall cap of 185%).

In addition, the overall rate of achievement of the collective objectives will also be conditional on reaching a positive free cash flow for the fiscal year 2024/25. If this level is not achieved, the overall rate of achievement of the collective objectives will be reduced by half.

Objective		Target weight	Maximum weight in case of overperformance
Group (Financial)	Free cash flow	20%	40%
Group (Financial)	Adjusted EBIT	20%	40%
Group (Financial)	Gross margin on orders received	15%	30%
Group (Financial)	Order book margin adjustment	10%	20%
Group (ESG)	Rate of reported accidents (with or without time off work)	5%	10%
Group (ESG)	Percentage of management positions held by women	5%	10%
Group (ESG)	Reduction in greenhouse gas emissions in operations	5%	10%
Total of collective objectives (*)		**80%**	**160%**
Specific	Financial performance	4%	5%
Specific	Operational performance	6%	7.5%
Specific	Commercial performance	10%	12.5%
Total specific objectives of the Executive Corporate Officer		**20%**	**25%**
TOTAL OBJECTIVES		**100%**	**185%**

(*) If the free cash flow is not positive for fiscal year 2024/25, the total achievement of the collective objectives will be reduced by half.

The Board may use its discretionary power when applying the remuneration policy so as to ensure that the Executive Corporate Officer's actual annual variable remuneration accurately reflects the Group's performance, according to the terms detailed in section "Definition, review and implementation of the remuneration policy – Method for evaluating performance criteria".

The short-term incentive ("Refundable Remuneration") is subject to a clawback mechanism. This mechanism may be implemented by the Board of Directors, on the proposal of the Nominations and Remuneration Committee, in the event that all or part of the Refundable Remuneration was collected as a result of proven fraud or embezzlement affecting the financial statements used for its calculation or its calculation itself, of which the person concerned was the perpetrator or accomplice. The same applies in the event of a significant obvious error in the calculation of the Refundable Remuneration or gross negligence by the person concerned. This mechanism may only be implemented in one of the two fiscal years following the year in which this remuneration was paid. The refund is made up to the amount of the Refundable Remuneration net of social security charges for the fiscal year in question that the Executive Corporate Officer would not have received if there had been no obvious and significant error. In other cases, the refund may relate to the entire Refundable Remuneration net of social security charges for the fiscal year in question.

In accordance with Article L. 22-10-34-II of the French Commercial Code, the payment of variable remuneration will be subject to the approval, by the Shareholders' Meeting called in 2025 to approve the financial statements for fiscal year 2024/25, of the components of remuneration paid during or allocated in respect of that fiscal year to the Executive Corporate Officer.

Long-term incentive

The characteristics of the performance share grant policy applied to the Executive Corporate Officer for fiscal year 2024/25 are as follows:

Performance conditions	All performance shares are subject to internal and/or relative performance conditions. In the event of a major change in the Group's strategy or structure, the Board of Directors has pledged to adapt these performance conditions to new issues that emerge in the coming years, as regards the nature of the conditions and the results to be achieved, while continuing to set strict conditions and remaining transparent about these changes.
Vesting and performance period	Achievement of the performance conditions is determined after the end of the third fiscal year following the grant date. The Board of Directors will not determine whether performance conditions have been achieved or deliver shares under a given plan prior to the end of this third fiscal year.
Limits applicable to the grant	The Board of Directors has defined the following principles regarding grants to the Executive Corporate Officers: ● the IFRS 2 value (which is used to prepare the Group's consolidated financial statements) of all annual grants is limited to one year of the annual fixed gross remuneration and target short-term incentive, where the latter corresponds to the remuneration received when the objectives set are fully achieved. Thus, remuneration in performance shares is capped at 100% of the target short-term remuneration (target fixed and variable), i.e. 200% of the fixed short-term remuneration; ● the total amount of annual grants to the Corporate Officers may not exceed 2.5% of the overall amount authorised by the Shareholders' Meeting for performance share grants within the Group, or 10% of the overall grant under the plan in question.

Holding requirement	By a decision of the Board of Directors, the Executive Corporate Officer is required to hold in registered form 100% of the performance shares fully vested during the entire term of his directorship (as renewed, where applicable). This holding requirement no longer applies once the value of the shares held by him in registered form represent three years of his last annual fixed gross remuneration. For the calculation of the holding requirement cap, the following is taken into account: ● the annual fixed gross remuneration applicable on the date of the last full vesting of performance shares; and ● the respective share prices at the time of each full vesting of the performance shares held in registered form by the Executive Corporate Officer. As of 31 March 2024, the holding requirement was satisfied as Mr Henri Poupart-Lafarge held a number of registered shares on that date representing more than three years of his last annual fixed gross remuneration.
Prohibition on hedging instruments	The Executive Corporate Officer makes a formal commitment to refrain from using hedging instruments on the performance shares granted by the Company during the entire term of his directorship. To the Company's knowledge, no hedging instrument has been set up.
Possibility to make vesting of shares subject to non-implementation of the clawback mechanism	The Board of Directors may decide to make the definitive grant of a portion of the performance shares to the Executive Corporate Officer subject to non-implementation of the clawback clause (mentioned above) during the vesting period of said performance shares.
Sale lock-up periods	No transactions in the Company's financial instruments may be carried out during the 30 calendar days preceding the publication of the Company's annual and half-year results (this period is reduced to 15 calendar days for quarterly results) and up to the second trading day following this publication. During periods where trading is allowed, the Company's Code of Conduct creates an obligation to consult the Ethics Officer in case of any doubt regarding the ability to complete a transaction.
Frequency	Annual

The grant level, as determined by the Board of Directors, on the proposal of the Nominations and Remuneration Committee, takes into consideration all the components of the Executive Corporate Officer's remuneration and market practices.

The general characteristics of the performance shares granted to the Executive Corporate Officer are the same as those of all other grants under the same plan offered to the Company's other executives.

Benefits in kind

Benefits in kind for the Executive Corporate Officer are limited to a company car, supplemental health cover, a death/disability insurance policy and a private unemployment insurance policy, the costs of which are shared by the Company and the beneficiary.

Remuneration at the end of the directorship

Non-compete undertaking

The non-compete undertaking entered into with the Executive Corporate Officer is limited to a two-year period commencing on the end date of his directorship. Consequently, at the end of his directorship (for any reason and at any time), the Executive Corporate Officer must refrain from having an interest in, participating in, associating in any way with or engaging with, directly or through a legal entity, as a corporate officer, employee or consultant, any company worldwide with a significant portion of its business (15% of revenue or at least 1 billion euros) related to the production of equipment or systems used in the railway industry or in public ground transport. Transportation operators are excluded from the scope of this non-compete undertaking.

In consideration for this commitment, the Executive Corporate Officer would receive a total gross indemnity equal to 1.5 times his average annual gross fixed and variable remuneration, excluding performance shares, received during the three fiscal years preceding the end date of his directorship; this indemnity would be paid monthly, in 24 equal amounts, during the entire term of the non-compete undertaking.

If the non-compete undertaking is breached at any time by the Executive Corporate Officer:

- the Company would be released from its obligation to pay the financial consideration; and
- the Executive Corporate Officer would be required to repay to the Company all the amounts already paid pursuant to the non-compete undertaking.

The Company, acting through its Board of Directors, reserves the right, particularly in the event of gross misconduct or major financial difficulty, to unilaterally waive the benefit of this non-compete undertaking as of the date the Executive Corporate Officer's term of office ends, in which case the Executive Corporate Officer would be released from any obligation and no indemnity would be due to him in this respect.

In any event, this non-compete undertaking does not apply if the Executive Corporate Officer retires at the end of his directorship. In this case, no indemnity would be due to him.

The Board of Directors believes that, under certain conditions, the possibility of requiring Executive Corporate Officers to be subject to a non-compete undertaking is beneficial to the Company. This is particularly the case as regards Mr Henri Poupart-Lafarge given his knowledge of the mobility sector and new developments related to its digitisation acquired over more than 20 years. The Board of Directors believes that the Company's competitors must not, under any circumstances, benefit from this expertise. Therefore, this undertaking is intended to protect the Group's interests.

Retention conditions of performance shares under a vesting period

If the Executive Corporate Officer leaves the Company, the Board of Directors will assess whether he may retain the right, in full or in part, to acquire shares granted under performance conditions, subject to the following limits:

- retention is only possible in case of a forced departure, i.e. in case of dismissal and not resignation;
- no full vesting is authorised before the vesting date specified in the relevant plans' rules. Consequently, no early delivery of performance shares is possible;

- the performance conditions must continue to apply throughout the specified vesting period;
- the number of shares fully vested, as determined after measuring achievement of the performance conditions, will be reduced in proportion to the time spent working for the Company relative to the length of the vesting period of each plan (i.e. prorated reduction); and
- in any event, the appropriateness of the full vesting of the performance shares will be assessed in view of the Company's situation at the date of departure and at the originally scheduled vesting date, and no performance shares may be granted if the Company is facing major financial difficulties.

Supplemental pension plans

In terms of supplemental pension plans, pursuant to the Company's remuneration policy, the Executive Corporate Officer is entitled to:

- the defined contribution supplemental pension plan ("Article 83") as follows:
  - contributions are paid annually and equal 1% of the annual remuneration up to four times the annual Social Security ceiling, 4% of the annual remuneration between four and eight times the annual Social Security ceiling, and 11% of the annual remuneration between eight and 12 times the Social Security ceiling,
  - since 1 July 2014, 95% of contributions are paid by the Company;
- the defined contribution supplemental pension plan ("Article 82"). The calculation of this annual contribution is based on the total annual remuneration (fixed and variable remuneration due in cash) as follows:
  - 10% of the gross fixed remuneration between 8 and 12 times the annual Social Security ceiling and 20% of his fixed remuneration in excess of 12 times the annual Social Security ceiling,
  - 20% of his annual variable remuneration as determined by the Board of Directors,
  - the base remuneration (fixed and variable due in cash) used to calculate the contribution may not, in any case, be more than 2,000,000 euros,
  - no contribution is paid if the calculation of variable remuneration equals zero,
  - the Executive Corporate Officer has agreed, once the tax and social security obligations relating to these contributions are fulfilled, to keep the amounts paid in the dedicated pension savings vehicle, at least for the duration of his directorship.

5.1.6.4 Remuneration policy for the Chairman of the Board of Directors

Guiding principles and remuneration structure

Pursuant to the principles governing the determination of the remuneration policy for Corporate Officers as described earlier in this Document, on 7 May 2024 the Board of Directors, on the recommendation of the Nominations and Remuneration Committee meeting on 6 May 2024, defined the remuneration policy applicable to the Chairman of the Board of Directors with effect from the 2024 annual Shareholders' Meeting and the policy for implementing the split of the functions of Chairman of the Board of Directors and Chief Executive Officer.

In accordance with the recommendation of the AFEP/MEDEF Code (Article 26.2), the Chairman of the Board of Directors receives only fixed remuneration, to the exclusion of any variable remuneration (short- or long-term) or any exceptional remuneration, and receives no remuneration as a Board Member.

The Chairman of the Board of Directors may benefit from the health and personal protection cover available to other Group employees and the Executive Corporate Officer.

The material resources required to perform his duties are provided by the Company.

Implementation in fiscal year 2024/25

At its meeting on 7 May 2024, on the proposal of the Nominations and Remuneration Committee meeting on 6 May 2024, the Board of Directors defined the structure and composition of the Chairman of the Board of Directors' remuneration in respect of fiscal year 2024/25 in accordance with the principles described above.

The amount of the fixed remuneration was determined on the basis of an in-depth study of market practices, including a benchmark of the remuneration of Chairs of Boards of Directors and Supervisory Boards of CAC 40 and Next20 companies with a split governance structure, conducted with the help of an independent outside firm.

In light of this, Mr Philippe Petitcolin's annual fixed remuneration was set at 450,000 euros, which is exactly the median of the benchmark (the first quartile being 312,500 euros, the third quartile 687,500 euros and the average 578,600 euros).

Mr Petitcolin will not receive any short- or long-term incentive or any exceptional remuneration. He will not receive additional remuneration as a Board Member.

Mr Petitcolin will have a company car and will benefit from the health and personal protection cover applicable to other Group employees.

5.1.6.5 Components of remuneration paid during or allocated in respect of fiscal year 2023/24 to Corporate Officers

Remuneration paid during or due in respect of fiscal year 2023/24 to members of the Board of Directors

TABLE 3 OF THE AFEP-MEDEF CODE – TABLE ON REMUNERATION ALLOCATED UNDER A DIRECTORSHIP AND OTHER REMUNERATION RECEIVED BY NON-EXECUTIVE CORPORATE OFFICERS

The amounts due in respect of fiscal year 2023/24 were impacted by the decision taken by the Board of Directors on 14 November 2023, on the recommendation of the Nominations and Remuneration Committee, to make the payment of remuneration to Board members for the second half of 2023/24 subject to the achievement of adjusted free cash flow objectives for 2023/24 as described after this table:

Gross amounts	**Fiscal year 2022/23**			**Fiscal year 2023/24**			
Non-executive corporate officers	**Amounts paid during the fiscal year** (in €)	**Amounts due in respect of the fiscal year** (in €)	**Variable portion due in respect of the fiscal year** (in €)	**Amounts paid during the fiscal year** (in €)	**Amounts due in respect of the fiscal year before application of the free cash flow criterion** (in €)	**Variable portion due in respect of the fiscal year** (in €)	**Amounts due in respect of the fiscal year after application of the free cash flow criterion** (in €)]
Mr Pascal Grangé, permanent representative of Bouygues SA(1)	39,500	9,000	4,000	-	-	-	-
Ms Bi Yong Chungunco	75,000	89,500	59,500	82,500	76,500	46,500	53,500
Bpifrance Investissement	-	-	-	-	52,500	37,500	26,250
Mr Yann Delabrière, lead independent director and Chairman of the Nominations and Remuneration Committee	113,000	124,000	49,000	127,500	128,500	53,500	92,500
Ms Clotilde Delbos	68,000	72,000	42,000	72,000	83,500	50,000	60,500
Mr Daniel Garcia Molina, Board Member representing employees	64,500	68,500	38,500	68,500	73,000	43,000	51,750
Mr Serge Godin(2)	55,500	21,500	11,500	-	-	-	-
Mr Gilles Guilbon, Board Member representing employees	68,000	79,000	49,000	82,500	83,500	53,500	58,750
Ms Sylvie Kandé de Beaupuy, Chairwoman of the Ethics and Compliance Committee	90,000	104,500	59,500	97,500	91,500	46,500	64,750
Mr Frank Mastiaux, Chairman of the Integration Committee	93,500	104,500	59,500	108,000	105,500	60,500	75,250
Mr Philippe Petitcolin (3)				-	6,500	4,000	3,250
Mr Baudouin Prot	89,000	110,500	80,500	96,000	83,000	53,000	54,750
Ms Sylvie Rucar, Chairwoman of the Audit and Risk Committee	102,000	109,000	59,000	112,500	121,000	67,500	87,750
Mr Jay Walder(4)	-	26,750	15,500	57,250	69,000	39,000	49,750
TOTAL	**858,000**	**918,750**	**527,500**	**904,250**	**974,000**	**554,500**	**678,750**

(1) Board Member who resigned on 30 May 2022

(2) Board Member who resigned on 29 August 2022

(3) Board Member co-opted by the Board of Directors on 12 March 2024 and remunerated as such until the 2024 annual Shareholders' Meeting

(4) Board Member co-opted by the Board of Directors on 15 November 2022 and appointed as Observer on 12 March 2024. As a result, and in accordance with the Company's remuneration policy, Mr Jay Walder is no longer remunerated as a Board Member from 12 March 2024 until the 2024 annual Shareholders' Meeting.

The Audit and Risks Committee, the Nominations and Remuneration Committee, the Ethics and Compliance Committee and the Integration Committee are remunerated as described in the remuneration policy for members of the Board of Directors.

The members of the Board of Directors do not receive any other remuneration from the Company or the Group companies, with the exception of the Board Members representing employees who are remunerated under their employment contract.

Pursuant to the remuneration policy, the Chairman & Chief Executive Officer and, as of the split of functions that will take effect from the 2024 annual Shareholders' Meeting, the Chief Executive Officer and the Chairman of the Board of Directors do not receive remuneration in respect of their directorship, nor does the Observer.

In accordance with its own internal operating rules, Caisse de Dépôt et Placement du Québec, Board Member represented by Ms Kim Thomassin, also does not receive any remuneration tied to its directorship.

The difference between the amounts paid during a fiscal year and the amounts due in respect of that same fiscal year results from the fact that one-half of the remuneration allocated to Board Members in respect of a fiscal year is paid during that fiscal year (remuneration for the first half of the fiscal year) and the balance is paid the following fiscal year (remuneration for the second half of the fiscal year).

As indicated, the amounts due in respect of fiscal year 2023/24 (paid at the beginning of fiscal year 2024/25) were impacted by the decision taken by the Board of Directors on 14 November 2023, on the recommendation of the Nominations and Remuneration Committee, to make the payment of remuneration to Board members for the second half of 2023/24 subject to the achievement of adjusted free cash flow objective for 2023/24 as follows:

2023/24 free cash flow (€M)	**Impact on the payment of remuneration in respect of the second half of the year**
Free cash flow < (750)	No payment of remuneration in respect of the second half of the year
(750) ≤ free cash flow < (300)	Payment of remuneration in respect of the second half of the year reduced by 50%
(300) ≤ free cash flow	Normal payment of remuneration in respect of the second half of the year

Based on the level of achievement of the adjusted free cash flow objective described above, the total gross remuneration that is payable to the Board Members for the second half of fiscal year 2023/24 was reduced by 50%. The total gross remuneration due to the Board Members for fiscal year 2023/24 and which will effectively be paid is 678,750 euros and represents approximately 52.20% of the total package authorised by the shareholders (approximately 71% for fiscal year 2022/23).

In accordance with Article L. 22-10-34-I of the French Commercial Code, these components of remuneration will be the subject of a resolution voted on at the 2024 Shareholders' Meeting called to approve the financial statements for fiscal year 2023/24.

Remuneration paid during or allocated in respect of fiscal year 2023/24 to Mr Henri Poupart-Lafarge as Chairman & Chief Executive Officer

In accordance with Article L. 22-10-34-I and II of the French Commercial Code, the components of remuneration described below will be the subject of a resolution voted on at the 2024 Shareholders' Meeting called to approve the 2023/24 financial statements, with the actual payment of the annual variable remuneration being subject to a positive vote by the shareholders.

Fixed remuneration

For fiscal year 2023/24, Mr Henri Poupart-Lafarge's total fixed remuneration was 950,004 euros.

Variable remuneration

Given the impact of the free cash flow deficit in the first half of 2023/24, on Mr Henri Poupart-Lafarge's proposal and at the recommendation of the Nominations and Remuneration Committee, on 14 November 2023 the Board of Directors decided to strengthen the annual variable remuneration scheme for the Chairman & Chief Executive Officer for 2023/24, as approved by the Board of Directors on 9 May 2023, by introducing an additional stringent criterion that reflects the achievement of the Group's adjusted free cash flow objectives for 2023/24, applicable to payment of the collective objectives and the Chairman & Chief Executive Officer's specific objectives. This new criterion applies to the annual variable remuneration of the management team under the same conditions.

This additional criterion was applied to the annual variable remuneration of the Chairman & Chief Executive Officer for 2023/24 as follows:

2023/24 free cash flow (€M)	**Impact on the payment of annual variable remuneration**
Free cash flow < (750)	Payment of the full amount of annual variable remuneration reduced to zero
(750) ≤ free cash flow < (300)	Payment of the free cash flow criterion at zero, and payment of the full amount of annual variable remuneration reduced by 50%.
(300) ≤ free cash flow < 0	Payment of the free cash flow criterion at zero, no other impact on the payment of annual variable remuneration
0 ≤ free cash flow	Normal calculation of the payment of annual variable remuneration

At its meeting on 7 May 2024 and on the proposal of the Nominations and Remuneration Committee, the Board of Directors noted that:

- for the collective objectives, all quantifiable and based on seven performance criteria measured over a full year:
  - free cash flow,
  - adjusted EBIT,
  - gross margin on orders received,
  - the rate of reported accidents with and without time off work,
  - the rate of completion by managers of the annual integrity questionnaire,
  - the percentage reduction in greenhouse gas emissions in the group's operations (scope 1 & 2),
  - the percentage of management positions held by women,

Their achievement was assessed at 58.1% for a target level of 60% and a cap of 120%.

	Target	Cap	Performance level for the fiscal year	Achievement level for the fiscal year	Amount corresponding to the level of achievement (in €)
COLLECTIVE OBJECTIVES	60%	120%			
Free cash flow	20%	40%	€-557 million	0%	0
Adjusted EBIT	15%	30%	€997 million	12.1%	114,855
Margin on orders received	9%	18%	Confidential(1)	18%	171,000
Rate of reported accidents with and without time off work	4%	8%	1.7 accidents per million hours worked	8%	76,000
Rate of completion by managers of the annual integrity questionnaire	4%	8%	99% of managers completed the questionnaire(2)	8%	76,000
Percentage of management positions held by women	4%	8%	24.7% women in the executives & professionals category(3)	4%	38,000
Percentage reduction in greenhouse gas emissions (scope 1 & 2)	4%	8%	22%(4)	8%	76,000
2023/24 OVERALL ANNUAL PERFORMANCE				**58,1%**	**€551,855(5)**

(1) The Board of Directors believes that the margin on orders received is an extremely relevant indicator of how the business is conducted by the Company's Executive Corporate Officers because it reflects the strategic determination to focus on projects with the best prospects of being profitable. However, as this indicator is highly sensitive from a competition standpoint and so as not to provide competitors with strategic information, the Board was of the opinion that publicly disclosing the Company's objectives and performance in this area would harm the Company's interests.

(2) The Company's objective was to have at least 95% of the managers for whom the questionnaire was intended (more than 2,500 people) complete it. The maximum level is considered achieved when 97% of the target population completed it.

(3) The Company's objective was to have 24.7% of the Group's management positions held by women (executives and professionals category) by the end of March 2024. The maximum performance level is considered achieved if this percentage reaches or exceeds 25.6%.

(4) The Company's objective was to achieve an absolute reduction in the Group's scope 1 & 2 greenhouse gas emissions (in kt CO_2) (emissions from energy consumption at permanent sites and direct emissions at mobile sites) of 4% compared to a reference for fiscal year 2022/23. The maximum performance level is considered achieved if this percentage reaches or exceeds 8%.

(5) Before application of the additional criterion linked to the free cash flow level of achievement described above.

- achievement of the Chairman & Chief Executive Officer's specific objectives was assessed at 30% for a target of 40% and a cap of 50%.

	Comment	Target	Achievement level for the fiscal year	Amount corresponding to the level of achievement (in €)
OBJECTIVES SPECIFIC TO THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER		**40%**		
Strategy	The goal set by the Board of Directors was to define the Group's new strategic roadmap to 2030 by incorporating such aspects as digitisation and environmental, societal and governance objectives. The Board of Directors, having considered the following factors: ● the process of definition of the strategic roadmap has been initiated with the Board of Directors; ● its digital pillar has been defined and the corresponding dedicated organization has been implemented; ● all environmental, societal and goverance targets have been achieved and new strategic targets have been defined of those aspects. found that this objective was achieved at 67%.	15%	10%	95,000
ONE Alstom	The target set by the Board of Directors was to ensure the Group's overall resourcing capabilities, stabilise its management team, enhance its succession plan and ensure its alignment with the objectives of the new strategic plan. The Board of Directors, having considered the following factors: ● the evolution of the workforce of the Group has mirrored its workload needs, ● the process of assessment and development of the Group talents is in place; ● the management team has been partially, and successfully, renewed. found that this objective was achieved at 80%.	10%	8 %	76,000
Customer relations	The Board of Directors, having considered the following factors: ● the Group's commercial momentum was confirmed for most of its regions (including Services and Signalling activities) with a book to bill ratio exceeding 1; ● the margin on orders has evolved as per targets defined for the exercise; ● actions for reduction and decrease of hard inventories have produced significant results; ● a successful turnaround was achieved for several critical projects. found that this objective was achieved at 80%	15%	12%	114,000
2023/24 OVERALL ANNUAL PERFORMANCE			**30%**	**€285,000(1)**

(1) Before application of the additional criterion linked to the free cash flow level of achievement described above.

The Board of Directors therefore determined, at its meeting on 7 May 2024, that Mr Henri Poupart-Lafarge's variable remuneration for fiscal year 2023/24 was as follows:

- an achievement of the collective objectives at 58.1 points out of 60, equivalent to 551,855 euros
- an achievement of the Chairman & Chief Executive Officer's specific objectives at 30 points out of 40, equivalent to 285,000 euros
- 88.1% overall achievement of his objectives, in the amount of 836,855 euros to be halved according to the additional condition related to the level of achievement of the free cash flow objective in 2023/24, as introduced by the Board of Directors on 14 November 2023.

For a final amount of **418,428 euros.**

Mr Henri Poupart-Lafarge's short-term incentive has changed as follows over the past three years:

	In respect of fiscal year 2021/22			In respect of fiscal year 2022/23			In respect of fiscal year 2023/24		
	Target	Cap	Achievement	Target	Cap	Achievement	Target	Cap	Achievement
In respect of collective objectives	60%	120%	78.5%	60%	120%	89.6%	60%	120%	58,1%
In respect of specific objectives	40%	50%	41.4%	40%	50%	40%	40%	50%	30%
Total percentage achieved	100%	170%	119.9%	100%	170%	129.6%	100%	170%	88.1%
VARIABLE REMUNERATION (IN €)			**1,138,872**			**1,231,248**			**418,428**(1)

(1) Final amount after application of the additional condition related to the level of achievement of the free cash flow objective in 2023/24

Mr Henri Poupart-Lafarge's annual fixed and variable remuneration has changed as follows over the past three years:

	Allocated in respect of fiscal year 2021/22 (in €)	Allocated in respect of fiscal year 2022/23 (in €)	Allocated in respect of fiscal year 2023/24 (in €)
Annual fixed gross remuneration	950,000	950,000	950,000
Annual variable gross remuneration(1)	1,138,872	1,231,248	418,428
(%/fixed)	(119.9%)	(129.6%)	(44,0%)
TOTAL	**2,088,872**	**2,181,248**	**1,368,428**

(1) Mr Henri Poupart-Lafarge's annual variable remuneration is paid during the fiscal year following the year to which it refers. As mentioned above, its payment is subject to prior approval by the Company's Shareholders' Meeting of the components of remuneration paid during or allocated in respect of the past fiscal year to Mr Henri Poupart-Lafarge

Grant of performance shares

Long-term incentive plan ("PSP 2023")

The Board of Directors, acting pursuant to the authorisation granted by the Shareholders' Meeting of 28 July 2021 (17th resolution), having taken note of the recommendations of the Nominations and Remuneration Committee, decided to grant on 9 May 2023 a long-term incentive plan ("PSP 2023"), benefiting 1,471 people, including Alstom's Chairman & Chief Executive Officer.

The grant to the Chairman & Chief Executive Officer relates to a target number of 50,667 shares, which may vary between 0 and 76,000 shares (in the event of overperformance) depending on the level of achievement of the performance conditions. The IFRS 2 valuation and the calculation of the cap on performance shares granted were established based on the maximum number of shares that may be fully vested at the end of the performance period. Based on the cap on shares granted, this maximum grant represents 0.02% of the share capital at 9 May 2023. It is subject to the holding requirements as defined in the remuneration policy in force at the date of grant.

This plan makes the full vesting of all the shares granted to all the beneficiaries (2,439,122 shares, i.e. 0.64% of the capital at 9 May 2023) conditional on the fulfilment of five performance conditions:

- four internal performance conditions measured in terms of the level of achievement of:
  - the Alstom Group's adjusted EBIT margin objective set by the Board and assessed at the end of fiscal year 2025/26. This indicator represents 25% of the total performance conditions,
  - the Alstom Group's free cash flow objective set by the Board of Directors and assessed at the end of fiscal year 2025/26. This indicator represents 25% of the total performance conditions,
  - the 2025/26 objective of reducing the energy consumption of solutions offered to customers (with reduction defined as the average of the reduction percentages) set by the Board and assessed at the end of fiscal year 2025/26 compared with those offered before March 2014. This indicator represents 15% of the total performance conditions;
  - the 2025 objective for the engagement score of Alstom employees as measured through the annual internal engagement survey. This indicator represents 15% of the total performance conditions.

- a relative performance condition, which is based on the performance of the Company's share calculated relative to the performance of the STOXX® Euro Industrial Goods & Services index and assessed over a period of three years ending at the close of fiscal year 2025/26. This indicator represents 20% of the total performance conditions.

On the recommendation of the Nominations and Remuneration Committee, the Board of Directors:

- maintained the exclusion of any vesting of performance shares if the growth in the Company's TSR is less than that of the index's TSR;
- aligned the "target" objectives of the adjusted EBIT margin and free cash flow conditions with the Group's new objectives;
- wished to maintain and strengthen the conditions for assessing the Company's performance in terms of environmental, social and governance commitments by extending a performance condition based on the decarbonisation of solutions offered by Alstom and a performance condition based on the measurement of the engagement score of the Group's employees over the long term. The combined weight of these two conditions results in an increase in the weight of criteria related to environmental and social factors in the mix of objectives on which the Company's long-term incentive is based.

By applying these conditions, the number of fully vested performance shares will be determined as follows (internal conditions set on the basis of the accounting standards in force at the time of the grant):

After publication of the 2025/26 results		Minimum required level	Target performance	Maximum level considered
2025/26 adjusted EBIT margin (weight: 25%)		≤ 25/26 objective -1.5 pts	= 25/26 objective	≥ 25/26 objective + 1.5 pts
		No shares	12,667 shares	19,000 shares
2025/26 free cash flow in € million (weight: 25%)		≤ 25/26 objective -€500 M	= 25/26 objective	≥ 25/26 objective +€500 M
		No shares	12,667 shares	19,000 shares
Reduction in energy consumption of solutions offered to customers in 2025/26 relative to those offered before March 2014 (weight: 15%)		Reduction ≤ 24%	Reduction = 26%	Reduction ≥ 28%
		No shares	7,600 shares	11,400 shares
Engagement score of Group employees as measured by the 2025 engagement survey (weight: 15%)		≤ 67%	= 69%	≥ 71%
		No shares	7,600 shares	11,400 shares
TSR at publication of 2025/26 results vs. Index TSR (weight: 20%)	<100% of the index	=100% of the index	=110% of the index	≥120% of the index
	No shares	7,600 shares	10,133 shares	15,200 shares

Between each performance condition threshold, the number of fully vested shares will be calculated by linear interpolation.

In line with the remuneration policy applicable to the Chairman & Chief Executive Officer, the IFRS 2 value of the grant, i.e., 1,359,940 euros (vs. 1,376,749 euros for PSP 2022), is less than one year of the beneficiary's target fixed and variable remuneration.

Finally, the Board confirmed its commitment, in the event of a major change in the Group's strategy or structure, to adapt these performance conditions to new issues that emerge in the coming years, as regards the nature of the conditions and the results to be achieved, while continuing to set strict conditions and remaining transparent about these changes.

The Chairman and Chief Executive Officer has made a commitment to refrain from using hedging instruments on all performance shares during the entire term of his directorship. To the Company's knowledge, no hedging instruments were set up for performance shares up to the end of the holding period set by the Board of Directors.

Summary of changes in performance share plans under a vesting period

The table below shows the level of achievement of each of the performance conditions of the performance share plans being vested (PSP 2021 and special, PSP 2022 and PSP 2023) and the number of confirmed performance shares for Mr Henri Poupart-Lafarge (all unavailable until the end of the relevant plan):

Plan	Initial grant	Performance conditions	Weight	Year of vesting and achievement level	Total number of confirmed shares
PSP 2021	51,000	-	-	2023/24	
		TSR	25%	0%	-
		Adjusted EBIT margin	25%	31.20%	3,978
		Free cash flow	30%	0%	-
		Energy consumption reduction	20%	67.67%	6,902
		TOTAL	**100%**	**21.33%**	**10,880**
Special PSP	23,000	-	-	2024/25	
		Growth in the margin on specific projects	30%		-
		Synergies	20%		-
		Net earnings per share	30%		-
		Employee engagement	20%		-
		TOTAL	**100%**		
PSP 2022	76,000	-	-	2024/25	
		TSR	20%		-
		Adjusted EBIT margin	25%		-
		Free cash flow	25%		-
		Energy consumption reduction	15%		-
		Employee engagement	15%		
		TOTAL	**100%**		
PSP 2023	76,000			2025/26	
		TSR	20%		-
		Adjusted EBIT margin	25%		-
		Free cash flow	25%		-
		Energy consumption reduction	15%		-
		Employee engagement	15%		-
		TOTAL	**100%**		

Multi-year remuneration

Not applicable.

Exceptional remuneration

Not applicable.

Remuneration tied to directorship

Not applicable.

Benefits in kind

The Chairman and Chief Executive Officer is entitled to a company car corresponding to a benefit in kind of approximately 6,349 euros (accounting valuation) per year, as well as supplemental health cover, a death/disability insurance policy and a private unemployment insurance policy (for a benefit valued at 8,947 euros), the costs of which are shared by the Company and the Chairman & Chief Executive Officer.

Supplemental pension plans

The Chairman and Chief Executive Officer is covered by a supplemental pension plan based on two separate elements that did not change in fiscal year 2023/24:

- a defined contribution pension plan ("Article 83" plan under the French Tax Code):
  - the amounts paid under the defined contribution plan for fiscal year 2023/24 totalled 28,535 euros, 27,108 euros of which was paid by the Company;
- a defined contribution pension plan ("Article 82" plan under the French Tax Code):
  - the amounts paid in November 2023 under this defined contribution plan for fiscal year 2022/23 totalled 316,300 euros (gross) and correspond to the vesting period from 1 April 2022 to 31 March 2023. The 394,381 euros provision recorded in 2022/23 was reversed,
  - for fiscal year 2023/24, a provision for charges was recorded in a gross amount of 388,676 euros; however, no payment will be made before approval by the 2024 annual Shareholders' Meeting of the Chairman & Chief Executive Officer's variable remuneration in respect of the same year.

As of 31 March 2024, the estimated annual pensions under the two defined contribution schemes, based on the actual contributions paid since Mr Henri Poupart-Lafarge was appointed as Executive Corporate Officer, amount to approximately 243,730 euros (excluding any voluntary individual contributions potentially made by Mr Henri Poupart-Lafarge, which the Company need not be aware of).

Post-directorship indemnities or benefits

No such remuneration was paid during or allocated in respect of fiscal year 2023/24.

The Board of Directors believes that the amounts described above, paid during or allocated in respect of fiscal year 2023/24 to Mr Henri Poupart-Lafarge, comply with the remuneration policy for the Chairman & Chief Executive Officer approved by the shareholders at the Shareholders' Meeting of 11 July 2023 and contribute to the Company's long-term performance.

Remuneration ratios

In accordance with Order No. 2019-1234 of 27 November 2019, below are the ratios between the remuneration of the Chairman & Chief Executive Officer and the average and median remuneration of Alstom employees other than Corporate Officers in France (for Alstom Transport, Alstom Holdings, Alstom Crespin SAS and Alstom Executive Management, which represented 98% of the French workforce at the end of 2023) as well as the annual change in this remuneration, in the Group's performance, in the Chairman & Chief Executive Officer's remuneration and in the average remuneration of employees in this same scope over the five most recent fiscal years. The ratio for the listed company (Alstom SA) is not presented as the company has no employees.

The figures presented below take into account the historical scope of Alstom in France for fiscal years 2019/20, 2020/21, 2021/22 and 2022/23 and therefore do not include the former legal entities of Bombardier Transportation until fiscal year 2021/22.

As of fiscal year 2022/23, the figures presented also include the average and median remuneration calculated for all employees of the Alstom Group worldwide (as defined below). At the end of March 2024, the workforce outside France represented 84% of the Alstom Group's total workforce.

Remuneration ratios[(a)] and comparative change in remuneration, performance and ratios

	2019/20	2020/21	2021/22	2022/23	2023/24
France					
Average employee remuneration	63,271	58,990	63,075	64,805	66,861
(change from the previous fiscal year)	3%	-7%	7%	3%	3%
Median employee remuneration	50,806	51,304	53,000	54,283	56,489
(change from the previous fiscal year)	1%	1%	3%	2%	4%
Worldwide					
Average employee remuneration				53,553	55,133
(change from the previous fiscal year)					3%
Median employee remuneration				46,371	47,292
(change from the previous fiscal year)					2%
Remuneration of the Chairman & Chief Executive Officer, Mr Henri Poupart-Lafarge	3,492,572	1,718,048	3,366,237	3,480,873	3,556,488
(change from the previous fiscal year)	11%	-51%	96%	3%	2%
Remuneration ratio compared to the employee median (France)	69	33	64	64	63
(change from the previous fiscal year)	9%	-51%	90%	0%	-2%
Remuneration ratio compared to the employee median (Worldwide)				75	75
(change from the previous fiscal year)					0%
Remuneration ratio compared to the employee average (France)	55	29	53	54	53
(change from the previous fiscal year)	7%	-47%	83%	1%	-1%
Remuneration ratio compared to the employee average (Worldwide)				65	65
(change from the previous fiscal year)					-1%
CHANGE IN ADJUSTED EBIT (FROM THE PREVIOUS FISCAL YEAR)	**4%**	**-3%**	**19%**	**11%**	**17%**

(a) According to the AFEP guidelines, remuneration includes the elements paid or allocated during the fiscal year plus:

- for Executive Corporate Officers and employees: fixed remuneration, benefits in kind, variable remuneration (received in respect of the previous fiscal year - the annual variable remuneration perceived by M. Henri Poupart-Lafarge for the fiscal year 2023/24 is therefore not reflected here) and long-term remuneration allocated during the fiscal year based on IFRS 2 valuation (excluding the exceptional plan, discussed below);
- for employees (France): fixed remuneration, benefits in kind, variable remuneration (received in respect of the previous fiscal year), long-term remuneration allocated during the fiscal year based on IFRS 2 valuation, other individual bonuses, incentive plans, profit-sharing and overtime pay. Full-time employees on a permanent contract.
- for employees (Worldwide): fixed remuneration, variable remuneration (received in respect of the previous fiscal year), long-term remuneration allocated during the fiscal year based on IFRS 2 valuation, incentive plans and profit-sharing. Foreign currencies converted into euros at the exchange rate at the end of March 2024. Full-time employees on a permanent contract.

As a reminder, due to the change in the grant date of the long-term remuneration plans, Mr Henri Poupart-Lafarge did not receive any performance shares in fiscal year 2021/22.

For purposes of comparability with previous fiscal years and continuity of presentation, the remuneration paid to the Chairman & Chief Executive Officer in fiscal year 2021/22 does not include the long-term incentive plan related to the successful integration of Bombardier Transportation (Special PSP) granted in July 2021 (valued at 801,090 euros), which is strictly exceptional and non-recurring.

5.1.7 TABLES SHOWING THE REMUNERATION OF EXECUTIVE CORPORATE OFFICERS BASED ON AMF RECOMMENDATIONS AND THE AFEP-MEDEF CODE

TABLE 1 – SUMMARY OF THE REMUNERATION AND PERFORMANCE SHARES GRANTED TO THE EXECUTIVE CORPORATE OFFICER AS OF 31 MARCH 2024

Henri Poupart-Lafarge **Chairman & Chief Executive Officer**	**Fiscal year 2022/23** (in €)	**Fiscal year 2023/24** (in €)
Remuneration allocated in respect of the fiscal year (detailed in Table 2)	2,196,495	1,383,728
Valuation of performance shares granted during the fiscal year (detailed in Table 6)(1)	1,376,749	1,359,940
TOTAL	**3,573,244**	**2,743,668**

(1) This amount corresponds to the valuation of performance shares on the plan's grant date under IFRS 2 after taking into account a discount related to the probability of continued presence at the Company but before the effect of spreading the expense.

TABLE 2 – SUMMARY TABLE OF THE REMUNERATION OF THE EXECUTIVE CORPORATE OFFICER AS OF 31 MARCH 2024

	Fiscal year 2022/23		**Fiscal year 2023/24**	
Henri Poupart-Lafarge **Chairman & Chief Executive Officer**	**Amounts allocated in respect of the fiscal year** (in €)	**Amounts paid during the fiscal year** (in €)	**Amounts allocated in respect of the fiscal year** (in €)	**Amounts paid during the fiscal year** (in €)
Fixed gross remuneration	950,004	950,004	950,004	950,004
Annual variable gross remuneration(1)	1,231,248	1,138,872	418,428	1,231,248
Exceptional gross remuneration	-	-	-	-
Remuneration allocated due to directorship	-	-	-	-
Benefits in kind(2)	15,243	15,243	15,296	15,296
TOTAL	**2,196,495**	**2,104,119**	**1,383,728**	**2,196,548**
Supplemental pension plans ("Article 82" and "Article 83")(3)	296,302 (provision booked)	1,468,173	290,830 (provision booked)	343,408

(1) Variable remuneration in respect of a fiscal year may only be paid in the following fiscal year subject to the prior approval of the shareholders convened at the annual Shareholders' Meeting concerning the components of remuneration of the Chairman & Chief Executive Officer paid during or allocated in respect of the previous fiscal year.

(2) Company car and private unemployment insurance policy.

(3) Including, for fiscal years 2021/22 and 2022/23, the annual payment of one-third of the balancing payment to offset the loss of rights acquired under the previous "Article 39" supplemental pension plan.

TABLE 4 – STOCK-OPTIONS GRANTED BY THE ISSUER AND ANY GROUP COMPANY TO THE EXECUTIVE CORPORATE OFFICER IN FISCAL YEAR 2023/24

Not applicable.

TABLE 5 – STOCK-OPTIONS EXERCISED BY THE EXECUTIVE CORPORATE OFFICER IN FISCAL YEAR 2023/24

Not applicable.

TABLE 6 – PERFORMANCE SHARES GRANTED TO THE EXECUTIVE CORPORATE OFFICER BY THE ISSUER AND BY ANY GROUP COMPANY

76,000 performance shares were granted by the Company to Mr Henri Poupart-Lafarge in fiscal year 2023/24 (PSP 2023) by a decision of the Board of Directors on 9 May 2023.

The total number of performance shares granted to Mr Henri Poupart-Lafarge at the filing date of this Universal Registration Document is as follows:

Plan	Maximum number of performance shares initially granted(1)	Maximum number of performance shares being vested(1)	Valuation at time of grant (in €)(2)	Performance share vesting date and availability date
2021 Plan (PSP 2021)	51,000	10,880(3)	1,605,990(4)	No later than two business days after the end of the vesting period on 4 July 2024
Special plan (Special PSP)	23,000	23,000	801,090(5)	No later than two business days after the end of the vesting period on 4 July 2025
2022 Plan (PSP 2022)	76,000	76,000	1,376,749(6)	No later than five business days after the end of the three-year vesting period from the grant date or, if later, on the date of publication of the 2024/25 consolidated financial statements
2023 Plan (PSP 2023)	76,000	76,000	1,359,940(7)	No later than five business days after the end of the three-year vesting period from the grant date or, if later, on the date of publication of the 2025/26 consolidated financial statements

(1) Fully conditional grants with the requirement that Mr Henri Poupart-Lafarge hold the shares until the end of his mandate and until a target shareholding level is reached.

(2) Performance shares are valued on their grant date under IFRS 2, after taking into account a discount related to the probability of continued presence at the Company but before the effect of spreading the expense.

(3) The initial grant related to 51,000 performance shares. Under the performance conditions related to the fiscal year 2023/24 results, 40,120 performance shares, i.e. 78.67% of the initial grant, were cancelled and 10,880 performance shares, i.e. 21.33% of the initial grant, vested. These shares will be delivered on 8 July 2024.

(4) IFRS unit value at grant of 31.49 euros.

(5) IFRS unit value at grant of 34.83 euros.

(6) IFRS unit value at grant of 18.12 euros.

(7) IFRS unit value at grant of 17.89 euros.

TABLE 7 – PERFORMANCE SHARES THAT BECAME AVAILABLE TO THE EXECUTIVE CORPORATE OFFICER IN FISCAL YEAR 2023/24

Plan number and date	Number of shares that became available during the fiscal year	Delivery date	Vesting conditions
PSP 2020 granted on 10 March 2020	28,637	15 May 2023	The Chairman and Chief Executive Officer is required to hold in registered form 100% of the performance shares fully vested during the entire term of his directorship (as renewed, where applicable). This holding requirement no longer applies once the value of the shares held by him in registered form represent three years of his last annual fixed gross remuneration. As of the filing date of this Universal Registration Document, the holding requirement was satisfied, as Mr Henri Poupart-Lafarge held a number of registered shares on that date representing a value of more than three years of his last annual fixed gross remuneration.
TOTAL	**28,637**	-	

TABLE 10 – SUMMARY TABLE OF THE MULTI-YEAR VARIABLE REMUNERATION PAID TO EACH EXECUTIVE CORPORATE OFFICER

Not applicable.

TABLE 11 – SUMMARY OF THE STATUS AND COMMITMENTS RELATED TO THE TERMINATION OF THE EXECUTIVE CORPORATE OFFICER'S DUTIES AT 31 MARCH 2024

Executive Corporate Officer	Employment contract	Supplemental pension plan	Indemnities or benefits due or potentially due as a result of the termination or change in duties	Indemnities related to a non-compete clause
Henri Poupart-Lafarge Chairman & Chief Executive Officer	No*	Yes	No	Yes

* Mr Henri Poupart-Lafarge gave up his employment contract at the end of the 2019 annual Shareholders' Meeting.

5.1.8 IMPLEMENTATION OF THE RECOMMENDATIONS OF THE AFEP-MEDEF CODE OF CORPORATE GOVERNANCE FOR LISTED COMPANIES

The Company refers to the AFEP-MEDEF Code of Corporate Governance for Listed Companies (the "AFEP-MEDEF Code") which, at the time this Universal Registration Document was published, was last updated in December 2022. This code is available on the websites of AFEP (www.afep.com), MEDEF (www.medef.com) and the Company.

The Company applies the recommendations of the AFEP-MEDEF Code with the exception of the items set forth in the table below, for which an explanation is provided:

Article of the AFEP-MEDEF Code	Explanation
ARTICLE 15.2 **(STAGGERING OF DIRECTORSHIPS)** "Directorships should be staggered so as to avoid replacing the entire body and to favour a smooth replacement of Board Members".	No staggering of directorships has been formalised in the Articles of Association since, in practice, renewals are spread over four consecutive years.
ARTICLE 16 **(BOARD COMMITTEES)** "It is recommended that issues relating to social and environmental responsibility be the subject of preparatory work carried out by a specialised Board committee".	Discussions were held and preparatory work was carried out throughout fiscal year 2023/24 to identify the most appropriate Committee structure for the Company, taking into account regulatory developments in the area of sustainability. These discussions and work, suspended in late 2023, will resume in fiscal year 2024/25.
ARTICLE 26.2.3 **(ANNUAL VARIABLE REMUNERATION OF EXECUTIVE CORPORATE OFFICERS)** "The Board defines the criteria for determining annual variable remuneration and the objectives to be achieved. These objectives must be specific and, of course, pre-established".	Given the impact of the announcements in the first half of 2023/24 showing a free cash flow deficit compared with the outlook, on 14 November 2023 the Board of Directors, on Mr Henri Poupart-Lafarge's proposal and at the recommendation of the Nominations and Remuneration Committee, decided to strengthen the annual variable remuneration scheme for the Chairman & Chief Executive Officer for 2023/24, as approved by the Board of Directors on 9 May 2023, by introducing an additional stringent criterion that reflects the achievement of the Group's adjusted free cash flow objectives for 2023/24, which will apply to payment of the Chairman & Chief Executive Officer's collective and personal objectives.

5.1.9 RULES REGARDING SHAREHOLDER PARTICIPATION IN SHAREHOLDERS' MEETINGS

Information on these rules, which is required by Article L. 22-10-10 of the French Commercial Code and forms an integral part of the Board of Directors' report, is included in section 7 of this Universal Registration Document.

All shareholders have the right to participate in Shareholders' Meetings under the conditions provided by law and by Article 15 of the Company's Articles of Association, which are posted in full online on the Company's website. In addition, the members of the Board of Directors are generally present at Shareholders' Meetings.

5.1.10 ELEMENTS THAT COULD HAVE AN IMPACT IN THE EVENT OF A PUBLIC OFFER

Information on these rules, which is required by Article L. 22-10-11 of the French Commercial Code and forms an integral part of the Board of Directors' report, is included in section 7 of this Universal Registration Document.

5.1.11 SUMMARY TABLE OF DELEGATIONS OF COMPETENCE REGARDING SHARE CAPITAL INCREASES CURRENTLY IN FORCE

This table, which is required by Article L. 225-37-4 of the French Commercial Code and forms an integral part of the Board of Directors' report, is included in Section 7 of this Universal Registration Document.

5.2 Management team

5.2.1 ROLE

The management team (which succeeded the former Executive Committee effective 1 February 2021) is headed by the Chairman & Chief Executive Officer (thereafter the Chief Executive Officer as of the 2024 annual Shareholders' Meeting) and includes the Presidents of each region and product line and the managers of each function. The finance, human resources, legal and digital transformation functions are represented on the management team by their respective Directors.

The Chairman and Chief Executive Officer ensures that the management team pursues the Company's performance objectives through its actions and management decisions.

More specifically, the management team's role is to implement in practical terms the financial and strategic policies set by the Board of Directors. The management team meets once a week to decide on various matters, and particularly the following:

- strategic matters in accordance with the policies set by the Board of Directors;
- location and sharing of production efforts;
- allocation of capital;
- organisation of job mobility and recruitment;
- product portfolio development, review of launches and streamlining efforts;
- monitoring and implementation of the Company's most critical procedures.

The management team systematically reviews the Group's financial and operational performance, discusses and approves appointments to key positions, reviews the most significant pending legal proceedings and ensures that best legal practices are implemented. It approves product, marketing and commercial plans and reviews budget policies before the Board of Directors approves the budget.

The Internal Audit and Control Department keeps the management team apprised of the status of projects entrusted to it by the Audit and Risk Committee. The management team regularly reviews the performance of the operations platforms and activities through dedicated sessions during which the respective Directors report on the status of their product development plans and progress made on operational improvement initiatives.

The management team met 19 times in fiscal year 2023/24.

5.2.2 COMPOSITION

The management team is composed of the following people as of 31 March 2024:

	Main function	Executive Committee/ management team entry date	Age
Henri Poupart-Lafarge	Chairman and Chief Executive Officer	October 2004	54
Müslüm Yakisan	President – DACH Region (Germany, Austria, Switzerland)	January 2020	55
Andrew De Leone	President – Africa, Middle East & Central Asia Region	February 2021	41
Michael Keroullé	President – Americas Region	March 2021	52
Ling Fang	President – APAC Region	July 2018	58
Gian Luca Erbacci	President – Europe Region	November 2015	62
Jean-Baptiste Eyméoud	President – France Region	November 2015	56
Benjamin Fitoussi	President – Rolling Stock & Components, Development & Operations	January 2020	51
Matthew Byrne	President – Services Product Line	February 2021	49
Aymeric Sarrazin	President – Digital & Integrated Systems	February 2024	47
Danny Di Perna	Executive Vice-President & Chief Operating Officer	February 2021	58
Bernard Delpit	Executive Vice-President & Chief Financial Officer	June 2023	59
Helen Bradley	Chief Human Resources Officer	June 2023	54
Emmanuelle Petrovic	General Counsel	May 2019	51
Alexandre Domingues	Chief Digital Transformation Officer	February 2021	63

As of 31 March 2024, women represented 20% of the management team (vs. 18% as of 31 March 2023). At Group level, as of 31 March 2024 women held 19,6% of the most senior positions (Executive Corporate Officers and senior executives) and represented 24,7% of engineers and professionals (vs. 19% and 23.9% respectively at 31 March 2023 and 18.3% and 23.2% respectively at 31 March 2022) and 20,6% of the total workforce (vs. 19.7% and 18.8% at 31 March 2023 and 31 March 2022 respectively).

The 2027 strategic goals of the Group confirm its ambitions in terms of Diversity & Inclusion and target a percentage of 28% of women holding manager and professional positions at that date. This global objective has been cascaded in every Region, and assorted with intermediate targets that are set for each year and whose achievement is assessed at the end of each fiscal year.

Several measures, based on a systemic approach, have been implemented to achieve all these objectives:

- Alstom's management team has introduced a new "Mind the Glass" programme, which aims to boost the promotion and recruitment of women in each country so as to achieve gender balance more quickly. A monthly routine has been established to review the trend of the gender-related performance indicator by country, product line and function and discuss measures that can be taken to bring more women into the company;
- since last year, Alstom's women's network of excellence has become global, with a presence in all Alstom's regions. The activities of this network focus mainly on providing women with additional means and resources to develop their leadership skills and manage their careers. In 2024, this network was involved in defining the strategy aimed at achieving gender balance more quickly within the company;
- to help expand the talent pool of women, all senior leadership programmes worldwide must ensure that at least 30% of the participants are women. In 2023, this target was exceeded for all programmes worldwide, with gender-balanced participation (50%) in a programme for senior executives;
- a number of mentoring programmes designed to give senior female executives the potential to hold higher positions, for example by developing their overall knowledge of the Group's activities, continue to be offered worldwide and in some regions;
- an internal executive recruitment initiative was launched in 2024 with the stated goal of hiring women in the market for executive positions. Seventy women were identified and are being assessed for critical positions within the organisation.

To build on these achievements, Alstom's goal is to have 30% of executive positions held by women by 2030, with ambitious intermediate milestones each year. In this respect, three key talent management initiatives have been launched:

  - a regular review of female talent with the management team,
  - a monthly review of the Gender Balance dashboard and relating KPIs,
  - monitoring of an individual development plan to prepare them for more senior positions.

5.2.3 REMUNERATION OF THE MANAGEMENT TEAM MEMBERS

Financial information for all of fiscal year 2023/24 regarding the remuneration and benefits granted to the management team is provided in Note 35.3 to the consolidated financial statements for fiscal year 2023/24.

The remuneration of the management team members, i.e. 14 individuals excluding the Chairman & Chief Executive Officer, is set annually by the Chairman & Chief Executive Officer and reviewed by the Nominations and Remuneration Committee. It consists of a fixed component and a variable component tied to the achievement of performance objectives set at the beginning of the fiscal year. It is supplemented by a grant of performance shares.

For fiscal year 2023/24, variable remuneration is tied:

- firstly, to achievement of the Company's overall performance objectives in terms of EBIT, free cash flow, margin on orders received, rate of reported accidents with and without time off work, rate of completion by the managers of the annual integrity questionnaire, percentage of management positions held by women, percentage reduction in greenhouse gas emissions (scope 1 & 2); and
- secondly, achievement of specific individual objectives.

All members of the management team share the same overall performance objectives, irrespective of the Region or Function. These objectives represent 60% of the target variable remuneration of each management team member, which may vary within a range of 0% to 120%. Specific individual objectives refer to specific priority action plans included in the budgets and strategic plans. They represent 40% of the target variable remuneration and can vary within a range of 0% to 50%. The achievement of variable remuneration objectives is assessed by the Chairman and Chief Executive Officer and approved by the Nominations and Remuneration Committee.

Variable remuneration is based on industry practices, remuneration surveys and advice from specialised international firms.

The total gross remuneration paid to the members of the management team, excluding the Chairman & Chief Executive Officer, by the Company and the companies controlled by the Company within the meaning of Article L. 233-16 of the French Commercial Code for the period from 1 April 2023 to 31 March 2024 was 10,546,957 euros.

For fiscal year 2023/24, the fixed portion totalled 6,209,781 euros. The variable portion tied to the fiscal year 2022/23 results and paid in fiscal year 2023/24 totalled 4,337,177 euros, excluding the Chairman & Chief Executive Officer.

Some members of the management team are entitled to supplemental pension schemes. The total amount of the defined benefit obligations recognised for the members of the management team (excluding the Chairman & Chief Executive Officer) was 253,937 euros at 31 March 2024. The amount borne by the Group (paid or recognised) in connection with defined contribution schemes (excluding the Chairman & Chief Executive Officer) for the fiscal year was 1,054,353 euros.

The members of the management team, excluding the Chairman & Chief Executive Officer, were granted 283,500 performance shares (for an IFRS 2 value of 17.89 euros) in fiscal year 2023/24 under the annual long-term incentive plan ("PSP 2023").

The members of the management team, excluding the Chairman & Chief Executive Officer, collectively held 253,907 shares at 31 March 2024.

5.3 Executive and employee shareholding

5.3.1 PERFORMANCE SHARE GRANT PLANS

5.3.1.1 Grant policy

In principle, the Company sets up a long-term remuneration plan each year in France and abroad, in accordance with the authorisations granted by the Shareholders' Meeting, and Articles L. 22-10-56 et seq. and Articles L. 225-197 et seq. of the French Commercial Code. The Board of Directors approves these plans on the proposal of the Nominations and Remuneration Committee, which reviews all the terms and conditions of the plans and the grant criteria. Grants are made at regular intervals.

Since 2021/22, the long-term remuneration plans have been granted by the Board of Directors at the beginning of the fiscal year, whereas prior to that they were granted at the end of the previous fiscal year.

Historically, as part of the long-term incentive plans introduced in fiscal year 2007/08, the Board of Directors wanted to combine the grant of stock-options with the free grant of performance shares. Since 2016, the Board no longer grants stock-option plans and the last plan granted expired on 30 September 2021 (there are no stock option plans set up by other Group companies giving the right to subscribe for/acquire shares in the Company).

The grants of performance shares vary according to beneficiaries' level of responsibility and performance, with their number increasing as responsibility and performance levels increase. Beneficiaries of performance shares are generally selected from among the Directors of profit centres, Functional Directors, Country Presidents, Directors of large projects and, more generally, holders of key positions who are employees of the Alstom Group and its subsidiaries and have made a significant contribution to the Group's results.

Since 2004, the number of beneficiaries has represented approximately 2% of the Group's workforce.

Individual grants to members of the management team are based on the level of responsibilities and are in line with market practices. Grants are made under the plan set up each year, and the characteristics of the performance shares granted to the management team are the same as those of all other grants.

For information on the grants made to the Chairman and Chief Executive Officer in prior fiscal years, please refer to the section on the remuneration of Corporate Officers in the Board of Directors' report.

5.3.1.2 Main characteristics of performance shares

- **Frequency:** Annual grant at the beginning of the fiscal year.
- **Performance conditions:** Yes. For plans granted up to 2017, the full vesting of all performance shares is subject to internal performance conditions that must be achieved over three fiscal years following the grant of the performance shares and an external performance condition that must be achieved at the end of three fiscal years following the grant of the performance shares. Since the 2018 grant, both internal and/or relative performance
conditions are assessed only at the end of the third fiscal year following the grant.
- **Condition of continued presence at the Group:** Yes, barring an exception provided for in the plan.
- **Delivery date:** At one time at the end of a period of approximately three years for all beneficiaries.
- **Holding requirement:** None (except as provided in the section below).
- **Specific holding requirement for management team members:** Yes, since fiscal year 2007/08.

5.3.1.3 Holding requirements for management team members – Rules of conduct

For each plan since the 2007 plan, the Board of Directors has set holding requirements applicable to beneficiaries who are members of the management team.

Such individuals must hold in registered form, for the entire time during which they serve on the management team, a number of shares resulting from the free grant under these plans corresponding to 25% of the definitive grant of performance shares, and must agree to refrain from using hedging instruments on all the performance shares.

Moreover, the rules of the Group's Internal Code aimed at preventing insider trading prohibit all sales of shares during periods preceding the approval of the Group's results and when inside information is held. In addition to these lock-up requirements applicable only to insiders, specific legal obligations also apply to all recipients of performance shares, whether or not they are insiders, which prohibit them from selling any performance shares during the periods determined by law.

5.3.1.4 Summary of the main characteristics of the outstanding free performance share grant plans at the end of fiscal year 2023/24

The total number of shares that may be created under the free performance share grant plans and not yet delivered represents 1.68% of the share capital at 31 March 2024 (subject to achievement of the performance conditions).

TABLE 8 (AFEP-MEDEF CODE) – HISTORY OF STOCK-OPTION GRANTS AS OF 31 MARCH 2024.

Not applicable.

TABLE 9 (AFEP-MEDEF CODE) – HISTORY OF PERFORMANCE SHARE GRANTS

	2021 plan (PSP 2021) (performance shares)	2021 plan (Special PSP) (performance shares)	2022 plan (PSP 2022) (performance shares)	2023 plan (PSP 2023) (performance shares)
Date of Shareholders' Meeting	10 July 2019	10 July 2019	28 July 2021	28 July 2021
Date of Board meeting	4 July 2021	4 July 2021	10 May 2022	9 May 2023
Initial number of beneficiaries	1,375	18	1,474	1,471
Initial number of performance shares granted	1,867,325	243,000	2,481,612	2,439,122
including to Mr Henri Poupart-Lafarge	51,000	23,000	76,000	76,000
Cumulative number of shares cancelled or lapsed at 31 March 2024	239,600		47,286	-
Number of remaining performance shares at 31 March 2024	1,626,150	193,000	2,261,242	2,364,168
Vesting or delivery date of shares (subject to performance conditions)	No later than two business days after the end of the vesting period	No later than two business days after the end of the vesting period	No later than five business days after the end of the vesting period	No later than five business days after the end of the vesting period
Percentage of the capital liable to be created (calculated based on the capital at 31 March 2024)	0.42%	0.05%	0.59%	0.62%
Number of shares that can be delivered to members of the management team(1)(3)	223,000	163,000	309,500	359,500
including to Mr Henri Poupart-Lafarge	51,000	23,000	76,000	76,000

	2021 plan (PSP 2021) (performance shares)	2021 plan (Special PSP) (performance shares)	2022 plan (PSP 2022) (performance shares)	2023 plan (PSP 2023) (performance shares)
Performance conditions(2)	The percentage of shares delivered varies according to: ● three internal performance conditions: the Group's adjusted EBIT margin, free cash flow and reduction in energy consumption of solutions offered to customers. These three conditions will be assessed at the end of fiscal year 2023/24. In order for 75% of the shares to be delivered, the margin and energy reduction must be more than or equal to predefined levels for that fiscal year, and the free cash flow must be more than a predefined level for all the 2021/22, 2022/23 and 2023/24 fiscal years; ● a relative performance condition, assessed at 31 March 2024, based on the performance of the Company's share calculated as the percent change between the share price at the grant date and the share price at the end of fiscal year 2023/24, adjusted for any dividends paid during the vesting period ("Total Shareholder Return" or "TSR"), compared with the performance of the STOXX® Euro Industrial Goods & Services Index (hereinafter, "the Index"). In order for 25% of the shares to be delivered, the share price performance must be higher than or equal to a predefined percentage of the Index. **Performance condition achievement rate:** Delivery of 21.33% of the initially granted shares is satisfied and 78.67 % are cancelled pursuant to the performance conditions tied to the results of fiscal year 2023/24.	The percentage of shares delivered varies according to: ● three internal performance conditions: growth in Alstom's margin on specific projects, creation of synergies and earnings per share. These three conditions will be assessed at the end of fiscal year 2024/25. In order for 80% of the shares to be delivered, margin growth, synergies and earnings per share must be more than or equal to predefined levels for that fiscal year; ● a relative performance condition, assessed at the end of fiscal year 2024/25, based on the Group's employee engagement score as measured through an opinion survey, compared with that same engagement score for other companies as measured in the study provided by Qualtrics in 2024/25. In order for 20% of the shares to be delivered, the Group's employee engagement score must be more than or equal to the score provided by the Qualtrics study.	The percentage of shares delivered varies according to: ● four internal performance conditions: the Group's adjusted EBIT margin, free cash flow, reduction in energy consumption of solutions offered to customers and level of satisfaction of Alstom employees. These four conditions will be assessed at the end of the fiscal year 2024/25. In order for 80% of the shares to be delivered, the margin, free cash flow, energy reduction and employee satisfaction must be more than or equal to predefined levels for that fiscal year; ● a relative performance condition, assessed at 31 March 2025, based on the performance of the Company's share calculated as the percent change between the share price at the grant date and the share price at the end of fiscal year 2024/25, adjusted for any dividends paid during the vesting period ("Total Shareholder Return" or "TSR"), compared with the performance of the STOXX® Euro Industrial Goods & Services Index (hereinafter, "the Index"). In order for 20% of the shares to be delivered, the share price performance must be higher than or equal to a predefined percentage of the Index.	The percentage of shares delivered varies according to: ● four internal performance conditions: the Group's adjusted EBIT margin, free cash flow, reduction in energy consumption of solutions offered to customers and level of satisfaction of Alstom employees. These four conditions will be assessed at the end of the fiscal year 2025/2026. In order for 80% of the shares to be delivered, the margin, free cash flow, energy reduction and employee satisfaction must be more than or equal to predefined levels for that fiscal year; ● a relative performance condition, assessed at 31 March 2026, based on the performance of the Company's share calculated as the percent change between the share price at the grant date and the share price at the end of fiscal year 2025/26, adjusted for any dividends paid during the vesting period ("Total Shareholder Return" or "TSR"), compared with the performance of the STOXX® Euro Industrial Goods & Services Index (hereinafter, "the Index"). In order for 20% of the shares to be delivered, the share price performance must be higher than or equal to a predefined percentage of the Index.
Holding period for shares	None(3)	None(3)	None(3)	None(3)

(1) Refers to the management team as of 31 March 2024. The number of Mr Henri Poupart-Lafarge's rights is presented in the section of the Board of Director's report on the remuneration of Executive Corporate Officers.

(2) Vesting is also subject to a condition of continued presence at the Group, except as provided for under the plan.

(3) A specific holding requirement applies to plan beneficiaries who are members of the management team.

5.3.1.5 Performance shares granted free of charge to Alstom's Executive Corporate Officer in fiscal year 2023/24 and performance shares vested by him

76,000 performance shares were granted to Mr Henri Poupart-Lafarge during the last fiscal year under the PSP 2023 plan by a decision of the Board of Directors on 9 May 2023.

20,482 performance shares were delivered to him under the PSP 2019 plan in fiscal year 2022/23.

5.3.1.6 Performance shares granted free of charge in fiscal year 2023/24 to the ten non-corporate officer employees of Alstom who received the largest grants

The ten largest performance share grants in fiscal year 2023/24 represent a total of 231,000 performance shares.

The ten largest amounts of shares vested in fiscal year 2022/23 represent 65,694 performance shares under the PSP 2020 plan granted in March 2020.

5.3.2 FREE SHARE GRANT

In fiscal year 2021/22 and in accordance with the authorisation granted by the Shareholders' Meeting of 10 July 2019 (14th resolution), on 4 July 2021 the Board of Directors approved an equal grant of 15 free shares to each Group employee, the "We are Alstom 2021" plan.

In countries where, for tax and/or legal reasons, a grant of free shares would be difficult or even impossible, the cash equivalent of these 15 shares would ultimately be paid to employees.

The shares were fully vested at the end of two years, i.e. on 4 July 2023.

A total of 790,770 free shares were delivered to 52,718 Group employees in 21 countries. In other countries, employees received the cash equivalent of these 15 shares.

No free shares were granted during the past fiscal year.

5.3.3 PROFIT-SHARING, INCENTIVE PLANS AND SAVINGS PLAN

5.3.3.1 Profit-sharing

More than 99% of the employees of the Group's French subsidiaries benefit from a profit-sharing agreement.

The amounts paid out in respect of statutory profit-sharing for employees in France over the last three years are as follows:

Fiscal year ended 31 March (€ million)	**2021**	**2022**	**2023**
Employee profit-sharing	2	2.4	2.9

5.3.3.2 Incentive plans

More than 99% of the employees of the Group's French subsidiaries benefit from an incentive plan. The amounts paid under incentive plans in respect of fiscal year 2023/24 are not yet known since their amounts depend on a series of criteria defined in agreements specific to each subsidiary whose results are known within six months of the end of the fiscal year, i.e. by no later than 30 September of each year.

The amounts paid out in respect of incentive plans over the last three fiscal years are as follows:

Fiscal year ended 31 March (€ million)	**2021**	**2022**	**2023**
Employee incentive plans	27	28.3	29.5

5.3.3.3 Employee savings plan and retirement savings plan

Employees of the Group's French subsidiaries can invest their employee savings from profit-sharing, incentive plans or voluntary savings in a savings plan (group savings plan or company savings plan), or in a group retirement savings plan (PERCO, PERCOL or PERU).

The Group's PERCOL and PERU plans allow employees to receive a matching contribution of up to 1,000 euros for non-executive employees and 600 euros for engineers and executives, for 1,500 euros paid in during the year. In addition, a supplemental pension scheme for Engineers and Executives is included in the PERU.

In 2023, employees of all French subsidiaries contributed 9.2 million euros to their savings plan and 10 million euros to their retirement savings plan. These payments resulted in a matching contribution of 3.1 million euros by Alstom.

5.3.3.4 Employee shareholding under the Group savings plan

Within the Group savings plan, the Company carries out capital increases reserved for employees who are members of the company savings plan.

These employee share purchase schemes enable employees to be even more closely involved in the Group's future through the purchase of Alstom shares under preferential terms.

The shares subscribed for by beneficiaries are held directly or through a company mutual fund (fonds commun de placement d'entreprise (FCPE)) depending on the country of residence.

Subscribers to the offering must hold their shares or mutual fund units for five years, unless an early release event occurs.

The last We Share Alstom 2023 operation was closed on 23 March 2023.

At 31 March 2024, the Group's employees and former employees held 2.75% of the Company's capital directly or through a mutual fund.

5.3.4 SUMMARY OF TRANSACTIONS IN THE COMPANY'S SHARES BY EXECUTIVE CORPORATE OFFICERS AND PERSONS MENTIONED IN ARTICLE L. 621-18-2 OF THE FRENCH MONETARY AND FINANCIAL CODE IN FISCAL YEAR 2023/24

As of 7 May 2024, the following transactions have been reported to the AMF:

Reporter	Number and date of the decision/AMF information	Financial instrument	Type of transaction	Date of transaction	Date of receipt of the declaration	Location of the transaction	Unit price (in € unless otherwise stated)	Transaction amount (in € unless otherwise stated)
Mr Henri Poupart-Lafarge	2023DD900376 16 May 2023	Shares	Acquisition of 28,637 performance shares	15 May 2023	16 May 2023	Outside a trading platform	25.57	732,248.09
MM Consulting legal entity linked to Mr Yann Delabrière	2023DD915459 16 June 2023	Shares	Acquisition of 1,000 shares	8 March 2023	16 June 2023	Euronext Paris	22.98	22,980
MM Consulting legal entity linked to Mr Yann Delabrière	2023DD915460 16 June 2023	Shares	Acquisition of 1,000 shares	13 March 2023	16 June 2023	Euronext Paris	26.30	26,300
Bpifrance Investissement SAS	2023DD926806 07 September 2023	Shares	Acquisition of 300,473 shares through a dividend payment	5 September 2023	7 September 2023	Euronext Paris	23.75	7,136,233.75
Ms Clotilde Delbos	2023DD927002 08 September 2023	Shares	Acquisition of 19 shares	7 September 2023	8 September 2023	Euronext Paris	23.75	451.25
Mr Henri Poupart-Lafarge	2023DD927036 08 September 2023	Shares	Acquisition of 1,095 shares through a dividend payment	7 September 2023	8 September 2023	Euronext Paris	23.75	26,006.25
Ms Sylvie Kandé de Beaupuy	2023DD927045 08 September 2023	Shares	Acquisition of 18 shares	7 September 2023	8 September 2023	Euronext Paris	23.75	427.25
Mr Yann Delabrière	2023DD927166 11 September 2023	Shares	Subscription for 19 shares	7 September 2023	11 September 2023	Euronext Paris	23.75	451.25
MM Consulting legal entity linked to Mr Yann Delabrière	2023DD927167 11 September 2023	Shares	Acquisition of 121 shares	7 September 2023	11 September 2023	Euronext Paris	23.75	2,873.75
Mr Jay Walder	2023DD927472 12 September 2023	Shares	Acquisition of 1,900 ADRs (American Depositary Receipts)	11 September 2023	12 September 2023	Outside a trading platform	2.55 (USD)	4,875 (USD)
Mr Jay Walder	2023DD932289 10 October 2023	Shares	Acquisition of 20,800 ADRs (American Depositary Receipts)	9 October 2023	10 October 2023	Outside a trading platform	1.35 (USD)	28,080 (USD)
Caisse de Dépôt et Placement du Québec	2024DD956308 20 March 2024	Shares	Acquisition of 693,933 shares through a dividend payment	7 September 2023	20 March 2024	Euronext Paris	23.75	16,480,908.80

5.4 Statutory Auditors' special report on regulated agreements

For the year ended 31 March 2024

This is a free translation into English of the Statutory Auditors' special report on regulated agreements issued in French and is provided solely for the convenience of English-speaking user. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders' Meeting of Alstom SA,

In our capacity as your company's auditors, we hereby report to you on regulated agreements.

It is our responsibility to report to shareholders, based on the information provided to us, on the main terms, conditions and reasons underlying company's interest of agreements that have been disclosed to us or that we may have identified as part of our engagement, without commenting on their relevance or substance or identifying any undisclosed agreements. Under the provisions of article R. 225-31 of the French Commercial Code, it is the responsibility of the shareholders to determine whether the agreements are appropriate and should be approved.

Where applicable, it is also our responsibility to provide shareholders with the information required by article R. 225-31 of the French Commercial Code in relation to the implementation during the year of agreements already approved by the Shareholders' Meeting.

We performed the procedures that we deemed necessary in accordance with the guidance issued by the French Institute of Statutory Auditors (Compagnie nationale des commissaires aux comptes) for this type of engagement.

AGREEMENTS SUBMITTED TO THE APPROVAL OF THE SHAREHOLDER'S MEETING

Agreements authorized during the last year

We have been informed of no agreements authorized during the last year and requiring the approval of the Shareholder's Meeting by virtue of article L. 225-38 of the French Commercial Code.

AGREEMENTS PREVIOUSLY APPROVED BY THE SHAREHOLDER'S MEETING

We have not been informed of any agreements approved in prior years and which remained current during the last year.

Paris La Défense and Neuilly-Sur-Seine, 15 May 2024
The Statutory Auditors

Mazars
Jean-Luc Barlet
Daniel Escudeiro

Pricewaterhousecoopers Audit
Cédric Haaser
Edouard Cartier

5.5 Statutory Auditors

5.5.1 STATUTORY AUDITORS

PricewaterhouseCoopers Audit
Represented by Mr Édouard Cartier and Mr Cédric Haaser
63, rue de Villiers
92200 Neuilly-sur-Seine

Mazars
Represented by Mr Jean-Luc Barlet and Mr Daniel Escudeiro
61, rue Henri-Regnault
92400 Paris La Défense

PricewaterhouseCoopers Audit and Mazars were reappointed at the 2021 annual Shareholders' Meeting for a term of six fiscal years expiring at the end of the Shareholders' Meeting called to approve the financial statements for the year ended 31 March 2027.

PricewaterhouseCoopers Audit and Mazars are members of the Compagnie Régionale des Commissaires aux Comptes de Versailles.

5.5.2 REMUNERATION OF THE STATUTORY AUDITORS FOR FISCAL YEAR 2023/24

The Statutory Auditors’ remuneration for fiscal year 2023/24 is described in Note 34 to the 2023/24 consolidated financial statements.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SUSTAINABLE DEVELOPMENT: CORPORATE SOCIAL RESPONSIBILITY AFR

AFR

The Content of the Annual Financial Report is identified in the summary table with the help of this pictogram..

VP

The Content relating to the Vigilance plan is identified in the summary table and in the text with the help of this pictogram.

6.1 Extra-Financial Performance Declaration

This section is part of Alstom's management report and presents the Company's sustainable development strategy, action plans and achievements as well as its environmental, social and societal information, as requested by the ordinance No. 2017-1180 of 19 July 2017 implementing the directive 2014/95/EU of the European Parliament and of the Council of 22 October 2014 on the publication of non financial information, as well as by its implementing decree No. 2017-1265 of 9 August 2017 on the publication of non financial information.

The elements presented cover activities within the whole Alstom perimeter unless otherwise stated. Details of methodology are presented page 366.

A PROACTIVE POLICY OF CORPORATE SOCIAL RESPONSIBILITY (CSR)

Responding to strategic opportunities from global and local challenges

The world faces persistent large-scale challenges resulting from accelerating demographic, environmental, and economic dynamics. To ensure resilience, growth and long-term success Alstom's strategy is oriented towards responding to these challenges, with a broad programme of Sustainability and Corporate Social Responsibility.

Critical importance of climate and environmental issues

- The United Nations estimates the world population will grow to 9.7 billion in 2050, an increase of 1.7 billion from 2022(1). Allied with economic growth, this will increase demand for passenger and freight mobility.
- The European Union's Copernicus Climate Change Service (EU CCCS) reported 2023 as the hottest year since global records began, with a global average temperature at 1.5°C above pre-industrial levels. Breaching the significant 1.5°C level was the result of human-induced climate change, combined with an El Nino climate effect. The changing climate is making extreme weather events more common, and contributing to catastrophic events like floods and bushfires. Limiting warming to 1.5°C may still be possible but would require global greenhouse gas emissions to peak before 2025 and to be reduced by 45% by 2030 compared to 2019 levels(2).
- The COP 28 United Nations Summit on Climate Change was held in Dubai, United Arab Emirates, in December 2023. The first Global Stocktake of countries' reduction commitments under the Paris Agreement was undertaken; it showed that current progress to achieve the goals of the agreement are too slow. Countries responded with pledges to accelerate action, including agreeing for the first time on a roadmap for transitioning away from fossil fuels. Discussions on transport highlighted the need to increase focus on "Avoid and Shift" strategies to reduce demand for high emission transport modes rather than simply working on improving the efficiency of these modes. Alstom collaborated on a study that made recommendations as to how more rail projects could be financed in lower income countries(3).
- As transport accounts for 23% of carbon emissions from energy use(4), decarbonisation of the sector is crucial to achieving the goals of the Paris Agreement. This is particularly crucial as transport emissions are still growing and a decarbonisation pathway remains complex to implement. For passenger road transport, electrification is accelerating, complemented by the growing supply of renewable energy. However, the path to decarbonise heavy road freight appears less clear. As a transport mode that is already broadly electrified and among the most energy efficient, a modal shift to rail from more polluting transport modes is essential. The rail sectors' well-to-wheel carbon emissions account for only 3% of total transport emissions, while representing 8% of global motorised passenger transport and 7% of global freight transport(5). Rail also brings added advantages in comparison to road, including by requiring up to 90% less land than cars for high-capacity transport within cities(6). Rail emissions will fall as diesel traction is progressively replaced through track electrification and investment in rolling stock with hydrogen and battery traction increases. Hydrogen in particular provides a credible alternative for routes with long sections of unelectrified tracks.

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(1) United Nations, Department of Economic and Social Affairs, Population Division (2022). World Population Prospects 2022: Summary of Results.
(2) European Union, Copernicus Climate Change Service (2024). January 2024 Monthly Climate Bulletin.
(3) https://www.alstom.com/whitepaper-bridging-rail-finance-gap-challenges-and-opportunities-low-and-lower-middle-income-countries
(4) IEA (2023) Greenhouse Emissions from Energy Data Explorer.
(5) IEA (2019) The Future of Rail: Opportunities for Energy and the Environment.
(6) UITP 2021.

- With the climate challenge requiring large-scale transformations in infrastructure and technology's circular economy models for the use of materials will be crucial to limiting the impacts on natural resources. Moving from a linear resource use model is critical, as the global material footprint, the quantum of raw materials extracted for final consumption demands, is expected to reach 107 billion metric tons in 2024, more than tripling from 31 billion tons in 1970, and currently growing at an annual and sustainable rate of 2.9%[1].
- Cities are also affected by poor air quality, with a large contribution from road transport, especially of fine particulates from fuel combustion. The World Health Organisation estimates that more than 90% of people live in places where air pollution guidelines are not met[2], making poor air quality and related health effects a strong focus of public authorities. The electrification of passenger vehicles should therefore also deliver health benefits.
- The loss of biodiversity is another large-scale challenge facing the world. Between 1990 and 2020 the world lost 420 million hectares of forest due to deforestation[3], while some one million plant and animal species face the threat of extinction within decades[4]. With healthy ecosystems essential to sustaining life it is crucial to step-up action to tackle the biodiversity crisis.
- Conflict in Ukraine continued throughout the period bringing tragedy to the people involved. The conflict had major impacts on energy markets, as Europe sought new gas sources and implemented extensive measures to conserve energy. This also lead to a marked acceleration of the switch to renewable resources.

Sustainability and Corporate Social Responsibility practices increasingly important for clients and financial partners

- As for many businesses railway operators are increasing the integration of Sustainability and CSR aims in their strategies. A growing number are sourcing renewable energy for at least part of the supply for their electrical fleets and are further lowering emissions by progressively eliminating diesel from their trains, whether by network electrification or fleet replacement with hydrogen or battery powered vehicles. In early 2022, 33 European rail operators and infrastructure managers signed a pledge[5] committing themselves to reduce emissions by 30% in 2030 compared to 2015 and to reach carbon neutrality by 2050 at the latest. All of the six largest US rail operators have also committed to substantial emissions reductions by 2030, with some also committed to carbon neutrality by 2050.
- As a result, sustainability performance continues to grow in importance within tenders in the mobility sector. This is reflected in an uplift in the number of tenders where sustainability criteria are included, and a spread to new countries and customers. As well as technical performance and economic competitiveness, clients are now expecting more sustainable products delivered by companies with sustainable business practices and expectations also extended to the supply chain. The extra-financial performance takes on full relevance for large transport projects which can generate long term environmental, social and economic impacts and benefits in territories. To meet the performance and sustainability expectations of clients and deliver mobility solutions that are attractive to passengers, transport system providers must develop and offer innovative, competitive and sustainable solutions. Providers must also demonstrate that they can make a substantial and meaningful contribution to clients' CSR and climate related goals and targets with transport systems that are inclusive and accessible and contribute to sustainable economic development.

Expectations on sustainable business practices

- The finance sector continues to maintain a strong focus on the sustainability and CSR performance of companies and projects. This should ensure the provision of the investment and finance required for a large-scale economic transformation towards more sustainable systems and practices. The focus on sustainability can also improve financial returns; during 2023 sustainable equity funds outperformed traditional equity funds[6]. Initiatives to see convergence among sustainability frameworks to achieve more standardisation should also make it easier for finance actors to assess the sustainability performance of companies.
- The European Green Deal and the EU taxonomy on sustainable activities should play an important role in increasing the mobilisation of public and private funding for sustainable investment in the next decade, with a significant proportion of this expected to be directed to transport.
- On January 2023, the Corporate Sustainability Reporting Directive(CSRD) entered into force with the aim to ensure that stakeholders have access to the needed information to assess both impact of companies on people and the environment and financial risks and opportunities arising from climate change and sustainability issues.

Evolving social expectations

- Social deprivation is an ongoing challenge for significant parts of the population, both in urban and rural areas. These issues have spread through the recent cost of living crisis, with continuing high energy prices and further growth, albeit at a lower rate, in food costs. Many countries are also seeing a housing crisis, with lower ownership rates and low availability and record high prices for rentals. Mobility needs have seen long term trend growth: in France the average distance travelled per person per day with ground transport modes increased from 9 km in 1950 to 43 km in 2019[7]. At the same time significant parts of the population face difficulties affording transport, in 2022 20% of the French population suffered from mobility poverty[8]. In lower income countries this proportion can be even higher. Access to affordable and sustainable transport must be considered as a fundamental right and a key part of socio-economic development strategies.

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(1) UNEP IRP (2024): Global Resources Outlook.
(2) World Health Organisation (2021): New WHO Global Air Quality Guidelines.
(3) UN Food and Agriculture Organisation (2020): Global Forest Resources Estimate.
(4) IPBES (2019) Global Assessment Report on Biodiversity and Ecosystem Services.
(5) The European Railways' Pledge For a More Attractive, Sustainable, Inclusive and Innovative Mobility, February 2022.
(6) Morgan Stanley (2024): Institute for Sustainable Investing.
(7) Aurelien Bigo (2020): Transport in the face of the energy transition challenge.
(8) Wimoov & Fondation pour la nature et l'homme (2022): Baromètre des mobilités du quotidien.

- Investment in rail projects can underpin sustainable development and stimulate socio-economic development. In urban areas, new rail projects can alleviate congestion on roads, allow denser population growth and deliver a multiplier effect by stimulating economic activity around stations. Rail investment should be accelerated as a climate solution, but also to deliver these broader benefits. This would bring particular benefits where there is currently limited rail infrastructure; a study undertaken by Ernst & Young in conjunction with Alstom showed that dramatically increasing investment in urban rail in Africa's cities so that it accounts for 20 % of urban transport could allow the avoidance of up to a gigatonne of CO_{2e} emissions by 2050 while creating 258 jobs for each new kilometre of rail built(1). Alstom also collaborated with UIC, the University of Birmingham and Roland Berger on a study that made recommendations to unlock financing in rail projects in low and lower middle-income countries. The study showed that annual investment of $80 billion in rail projects through 2050 will allow rail modal share to quadruple to 8%, saving 1.8 gigatonnes of CO2 emissions(2).
- More and more people are demanding a step change in action to fight climate change. Their attempts to pressure political and business leaders to speed up societal and economic transformations towards sustainability are making important contributions to public debate. Many people are also taking concrete steps in their day-to-day lives to reduce their personal environmental footprints. This is leading to changes in food and transport habits, at least in the developed world, and creating demand for companies that cater for greener preferences. Such demonstrated change in personal lifestyle choices should reinforce broad support for climate action at a societal level.
- The world of work has evolved rapidly in recent years bringing new challenges for both workers and employers. Companies must act to provide a more supportive environment for employees in order to remain competitive in talent attraction and retention.
- Operating internationally and in multiple jurisdictions brings inherent complexity to organisations. Companies need to ensure high standards of Corporate Governance to manage and control legal, regulatory and reputational risks. Allied to this, companies should ensure the highest standards of ethics and compliance, through both process and culture.
- Expectations on companies to act responsibly in their own operations and ensure the same in their supply chains are being legally codified in many jurisdictions. In France the Corporate Duty of Vigilance Law was adopted in 2017 and established a binding obligation for large companies to identify key extra-financial risks and prevent severe impacts especially related to human rights and the environment, both in their own operations and extending to contractors and suppliers. Similar due diligence laws came into force in Norway and Switzerland in 2022 and in Germany in 2023, with the EU currently working on enacting its own legislation. These laws establish statutory obligations for companies to ensure sustainability principles are enforced not just in their own operations but also in their supply chains. Concerned citizens and NGOs are also increasingly using legal mechanisms to push countries and companies to act in a socially and environmentally responsible manner with some recent successes.
- In 2015, United Nations Member States adopted the 2030 Agenda for Sustainable Development, including setting 17 Sustainable Development Goals (SDGs). Alstom's business model contributes to the provision of access to affordable and sustainable transport (goals 11 and 2). Furthermore, Alstom's programme of Corporate Social Responsibility brings contributions to a broader range of the goals.
- Alstom's sustainable development strategy fully encompasses the implications of the trends and challenges detailed above, with more detail on the strategy provided in the following sections.

Alstom's mission: provide the solutions that enable sustainable transport systems

Transport enables access to work, medical services, education, and cultural and leisure activities and its availability is therefore essential for social progress and sustainable economic development. Alstom is long established in the field of sustainable mobility and has the considered mission of supporting the transition to transport systems that are safe, environmentally friendly, efficient, and inclusive. Alstom's focus on innovation and ecodesign allows the Company to provide the systems and solutions that enable the zero emission transformations of rail companies. Every day around the world more than 90 million passengers are transported by Alstom's trains and systems, making safe and sustainable journeys.

Sustainability and Corporate Social Responsibility is fully integrated in Alstom's strategy

Alstom's value creation model

All information related to the Company and its business model, the markets in which it operates and its positioning, and a description of its competitive and regulatory environment, are provided in Chapter 1, which describes the Group's activities. Additional information concerning risk factors are provided in Chapter 4, "Corporate governance" in Chapter 5, and the Company's history and organisation chart in Chapter 7.

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(1) Ernst & Young, Alstom (2022): The role of urban rail in a sustainable Africa.
(2) University of Birmingham, Alstom, UIC, Roland Berger (2023): Bridging the rail finance gap.

Alstom's Sustainability and Corporate Social Responsibility policy

Alstom's Sustainability Strategy reflects the Company's ambition to support the transition to more sustainable transport systems worldwide, while acting as a responsible and ethical corporate citizen. The Group is convinced that anticipating environmental and social challenges and responding to the risks and opportunities they entail improves operational efficiency in the short-term and delivers growth in the long-term, while contributing to the development of its employees and society as a whole.

Alstom's Sustainability and CSR policy is the overarching Policy of the Company, linking the six other key policies (Quality, Railway Safety, EHS, ecodesign, Ethics & Compliance, Security). Sustainability is fully integrated in Company strategy and key processes.

Dialogue with stakeholders

The efficiency and success of Alstom's sustainable development activity and actions depend on meeting the expectations of the Company's main stakeholders, including customers, employees, public authorities, shareholders and potential investors, and various actors within civil society. The Company engages with these stakeholders on an ongoing basis, at both a corporate and local level.

STAKEHOLDERS AND WAYS OF DIALOG

Customers
Satisfaction surveys, customer portal, training, communication towards main CSR achievements, direct dialogue on Sustainability expectations, engagement on carbon programme

Think tank, Experts, Researchers & academics
Partnerships, exchange, collaboration

Local communities & NGOS
Cooperation on common projects, Alstom Foundation activities, Country Community Action Plans, discussion around alerts, partnerships

Investors, shareholders and financial partners
Extra-financial communication, ESG ratings, roadshow, engagement on controversies

ALSTOM

Employees
Engagement survey, internal communication, CSR network

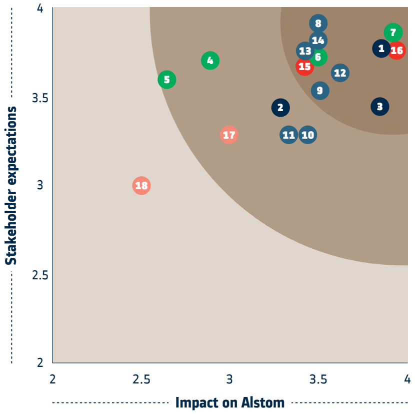
Suppliers & contractors
Industry initiatives (Railsponsible, Alliance), Ethics and Sustainable Developement charters, suppliers days, training, direct engagement

Trade unions
Social dialogue, consultation with social partners, collective agreements

Civil society & Public authorities
Working groups, participation to high level initiatives and trade associations, stakeholders forum

Alstom also periodically engages on a more systematic basis by undertaking a stakeholder dialogue campaign to update its materiality matrix.

Alstom's last completed materiality matrix[1] (2020/21) records the scale and impact of different challenges, classified in five groupings (business ecosystem, environment, social, governance and societal). It identifies the priority issues for stakeholders, perception of Alstom performance on these issues and potential gaps.



BUSINESS ECOSYSTEM

1. Product safety
2. Innovation for smart mobility & enhanced passenger experience
3. Customer relations & satisfaction

ENVIRONMENT

4. Environmental footprint of manufacturing & construction sites
5. Resilience to climate change
6. Environmental footprint of products and solutions
7. Contribution to low-carbon mobility

SOCIAL

8. Employees' and contractors' safety and security
9. Employees' health & well-being
10. Employee engagement
11. Employees' development & talent management
12. Diversity & equal opportunity
13. Sustainable supply-chain
14. Human Rights

GOVERNANCE

15. Responsible Governance
16. Business ethics

SOCIETAL

17. Contribution to local socio-economic development
18. Community investment

Preparing its transition to the EU's Corporate Sustainability Reporting Directive (CSRD), in 2023, the Group conducted an extensive stakeholder campaign to undertake a double materiality assessment. In total, more than 25 interviews were conducted, covering Alstom 'employees and also suppliers, customers and NGOs representing end-users (passengers).

The results of this analysis will be published in the next sustainability report. The double materiality assessment has been conducted following a clear methodology:

- identification of topics to be assessed based on the list of topics proposed by the CSRD;
- identification to the corresponding impacts, risks and opportunities, following a comprehensive review of existing documentation and interviews with stakeholders;
- assessment of each impact, risk and opportunity and workshop section with key contributors (each expert department has been involved in the assessment of topics related to its activities);
- confirmation and validation of material topics;
- presentation of the results to the Alstom leadership team and to the Company's CSRD key contributors.

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(1) More details on Alstom's sustainable development materiality matrix are available on www.alstom.com

Sustainability and CSR Strategy

Corporate Social Responsibility is fully integrated into Alstom's strategic plan "Alstom in Motion 2025", which sets out the Company's ambition to be the leading global innovative player for a sustainable and smart mobility. To contribute to this ambition, Alstom's Sustainability and CSR Strategy, built around four pillars, defines targets to make the company and its products more innovative, sustainable and responsible. Development of the strategy incorporated the results of the Company's materiality matrix exercise, along with extra-financial risk mapping.

Enabling decarbonisation of mobility

Alstom embeds responsible innovation at the very core of its R&D strategy to create and develop an extensive range of low carbon/high-performance mobility solutions.

Creating a positive impact on society

Alstom is committed to accelerating local development, wherever it operates and to supporting inspiring and transformative community projects.

Caring for our people

Alstom responsibility journey is a collective one. That is why the Group makes sure all teams are on board and that Alstom is a safe, inclusive, and great workplace.

Acting as a responsible business partner

Alstom always acts with integrity and purpose, building strong partnerships to thrive as a trusted and responsible leader.

Ambitious targets have been set for each of the four strategic pillars of Alstom's Sustainability and CSR Strategy. Further detail on the actions implemented to meet the targets, and progress to date, is provided in dedicated sections for each pillar following in this chapter.

Stategic pillar	Alstom 2025 CSR strategy targets	Starting point/ baseline	Starting/ baseline year	FY23/24 Results	Targeted year	Progress against target	SDG
Enabling the decarbonisation of mobility	100% electricity from renewable sources	42%	2021	75%	2025	▨	7 8 9 11 12 13
	-25% energy consumption in solutions	22.0%	FY 2021/ 22	24.1%	2024/25	▨	
	100% newly-developed solutions eco-designed	51%	FY 2021/ 22	87%	2024/25	▨	
	25% recycled content in newly-developed rolling stock	22.5%	FY 2022/ 23	23.4%	2024/25	▨	
Caring for people	Total recordable injury rate at 2.0 (TRIR)	2.3	FY 2021/ 22	1.5	2024/25	🟩	3 4 5
	Global Top employer certification	14 countries	2021	Global Top employer certification	2024	🟩	
	28% of women in managers, engineers and professionals	23.2%	FY 2021/ 22	24.7%	2024/25	▨	
	22 hours of training per employee per year	19.0	2021	26.7	2024	🟩	
Creating a positive impact on society	250,000 beneficiairies from community investment programmes and Alstom Foundation activities	245K	FY 2021/ 22	359K	2024/25	🟩	4 10 11
	12 countries with CSR label	6	FY 2021/ 22	8	2024/25	▨	
Acting as a responsible business partner	Global ISO 37001 certification	All region certified	FY 2021/ 22	All region certified	2024/25	🟩	8 12 16 17
	100% of suppliers monitored or assessed on CSR and E&C as per their level of risk	62%	FY 2021/ 22	91%	2024/25	▨	
	500 suppliers trained in Sustainability and CSR	>100	FY 2021/ 22	182	2024/25	▨	

🟩 Reached ▨ On progress

This strategy 2025 is complemented by carbon targets for 2030 timeline.

Alstom's contribution to the United Nations Sustainable Development Goals

As a signatory member of the United Nations Global Compact, Alstom supports the Sustainable Development Goals (SDGs) that aim to end extreme poverty, protect the planet and ensure prosperity for all by 2030. Alstom bases its value system and business approach on the 10 principles of the Global Compact and submits its Communication of Progress (COP) each year(1).

Alstom's Sustainability and CSR policy ensures that the Company's daily activities, core business and initiatives contribute to delivering on its core mission of supporting the transition to sustainable mobility systems. Alstom believes this transition has particular relevance for three SDGs:

- Industry, innovation and infrastructure (SDG 9);
- Sustainable cities and communities (SDG 11); and
- Climate action (SDG 13).

Most specifically Alstom strongly contributes to Target 11.2 to provide access to safe, affordable, accessible and sustainable transport systems for all, notably by expanding public transport.

In addition, the Company's activities also contribute to ten further goals, illustrated above.

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(1) More information on www.unglobalcompact.org.

Governance and implementation of Alstom's Sustainability and CSR policy

The implementation of Alstom's Sustainability and CSR policy is monitored by the Sustainability and CSR team. This Department is under the responsibility of the Chief Strategy Officer, placing sustainable development at the heart of the organisation and the strategy of the Group. Sustainable Procurement, ecodesign, Social, Environment Health and Safety, and the Integrity programmes are deployed in the corresponding functions of the organisation and are consistent with the global sustainable development approach.

Progress on Alstom's Sustainability and CSR performance including carbon results, is discussed within the Board of Directors, as a minimum twice a year.

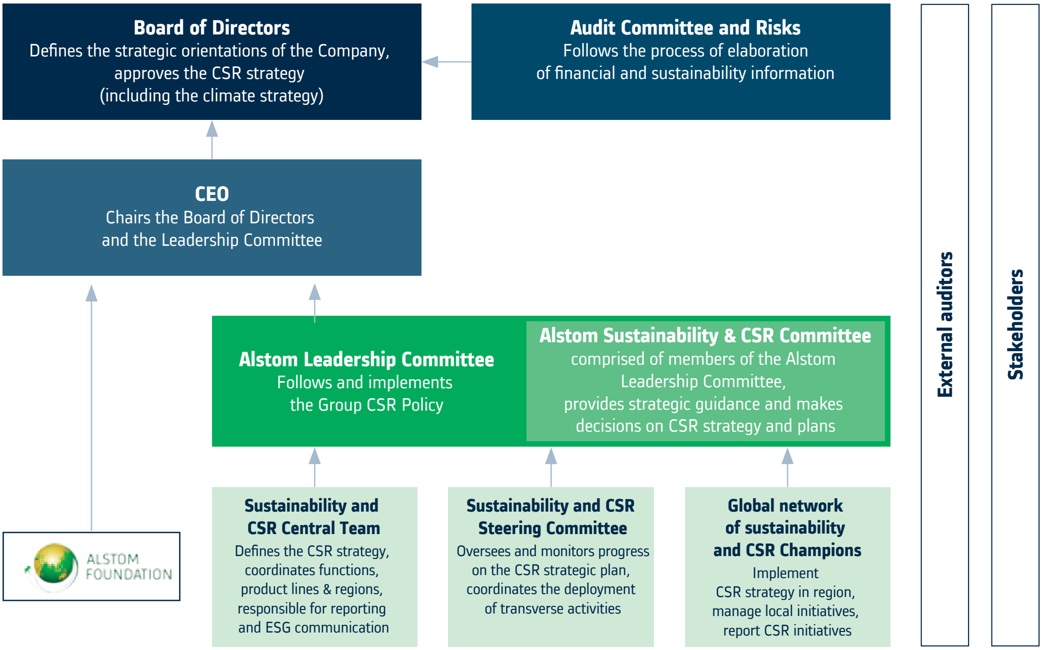
At the leadership team level, Alstom's Sustainability and CSR Committee is comprised of the Chief Operating, Chief Financial, Chief Human Resources and Chief Strategy Officers and the Presidents of two Product Lines and two Regions. The Committee meets quarterly, providing a strong forum for strategic guidance and decision making on CSR strategy and plans.

The Sustainability and CSR Steering Committee, comprised of members from Human Resources, Procurement, Strategy, Sustainability & CSR, Engineering, Environment Health and Safety, Communications Ethics and Compliance Departments and Region representatives meets on a quarterly basis to oversee and monitor progress on CSR initiatives, and to coordinate the deployment of transverse activities.

More details regarding, CSR issues distribution among the Board committees are available in chapter 5 (-5.1.4.4 Board Committees). A skills matrix highlighting Board members competencies towards CSR topics is also available in chapter 5 (5.1.3.1 Diversity policy and selection process).

Alstom's sustainable development approach is implemented through a set of programmes that combine general and specific objectives, whilst leaving room for local initiatives. Implementation of the CSR policy in regions is deployed by the local network of Sustainability & CSR Champions. Indeed, in all the Company's main countries of operation, one or more CSR champions (60 in total) support Country Managing Directors to implement Alstom policies and processes locally; manage certain local CSR initiatives; develop relations with local organisations and communities; develop and maintain the Country Community Action Plan; and contribute to report and communicate on CSR initiatives, good practices and the Alstom Foundation.

In addition, critical CSR topics are monitored through transverse Steering Committees which is the case for example on energy and Scopes 1 & 2 emissions or human rights.



To raise employee awareness of sustainable development topics Alstom has deployed a Sustainability and CSR e-learning in both English and French since 2018. The e-learning is mandatory for all new employees and recommended for specific teams: Engineering, CSR & Sustainability, EHS, Eco-design, Finance, Communication, Sales & Marketing and Procurement.

To date, 15,347 employees have completed the training.

Evaluation of the Company’s Sustainability & CSR performance by independent third parties

Alstom’s Corporate Social Responsibility performance is regularly evaluated by various rating agencies with different methods and criteria. These evaluations are providing a useful benchmark for stakeholders while helping the compagny to identify and analyse areas of potential improvement. Over years, Alstom has been well positionned on several ratings confirming the maturity of the Group and its capacity to encompase CSR challenges.

	MSCI	S&P Global	Sustainalytics	ecovadis Business Sustainability Ratings	CDP	Moody’s ESG Solutions
Description	The MSCI ESG rating evaluates companies on a scale of AAA (leader) to CCC (laggard) based on their exposure to industry’s specific ESG risks and their ability to manage those risks.	The S&P Global CSA is an annual evaluation of companies’ sustainability practices. Results of this evaluation are taken into account for the composition of the Dow Jones Sustainability Index (DJSI)	Sustainalytics’ ESG Risk Ratings measure both the company exposure to industry-specific material ESG risks and its management of those risks.	The EcoVadis rating evaluates companies overall performance towards Environmental, Labor & Human Rights, Ethics and Sustainable Procurement impacts.	CDP is a not-for-profit charity that scores companies from A to D on their environmental impact.	Moody’s measures compagny level of incorporation of ESG factors into their strategy.
Progress from previous year	→	↘	↘	↗	↗	→
Latest score or result	AA	67/100 Member of the DJSI for the 13th consecutive year.	21,5	77/100 Gold medal	A-	70/100 Member of the CAC40 ESG
Previous score or results from URD FY22/23	AA	72/100	19	72/100	B	70/100
Industry rank	Top 13%	Top 4%	Top 4%	Top 5% (all respondants)	-	Top 1%

Alstom overall CSR performance has also satisfied the requirements to be included in additional ESG indices such as CAC 40 SBTi or ranking such as Corporate Knights Clean200 ranking which corrspond to the top publicly listed companies by sustainable revenue.

ALSTOM SUSTAINABILITY AND CSR RISKS AND OPPORTUNITIES MAPPING

Updating Alstom's Sustainability and CSR risk universe

To ensure that the sustainability and CSR risk mapping is kept up to date, the Sustainability and Corporate Social Responsibility Steering Committee reviewed the list of 26 risks previously established, taking into account emerging trends and stakeholder feedback collected during the stakeholder dialogue campaign conducted to establish the Double Materiality assessment. This yearly process reaffirmed the 26 risks and their associated definitions.

Risks are formulated as challenges and cover both the risks as such and the opportunities, with the inability to seize an identified opportunity being considered as a risk.

Methodology and consistency with internal processes

During the Sustainability and CSR Risk Mapping exercise, focus was placed on ensuring global alignment between the different Company risk mapping exercises. This affirmed that the mapping remains aligned with the Group's global risk management methodology and tool (see Chapter 4, "Risk factors and risk management, Control Environment").

The two criteria used to asses risk criticality remain unchanged:

- likelihood – four levels from "improbable" to "probable";
- impacts – cash flow, profit and loss, operational margin, human and environmental, image and reputation, health and safety impacts.

Risks and opportunities are assessed by the teams in charge of the management of each risk in the Sustainability and Corporate Social Responsibility Steering Committee: Sustainability and CSR, Sustainable Procurement, Human Resources, Environment Health and Safety, Ecodesign, Human Rights, Commercial and Quality, Railway safety , Ethics and Compliance as well as by the Internal Audit and Risk Management Department. It is worth noting that the assessment of "Impact" considers the highest value for the different types of impacts rather than the average value.

Consolidated results are discussed during specific workshops including all functions to ensure consistency of understanding and validate final results. The Enterprise Risk Management, Internal Audit and Internal Control Department is involved throughout the process to ensure alignment with the Group's global risk management methodology.

Selecting main non-financial risks and opportunities

The non-financial risks and opportunities considered as material are those which come out with the highest criticality based on the likelihood and impact matrix.

16 main risks or opportunities have been identified as a result. These 16 risks are detailed in this chapter and arranged around the four pillars of Alstom's Sustainability and CSR action plan: 1) Enabling the decarbonisation of mobility; 2) Caring for people; 3) Creating a positive impact on society; 4) Acting as a responsible business partner.

The following risks are also evaluated in the framework of the Group global management of risks: "workforce and skills planning"(1); "ethics and compliance", "human rights","railway safety and healthier mobility™", "asset resilience", "employee and contractor occupational health and safety", "suppliers".

This indicates these risks are considered material to the Group's business performance, and to its internal and external stakeholders. Particular care was taken to ensure consistency between the two risk universes, including definitions and assessments. Additionally, for environmental indicators, Alstom also ensures consistency with its ISO 14001 environmental risk mapping.

The main policies, action plans, results and performance indicators associated to these risks are presented in the following sections.

The risks identified in green are also integrated as "major risks" in Chapter 4: "Risk factors and risk management, Control environment".

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(1) Workforce and skills planning as presented in chapter 4, covers both Recruitment, Engagement and retention, People development and Diversity and equal opportunity risks.

Extra-financial risks and opportunities	Description of the extra-financial risks and opportunities	Main stakeholders concerned	Relevant strategic pillar
Energy and Greenhouse gas emissions performance of operations[1]	Rise in energy costs, contribution to climate change through the consumption of fossil fuels	Customers, civil society, investors	Enabling the decarbonisation of mobility
Low carbon solutions[1]	Emissions of greenhouse gas through the entire value chain, contribution to climate change mitigation through the promotion of low-carbon mobility solutions .	Customers, civil society, investors	Enabling the decarbonisation of mobility
Asset resilience	Loss of assets, including industrial sites, due to changing climate conditions and extreme climate event	Customers, investors	Enabling the decarbonisation of mobility
Ecodesign and circular economy	Reduction of pressure on resources by providing products that use long-term, easily dismantled and quality materials that can be reused, market opportunities supported by new eco-designed solutions with a lower environmental footprint	Customers, local communities, suppliers	Enabling the decarbonisation of mobility
Biodiversity	Degradation of biodiversity and ecosystems through the entire value chain	Customers, local communities, civil societies, NGOs	Enabling the decarbonisation of mobility
Health and Safety	Health and safety of employees and contractors covering physical integrity and mental health, extra health and well-being support provided by the company	Employees, contractors, investors, customers	Caring for our people
Recruitment, Engagement and retention [workforce and skills planning in Chapter 4]	Ability to attract, recruit and retain employees by offering adequate working conditions, engagement and motivation of employees through attractive rewarding policy and value proposition, risk of dissatisfaction and resignation in case of inadequate resources management	Employees, investors	Caring for our people
People development [workforce and skills planning in Chapter 4]	Employees career development, supporting competitiveness through talent development; developing and matching skills with needs efficiently.	Employees	Caring for our people

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(1) These risks are addressed under Alstom Climate Action section.

Extra-financial risks and opportunities	Description of the extra-financial risks and opportunities	Main stakeholders concerned	Relevant strategic pillar
Diversity and equal opportunity [workforce and skills planning in chapter 4]	Making people dissatisfied through non-inclusive recruitment and management practices, contributing to the professional integration of people who are generally far from employment	Employees, investors	Caring for our people
Encouraging local development	Contribution to local socio-economic development in territories	Local communities, suppliers, contractors, civil society, customers	Creating a positive impact on society
Relationships with local communities	Protection of social license to operate and development of good relationships with local communities through open and regular dialogue, fostering communities' development through projects in healthcare, education, social mobility	Local communities, civil society	Creating a positive impact on society
Ethics and Compliance	Deployment of the highest standards of integrity to avoid potential sanctions (criminal liability, heavy fines,), exclusion from markets and damage to reputation and to limit risk of non-compliance with regulations	Customers, civil society, NGOs, investors, employees	Acting as a responsible business partner
Sustainable procurement [suppliers in chapter 4]	Support of ethical suppliers' business development through inclusive and responsible procurement.	Suppliers, Contractors, NGOs, customers	Acting as a responsible business partner
Human Rights	Risk of impact on Alstom' s reputation in case of human rights abuse findings, potential business disruption or sanction due to non-compliance with existing regulation	Employees, suppliers , investors, NGOs, customers	Caring for our people
Customer relationship	Securisation of customer satisfaction thanks to quality products, conformity and respect of their expectations	Customers, Investors	Acting as a responsible business partner
Railway safety & Healthier mobility	Dysfunction or misuse of any system that could result in an accident with impacts on health and safety and the Group's reputation, along with litigation risks.	Civil society, investors	Acting as a responsible business partner
Tax evasion	Unfair payment of taxes with reputational damage if the Group were suspected of participating in tax evasion schemes	Civil society, customers	Acting as a responsible business partner

Tax Evasion risk is included in the Sustainability and CSR risk mapping in order to comply with French law requirements (loi n° 2018-898 du 23 octobre 2018 relative à la lutte contre la fraude) but does not stand out as one of the Company's material risks.

Information related to other risks

Alstom considers that the information regarding the fight against food waste and food insecurity, respect for animal welfare and responsible, fair and sustainable food, culture and sport promotion, actions aimed at promoting the link between the nation and the armed forces and supporting commitment in the reserves are not relevant with regard to the main activities of the Company. Regarding food waste, since it is only linked to meals taken in the canteens, it is not considered as a material topic for the Company.

Information related to collective agreements is available page 331.

Actions to fight against discrimination and promote diversity, as well as measures taken in favour of people with disabilities, are included in the "2. Caring for People" section under "Diversity and equal opportunities".

Finally, additional information on other risks and issues of interest to stakeholders is presented on page 289.

EU TAXONOMY

To support the ambitious goal of a "carbon neutral" Europe by 2050, the European Commission established in 2020 (Regulation (EU) 2020/852), the European Taxonomy Regulation. It was introduced to redirect capital flows towards sustainable activities and low and carbon neutral economy by:

- Creating a common definition and standardized assessment of activities that can be qualified as environmentally sustainable.
- Normalizing the criteria and metrics to define what is sustainable and measure the contribution of companies to the low carbon transition

The EU Taxonomy regulation is a classification system of environmentally sustainable economic activities.

The following disclosure has been established in line with the below documents giving the rules to implement the EU taxonomy:

- Taxonomy regulation: Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment and amending Regulation (EU) 2019/2088.
- Disclosure Delegated Act: specifying the content and presentation of information to be disclosed by undertakings, and specifying the methodology to comply with that disclosure obligation.
- Climate Delegated Act: establishing the technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to climate change mitigation or climate change adaptation.
- Environment Delegated Act: Commission Delegated Regulation (EU) 2023/2486 of 27 June 2023.

In accordance with the Regulation, for the financial year ending 31 March 2024, the Group is required to disclose the proportion of:

- Its Turnover.
- Capital Expenditure (CapEx) and.
- Operating Expenditure (OpEx) associated with its Taxonomy-eligible and Taxonomy-aligned economic.
- and the regulatory table related on "nuclear and fossil gas activities" (Appendix XII)

The detailed tables appearing in the appendix (in the DETAILED TABLES OF EUROPEAN TAXONOMY section)(see page 394), as well as the table Annex XII are the regulatory tables as required by European texts. The tables appearing below (in the "Alstom's assessment of eligible and aligned economic activities with the EU taxonomy" section) are summaries. These tables detail Alstom's contribution to the climate change mitigation objective.

The calculation of the KPIs of the Group has been based on the data from the Consolidated Financial Statements information for the financial year ending 31 March 2024, which were prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (see chapter 3).

ALSTOM'S ASSESSMENT OF TAXONOMY-ELIGIBLE AND ALIGNED ECONOMIC ACTIVITIES

To qualify as environmentally sustainable or Taxonomy aligned, economic activities performed by non-financial undertakings must:

- Be eligible to the Taxonomy, i.e described in one of the Annexes of the Delegated Acts.
- Contribute substantially to one or more of the environmental objectives described below.
- Do no significant harm to any of the environmental objectives.
- Be carried out in compliance with the minimum safeguards covering Human Rights, Taxation rules, Bribery and Fair competition.

	Climate Delegated Act		Environment Delegated Act			
Objectives in the EU Taxonomy	Climate Change Mitigation	Climate Change Adaptation	Sustainable use and protection of aquatic and marine resources	Transition to a circular economy	Pollution prevention and control	Protection and restoration of biodiversity and ecosystems

Following the guidance of UNIFE for rail industry companies, Alstom classifies its contribution to the objectives of the EU Taxonomy only in regards with the activities published in the Climate Delegated Act.

Alstom's economic activities consist of a complete range of equipment and services for transport, from high-speed trains, regional trains, locomotives, metros, light rail vehicles to integrated systems, customised services, infrastructure, signalling and digital mobility solutions. The Group's ambition is to be net-zero emission by 2050, while contributing to increase low carbon mobility for the transport sector; Greenhouse gases (GHG) being the main driver of climate change. So, Alstom's activities contribute substantially to the objective Climate Change Mitigation, based on the definition of the Taxonomy regulation (Article 10, point 1.c).

Furthermore, considering the guidance of the European Commission published in Question 8 and 18 of FAQ Commission Notice C/2023/305 regarding double counting, Taxonomy eligibility is not assessed against the objective of climate change adaptation.

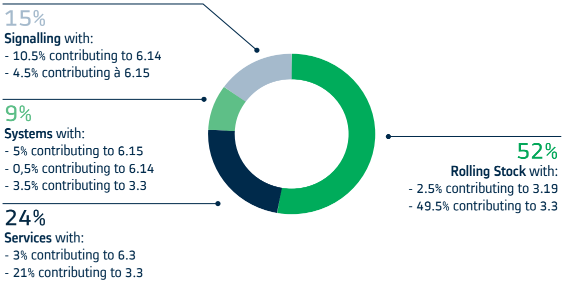
ALSTOM'S ASSESSMENT OF EU TAXONOMY-ELIGIBLE ECONOMIC ACTIVITIES

In FY 2022/23, Alstom identified and reported its Taxonomy KPIs on 4 activities eligible for the climate change mitigation objective, of which 3.3 Manufacture of low carbon technologies for transport was the most significant. Following the amendment of the Climate Delegated Act in the Commission delegated regulation (EU) 2023/2485 of 27 June 2023:

- a fifth activity corresponding to Alstom's activities was identified: 3.19 Manufacture of rail rolling stock constituents;
- on-board signaling activities previously allocated to 3.3 Manufacture of low carbon technologies for transport were reassigned to 6.14. Infrastructure for rail transport (now integrating the manufacturing and servicing of railway track fixtures and rail constituents detailed in Points 2.2 to 2.6 to Annex II of Directive (EU) 2016/797).

	Alstom's main eligible activities identified under Climate Delegated Act				
EU sector	**3. Manufacturing**		**6. Transport**		
EU activity	3.3 Manufacture of low carbon technologies for transport	3.19 Manufacture of rail rolling stock constituents	6.3. Urban and suburban transport, road passenger transport	6.14. Infrastructure for rail transport	6.15. Infrastructure enabling low-carbon road transport & public transport
EU short definition	Manufacture, repair, maintenance, retrofitting, repurposing and upgrade of low carbon transport vehicles, rolling stock and vessels.	Manufacture, installation, technical consulting, retrofitting, upgrade, repair, maintenance, and repurposing of products, equipment, systems, and software related to the rail constituents	Purchase, financing, leasing, rental, and operation of urban and suburban transport vehicles for passengers and road passenger transport.	Construction, modernization, operation and maintenance of railways and subways as well as bridges and tunnels, stations, terminals, rail service facilities, safety and traffic management systems.	Construction, modernization, maintenance, and operation of infrastructure that is required for zero tailpipe CO_2 operation of zero-emissions road transport, as well as infrastructure dedicated to transhipment, and infrastructure required for operating urban transport.
Alstom activities	Rolling stock and components manufacturing and Service activities (maintenance, retrofit…)	Direct sales of rail components	Operation of urban and suburban lines	Infrastructure & Telecom Signalling and Systems for mainline and regional solution (including manufacturing, installation, repair and maintenance)	Infrastructure & Telecom Signalling and Systems for urban solution (including manufacturing, installation, repair and maintenance)
Alstom product Line	Rolling stock and components Service	Rolling stock and components	Service	Signalling and Systems	Signalling and Systems
ELIGIBILITY	**100% of turnover | 100% of CapEx | 100 % of OpEx**				

SALES FY23/24 BY ALSTOM PRODUCT LINES VERSUS EU TAXONOMY ACTIVITIES



15%
Signalling with:
- 10.5% contributing to 6.14
- 4.5% contributing à 6.15

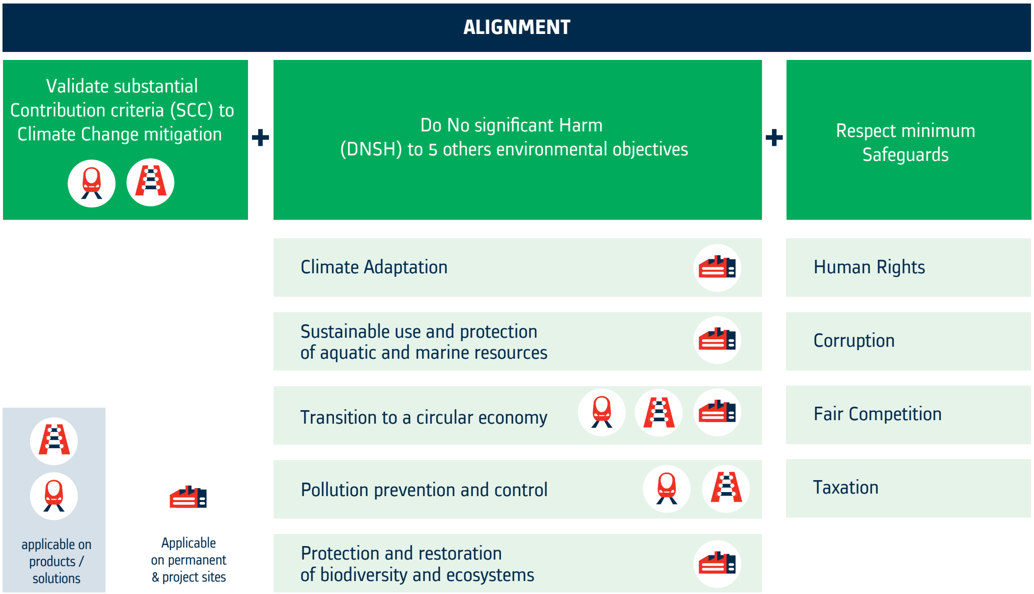
9%
Systems with:
- 5% contributing to 6.15
- 0,5% contributing to 6.14
- 3.5% contributing to 3.3

24%
Services with:
- 3% contributing to 6.3
- 21% contributing to 3.3

52%
Rolling Stock with:
- 2.5% contributing to 3.19
- 49.5% contributing to 3.3

ALSTOM'S ASSESSMENT OF TAXONOMY-ALIGNED ECONOMIC ACTIVITIES

Using preliminary assessment performed during the first two years of reporting, to identify Taxonomy-eligible activities, and based on the definitions in Annex I of the Climate Delegated Act of the EU Taxonomy, the Group completed the analysis of alignment for its activities.



ALIGNMENT

Validate substantial Contribution criteria (SCC) to Climate Change mitigation + Do No significant Harm (DNSH) to 5 others environmental objectives + Respect minimum Safeguards

Climate Adaptation

Sustainable use and protection of aquatic and marine resources

Transition to a circular economy

Pollution prevention and control

Protection and restoration of biodiversity and ecosystems

Human Rights

Corruption

Fair Competition

Taxation

applicable on products / solutions

Applicable on permanent & project sites

SUBSTANTIAL CONTRIBUTION CRITERIA (SCC)

The criteria used for the assessment of substantial contribution of the Group's activities is summarized in the table below:

EU sector	3. Manufacturing		6. Transport		
EU activity	3.3 Manufacture of low carbon technologies for transport	3.19 Manufacture of rail rolling stock constituents	6.3. Urban and suburban transport, road passenger transport	6.14. Infrastructure for rail transport	6.15. Infrastructure enabling low-carbon road transport & public transport
Substantial contribution (SCC) Alstom application	0 direct (tailpipe) CO_2 emissions Electrical, H2 and bimode trains			The infrastructure is not dedicated to the transport or storage of fossil fuels	
				Electrified trackside infrastructure and associated subsystems (signalling solutions) integrated new and existing trackside infrastructure with plan for electrification (with 10 years deadline from beginning of activity) and until 2030, existing trackside infrastructure and associated subsystems that are not part of the TEN-T network and its indicative extensions to third countries	Vehicles with zero tailpipe CO_2 emissions operated on infrastructure

A mapping of the full portfolio of products, solutions and services (Product Mapping) has been completed by applying susbstantial contribution criteria (SCC) for each activity in order to identify products/solutions passing the first step of alignment with respect to climate change mitigation objective.

For 3.3 the manufacturing of electrical (powered by catenary or battery), hydrogen and bimode trains complies with SCC requirement on 3.3 activity. Regarding activity 3.19, only the direct sales of components of electrical and bimode trains are compliant.

Similarly, for the activity 6.3, urban solutions are all electric and fulfill the requirement of zero direct CO_2 emissions.

Urban infrastructure, falling under category 6.15, being not dedicated to the transport/storage of fossil fuels and operating only electrical rolling stock with 0 direct (tailpipe) CO2 emissions validates the SCC.

However for projects related to 6.14 operated on non-electrified lines and/or on freight and mining lines likely to transport fossil fuels have been isolated and deemed not compliant applying a conservative approach. A dedicated analysis is planned for next year to complement this approach.

DO NO SIGNIFICANT HARM

For the second step to demonstrate that the activity does not significantly harm (DNSH) the other five environmental objectives, the analysis has been based on environmental assessment and impact studies performed at products and/or entities level:

- A mapping of entities according to EU taxonomy activities has been set up to assess DNSH relevance as per their localisation. Information used for the evaluation is based on the Group's policies and procedures and are supplemented by site environmental reports and specific assessment (climate risk and resilience assessment, biodiversity diagnosis, compliance with AFNOR ISO 14001 certification).
- For Circular economy and Pollution Prevention and Control, the Group's processes and instructions are used as basis for the DNSH compliance. Projects implementing eco-design rules in products and solutions are considered compliant for 3.3, 3.19 and 6.14 manufacturing activities. Information used for the assessment mainly include an environmental dashboard for the solutions designed, environmental declarations of products and other relevant eco-design information.
- In line with the guidance shared by UNIFE for the application of the EU Taxonomy in rail industry, criteria related to "Pollution prevention and control" and "Transition to a circular economy were validated de-facto for signalling activities (in 6.14 and 6.15).

By principle a conservative approach was applied when the documentation available was not sufficient to validate one of the DNSH criteria. It should be noted in particular that compliance with European Standards, such as mentioned in the EU Taxonomy regulation (noise, vibration and waste management on project sites) which may apply for projects located outside the EU, could only be partially documented.

DNSH compliance Alstom Application	3.3 Manufacture of low carbon technologies for transport	3.19 Manufacture of rail rolling stock constituents	6.3. Urban and suburban transport, road passenger transport	6.14. Infrastructure for rail transport	6.15. Infrastructure enabling low-carbon road transport & public transport
Climate change adaptation	Climate risk and vulnerability assessment to identify physical climate risk material for the activity. **Compliance is validated through resilience analysis in operations and on project sites.**				
Sustainable use and protection of water and marine resources	Identification of risks related to preserving water quality & avoiding water stress- Water use and protection management plan where necessary . **Compliance is validated using water consumption rules and water management strategies in line with ISO14001.**				
Transition to a circular economy	Design for durability and recyclability of products considering reuse and traceability of hazardous substances and waste management of operations. **Compliance is validated through Waste Management in operation sites in line with ISO14001.**		Measures are in place to manage waste in use phase and the end of life of the fleet	> 70% of construction demolition waste on project site are reused or recycling. Waste generation limited during construction and demolition. **Compliance is validated for signalling equipment as per UNIFE guidance for the rail industry and for other SYSTEMS PL activities when project documentation is available.**	
Pollution prevention and control	Where applicable, no use of hazardous in the Appendix C. **Compliance is validated as per UNIFE application for rail industry.**		Vehicles comply with the requirements of the Euro VI heavy duty emission type approval.	Where appropriate, noise and vibrations from use of infrastructure mitigated. Measures taken to reduce noise, dust and pollutant emissions during construction or maintenance works. **Compliance is validated for signalling equipment as per UNIFE guidance for the rail industry and for other SYSTEMS PL activities when project documentation is available.**	
Protection and restoration of biodiversity and ecosystems	Environmental Impact Assessment (EIA) or Screening completed. Mitigation measures implemented in/near biodiversity-sensitive areas. **Compliance is validated using biodiversity analysis in operations and projects located in key biodiversity areas.**				

Finally, for the 3rd step, Minimum Safeguards (MS), 4 dimensions are covered and checked at the Group level: human rights, corruption, fair competition and taxation. Analysis relied on:

- processes applied and deployed by the Group, including but not limited to Code of Ethics, the sustainable procurement policy, the Vigilance plan. These processes are further detailed later in this chapter. The assessment encompasses the supply chain;
- absence of severe breach or conviction related to the 4 dimensions.

The process followed to analyze the eligibility and alignment criteria has been precisely documented in a specific European Taxonomy reporting manual. The alignment of activities was assessed with the help of a specialized working group led by experts in Finance and CSR and supported by the contribution of internal expertise such as EHS, Ecodesign, as well as external on the Climate and Biodiversity part. This manual is updated each year.

EU sector	**3. Manufacturing**		**6. Transport**		
EU activity	3.3 Manufacture of low carbon technologies for transport	3.19 Manufacture of rail rolling stock constituents	6.3 Urban and suburban transport, road passenger transport	6.14 Infrastructure for rail transport	6.15 Infrastructure enabling low-carbon road transport & public transport
Eligibility	100% of turnover | 100% of CapEx | 100% of OpEx				
Taxonomy eligible turnover	74%	3%	3%	11%	9%
Alignment	60% of turnover | 57 % of CapEx | 57% of OpEx				
Taxonomy-Aligned Turnover	49%	2%	0%	6%	3%
Taxonomy-Aligned Capex	41%	4%	0%	8%	4%
Taxonomy-Aligned Opex	30%	12%	0%	11%	4%

EU Taxonomy KPIs are prepared jointly by CSR and Finance teams each quarter and presented during an internal EU Taxonomy Committee meeting. This quarterly review ensures a continuous improvement and enables the Group to consider regulatory evolution and deploy action plans along the year according to its sustainability strategy. This year, relying on all the data collection work initiated last year, we were able to robustify the methodology and also industrialize the tool for indicators consolidation.

The final figures are presented and validated by the Audit Committee prior to its publication.

For details, please refer to Turnover, CapEx and OpEx tables (pages 394, 395 et 396) and methodology (page 387)

SHARE OF TAXONOMY-ELIGIBLE AND TAXONOMY-ALIGNED ECONOMIC ACTIVITIES RELATED TO CLIMATE CHANGE MITIGATION OBJECTIVE

Product mapping and DNSH mapping of the entities of the Group are used and applied in the consolidation tool for the calculation of key performance indicators on revenue, capital expenditure (CapEx) and operating expenditure (OpEx).

TAXONOMY-ELIGIBLE AND ALIGNED TURNOVER

The Turnover for the Group amounts to **17.619 billion euros** with an eligibility rate of **100%** and an alignment rate of **60%**:

- the Taxonomy-eligible turnover rate has been calculated as that proportion of turnover related to the Group's Taxonomy-eligible economic activities (numerator) over the total Turnover (denominator);
- the Taxonomy-aligned turnover rate has been calculated as that proportion of turnover related to the Group's Taxonomy-aligned economic activities (numerator) over the total Turnover (denominator);
- the Turnover (denominator) consists of the Groups consolidated turnover calculated in accordance with IAS 1.82 (a) and reported in the Consolidated Financial Statements in this report. The accounting policy applicable for revenue recognition can also be found as part of the Consolidated Financial Statements.

TAXONOMY-ELIGIBLE AND ALIGNED CAPITAL EXPENDITURE

The Capital Expenditure for the Group amounts to **0.679 billion euros** with an eligibility rate of **100%** and an alignment rate of **57%:**

- the Taxonomy-eligible Capital Expenditure rate has been calculated as that proportion of the Capital Expenditure that is associated with the Group's Taxonomy-eligible economic activities (numerator) over the Capital Expenditure (denominator);
- the Taxonomy-aligned Capital Expenditure rate has been calculated as that proportion of the Capital Expenditure that is associated with the Group's Taxonomy-aligned economic activities (numerator) over the Capital Expenditure (denominator);
- the Capital Expenditure (denominator) consists of additions to tangible, intangible fixed assets, right of use assets as well as development costs capitalised during the financial year, before any depreciation, amortization, re-measurement, excluding any revaluation, impairment, and changes in fair value as reported in the Consolidated Financial Statements. This includes investments from business combinations during the fiscal year. Acquired goodwill is excluded from the calculations. The Capital Expenditure made during the year has been considered at the closing exchange rate.

TAXONOMY-ELIGIBLE AND ALIGNED OPERATING EXPENSES

The Taxonomy qualified Operating Expenses for the Group amounts to **0.660 billion euros** with an eligibility rate of **100%** and alignment rate of **57%**. The Taxonomy-eligible Operating Expenses mainly consists of non-capitalized portion of research and development costs, short-term lease, maintenance and repair which are associated with the Group's Taxonomy-eligible economic activities:

- the Taxonomy-eligible Operating Expenses rate has been calculated as that proportion of the Operating Expenses that are associated with the Group's Taxonomy-eligible economic activities (numerator) over the Taxonomy qualified operating expenses (denominator);
- the Taxonomy-aligned Operating Expenses rate has been calculated as that proportion of the Operating Expenses that are associated with the Group's Taxonomy-aligned economic activities (numerator) over the Taxonomy qualified operating expenses (denominator);
- it should be noted that the Taxonomy has its own definition of operating expenses, and the Taxonomy qualified operating expenses represent only a proportion of the total operating expenses of the Group as reported in the Consolidated Financial Statements. The Taxonomy qualified operating expenses (denominator) consists of non-capitalized direct costs that relate to research and development, building renovation and repair, short-term lease contracts, staff costs, general maintenance and service costs relating to the day-to-day servicing of the property, plant, and equipment.

WAY FORWARD

The alignment of the KPI's (60% for turnover, 57% for CapEx and 57 % for OpEx) for the FY2023/24 reflects the impact of the Group's activities on Climate change mitigation by fostering the turn to sustainable mobility. Alstom is rolling out its sustainability strategy in line with the DNSH compliance of the EU Taxonomy by improving the resilience of its assets to Climage Change (for more details please refer to Climate change adaptation section page 304) and pushing toward an inclusion of a biodiversity strategy within its operation and a circular and ecodesign strategy in its products and in the value chain (for more details please refer to eco design and circular economy section page 316). The Group will continue its effort in aligning its activities with the Taxonomy and bring significant positive impact on environmental topics.

In the long term, the Group intends to use EU taxonomy regulation as a compass to conduct its actions and decisions as part of its overall CSR strategy. It should be noted that this is a second alignment exercise, and that considering the evolving character of the EU regulatory framework, the level of complexity around the legislation and the room available for interpretation, the Group expects the reporting to evolve over time. In line with the deployment of the CSRD (Corporate Sustainability Reporting Directive), Alstom is working on the adaptation of its reporting processes to extend it to its entire value chain (upstream and downstream) and complete its holistic approach with new levels of granularity. The Group will therefore review its methodology on a periodical basis based on guidance received from the European Commission.

1. ENABLING THE DECARBONISATION OF MOBILITY

Key topics	Main CSR targets and KPI	Starting point/ baseline	Starting/ baseline Year	2023/24	Target Year	Progress	SDG
Low carbon solutions	-25% energy consumption in solutions	22%	FY 2013/ 2014	24.1%	FY2024/ 25		7 Affordable and clean energy 9 Industry, innovation and infrastructure 12 Responsible consumption and production 13 Climate action
	42% reduction in emissions intensity for Scope 3 use of sold product per passenger.km	4.6	FY2021/22	4.0	FY2030/ 31		
	35% reduction in emissions intensity for Scope 3 use of sold product per ton.km	9.2	FY2021/22	8.4	FY2030/ 31		
	30% reduction in emissions intensity for scope 3 purchased goods and services (gCO_2e/€)	950	FY 2022/ 23	1059	FY2030/ 31		
Energy and greenhouses gas emissions performance of operations	100% electricity from renewable sources	42%	2021	75%	2025		9 Industry, innovation and infrastructure 12 Responsible consumption and production 13 Climate action
	40% reduction in Scope 1 & 2 emissions (TCO_2e)	230	FY2021/22	139	FY2030/ 31		
Eco-design and circular economy	100% of newly-developed solutions eco-designed	51%	FY2021/22	87%	FY2024/ 25		9 Industry, innovation and infrastructure 12 Responsible consumption and production
	25% recycled content in newly-developed rolling stock	22.5%	FY2021/22	23.4%	FY2024/ 25		

▬ Reached ▬ On progress

Alstom climate action

The Group's ambition is to be net-zero emission by 2050, while contributing to increase low carbon mobility for the transport sector.

Greenhouse gases (GHG) are the main driver of climate change. The 2022 report from the IPCC on the "Physical Science Basis" established as a fact that ongoing climate change results from the GHG emissions from human activities. In 2022, the rebound in cargo transport activity following the coronavirus (Covid-19) pandemic led to a 3% increase in transport CO_2 emissions compared to the previous year. Getting on track with the Net Zero Emission scenario would require transport emissions to fall by about 25% by 2030(1).

The International Energy Agency (IEA) states that rail is the least emissions-intensive mode of passenger transport and that its expansion in their Net Zero Scenario will help reduce overall emissions. The IEA recommendations to improve the impact of rail include, upgrade of rolling stock, enhance digital technologies, further electrify and improve efficiency(2). As per IEA(3), rail decarbonisation is not yet on track and will require further efforts from the sector.

Net zero strategy & policies

Alstom strongly believes in its role to support the transition towards a low carbon future. Its solutions help to decarbonise mobility and contribute to reaching the climate targets set by countries and cities. With the ambition to lead the way to sustainable and smarter mobility, Alstom is ready to commit towards a net-zero scenario that will drive the corporate climate action for the coming years. Alstom is engaging to complete a deep decarbonisation of its activities over the value chain, while contributing to the mitigation efforts beyond the company. The net-zero ambition means that climate targets will be gradually expanded to cover the whole value chain, by setting the right measure efforts and establishing the milestones towards achieving net zero emissions(4).

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(1) IEA tracking clean energy progress (2023), Transport, IEA, Paris https://www.iea.org/topics/transport.
(2) IEA tracking clean energy progress (2023), Rail, IEA, Paris https://www.iea.org/reports/rail.
(3) https://www.iea.org/energy-system/transport/rail.
(4) Alstom net zero emissions engagement has not been submitted to the Science-Based Target initiative.

CLIMATE STRATEGY

GLOBAL CONTRIBUTION TO NET-ZERO MOBILITY

Through its solutions Alstom enables to avoid CO2 emissions in the transport sector.

Every TCO2e emited by Alstom projects will avoid 3 to 5 times more emissions thanks to modal-shift.

REDUCTION OF CO2 EMISSIONS IN THE ENTIRE VALUE CHAIN

Scope 3 Supply chain

Scope 1 & 2 Energy & Fuel

Scope 3 Sold products

CARBON REMOVAL

Knowing that even with the implementation of its transition plan and after it has drastically reduced its carbon emissions through operational actions, residual emissions will remain, Alstom will consider on the future to invest in carbon sequestration projects as a finishing touch to reach its long-term Net Zero engagement.
As of today, the Group is focusing on implemented the action described in the table and no carbon removal policy is implemented.

Global contribution to net zero mobility

Rail is among the most energy efficient modes of transport for freight and passengers – while the rail sector carries 8% of the world's passengers and 7% of global freight transport, it represents only 2% of total transport energy demand(1).

Alstom's solutions contribute to bring low carbon mobility to cities and countries around the world. To estimate the contribution from our Rolling Stock, an internal methodology based on the United Nations Framework Convention on Climate Change (UNFCCC) standard for Clean Development Mechanism (CDM) was rolled out last year. The baseline emissions refer to a hypothetical scenario of the emissions that would have been generated by the transport of passengers or freight if Alstom solutions would not be in place, taking into account alternative transportation means like cars, buses or walking. The project emissions are associated with the transportation of passengers or freight travelling with Alstom rolling stock (with projects of diesel rolling stock excluded from this avoided CO$_2$e calculation).

Passenger rolling stock solutions sold last year by Alstom will avoid an estimate of 250 million TCO$_2$e from passenger and fret solutions. In other words, every TCO$_2$e emitted by Alstom projects will indirectly avoid 3 to 5 times more emissions. Alstom made a self-check based on the criteria published by the World Business Council for Sustainable Development (WBCSD) on "Guidance on Avoided emissions" framework.

Reduction of CO$_2$e emissions in the value chain

The main focus in Alstom's net zero engagement is to reduce the CO$_2$e emissions from its value chain. 96% of Alstom's carbon inventory is covered by an emission reduction objective, including energy & fuel consumption from Scope 1&2, upstream Scope 3 emissions from procurement & transport and downstream Scope 3 emissions from use of sold products(2). The transition towards a low carbon supply chain is driven by operational objectives set towards 2025 and carbon objectives set towards 2030:

2025 short-term operational objectives

The Alstom in Motion strategy includes operational energy efficiency and transition ambitions:

- decarbonising its operations, with the goal of achieving 100% renewable electricity supply from renewable sources in its operations by end of 2025;
- reducing the energy consumption of the portfolio of solutions by 25% by 2025 compared to 2014.

CO$_2$e reduction midterm objectives

As part of its Net Zero engagement, Alstom has set midterm targets covering its main emission sources:

- Alstom is committed to reduce absolute direct GHG emissions (scope 1) and indirect GHG emissions (scope 2) from Alstom sites by 40% by 2030/31 from 2021/22 baseline – validated by SBTi in line with its 1.5°C scenario;
- Alstom is committed to reduce the intensity of GHG emissions (scope 3) from the use of sold products from its portfolio of rolling stock solutions by 42.3% per passenger-km and 35% per ton-km by 2030/31 from a 2021/22 baseline – validated by SBTi in line with its B2DS (Beyond 2°C) scenario;
- Alstom is committed to reduce the intensity of GHG emissions (scope 3) from purchased goods and services and of its transportation & distribution by 30% by 2030/31 from a 2022/23 baseline.

Net zero long-term engagement

The net-zero ambition means that climate targets will be gradually expanded to cover the whole value chain, by setting the right measure efforts and establishing the milestones towards absolute CO$_2$ reduction by 2050.

Carbon sequestration

On the past year, Alstom did not engage in any programme of carbon sequestration. Although some initiatives of reforestation, for environment protection, have been deployed by some sites, Alstom does not consider these actions as part of the carbon sequestration standard that is expected on a net zero engagement. The main focus remains on reducing the CO$_2$e emissions from the value chain. Alstom will deploy a carbon sequestration programme in the future as a finishing touch to reach its long-term Net Zero engagement. Several initiatives were implemented in 2023, such as in Salzgitter or Hennigsdorf & Berlin, where 42,000 and more than 3,200 trees were planted.

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(1) IEA (2022), The future of Rail, IEA, Paris https://www.iea.org/reports/the-future-of-rail

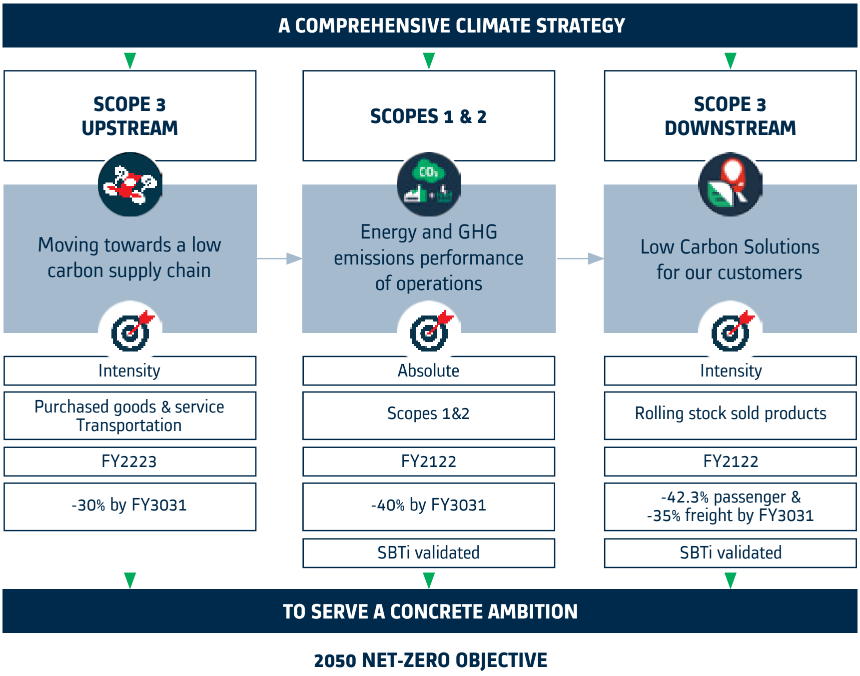
(2) The SBTi has validated Alstom targets on Scope 1&2 and Scope 3 emissions from use of sold products, covering 82% of the total carbon inventory.

Climate awareness programme

As part of its engagement towards Net Zero, Alstom is deploying awareness sessions in all regions to increase the commitment of its employees on Alstom's climate action. The Climate Fresk continue to be deployed as part of Alstom official training programme. The Climate Fresk is a three hours collaborative workshop that teaches the fundamental science behind climate change and empowers people to take action. At the end of March 2024, accross the Group, more than 1,000 persons have participated to a Climate Fresk workshop this year at Alstom.

Process and action plan

Alstom draws on its technological expertise and innovative capabilities to meet the current and future needs of operators and passengers. The company offers products from the broadest portfolio range in the rail industry. The Group's solutions support the low carbon transitions of its customers, cities and countries. For Alstom, the entire value chain has to move towards Net Zero, which includes all the phases of solutions, from design to utilisation. Alstom efforts towards low carbon solutions are reflected in its processes, action plans and results for the different steps of products life cycle.



A COMPREHENSIVE CLIMATE STRATEGY

	SCOPE 3 UPSTREAM	SCOPES 1 & 2	SCOPE 3 DOWNSTREAM
	Moving towards a low carbon supply chain	Energy and GHG emissions performance of operations	Low Carbon Solutions for our customers
Type of target	Intensity	Absolute	Intensity
GHG category covered	Purchased goods & service Transportation	Scopes 1&2	Rolling stock sold products
Baseline	FY2223	FY2122	FY2122
Target	-30% by FY3031	-40% by FY3031	-42.3% passenger & -35% freight by FY3031
Validation		SBTi validated	SBTi validated

TO SERVE A CONCRETE AMBITION

2050 NET-ZERO OBJECTIVE

Energy and greenhouse gas emissions performance of operations (Scope 1 & 2)

Alstom considers that one of its main challenges is related to its consumption of energy to limit its contribution to CO_2 emissions and their effect on climate change. Once again in 2023, the evolution of electricity and gas prices have confirmed the risk related to energy costs and have demonstrated the importance of energy conservation measures, for cost reduction and business continuity.

Alstom has defined its 2025 Scope 1&2 emissions roadmap with two main levers:

- become more energy efficient while improving the performance and cost effectiveness of processes;
- source electricity consumption from renewable energies.

Energy efficiency

Alstom monitors its energy efficiency through the energy intensity, defined by the quantity of energy consumed related to Alstom's activity, with activity measured in hours worked (employees and contractors).

The Group is still deploying its energy-saving plan which has already delivered good results. This plan is focusing on the most energy intensive sites, representing more than 80% of Alstom total energy consumption.

The overall energy saving plan is built using information and data from the six regional energy saving plans which are managed by the energy manager for the respective region. The energy saving plans incorporate initiatives and potential projects for all sites consuming over 5 GWh by reviewing energy audits and local strategies to build a robust plan for the next three years and beyond. Best practices are reviewed, and actions are proposed and validated against decarbonization targets. The plans are reviewed during a rolling review involving all regions which allows for knowledge transfer of best practice, it is also the occasion where implementation and planning is considered before final investment approval and allocation are made through the energy steering committee . Several projects were implemented during 2023/24 such as upgrade recirculation heaters in buildings in Henningsdorf, installation of traction powerlab isolation tranformer for energy saving infrastructure in Charleroi, light changing in site with LED in Ubunye.

The deployment and monitoring of this plan are overseen by a three-level governance structure (central, regional, site), generating a strong dynamic progress and share best practices.

In Europe, a specific energy efficiency plans have been deployed as a response to the energy crisis. This saving plan allowed the European regions to reduce their energy intensity by 28% between 2021 and 2023.

In addition, at the end of 2023, 59 sites are fully equipped with LED and 26 partially representing 70% of the concerned sites. Alstom will continue to deploy this relamping initiative.

Use of renewable energies

The Group has made an ambitious commitment to use 100% of electricity from renewable energy sources by 2025 including 10% of on-site production self-consumed, as part of its global initiative to reduce its environmental footprint.

The Company is signing contracts for the supply of electricity from renewable energy sources where it is economically viable. At the end of the year, electricity supplies come totally from green sources in Belgium, Brazil, China, Spain, Germany, India, Italy, Mexico, the Netherlands, Philippines, Sweden, Thailand, the United Kingdom, the United States and partially in Switzerland, Poland and France through contracts with its electricity suppliers. In DACH, the share of electricity from renewable energy sources in 2023 has risen from 44% to 92%, leading the Group renewable consumption at 75%.

In FY 2023/24, eight sites have completed feasibility study and funds approved for installation of solar panels, three have ordered new systems, 13 sites have already installed solar panels and ten sites are in the feasibility study stage. In addition, in July 2023, Alstom and Schneider Electric have announced a significant new Power Purchase Agreement (PPA) focused on solar development in Spain. The 160 GWh/year solar farm project will cover approximately the equivalent of 80% of Alstom's electricity consumption in Europe(1). The solar farm is expected to begin operations beginning 2025, with the contract lasting 10 years.

Main results and performance indicators

Details of energy consumption

(in GWh – raw values)	2021	2022	2023
Natural gas	465	389	345
Butane or propane and other gases	15	16	15
Domestic fuel/diesel	8	11	14
Steam/heating network	116	99	97
Electricity	393	377	377
Coal, heavy fuels and other fuels	0.5	0.3	1
TOTAL ENERGY CONSUMPTION	**998**	**892**	**849**

Source: Alstom Teranga.

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(1) All European countries excluding UK, Poland and Romania.

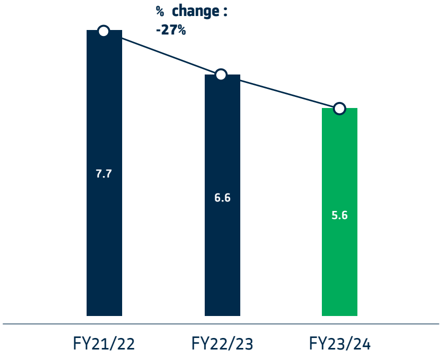
The decrease in the consumptions reflects the good results of the energy saving plan programme implemented since 2022, especially due to the energy crisis impacting natural gas and electricity. The volume of natural gas consumed has also slightly decreased due to saving actions on sites especially in France (renovation and upgrades to heating and cooling systems) and will continue into 2024/25.

The volume of domestical fuel/diesel has increased due to an increase in activity in Sahagun and Salzgitter but also as a result of improved reporting process in Glasgow, Manchester and Midland. Other good practices have been deployed in line with energy guidelines and surveys of our sites such as the site compacting analysis for unused space, switch off unused industrial equipment and installation of thermostat on radiators. At our Wroclaw site we have installed photovoltaic Panels providing 300kwp, Petit-Quevilly has connected to the local district heating system which has reduced gas consumption on the site significantly and installation of efficient motors on hydraulic system at Le Creusot will save in the region. 80Mwh per year.

The energy intensity has established at 5,60 kWh/hours worked for the year 2023 (vs 7.7 kWh/hours worked in 2021) reflecting the efforts made to save energy.

EVOLUTION OF ENERGY INTENSITY

(kWh/hours worked)



The deployment of well-established energy management practices and energy saving actions bring positive results in terms of efficiency.

Alstom set up a dedicated steering committee to manage the energy crisis at the top level of the organization. In addition, quarterly meeting was implemented with operations, CSR and EHS to track the progress of energy saving plan and solar panel's implementation. A review with Regions on their planned CAPEX & OPEX for energy & CO_{2e} reduction has also been completed to secure convergence to target.

RENEWABLE ENERGY

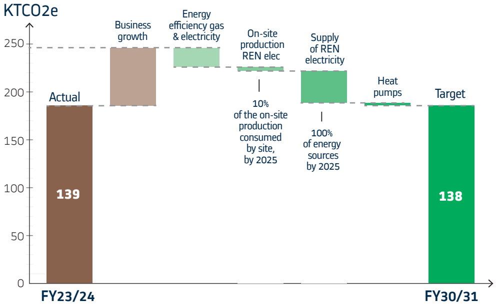
	2021	2022	2023	target
Share of electricity from renewable sources	42%	57%	75%	2025: 100%

In total, in 2023, 75% of electricity supply comes from renewable sources on the full perimeter, which is showing a 18 percentage-point increase progression compared to last year. The strategy of green electricity purchase continues to be extended. The green electricity produced on site represented more than 1% of energy consumed by the Group in 2023. In Alstom, electricity is the only source of energy from renewable source.

SCOPE 1 & 2 EMISSIONS

Categories (in $kTCO_2e$)	2021	2022	2023
Direct CO_{2e} emissions related to the consumptions of natural gas butane, propane, coal and oil – Scope 1	100	85	77
Direct CO_{2e} emissions from company cars (using gasoline or diesel oil) – Scope 1	6	7.5	8
Other direct CO_{2e} emissions related to HFC fugitive emissions – Scope 1	2	1	1
Total CO_{2e} emissions – Scope 1	**108**	**94**	**86**
Indirect CO_{2e} emissions related to the consumption of steam, heat network and electricity – Scope 2 location-based	145	134	131
Indirect CO_{2e} emissions related to the consumption of steam, heat network and electricity – Scope 2 market-based	122	85	53
TOTAL CO_{2E} EMISSIONS – SCOPE 1 AND 2 MARKET-BASED	**230**	**179**	**139**

TRANSITION PLAN SCOPE 1 & 2 EMISSIONS



The CO_{2e} emissions reflect the decrease in the energy consumptions due to the implementation of energy saving actions in 2023 in the major energy consumers. At the end of 2023, the GHG emissions from energy consumption have decreased by 39% compared to 2021. The share of green electricity in energy supply still contributes significantly to the reduction of CO_{2e} emissions.

Low carbon solutions (Scope 3)

Alstom strongly believes that the low carbon transition in transport will be achieved through the transfer of significant flows to cleaner modes (electrical and shared transport), enhanced energy efficiency and optimised multimodality supported by smarter transport systems. The Group is a world leader in sustainable mobility solutions and is globally well prepared to benefit from new opportunities arising from the reinforcement of public policies around Climate Change. The need to decarbonise transport and to favour low carbon emission modes through public policies, regulations and increased financing capacities is an important market driver pushing the demand for electrical rail solutions. Therefore, the main risks and opportunities associated to demand for low carbon solutions would be:

- major business opportunities to provide customers with competitive sustainable and low-carbon solutions to mitigate and/or adapt to Climate Change (less GHG, extreme weather adaptability);
- reduced orders for diesel regional trains, as countries progressively phase-out diesel;
- high energy consumption and/or indirect CO_2 emissions from solutions affecting the good environmental performance of rail resulting from lack of energy efficiency or inability to decarbonise electricity mix and contributing to climate change.

The main levers to reduce CO_2e emissions from solutions include the energy efficiency gains, alternative to diesel for energy traction and the engagement with our customer.

Design of energy efficient solutions

Alstom's ecodesign approach integrates the energy efficiency of rail systems into its priorities (see "ecodesign and circular economy section"). Standardised methods to determine energy consumption of solutions have been defined whilst the consolidated performance of the solutions portfolio is regularly assessed through a specific Key Performance Indicator. Robust simulations, tools and processes have been developed over the years to improve their accuracy and consider all drivers for energy efficiency.

In terms of energy efficiency, innovation is managed under the Company's R&D and Innovation processes and is positioned as a System approach to ensure the performance of the entire network rather than optimisation at subsystem level. This activity is structured around four axes:

- "Design, lifecycle and impacts", looking to improve intrinsic behaviour, performance and impact of products and solutions. This includes mass reduction programmes using composite materials and re-designed parts; the optimisation of aerodynamics; improved efficiency of electric or diesel traction systems (permanent magnet motors, optimised engine block control systems, new traction chains, powerful traction auxiliaries); and low consumption auxiliary comfort equipment (lighting, heating, and air conditioning). This systematic and systemic approach to energy balance analysis in the design phase applies to all rolling stock in the portfolio;
- "Energy sources and renewables", looking at the optimisation of sources, conversions, transformations and transport of energy. The objectives here include identification and selection of the most adequate energy sources; reduction of losses and wasted energy
- "Operations, recovery and storage", focusing on the efficiency at point of use and optimised operations. Here the focus is on operations' optimisation, such as timetable synchronisation, running profile modifications, braking efforts, line receptivity that will generate energy savings while maintaining the performance of the network. Efforts are made to minimise energy losses and maximise its reuse through electric braking until full stop in order to capture the available energy locally (e.g. through photovoltaic panels) thus avoiding the need to transport it over substantial distances, which usually results in losses and lower efficiency. A key factor of optimum energy use is the maximisation of braking energy recovery and its use. Finally, storage, autonomy and hybridation subjects for rolling stock and the entire system will support specific missions and improve further energy efficiency;

The search for energy efficiency is also reflected in Alstom's solutions and portfolio, for example:

- In November 2023, Alstom celebrated the extension of Line 2 of the Santiago Metro in Chile that has state-of-the-art technology and a signalling system that allows for greater safety and improved energy efficiency. The technology that Alstom installed will allow the movement of trains to be under the control of the Alstom interlocking system and automatic train control system (SACEM), which while improving the safety of passengers will help optimize the acceleration and deceleration of trains thereby reducing energy consumption. In addition, this should allow the time interval between trains to be maintained as on the existing line.
- The TGV M^{TM}, from Alstom's Avelia Horizon range, is entering a new phase of testing. The first train has been running since June 2023, enabling the shunting, energy collection through pantograph, traction, and braking functions to be assessed and validated. This train ran for the first time at the maximum commercial speed of 320km/h, on 14 September 2023 at 3.47pm. Prior to this, in March 2023, the train travelled to Vienna in Austria for climatic tests, which enabled the future train to be tested at extreme temperatures (between -20°C and +40°C). They are critical in the current climate change context, as they will enable us to assess the energy efficiency of the future TGV. The train's resistance to climatic constraints will make an active contribution to the objective of reducing the energy consumption of the future TGV by 20%.

- In February 2024, Alstom successfully delivered the first manufactured trainset for Meerut Metro to the National Capital Region Transport Corporation (NCRTC) in India, as part of a contract signed by Alstom in 2020 for the delivery of 210 cars for the Regional Rapid Transit System (RRTS). The Meerut Metro will play a key role in promoting balanced and sustainable economic development of the region. The advanced, eco-friendly design will bring significant efficiencies through the incorporation of energy-saving technologies, including the modern car body, reliable bogies, efficient propulsion system and regenerative braking.

Zero (direct) emission-train solutions to deliver railway decarbonisation

In the rail sector, about 55% of electricity consumption is dedicated to passenger services, and most of the diesel (85%) consumption is for freight services but diesel-powered passenger services still represent 25% of the worldwide total[1]. More and more operators are taking measures to reduce the environmental impact of diesel operations by specifying stringent emission requirements for motors, favouring diesel-electric traction that provides more flexibility and efficiency, or by using hybrid solutions (such as diesel and batteries) and alternative fuels.

Today electrical rail solutions and systems represent most of the Company's orders. The supply of new build diesel rolling stock (locomotives or trains, including bimode) represented less than 5% of Alstom's orders over the last three years.

Ultimately, decarbonisation will involve electrical traction, which is the core of the Company's expertise.

- electrification: Electrified rail is one of the most sustainable forms of transport. Further electrification makes sense for many lines suiting higher speed routes with high-capacity commuter and suburban routes and where there could and should be an intensification of the route and/or there is a significant freight operating requirement. Alstom has developed the knowledge and the expertise to deliver a full range of electrification services. In addition, electrification has the lowest emissions as it is the most energy efficient energy supply considering from well to wheel.
- bi-mode/hybrid: the Company is developing a large range of hybrid and bi-mode solutions and continues to expand its portfolio. Prima H3™ shunting locomotives exist in versions using different sources of energy: hybrid (combining the advantages of a battery and a diesel engine) for manœuvre on closed site or for light freight, dual-mode diesel (catenary power and diesel engine) for manœuvre, work trains or freight trains on lines with or without catenaries, and dual-battery mode incorporating the additional advantages of battery power. As part of its "green modernisation offer", Alstom Services product line offer to customers: green re-tractioning . The main focus being providing alternatives to diesel traction for non-electrified and low frequency lines and implementing battery, hydrogen re-tractioning. Hybrid solutions to reduce CO_2e and NOx emissions are also available, to make part of a journey emission-free where complete transformation is not possible, for example, enabling diesel trains to run on electric batteries for the section of their journey through urban areas.
- catenary-free zero emissions solutions: to fully decarbonise operations on non-electrified lines and after being the first manufacturer in the world to offer regional trains powered by hydrogen fuel cells, Alstom has now developed a full range of solutions:
  - battery solutions: battery solutions are generally more suitable for short and medium-length non-electrified sections. The latest battery technology that Alstom is currently developing can increase distances to over 160 km of autonomy and the technology continues to progress. On 18 October 2023, Alstom and SNCF Voyageurs presented the first battery-powered Regional Train (TER) at the Rencontres Nationales du Transport Public, in Clermont-Ferrand in France. Five dual-mode electric-diesel trainsets are to be modified by replacing their diesel engines with batteries, in order to become 100% electric, helping reduce CO_2 emissions on non-electric lines. This large-scale project is a first of its kind in Europe.
  - hydrogen solutions: hydrogen-based solutions are preferable for long-range needs. Hydrogen trains offer a clean, reliable and cost-efficient alternative for tracks that aren't electrified. Alstom's Coradia iLint, the world's first hydrogen powered train, has won the 2023 Environmental Sustainability Canadian Urban Transit Association (CUTA) Award. It was the first hydrogen-powered train transporting passengers in all of North America. It carried more than 10,000 passengers in a demonstration project in Quebec from mid-June to the end of September 2023 on the Réseau Charlevoix rail network along the Saint-Lawrence River.

Engagement with customers

Alstom is already working closely with customers to propose efficient solutions that can reduce their energy consumption. Rail operators are frequently among the biggest energy consumers in their countries, so every improvement in efficiency achieved can lead to a significant positive impact on the GHG emissions from customers. Several of Alstom customers have already started their own climate action journey and are deploying actions to reduce the energy consumption or to source from renewable electricity for their traction operations.

In 2023, Alstom continued to monitor its rolling stock customers commitments on renewable electricity. A series of interviews on the circular economy topic were conducted with several European clients. The renewable electricity approach was part of these interviews.

At the end of this fiscal year, 7% of the passenger-km travelled by sold rolling stock are using renewable electricity fortraction operations.

GHG emissions related to products and services sold (Indirect GHG emissions – scope 3 downstream)

Alstom has established a method to assess CO_2e emissions from the use of its products and services, which represent the largest share of the Group's carbon footprint. These emissions are evaluated annually for all products and services sold during the year, over their whole lifetime operation, and taking into account normalised conditions of use (e.g., nominal capacity of transport, energy mix in the country of operation). The calculation of these emissions follows the recommendations from the GHG protocol.

In the FY2023/24 year, the carbon footprint of products and services sold by the Company was estimated at approximately 37,5 million tons of CO_2e over an average lifespan of 30 to 40 years.

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(1) IEA, The future of Rail (2019).

The geographic distribution of scope 3 emissions for Rolling Stock Sold Products is the following:

- Asia/Pacific: 35%;
- Africa/Middle-East/Central Asia: 42%;
- Europe (France + Europe Region): 17%;
- Americas: 6%.

A significant part of these emissions is related to the locomotives activity which provides transport solutions for heavy freight. Moreover, Alstom provides electrical solutions all over the world, including in countries where energy mixes are still largely carbon-based (India, Kazakhstan or South Africa). In this context, Alstom's first priority is to reduce these emissions by continuing its efforts to improve the energy performance of its solutions. Opening the dialogue with its clients concerning the options for supplying trains with electricity from renewable energy sources is another potential area of development.

Regarding passenger transport solutions, emissions amount to an average of 4.0gCO_2e/passenger-km. This significant improvement of performance is mainly due to evolution of urban trains product line with improvement of energy efficiency of sold products and global increase of sales on urban trains with lower sales on contracts located in countries with unfavorable energy mix. This confirms that Alstom's solutions rank amongst the most efficient in the transport sector for low-carbon mobility.

Emissions from freight solutions amount to an average of 8.4gCO_2e/t.km. This performance with clear improvement is explained by new contracts based on more efficient solutions and in countries where energy mix is more favorable than average as well as lower sales generated in countries with unfavorable energy mix.

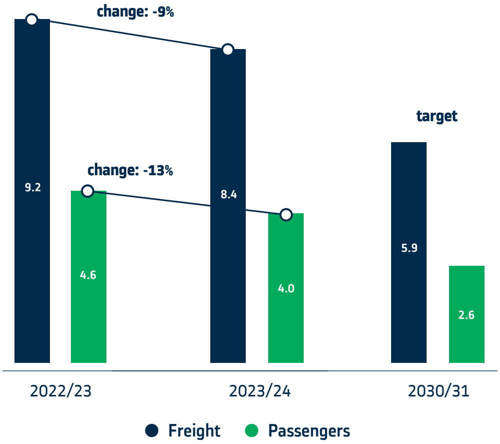
Main results and performance indicators

	2021/22	2022/23	2023/24	Target
% reduction of energy consumption in Alstom solutions	22.0%	23.4%	24,1%	FY2024/25: 25%
CO_2e emissions intensity of Alstom passenger transport solutions sold during the fiscal year (gCO_2e/pass.km)-Scope 3 (1)	4.6	4.6	4.0	FY2030/31: 2.6
CO_2e emissions intensity of Alstom freight transport solutions sold during the fiscal year (gCO_2e/ton.km)- SCope 3 (2)	9.2	9.2	8.4	FY2030/31: 5.9

(1) Calculation based on yearly IEA and ADEME emissions factors. Transport solutions include light rail, metro and suburban, mainlines and e-bus solutions.

(2) Calculation based on yearly IEA and ADEME emissions factors

EVOLUTION OF CO2E EMISSIONS INTENSITY OF ALSTOM SOLUTIONS SOLD DURING THE FISCAL YEAR



Alstom has set a key performance indicator to monitor its solutions' energy efficiency. The indicator consolidates the global energy reduction of its portfolio based on an average of the percentages of consumption reduction from free for tenders trains, systems and signalling solutions compared with a baseline of 2014 to the exclusion of "legacy products" only subject to repeat and option orders. Today, Alstom is able to offer to its clients, electrical rail solutions that are 24,1% more energy efficient on average than in 2014 in line with its target for 2025.

Performance on intensity of Scope 3 Use of Sold products is stable. The carbon intensity is directly linked to the energy mix where the rolling stock is operating. For some of the key markets, the decarbonisation of the grid is going at a slower pace than expected, which combined with important sales in certain countries have resulted in a steady carbon performance.

Moving towards a low carbon supply chain (Scope 3 upstream)

Alstom recognizes that activities with its suppliers contribute significantly to its indirect carbon footprint, accounting for approximately 17% of the company's total CO_2 emissions. Indeed, the main procurement activities are related to the sourcing of goods and services, capital goods, transportation & logistics services, as well as business travel of its employees. The category of Purchased Goods & Services has the highest impact, accounting for more than 90% of the total carbon footprint in Alstom's scope 3 supply chain. In line with its commitment to sustainability, the sustainable procurement team conducted a comprehensive supply chain analysis and identified the most carbon-intensive commodities purchased most of them being in the metallic and interiors domain.

Measuring the group Carbon footprint is the first step towards decarbonization. Therefore, Alstom has established ambitious carbon reduction targets:

- for purchased goods & services: 30% reduction on FY22/23 baseline (950 gCO_2e/€) by FY30/31 in $KgCO_{2e}$/k€;
- for transportation & logistics: 30% reduction on FY22/23 baseline (41 gCO2e/TKM) by FY30/31 in $KgCO_{2e}$/TKM.

A dedicated roadmap has been defined and implementation started. This process is based on 3 main steps: **Engage**, **Measure** and **Act**, as recommended in the white paper “Decarbonizing procurement”established by the Conseil National des Achats (CNA) in which Alstom has actively participated in FY2023/24.

Engage

Internal & external trainings and communication: to increase awareness and knowledge of carbon emissions, decarbonization and circular economy. Two e-learnings were launched in the FY 23/24 for all Alstom employees and are recommended for the procurement team:

- "CO_2 emissions in the supply chain" which enables participants to understand: Carbon emissions management in their activity; Alstom's carbon methodology; Alstom's procurement CO_2 strategy and its expectations from suppliers.
- "Life Cycle Assessment (LCA)" which is offered to Alstom teams to educate on how to conduct LCAs and the importance of these assessments in minimizing environmental impacts. The module provides a comprehensive overview of the key steps involved in an LCA, from defining the scope and goal of the study to interpreting and communicating the results.

For communication, a supplier day took place in Casablanca in October 2023, where the top- 100 suppliers of the group were invited. It was focused on spreading awareness around decarbonization, in order to be all aligned with the Alstom objectives fixed and associated roadmap and 25 of these suppliers were trained.

An Alstom Procurement Environmental committee was launched during this fiscal year. The committee is led by sustainable procurement and gathers ecodesign engineers, CSR, and HSE experts. This committee meets with procurement teams regularly to align with the group's environmental commitments and expectations and to exchange information on establishing the carbon reduction plan. The objectives of this committee include reviewing suppliers' environmental maturity and proposing associated support; securing the engagement of the most CO_2-intensive suppliers; validating the evolution of the supplier carbon footprint; monitoring suppliers' environmental action plans and priorities and identifying critical topics and necessary funds for green innovation and circular economy efforts.

Alstom is an active member of Railsponsible (see sustainable procurement), a sustainability initiative in the railway industry. One of the three prioritiesis the climate actions. To align on a common path, Railsponsible published a position paper on climate change in in July 2023, the members of Railsponsible signed the Climate Pledge. Alstom participates to regular supplier decarbonization workshops, such as the one organized in Utrecht in February 2024 to exchange on best practices.

Measure

Sustainable procurement is designing the carbon tool which is planned to be launched by the end of 2024. The tool will enable the suppliers to connect with Alstom and declare their product carbon footprint and their carbon reduction initiatives, resulting in more accurate data than the reference emission factor. The Alstom carbon tool includes the following features:

- a complete database with Emission Factors for Purchased Goods & services that can be used to compare suppliers and assess their environmental impact;
- a buyers' module that enables CO_2 simulations and calculations so that buyers can understand the different options available to reduce their carbon footprint and select the best available solutions;
- a monitoring system that enables buyers and suppliers to track their carbon reduction action plans and measure their progress over time.

Dedicated communication and trainings in the next fiscal year will be shared towards both suppliers and procurement team to onboard in the tool.

Act

Engagement of suppliers to reduce their environmental footprint, with a focus on 1,000 most CO_2 intensive suppliers. In that frame suppliers are encouraged:

- to develop innovative products (i.e. GHG-free HVAC solutions) aligned with GHG reduction targets, with Alstom platforms and engineering, to contribute to the decarbonization of Alstom solutions;
- to transition towards renewable energies, improve energy and resource efficiency, reduce the weight of their products, enhance recycled content and promote circular economy initiatives. Indeed, the compliance with Alstom ecodesign requirements (Recycled content, energy efficiency, weight…) is key to reduce CO_{2e} emissions.

As a best practice example on the CO_2 reduction in the logistic, the site of La Rochelle in France deployed a project on optimizing the milkrun transport for its procurement. The project was proposed for the I Nove Yo award for the fiscal year 23/24. The project not only has a positive impact on the environment, but also results in stock reduction. The initial issue was that each supplier was delivering their products to Alstom separately, resulting in half-empty trucks. Supply chain members of La Rochelle identified and proposed the following solution: La Rochelle site manages supply chain flows in synergy with Villeurbanne and Tarbes sites and with one of the transport partners, DB Schenker, to ensure that routes and goods gatherings are globalized and optimized. This is achieved using collection loops, which regroup several suppliers in one truck, the implementation of reusable packaging solutions, and the definition of loading levels to optimize truck filling rates. As a result, gas emissions, transport costs and risks, and stock reduction have all been considerably reduced. Deliveries are now regular, secured, and mastered.

For the La Rochelle site, this has translated into 316,000 km, 283 CO_2 tons avoided and 2.3 tons of packaging waste avoided.

Main results and performance indicators

Main Supply Chain Scope 3 emissions	2022/23	2023/24	Target
CO_2e emissions intensity of purchased goods & services (gCO_2e/€)	950	1059	FY30/31: -30%
CO_2e emissions intensity of transportation and logistics (gCO_2e/tkm)	41	79	FY30/31: -30%

TRANSITION PLAN SCOPE 3 EMISSIONS

Scope 3

	Targets	Actions
Purchased Goods and Services	• 25% circular (recycled) content in newly-developed trains	• Conduct change management (training of buyers and suppliers) • Engage with key suppliers • Develop low carbon & circular options
Use of Sold Products	• 100% of newly solutions eco-designed • -25% energy reduction in solutions vs. 2014	• Reduce energy consumption of our solutions • Propose alternative propulsion systems • Engage with customer on climate plans

Carbon inventory

Alstom accounts its carbon inventory following the guidelines of the GHG protocol. The main CO_2e emissions are operations, the sold products and the supply chain.

Scopes	Categories	2021/22	2022/23	2023/24
Operations - Scopes 1 and 2	Direct CO_{2e} emissions related to the consumptions of natural gas butane, propane, coal and oil(1) – Scope 1	100	85	77
	CO_{2e} emissions from company cars (using gasoline or diesel oil) – Scope 1	6	7.5	8
	Other direct CO_{2e} emissions related to HFC fugitive emissions – Scope 1	2	1	1
	Total CO_{2e} emissions – Scope 1	**108**	**94**	**86**
	Indirect CO_{2e} emissions related to the consumption of steam, heat network and electricity(2) – **Total Scope 2 market based**	122	85	53
Total CO_{2e} emissions – Scopes 1 and 2 market-based ($kTCO_{2e}$)		**230**	**179**	**139**
Supply Chain - Scope 3 upstream	Purchased goods & services*	NA	6,544	7,247
	Capital goods*	NA	79	84
	Fuel and energy-related activities	19	17	29
	Waste in operations	4	4	5
	Transportation*	33	56	79
	Business travel*	6	30	29
	Employee commuting	80	56	84
Total CO_{2e} emissions – Scope 3 upstream* ($kTCO_{2e}$)		**NA**	**6,786**	**7,556**
Sold products - Scope 3 downstream	Use of sold products(3)	44,063	38,558	37,551
Total CO_{2e} emissions – Scope 3 downstream ($kTCO_{2e}$)		**44,063**	38,558	**37,551**
TOTAL EMISSIONS ($KTCO_{2E}$)		**44,435**	**45,284**	**45,246**

Source: Alstom Teranga.

(1) As regards natural gas, butane and propane, CO_{2e} emission factors come from "IPCC Guidelines for National Greenhouse Gas Inventories (2006)".

(2) The scope 2 emissions are reported on market-based. Emission factors for electricity come from AIB or, if not available from IEA..

(3) For consistency reason, emissions factors have been modified from 30 years average to current values. Historical datav have been rereated. Emission factors used to calculate the absolute TCO_{2e} from Sold Products come from IEA (2023 database).

* As the calculation methodology for several scope 3 emissions categories has been updated during FY22/23, figures with a * are not comparable with the one published for FY21/22.

Asset resilience

Strategy & policies

As impacts of climate change have become apparent around the world, adaptation challenges are attracting increasing attention. Resulting from climate change that is already unavoidable due to past emissions, frequencies of extreme weather events such as floods, droughts and heat waves are expected to continue to increase in the future. Adaptation means that the risk of impacts must be assessed, and mitigation measure need to be applied to achieve resilience(1). The main risks to Alstom's business resulting from climate change include:

- the risk of destruction of installations and supply chain and/or the inability to perform if Alstom's assets are not adapted to new weather conditions;
- the risk for employees of being exposed to severe weather events like heat waves on sites;
- the risk of product damage on site during the execution of contracts in the context of exceptional events;
- liability risks in projects if solutions are unable to withstand future evolving weather conditions.

Protection of assets from natural disasters is part of the Sustainability & CSR policy and is under the responsibility of the Environment Health and Safety Department for prevention measures and the Legal Department for insurance.

The objective is to anticipate risks by taking prevention measures in order to avoid severe impacts generating damages and operating losses from such extreme natural events natural disasters.

Adaptation of the solutions to specific climate conditions is integrated in their design. Alstom ensures solutions delivered to customers are able to meet specifications as per requirements in compliance with the Alstom Quality and Railway Safety policies.

Processes and action plan

Ensuring the resilience of operations

A Group annual risk assessment review is performed as part of the annual budgeting and three-year plan process to identify, analyse, and anticipate significant internal and external risks to the company. The risk is assessed by taking into account the potential impact of extreme weather conditions – such as tropical cyclones, extra-tropical cyclones, hailstorms, storm surges, flash floods and tsunamis.

With support of external advisor, Alstom conducted a Nat Cat(2) Analysis as well as a Future Climate Risk Screening of its assets. The Nat Cat analysis consisted in assessing site exposure to natural catastrophes, also named acute climate risks from the best available hazard maps, selected among those provided by scientific literature and market at global scale. The results from this analysis are the baseline for the future climate risk screening. The perimeter of the assessment covers 350 locations associated to Alstom, that include production sites, depots and offices.

The Future Climate Risk Screening, also aimed at assessing the physical vulnerability of assets to climate change including both acute and chronic long term change in the mean and variability of climate patterns heavier rainfall, longer drought, higher temperature, etc., due to climate change climate risks, based on Climate data extracted from Global Climate Models providing projections for various climate scenarios. Alstom completed the analysis based on the Global Warming Scenario SSP5 8.5(3) ("pessimistic scenario", end of century warming at 3.3 to 5.7°C), even though a scenario on scenario SSP2 4.5[12] ("optimistic scenario", warming at 2.1 to 3.5°C) was also conducted. All climate projections are computed with time horizons 2030 and 2050 and compared to a baseline which reflects current climate conditions.

From the operational 350 locations assessed, a first screening pointed out the ones classified at high risk. This risk is a combination of the result from our external advisor based on the Global Warming Scenario SSP5 8.5 by 2050 and an exposure level classification, where production sites are ranked in the highest exposure. For locations classified at high risk, a resilience survey was conducted to evaluate if the sites have in place actions on the building structure, the business continuity and the protection of their employees. For example, sites that are exposed to heat waves have already deployed actions like flexible working hours for employees, extreme weather event training annually and individual protection equipment. The buildings itself are also equipped to have a controlled ambient temperature or are built to withstand extreme weather as local legislation requires. Critical equipment is also identified and actions like storage in temperature controlled rooms or special protection can be carried out. Finally, almost all screened sites have an alert system managed by local authorities, which allow to be better prepared in case of extreme weather event. Alstom will address the climate risk specially in these locations.

Alstom's processes for managing Climate Change related risks include an annual prevention programme, validated by Alstom's insurers and based on the best available standards. The objective is to ensure that appropriate prevention and protection as well operational measures are in place. Like every year, together with our insurers, Alstom select, validate and plan a programme of loss prevention visits based on various parameters. Those visits aim to identify possible hazards and issues, such as heating and electrical installations, environmental exposures or potential hazards. The inspection is also about obtaining additional information about risks. During the FY 2023/24, 31 sites have been visited and depending on the result, recommendations have been made. Prevention programmes are also set up during the development of new projects.

Developing resilient solutions

Climatic changes to potentially affect transport systems include both gradual ones, and intensification of extreme events. The latter are more disruptive for transport systems but also the ones the effects of which are more difficult to assess. Changes of the current climate conditions that can affect transport include sea level rise, increase of the intensity and frequency of storms and winds, increase of temperature, changes in the intensity and frequency of extreme precipitation events, floods and droughts. Potentially vulnerable to these changes are both transport infrastructure and operation, while the impacts can be either permanent, e.g. loss of infrastructure, or temporary, e.g. disruption of services.

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(1) Adaptation Planning and Implementation (ipcc.ch).
(2) Natural Catastrophe Analysis.
(3) IPCC Scenarii.

The Montreal's Réseau express métropolitain (REM) is the first 100% automatic and 100% electric light rail transit system in Quebec. When the temperature outdoors falls as low as -38°C, keeping each train car warm it's an absolute necessity. To reach this goal, each REM car is designed to have independent heating, ventilation, and air conditioning system (HVAC) but also a heated floor. Working together, these systems will keep up the right temperature and eliminate ice and snow that passengers may bring onboard. Field and real conditions allow the rail system to be tested in the long term in winter, including cars, platform screen doors, signalling and telecoms trackside equipment, but also the entire interfaces with the subsystems.

Alstom reinforce existing practices in this field with a instruction on "Environment & Climatic Adaptation" written by a group of experts in environmental and climatic design, this instruction is based on requirements from the European norm EN 50125, which covers environmental conditions for rolling stock and on-board equipment including high temperatures, humidity, air movement, rain, snow and hail, ice, solar radiation.

The document integrates additional requirements to better cover environmental and climatic considerations and goes beyond European requirements for certain criteria such as corrosion from saline atmospheres. The requirements is systematically deployed for every new project.

Main results and performance indicators

The main Key Performance Indicator followed is the number of natural catastrophes generating more than 2 million euros in product damage and business interruption. In fiscal year 2023/24, no event has been recorded.

	2021/22	2022/23	2023/24
Number of natural disasters generating damages and operating losses of more than €2 million	0	2	0

Ecodesign & Circular Economy

Alstom consistently applies a life-cycle approach to the design of its products and services in order to mitigate environmental impacts and maximise economic benefits over time. Ecodesign and circular economy approaches allow the company to benefit from new opportunities while addressing potential related risks.

Alstom's capability to provide its customers with ecodesigned and low environmental footprint solutions allied to growing demand for reuse, remanufacturing of components, and recovery of materials is generating new business opportunities for the Group.

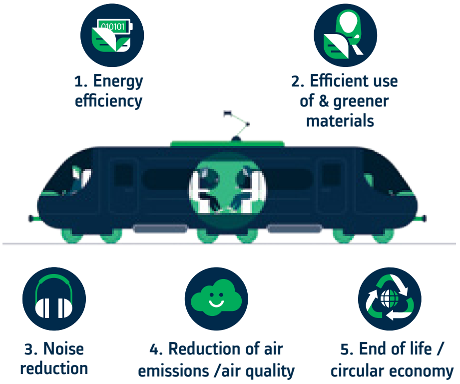
Alstom's systematic use of ecodesign is particularly relevant in the context of the progressive implementation of new regulations associated with European Green deal ambitions. It also reduces risks related to the non-compliance of Alstom's products and solutions to REACH(1), F-Gases(2) and similar existing provisions (TSCA(3) in the United States or China REACH in China(4)).

Strategy and policies

Alstom's ecodesign approach is based on life-cycle thinking, consideration of customer and stakeholder expectations, and continuous improvement.

In terms of products and services, Alstom uses a life cycle approach to identify the main levers of environmental performance and implement effective controls, materially reducing the footprint of its solutions. The different environmental aspects of the solutions are covered, including circular economy principles, i.e. aspects related to resources and their efficient management.

THE PRIORITIES SET IN ALSTOM'S ECODESIGN POLICY FOCUS ON



This policy, applicable to the whole Group, is embedded in its design activities as well as in its environmental management system (ISO 14001). It is promoted by the Chief Technology Officer supported by a network of more than 300 experts (ecodesigners, acoustics experts, materials experts and energy engineers) and deployed according to the ecodesign referential (procedures, instructions, guidelines, tools and training shared all across the Group).

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(1) Regulation (EC) No. 1907/2006 of the European Parliament and of the Council of 18 December 2006 concerning the Registration, Evaluation, Authorization and Restriction of Chemicals.

(2) Regulation (EU) 2024/573 of the European Parliament and of the Council of 7 February 2024 on fluorinated greenhouse gases.

(3) Toxic Substances Control Act, codified as 15 U.S.C. 2601-2671.

(4) China MEP Order 7 – Measures for Environmental Administration of New Chemical Substances issued in January 2010 by the Chinese Ministry of Environmental Protection, known as China REACH.

Using environmental assessments including life cycle analysis, Alstom identified and compared environmental effects and selected three key performance indicators to follow the deployment of ecodesign and circular economy activities across its panel of solutions:

- -25% in energy consumption of solutions by 2025 compared to 2014;
- 100% of newly developed solutions ecodesigned by 2025 (baseline 2021/22: 51%);
- 25 % recycled rate in newly-developed Rolling stocks solutions by 2025 (baseline 2021/22: 22.5%).

In order to deploy its policy, Alstom has set up:

- a three-year delivery plan which is updated twice a year and approved by the Chairman and CEO;
- a referential defining the ecodesign process along with instructions, standards, and competency assessment.

Ecodesign work plan

The Alstom ecodesign work plan is based on the principle of continuous improvement. It addresses following the activities:

- the trajectories required to achieve the three 2025 ecodesign targets;
- the ecodesign coverage of the solutions portfolio and the 2025 trajectories. This year, Alstom covered its new signalling and infrastructure solution for Onvia Control Regional, APM turnkey (automated people mover) and third rail electrification; new rolling stocks such as regional train Coradia Stream B (battery); new services activities such as rolling stock maintenance solutions, parts & overhaul and operation data solutions (OrbiFlo);
- the circular economy scheme development and performance improvement of associated solutions. A dedicated roadmap on circular economy has been set up covering: design and production; maintenance and modernization; waste management and recycling for all product lines. In 2023/24 , Alstom has reinforced its activities to include higher recycled content in its new trains and has also continued development of the StationOne Marketplace to grow sales of second-hand spare parts. Associated with this, activities to recover, revitalize and, where necessary, refurbish parts and components in order for them to be sold into the second-hand market. Several customers were interviewed regarding their expectations on sustainability and circular economy. Primarily, their actions to adopt circular economy are driven by reducing their carbon emissions;
- the operational performance. The deployment of an IT tool developed to capitalise on and streamline environmental data management, such as recyclability, material composition and emissivity while ensuring consistency with other tools such as PLM (Product Life Management), was pursued;
- the environmental assessment. To this end, a dedicated roadmap for life-cycle assessment and life cycle thinking has been maintained and implemented; Deployment of a simplified Carbon tool used to quickly assess different traction versions of Rolling Stock was reinforced and a return on experience will be implemented in 2024/25;
- the environmental risks and opportunities linked to solutions and products. In 2023/24, air quality tests were done on some trains and comparative environmental assessments of green retractioning and maintenance optimisation solutions were completed in order to characterize environmental strengths and identify areas of improvement;
- the standards and regulations. Alstom contributes to the definition of several standard(ISO & EN) and is a member of the UNIFE(1) Sustainable Transport Committee and its topical groups “life-cycle analysis and chemical risks”, and “Chemical Risks” group which is preparing upcoming challenges related to inclusion of lead as a candidate substance (REACH); Alstom has set up a mitigation plan on covered substances and as of today 95 % of substances have been phased out. In 2023/24, several regulatory dossiers for REACH regulation advanced, such as for use of F-Gases, restriction proposal on PFAS (Per- and polyfluoroalkyl substances also known as forever chemicals). New EU Ecodesign for Sustainable Product Regulations (ESPR) have been followed;
- the human resources and competencies. Ecodesign engineers and experts are assessed according to an ecodesign competencies assessment grid;
- target setting: each Alstom site with development and design activities is required to define its yearly ecodesign objectives and at solutions level, specific and relevant objectives are captured in an ecodesign dashboard.

Processes and action plans

Alstom’s ecodesign process is being progressively extended to all solutions for which the approach is relevant and include:

- enrolling ecodesign and the circular economy in the Company’s culture. General trainings “ecodesign for all” are progressively deployed. New ecodesigners have been trained on modules such as “recyclability and end of life”, “life cycle assessment”, “regulations on hazardous substances” and “emissions and air quality”; e-Learning on hazardous substances and ecodesign are proposed. In 2023/24, a module for suppliers was developed;
- integrating the environmental dimension in portfolio management, the development of solutions and delivering of products that meet customer requirements. For all new developments, performance and market expectations are assessed to determine how best to implement the ecodesign concept;
- reinforcing the check points for ecodesign in the design for quality processes and check list;
- ensuring compliance with standards and regulations;
- promoting responsible solutions and communicating on environmental performance along the life cycle through Environmental Product Declarations (EPD), such as Metro Barcelona S7000 & S8000, Västtrafik regional trains and X’trapolis for Perth. EPDs are publicly available on Environdec(2).

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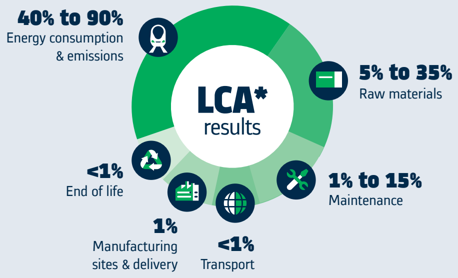
(1) The Union of European Railway Industries.
(2) https://www.environdec.com/home

Within this framework, Alstom is continuously improving its competencies, practices and performance in respect of:

- energy efficiency of rail transport systems: implementing its reversible substation HESOP(1) within urban systems, which can lead to a more than 20% of reduction of energy consumption;
- use of greener, recyclable, and natural materials:
  - control and limitation of hazardous substances (in particular the so-called Substances of Very High Concern "SVHC" according to the REACH Regulation). This pro-active approach has allowed to detect and secure candidate substances for a lot of components. By this means, the Group reached its target of 100% of the substances (concerned by Annex XIV) substituted ahead of legal deadlines,
  - Alstom has defined criteria to qualify low impact materials and components and developed a catalogue proposing solutions by components/parts category, including ecolabels. For example, the seats designed for Regional trains Coradia Stream™are made with eco-labelled parts (FSC(R); PEFC(R), OEKO(R));
- reduction of noise and vibrations for new and forom is developing a new HVAC silencer technology consisting in compact acoustic resonators' plates replacing acoustic insulation.
  - reduction of the electromagnetic noise from the main transformer has been implemented (BEMU VMS).
- reduction of air emissions and improvement of air quality:
  - optimised electrical braking avoids several tons of emissions yearly per fleet
  - improved filters -PEPA-F (virus and Particulate Matters (PM));
- improving the circular economy, lifetime, end-of-life management, and recyclability of systems and subsystems:
  - with a complete portfolio of renovation and modernisation solutions, Alstom offers customers the ability to extend the lifetime of their systems whilst allowing upgrade of performance, comfort and services For new build Rolling Stock Alstom delivers end of life manuals to optimise recycling. For example, the Coradia Continental battery train (BEMU) reaches a high recyclability rate of 96%. In total, 92% of products sold last year can be reused or recycled. Alstom also integrates high levels of recycled content in its trains. For example, up to 75% recycled materials content can be present in new metallic carbodies for stainless steel metro vehicles. Alstom's refurbishment and supply of second-hand electronic spare parts enables our customers to access obsolete parts that are no longer manufactured as well as to secure parts more quickly. In 2023/24 the selling of refurbished second-hand electronic spare parts allowed the avoidance of nearly one ton of electrical and electronic equipment waste.
  - Life-cycle and environmental assessment (LCA). Internal processes ensure robust and standardised Group practices. Several services LCA were conducted on retrofitting diesel trains with green traction and on optimisation of maintenance. Life cycle assessment have been done on 88% of newly developed solutions ecodesigned. In 2023/24, 16% of the revenues are covered by type III(2) Environmental Product Declarations and 7% of the revenues are covered by type II(3) self-declared environmental claims.

AVERAGE ROLLING STOCK LIFE CYCLE ENVIRONMENTAL FOOTPRINT



Data based on: LCAs performed with GaBI software. Values are the % calculated based on PEF** 3.0 indicators with PEF normalisation and weighting.

*Lifecycle analysis

**Product environmental footprint

Main results and performance indicators

	2021/22	2022/23	2023/2024	Target
% reduction of energy consumption in Alstom solutions	22%	23.4%	24.1%	2024/25: 25 %
% of newly developed solutions ecodesigned(4)	51%	65%	87%	2024/25: 100%
% of recycled content in newly-developed rolling stocks solutions	NA	22.5 %	23.4%	2024/25: 25 %

Newly developed solutions are classified as "ecodesigned" when environmental footprint reduction targets have been defined in the ecodesign dashboard and a follow up of environmental performance is in place.

The eligible newly designed solutions include recent portfolio products and services benefitting from development and R&D programmes. This year, it covers:

- products: APM turnkey and third rail electrification for Metro; regional train Coradia Stream B; Commuter train Adessia;
- services: rolling stock maintenance for regional, high speed trains and locomotives; parts & overhaul and Operation data Solutions (OrbiFlo HealthHub™Signalling).

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(1) More details available on Alstom's website, https://www.alstom.com/solutions/infrastructure/hesop-saving-energy-and-costs-single-solution
(2) Refers to ISO 14025.
(3) Refers to ISO 14021.
(4) 52% of revenues from newly developed solutions ecodesigned.

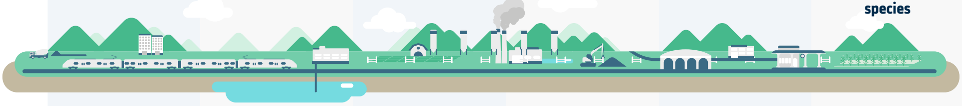
Biodiversity

Strategy & policies

As biodiversity is considered to be one of the top 10 global risks within the next 10 years (World Economic Forum, 2024) and is identifying as an emergent topic for the Company, since 2022 Alstom has developed first actions related to biodiversity.

During FY2022/23 the Group has started to map sensitive areas and potential endangered species for 126 units(1). This year with the help of a expert firm, the Group has extended its works to identify biodiversity' impacts and dependencies of its activities all along its value chain.

Using this information, Alstom has started to work on its biodiversity strategy that will be launched next year. This approach should embrace biodiversity stakes in a wide sense considering potential impacts and positive contribution through sites, projects and products covering the Group direct operations but also impacts linked to the supply chain and the use of its products.



Erosion factors	**Soil artificialisation, degradation, fragmentation, soil sealing**	**Overexploitation of the water resource**	**Overexploitation of other resources (animal and vegetal)**	**Pollution (air, water, soil, noise and light)**	**Greenhouse gas emissions (GHG) increasing global warming**	**Impacts related to the introduction of invasive, genetically modified or noxious species**
Upstream Indirect impacts	🟥 Soil degradation associated with the supply of metals, electronic and electric components	🟥 Water consumption linked to manufacturing process of metals, electronic and electric components		🟥 Pollution caused by emissions of pollutants during the extraction and manufacture of raw materials in the supply process of metals, electronic and electric components 🟦 Pollution linked to the manufacturing of plastics and derivates, and chemical products	🟥 GHG emissions linked to purchased goods and services	
Operations Direct impacts	🟦 Soil degradation associated with infrastructure activities consisting in railway installations 🟦 Soil artificialisation association with the expansion of the building footprint	🟦 Water consumption linked to the specific operational activities (expansion of the building footprint and services)		🟦 Pollution generated during the manufacturing processes.	🟦 GHG emissions linked to Alstom's own operations	
Downstream Indirect impacts		🟦 Water consumption linked to the use of trains and the management of their end of life		🟦 Pollution linked to the use of trains. Impacts on resource linked to products end of life management	🟥 GHG emissions linked to sold product and to their end-of life treatment process	

Level of Impact
🟥 Very high
🟦 High

Processes and action plan

Identifying key biodiversity areas

In addition, in 2023, a mapping of the key biodiversity areas (areas contributing significantly to the global persistence of biodiversity, based on threatened biodiversity, geographically restricted biodiversity, ecological integrity, biological processes, irreplaceability) near Alstom's sites was carried out.

Key biodiversity areas (within a 10 km radius) have been identified near 144 units, and no key biodiversity area in 204 units. In total, 93% of units have been covered by this assesment.

Major units have been selected for a deeper diagnosis, with priorities based on assesment results and their business exposure. The phasing is divided into three fiscal years with 11 units in FY24/25, nine units in FY 25/26 and 13 units in FY26/27.

Raising awareness of biodiversity

As biodiversity is a new topic with a lot of technical aspects and concepts, Alstom has prioritised to increase the awareness of concerned employees with a webinar dedicated to biodiversity. This webinar was delivered to over 160 members of the EHS and CSR communities who will be in charge of implementing the future strategy. The content covered:

- introduction to biodiversity concept and technical terms;
- presentation of emerging regulation and extended CSR reporting requirements;
- presentation of Alstom current situation and the results of its impacts and dependencies analysis;
- presentation of action that could be implemented in the future to generate a positive contribution on the local biodiversity.

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(1) Unit refers to EHS reporting units, it fits for a physical scope based on the activity (manufacturing, depot, office, project) and the product lines (DIS, RSC, Services).

In link with its partnership with the French public establishment ONF ("Office National des Forêts") established in 2020, in May, Alstom France organised a sensitisation webinar to present biodiversity challenges to its employees.

Moreover, two transversal talent groups (one in France, one worldwide) have been working on biodiversity stakes for Alstom. The aim of these working groups was to identify priorities to be addressed by the Group and to propose a first set of actions. In complement, based on the outputs of these groups and capitalising on the analysis of key biodiversity areas and impacts and dependencies, EHS and CSR team have been working on drafting a biodiversity strategy with the support of internal experts (ecodesign and Sustainable Procurement department and CSR champions).

Our sustainability strategy is evolving to encompass growing challenges, which will be reflected in the Alstom 2027 strategic plan. An additional pillar, Resources, will be added to the sustainability strategy, with a focus on our priorities and actions in Ecodesign and Circularity, previously incorporated within the decarbonisation pillar.

Main results and performance indicators

During FY2023/2024, several sites have continued to implement actions in favour of local biodiversity.

For instance, in Sricity, following the expansion of the site and trees cuts, the local team has decided to realise a Miyawaki forest.

This Japanese technique of cultivating trees, enable to have a dense forest in a short period of time. Thanks to this project, 1,200 trees covering 4,240 square feet were planted.

	2023/2024	Target
% of units covered by a key biodiversity assessment	93%	FY 2024/25: 100%

Our sustainabilitly strategy is evolving to encompass growing challenges, which will be reflected in the Alstom 2027 strategic plan. An additional pillar, Resources, will be added to the sustainability strategy, with a focus on our priorities and actions in Ecodesign and Circularity, previously incorporated within the decarbonisation pillar.

2. CARING FOR PEOPLE

Wherever it operates around the world, Health and Safety remains an utmost priority for the Company, its employees, and its contractors. Alstom deploys ambitious programmes to reach a clear target: prevent injuries and eliminate all severe accidents. Caring for people also means providing employees with the best working environment and employee experience. Making sure the Company attracts, engages, and retains the right people is key to ensuring the Company's success. Recognising the importance of having a skilled and diverse workforce working together to deliver the best products and services for tomorrow's mobility, the Group strives to ensure a healthy working environment in which there is ample opportunity for learning, development and progress. The value Alstom adds to its customers strongly relies on the skills and competencies of its workforce and its ability to develop them, as well as its capacity to offer a diverse and inclusive work environment.

Key topics	Main CSR targets and KPI	Starting point/baseline	Starting/ baseline Year	2023/24	Target Year	Progress	SDG
Employees' and contractors' health & safety	Total recordable injury rate at 2.0 (TRIR)	2.3	FY2021/22	1.5	FY2024/25	🟩	3 GOOD HEALTH AND WELL-BEING 4 QUALITY EDUCATION 5 GENDER EQUALITY
	Injury frenquency rate (IFR1) < 1	1.1	FY2021/22	0.9	FY2024/25	🟩	
Recruitment, engagement and retention	Global Top employer certification	14 countries	2021	Global Top employer certification	2025	🟩	
People development	22 hours of training per employee per year	19.0	2021	26.7	2025	🟩	
Diversity & equal opportunity	28% of women in managers, engineers and professionals	23.2%	FY2021/22	24.7%	FY2024/25	▨	

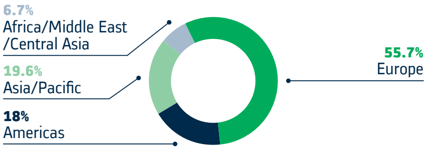
🟩 Reached ▨ On progress

ALSTOM WORKFORCE

64
countries
184
nationalities

1/5
employee is a woman
40.5 years old
in average

Repartition of workforce:



Employees' and contractors' health and safety

Safety

Strategy and policies

The Alstom's EHS policy, updated in July 2023, highlights its strong leadership and commitment in these areas. It covers all Alstom entities and applies to all employees, temporary workers and contractors. As expressed in the policy, the Group aims to be recognised as the best EHS player in the Railway sector.

The Health and Safety ambitions are:

- target zero accidents and incidents with focus on preventive actions; supported by Alstom Zero Deviation Plan (AZDP);
- continue to improve employees' and contractors' Health and Well-being; create a positive culture and attractive workplace that fosters and develops work health, and well-being for employees and contractors and promote social, mental and health factors.

The Health and Safety strategy supports a pro-active approach based on:

- continuous improvement of EHS performance through measurable and return of experience;
- an EHS management system relying on internal processes to ensure compliance with applicable standards and regulations. The EHS management system is based on ISO 45001(1). During the FY2023/24, more than 60% of the workforce was covered by an official certificate provided by registered third parties;
- the assessment of EHS risks, proactive measures for the prevention of incidents and occupational diseases.

The approach is also supported by:

- Visible and Active Leadership of EHS subjects under the responsibility of the managers in the operations function;
- workforce engagement;
- a network of EHS professionals acting locally and supported by regions and activities expertise which ensures a high level of EHS competency at all levels of the organisation. With at least, one EHS representative per site.

Today, more than 500 EHS professionals are in charge across the Group to implement the Health & Safety strategy. This EHS community is animated at different levels: country, cluster (several countries in a same area), region and central, with transversal roles for product lines.

Moreover, in March 2023, a Chief Medical Officer joined the EHS team. As a medical expert (doctor by training), his mission is to support the development of the Alstom policies for health and well-being subjects, with the support of both EHS and Human Resources professionals. In this role he will provide guidance and support for operational leaders responsible for the health and well-being of employees in factories, depots, projects, offices or on business assignments. He will coordinate and build a network of medical professionals and health ambassadors throughout the organisation and leverage their expertise to develop health related policies and guidance with the focus on prevention, detection and care.

A quarterly virtual live event has been put in place by the central team and regions to share with the EHS network highlights, progress best practices. and return of experience.

In addition, an EHS bi-monthly Steering Committee is held with the sponsorship of the Chief Operations Officer and the Chief Human Resources Officer.

The Steering Committee is composed of key stakeholders: the three Product Line Presidents and the Chief Strategy Officer, together with Vice-Presidents for Sustainability and CSR, Platforms and Operations. During this meeting, EHS subject matter experts are invited, as applicable, to present return of experiences, share good practices, and key topics.

Process and action plans

Alstom Zero Deviation Plan (AZDP)

Based on the analysis of main safety risks, Alstom has identified the high-risk activities related to the broad spectrum of work that it performs. These activities are defined in the "Alstom Zero Deviation Plan" (AZDP), whether executed directly by Alstom or indirectly by a contractor.

The AZDP plan is applied to all Alstom employees and contractors, including new sites and projects. It covers 12 safety directives, each focusing on a specific high-risk activity (ex: working at height).

This plan includes first a risk assessment and secondly, for high-risk activities identified, mitigation and prevention measures are implemented to prevent serious and irreversible occurrences.

AZDP programme was updated in 2023: 56 requirements have been identified as critical and to be covered by an audit. The other 239 requirements defined as non-critical have to be checked through self-assessment. All these requirements have to be covered by an action plan to ensure continuous improvement. In FY2023/24, the Group achieved 84% of compliance for the critical requirements.

In addition, at Group level, an annual centrally-managed AZDP audit programme is deployed covering both large industrial sites and smaller locations such as depots and construction sites.

Following the FY2022/2023 audits, , three areas of improvements were identified: management of contractors, work at height and management of chemicals. These areas were identified as focal points for FY2023/24 AZDP self-assessments by each site, for formal AZDP audits and for external AFNOR campaigns for ISO 45001 certification. AZDP training deployed covers all 12 directives including those for contractor management, work at height and management of hazardous materials. In addition, at Group level, an annual centrally-managed AZDP audit programme is deployed covering both large industrial sites and smaller locations such as depots and construction sites.

The target for the year was to perform 100 audits and it has been achieved with 101 audits done.

Alstom Performance System (APSYS)

Alstom developed a programme called APSYS (Alstom Performance System) to measure the progress on different operational topics. They are grouped in a specific section. This roadmap covers different items including leadership and vision, health and well-being, environment and safety.

Each year, industrial teams conduct APSYS assessments in accordance with the APSYS referential. The aim of this assessment is to measure the progress made in respect of the Group operational requirements including safety and ergonomic aspects directly related to the operational environment.

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(1) 73% of sites are covered by an ISO45001 certification

The Return on Experience for this new EHS APSYS Roadmap will be analysed and results will be used to develop the 2024/2025 roadmap.

In 2023/24 fiscal year, Alstom conducted 42 assessments, focusing on risk assessment, management of contractors and safety findings according to shopfloor visit. The findings and actions are tracked at site level with the support of Region.

To drive continuous improvement across the sites, the Group is used to organised Kaizen competition at site or region level. During this year, for instance, in EKZ plant in Astana (Kazakhstan) such a challenge was organised to encourage employees to showcase their creativity and to present innovative ideas and solutions towards process optimization and working environment's improvements.

Trainings and return on experience

In addition to the training required by various regulations, Alstom designs and deploys safety training modules to meet its specific needs and continuously adapts its internal training offer.

There are seven training programmes delivered by Alstom University, including high-risk activities e-learning updated in 2023.

All Alstom managers have access to an EHS app to immediately report hazardous situations or deviations. Through geolocalisation, this application automatically pushes the report to the local EHS contact to prompt action. In case of a lost time accident or a severe or potentially severe accident, an immediate (24 hours) notification.

Each severe or potentially severe accident is analysed to identify the root causes of its occurrence and to take preventive and corrective measures. For severe events, a review of the event is done with the Chief Operations Officer, Chief Human Resources Officer, EHS Vice President, Region EHS Directors and the local team within 48 hours after the event.

Lessons learned are shared within the EHS Community through return of experience sessions. During FY2023/24, 134 return of experience sessions took place, following severe or potentially severe accidents.

Main results and performance indicators

Alstom is now consolidating the Total Recordable Injury Rate (TRIR) which includes Lost-Time Injury and other work-related recordable events such as injury resulting in restricted work or transfer to light duty tasks. Alstom is developing its prevention programme on a large basis of cases and aligned with industry best practices and Sustainability Accounting Standards Board (SASB) standards. Like the injury frequency rate (IFR1), TRIR covers employees, temporary workers and contractors.

	2021/22	2022/23	2023/24
Total working hours (Alstom employees)	134,850,502	142,364,135	157,130,504
Total working hours (contractors)	43,311,073	44,930,455	46,121,866
Number of fatalities at work (Alstom employees)(1)	1	0	0
Number of fatalities at work (contractors)(1)	0	2	0
Number of travel fatalities (Alstom employees)(2)	0	1	0
Number of occupational severe accidents(3)	5	5	5
Injury severity rate (Alstom employees)	0.04	0.03	0.03
Total recordable injury rate (Alstom employees) - TRIR(4)	2.5	1.8	1.6
Total recordable injury rate (contractors) – TRIR(4)	1.8	1.4	1.3
TOTAL RECORDABLE INJURY RATE (EMPLOYEES AND CONTRACTORS) TRIR (4)	**2.3**	**1.8**	**1.5**
Lost time injury frequency rate (Alstom employees) – IFR1(5)	1.1	0.8	0.8
Lost time injury frequency rate (contractors) – IFR1(5)	0.9	0.8	0.9
LOST TIME INJURY FREQUENCY RATE (EMPLOYEES AND CONTRACTORS) – IFR1(5)	**1.1**	**0.8**	**0.9**

Source: Alstom Teranga.

(1) Includes all accidental fatalities at the workplace and on the way between two workplaces.

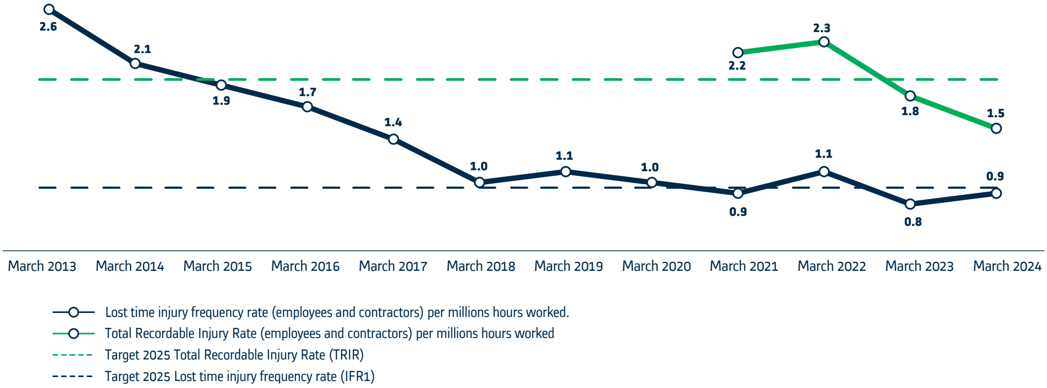
(2) Includes all accidental fatalities on the way from home to work or work to home.

(3) Occupational severe accident: fatal accident and any accident resulting in permanent consequences (either in permanent disfigurement, or permanent disability such as amputation of any digit or part of a digit) whatever the length of the medical leave.

(4) TRIR: The number of occupational fatalities and injuries (with lost time and other recordable), excluding first aid, per million hours worked.

(5) IFR1: Number of work-related injuries, which prevents the injured person from carrying out work for a period of at least one full day, per million of hours worked. Accidents on the way from home to work or from work to home are excluded from the calculation of the indicator.

The Injury Frequency Rate and Total Recordable Injury Rate are on-track versus target. However Alstom regrets five severe accidents recorded during the year. Following analysis reinforced risk assessment and reinforced training were put in place.



	2021/22	2022/23	2023/24
Number of formal AZDP audits conducted during the fiscal year	77	100	101
% of Alstom employees trained using the e-learning module on High Risk Activities*	76.1%	75.9%	73%

Source: Alstom (EHS Library).
Source: Alstom HRIS.

* Alstom deploys an e-learning programme about high-risk activities targeting all employees. The table gives the percentage of employees present in the Group who have followed the training course as at the end of the calendar year.

Health and well-being

Strategy and policies

In Alstom, employee health & well-being in is considered as a central part of the employees experience. Input has considered multicultural people across the Group and multiple competences, including Human Resources people, Health specialist, EHS and ergonomists, to define future actions needed.

During the FY2023/24, with the support of the EHS and HR Teams, the health & well-being roadmap was updated, for the next three years and will be deployed across the Group. This update was enriched by feedback from the 2022/2023 mental and physical health survey and the employee engagement survey.

Four pillars were redefined:

Work environment

Alstom provides a flexible workplace where everyone finds the right balance and healthy ways of working for them

Social wellbeing

Alstom aims to make everyone feel a sense of belonging, sharing common goals and values alongside a fulfilling career development

Mental health

Alstom cares about mental health by being attentive to what employees need to thrive

Physical health

Alstom ensures healthy working conditions where everyone is enabled to perform qualitative work

Process and action plans

At global level, following the initial deployment of the health & well-being roadmap, many actions such as well-being trainings for managers and employees, best practices handbook, health & well-being webinars have been launched to improve employee well-being at work.

During FY2023/24, a health & well-being standard was published globally which covers organisation, mental health, stress management, physical conditions, etc. to help the sites to develop a health & well-being management system. This standard, together with the associated health & well-being self-assessment checklist, has been widely communicated to support sites to understand their maturity level in health & well-being management and identify areas for improvement.

In addition, work location flexibility guidelines are available across the Group. They define a common approach of flexibility and propose solution to organise a hybrid work.

At local level, actions plans have been implemented on working from home, childcare facilities, parental leaves and maternity/paternity paid measures, in order to adapt to local situations.

Knowing that returning to work after such a break can be challenging, Alstom is exploring different ways of supporting parents coming back to work after childbirth. For instance, in Germany, in Salzgitter, a biannual gathering known as the Parents' Get Together is bridging the gap between employees on parental leave and the company. This gathering isn't exclusive to those currently on parental leave – it extends its arms to those who've recently returned to work after it too. These employees can bring a wealth of firsthand experience to the table, shedding light on the challenges they encountered and the strategies that proved effective. In India, the RENEW programme offers women with 3+ years' experience the opportunity to restart their career after a break of over 12 months. Women part of this programme are supported by a dedicated mentor and get a personalised learning path.

In addition, in Italy, the newly signed agreement is offering new solution to facilitate parents work-life balance. This agreement signed in June 2023 offers: additional working from home day, five extra-legal days for parental leave for fathers, additional permits paid by the company for children's and parent's medical examinations.

Ergonomics

In 2022, a network focusing on ergonomic topics was set up to improve working conditions based on the analysis of workplace and activities.

The mission of this network is to design a workplace to accommodate the global anthropometry, limiting the risk of ergonomic injuries at present and in future (post-retirement) for Alstom employees. It focused on:

- mobilise: define and anchor an ergonomic culture to all employees from the moment they arrive at Alstom to ensure they are active in prevention;
- act: co-construct and deploy standard processes and tools accessible to all employees to integrate ergonomics in projects;
- share: spread out best practices sharing between sites;
- innovate: create simple, reliable and objective ergonomics analysis and measurement tools and accompany the deployment of new assistance technologies. Examples include automatization and robotisation of activities, use of exoskeleton equipment, use of the in-house developed Alstom Postural Evaluation Tool (APET) and augmented reality for installation and quality control.

The roll-out of this strategy is supported by industrial ergonomic referents from sites, and active members from the ergonomic network from industrialization and EHS domains.

In 2023, the team defined a roadmap for the two coming years including creation of standards, check list, skills matrix and developing trainings, including virtual reality technology, etc.

In addition, ergonomic working groups were set up mobilizing cross functional teams on ergonomic enhancement and innovation at Alstom. In 2023/2024 a quarterly EHS & Ergonomics forum has been set up to launch joint action plans to drive health and safety through ergonomic solutions in the workplace.

Occupational health

A reporting of occupational illnesses is in place. This monitoring is carried out at the local level and takes into account the legislation of each country. Within Alstom, the main occupational illnesses identified are linked to repetitive and manual activities that could lead to work postures affecting the upper limbs in particular or musculoskeletal disorders. To prevent these illnesses, improvement actions are set up each year, and sensitisation initiatives such as training for use of hazardous substances (i.e, diisocyanatos). In addition, EHS rules are displayed on most sites, with a reminder of the "life saving" rules applicable to help to avoid accidents. For instance, regarding hazardous material, a reminder on importance to respect of rules storage for use and disposal is shared.

Health and life insurance

According to the Group's Benefit and Corporate Social Responsibility policies and guidelines of the Company, a minimum level of benefits shall be provided to all employees in terms of:

- life insurance coverage, particularly for accidents at work;
- health coverage.

Further details available under "Employee benefits" .

Main results and performance indicators

Occupational health

	2021/22	2022/23	2023/24
Number of recognised occupational diseases during the calendar year	49	35	60

Source: Alstom Teranga.

Well-being

Following the Employee Engagement Survey, Alstom defined some indicators to track the improvements related to health and well-being for the coming years.

ANNUAL EMPLOYEE ENGAGEMENT SURVEY - EXTRACTS

	2021/22	2022/23	2023/24
"I feel that my physical health & safety (inc. working conditions) is taken into account at Alstom"	-	72%	72%
"I feel that my mental health is taken into account at Alstom"	-	56%	58%
"I feel that my work-life balance is taken into account at Alstom"	59%	60%	60%

Source: 2023 Annual Employee engagement survey (sum of yes)

The absenteeism indicator allows the monitoring of Alstom's ability to provide an appropriate working environment for its employees, as part of its well-being policy.

"Medical or sick absence due to personal injury and disease" accounts for 87% of the total number of absence hours.

This indicator is monitored and analysed at local level, and local initiatives around well-being are implemented to reduce the absenteeism rate.

ABSENTEEISM RATE

Region	2021	2022	2023
Europe	3.7%	4.4%	3.81%
Africa/Middle East/Central Asia	3.0%	3.4%	2.79%
Asia/Pacific	2.5%	2.5%	2.75%
Americas	3.3%	3.2%	2.43%
ALSTOM	**3.3%**	**3.8%**	**3.26%**

Source:
2023 Social survey conducted in 32 countries representing 98.0% of Alstom's total headcount.
2022 Social survey conducted in 32 countries representing 97.9% of Alstom's total headcount.
2021 Social survey was conducted in 35 countries representing 97.6% % of Alstom's total headcount.

Recruitment, Engagement and Retention

Alstom's Human Resources (HR) strategy aims to provide a unique employee experience and to ensure that the group values (Agile, Inclusive and Responsible) are embedded in the Group's strategy. Recruiting, engaging, developing and retaining talented people are key elements to maintain the Group's leadership in global markets and to grow its business in the future. Indeed the value Alstom adds to its customers strongly relies on the competencies of its workforce which must be aligned with the needs and priorities of the business.

Alstom acts to:

- be recognised as an employer of choice, through a diverse and inclusive environment;
- provide an engaging workplace and working conditions;
- offer competitive compensation, benefits and reward programmes;
- retain key competencies to limit increase in cost of employment (including cost to hire), and ensure ability to serve customers (quality and on-time delivery);
- secure employee engagement.

To support the Company on its strategic success, the HR organisation is built around central center of expertices: Talent Management, Total Reward & HR Digital Solutions, Talent Management and HR Performance & Efficiency working closely with HR Operations team and regional HR teams.

The talent management team aims at enabling Alstom to attract, develop and grow diverse and inclusive leaders and a sustainable talent pool. The team facilitates the acquisition and the management of talent pipelines, the anticipation of successions, the management of performance, the development of competencies and leadership.

The total reward team designs, deploys and monitors remuneration policies, processes and tools in order to contribute to Alstom attraction and retention capabilities, with competitive, comprehensive and equitable programmes. Its scope includes all the remuneration components (fixed, variable short-term, variable long-term, pensions & benefits) and their allocation to the various populations of Alstom employees.

The HR digital solutions team aims at ensuring that the HR information system framework of Alstom is in line with the needs of the different HR stakeholders, managers and employees. It drives the identification, deployment and maintenance of such solutions across Alstom, ensures a continuous market intelligence and enforces high standards of employee data quality and compliance.

Performance & Efficiency team aims to empower HR function to shape an effective and engaged workforce through innovative HR strategies and people insights, creating an organization that drives agility, collaboration and performance.

HR operations organization aims to provide harmonized payroll & administrative HR services towards employees, managers and HR across regions, via standard digital solution, for an optimized employee experience, best in class quality & delivery time.

HR teams in regions are in charge of supporting business operations by:

- ensuring workforce planning and adequate staffing including project mobilisation and demobilisation activities;
- driving the people management cycle;
- ensuring people development and career management initiatives;
- supporting organisation design and change management.

Enhancing employee engagement is part of Alstom people strategy. The Group has identified six key pillars (meaningful work, culture & mission, leadership & communications, reward & recognition, health & well-being and professional development) and designed the Alstom employee engagement framework accordingly to structure its strategy and roadmap. At Alstom, the employee engagement is measured once a year during the Annual Employee Engagement Survey.

To present Alstom's approach to address Recruitment, engagement and retention risk, a presentation from the perspective of HR opportunities is proposed according to the following breakdown: talent acquisition & employer branding, total reward and social dialogue.

Talent acquisition & employer branding

Strategy & policies

With more than 84,000 employees at end of FY2023/24; effective talent management is at the heart of Alstom's identity. Alstom identified the need to better know and develop its people to fill vacancies internally, motivate, engage and retain talent. The global talent acquisition strategy is supported by employer brand, diversity, equity & inclusion and talent development. The development of internal talent pools enables Alstom to support ongoing and future business requirements.

One of the key priorities of Alstom's employer branding strategy is to reinforce its presence on social media channels, with a strong focus on digital storytelling, sharing real employee experiences, and showcasing Alstom's culture and values. New social media templates have been designed and are now integrated into all local campaigns in our key business Regions.

The people management cycle, through its "people review" process, as well as internal mobility management, supports the Group in collectively managing and sharing talent across units, businesses and functions to have the right person in the right place at the right time. Since 2020, all employees are also assessed through their contribution to the company values: Agile, Inclusive and Responsible.

Process and action plans

In the global context of skills shortage, leading to stiff competition for talents, Alstom has significantly accelerated the amount of talent acquisition initiatives since 2022. Following the successful "attraction & retention" programme that mobilized 70 HR representatives, the redeployment of the talent acquisition organization across the six business regions was implemented in April 2023.

The objective with this new organisation is to reinforce the ability to attract talent in the top 16 hiring volume countries.

Following initiatives have been designed and rolled out in FY 2023/24:

- a unified recruitment process bringing clarity and accountability among all stakeholders involved in recruitment projects;
- an end to end recruitment process supported by adapted tool and a strong collaboration between the recruitment team and the administrative team handling contract finalization;
- a new worldwide referral framework that enabled to recruit 1,290 new talents based on the recommendations of Alstom employees;
- a revised background check policy used during the candidate selection process is now better aligned with higher risk positions (type of function/ level of authority). This new policy is now applicable worldwide, in addition to local regulatory requirements;
- a talent acquisition academy that continuously train all people including in the recruitment process, covering both HR team members and hiring managers;
- an executive recruitment function to support on the recruitment of diverse leaders at the top of our organization and develop talent pipelines of senior level leaders across functions & countries. To date a talent pool of over 120 senior executives have been identified and assessed;
- the acceleration of "Mind the glass"(1) program and the implementation of specific regional initiatives to boost diversity. "Mind the glass" is an Alstom program to accelerate gender diversity through hiring and talent management actions and policies.

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(1) Alstom programme to accelerate gender diversity through hiring and talent management actions and policies. More details https://www.alstom.com/company/commitments/diversity-and-inclusion

Employer branding

A global employer branding strategy and an associated roadmap have been deployed with a vision of building an attractive employer reputation that is authentic, transparent, and emotional.

To do so, the Group has deployed a global employer branding team supported by a centre of expertise and relying on a regional network. The aim of this team is to ensure both global consistency of the brand and relevance of local initiatives and actions.

Social media being an important channel to reach talents, recruitment campaigns have become more local to attract relevant candidates for open position. This local adaptation leads to higher conversion rate. Alstom has increased its followership on LinkedIn by 23% to 1,385,075 followers that remains the primary social media channel and has achieved substantial followership on Facebook, Twitter and other social media channels. To showcase its employer value proposition, the Group continues its focus on employee experiences, reflecting its culture and values.

As diversity, equity and inclusion is a crucial element of Alstom's people strategy, specific actions have been taken to reflect in the Group employer branding strategy. All of our job advertisements include by default the statement: "As a global business, we are an equal opportunity employer that celebrates diversity across the 64 countries we operate in. We are committed to creating an inclusive workplace for everyone".

Strategic early career hiring represents a core area of focus for Alstom, with expected growth of early career talents in the global workforce by 2030. Included in this talent group are interns, apprentices, VIE and young graduates. With this in mind, a new global early careers frame has been rolled-out. In addition, three countries have received the "Happy Trainee" accreditation (hosted be an external provider "ChooseMyCompany"), which is based on feedback collected via a survey, sent out to all apprentices and trainees in the countries (Brazil, France, India).

The company is continuously considering enriching its digital ecosystem to accelerate recruiters' performance and leverage data for strategy building and tactics. As part of the global employer branding strategy, a number of tools have been deployed.

These vary from an AI tool to generate job postings in line with global guidelines, a social media templates design tool and a video platform to scale production of video content across the world. Alstom has also rolled out its first employee advocacy Q&A platform on company's career site, representing a window to Alstom's culture and working experiences, shared by real employees.

Next year, the employer value proposition, developed three years ago, will be extensively reviewed.

Global talent acquisition ambition

The Alstom recruitment and selection process shall comply with all laws and regulations forbidding any discrimination with respect to age, race, gender, ethnic origin, nationality, religion, health, disability, marital status, sexual orientation, political or philosophical opinions, trade union membership or other legal provisions. In line with the new 2030 HR strategy ambition (People and Culture 2030"),the Group has established eight strategic talent acquisition priorities:

- one Alstom way of recruiting where teams have a shared talent Acquisition strategy, common and efficient processes and tools. (on-time, on-cost, on-quality delivery);
- a total staffing service where external hiring and internal staffing are handled by the same talent acquisition teams to accelerate internal mobility;
- skills-based recruiting focusing on job performance to support diversity agenda;
- position recruiters as trusted talent advisors to the business. This by having a workforce planning annual review in partnership with business and recruiters;
- digital tool efficiency to reduce administrative tasks and increase contribution on high value-high impact activities;
- anticipation by planning the skills required and hiring from preestablished talent pools in the most critical roles;
- early talent focus by having a strong pipeline of interns/apprentices/VIE and young graduates to hire from (conversion rate & diversity target);
- hiring effectiveness through full visibility and control over hiring cost, sourcing channels and needs. Performance in hiring will be measured through dedicated performance indicators (% of open roles beyond 11 weeks of age) such as share of external recruitment based on referrals, share of early careers hired, % of women recruited, share of candidates hired from existing talent pools.

Integrating new employees

The welcoming and integration of new employees within Alstom are a key priority for the Group's talent strategy. Its goal is to encourage new employees to develop a sense of belonging to the Company's organisation and culture and to provide them with the tools and training they need to succeed. Onboarding and induction processes are in place across all Alstom sites and include a globally consistent framework that can then be complemented locally by business and site-specific elements. A solid buddy programme is in place for all new employees as well as the introduction of new function specific programmes. The global framework includes orientation (facilities, tools, team, business strategy and goals), health and safety, ethics and compliance, details of Alstom's organisation, solutions, culture and values, a clear outline of the job requirements and performance expectations, and awareness of critical site, or regulatory policies and requirements. Training requirements for new employees include amongst others: Ethics and Compliance with the Alstom alert procedure, conflicts of interest, high risk activities, railway safety and Agile, Inclusive, Responsible values.

Internal mobility

At Alstom, employees are encouraged to take ownership of their development and to manage their career in collaboration with their managers and Human Resources..

Alstom updated and reissued its internal mobility charter in 2022, to reinforce its commitment to encourage internal mobility and development ensuring employees equal treatment in the decision process.

A step forward in terms of internal mobility was achieved with the introduction of MyGalaxy. It provides Alstom employees a global picture of positions in their function, also called "constellation". Use it to learn about the various jobs in a specific function (and the skills they demand). Thanks to MyGalaxy, employees are able to preview and build their future career steps, from a constellation to other, as well as their global journey at Alstom.

Alstom had launched in 2022 a new internal digital talent marketplace leading to a new level of internal mobility management. Thanks to intelligent matching based on skills, experiences and interests, Alstom will be able to better identify opportunities for talents and provide them a customized vision of career opportunities. Initially, this project covers 45,000 employees. In addition, Alstom holds a periodical global talent forum as well as other various local and central forums to match available competencies with business needs and to facilitate cross-functional and cross-regional moves.

During the last fiscal year period, 3.2% (2,698) of employees have taken a role outside their functional domain and 31% of the open positions were filled with internal resources of which 65% were promotions.

Main results and performance indicators

As a measurement for continuous improvement, Alstom conducts employee engagement survey every year to measure employee engagement and identify areas for future improvement. Employee engagement survey addresses to all permanent employees in 16 languages. In 2023 more than 57,750 employees expressed their voices by answering the survey reaching a high participation rate at 77% and positive results:

- global engagement: since 2022, the Global Employee Engagement Index demonstrates a slight increase from 67% in 2022 to 68% in 2023;
- 80% of employees say they feel proud of working for Alstom;
- 74% would recommend Alstom as a good place to work.

In addition, since last year, Alstom reached the status of Global Top Employer[1] (two years in advance compared to its target). At the end of March 2024, there are 27 countries certified across five regions.

	Top Employer 2019	Top Employer 2020	Top Employer 2021	Top Employer 2022*	Global Top Employer 2023	Global Top Employer 2024
Top Employer Certification	1 country (Spain)	6 countries (new certifications in France, Poland, the United Kingdom, Belgium and Italy)	14 countries (new certifications in USA, Canada, Mexico, India, Australia, China, Hong Kong, Singapore)	14 countries (same)	22 countries (new certifications in Chile, Egypt, Panama, Romania, Saudi Arabia, Sweden, Thailand, United Arab Emirates)	27 countries (new certifications in Denmark, Czech Republic, Brazil, Morocco, Kazakhstan)

Talent acquisition

The performance indicator for new hire attrition rate (Tenure < 180 days) has been implemented to better monitor and optimize the hiring process to reduce the cost out of losing hired employees right after integration and to avoid the disturbance in the team setup and operation by doing the hiring twice.

The 180-day time frame is identified as the critical period for most of the early leavers in one year. This indicator is monitored both globally and locally.

The voluntary attrition rate, reflecting the general employment situation in each geographical area, is also used to determine the level of satisfaction of the Group's employees. This rate is closely monitored at both global and regional levels.

During the year 2023/2024, the labour market experienced a context of strong tensions linked to several factors:

- a strong macroeconomic recovery (post-Covid-19) that has had a positive impact on employment (full employment seen in many markets, Asia, US, Europe, etc.);
- a structural shortage of technical skills, particularly in the highly skilled workforce (Managers & Engineers);
- a candidate-friendly job market, resulting in new behaviours and new expectations on the part of employees ("Great resignation", work-life balance, etc.).

Despite these multiple tensions, the voluntary attrition rate has decreased significantly all along the year 23/24 and is now stabilized at 6.6% which is at a comparable level to March 2022. Alstom demonstrates herewith its capacity to attract and retain high potential employees.

	2021/22	2022/23	2023/24
New Hire Attrition Rate (Tenure < 180 days)	17.6%	19.2%	14.0%
● Managers, Engineers and Professionals	17.5%	20.9%	12.0%
● Other employees	17.9%	16.3%	17.1%
Voluntary attrition rate (Permanent Employees)	6.6%	7.2%	6.6%
Voluntary attrition rate (Experts population (WCE/WCM)(1))	1.4%	2.4%	2.3%
Involuntary attrition rate (Permanent Employees)	1.6%	1.4%	1.9%

Source: Alstom HRIS.
(1) Experts from world class engineering and world class manufacturing programmes

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[1] Details regarding the Top Employer Institute methodology are availabe here: https://www.top-employers.com/en/how-we-certify/

Total Rewards

Strategy & policies

Alstom has developed a Total Rewards strategy and supporting policies that aim at providing to its employees a consistent remuneration structure, wherever they are located and whatever are their activities levels of responsibility and individual situations.

This overall framework is based on the following principles:

- fairness and non-discrimination: reward decisions are taken in the frame of objective, robust and non-biased processes, including the use of a global position grade system and global tools, deployed for all Alstom entities. Respect of gender equality is essential and closely monitored, thanks to a dedicated and publicly disclosed reporting;
- alignment on market standards: local compensation and benefit schemes are systematically assessed, on a yearly basis, in light of the latest market practices, in order to ensure that Alstom programmes are not only compliant with regulatory standards but also competitive and provide the right level of coverage for its employees;
- support to the short- and long-term objectives of the Company: a significant part of the compensation is driven by extra-financial performance, through the implementation of short-term and long-term incentive schemes that reflect the ambitions of Alstom. Consequently, the Corporate Social Responsibility objectives of Alstom are fully ingrained in its total rewards policy;
- differentiation based on the performance and the potential of the employees: while aiming at ensuring a decent level of income for its employees, Alstom total rewards policy also ensure that best performers, key talents, and potentials are identified and compensated accordingly;
- value sharing: Alstom total rewards policy ensures, through the definition of the salary increase budgets, the prevalence of variable pay schemes, profit-sharing and specific employee shareholding programmes that its employees benefit from a fair redistribution of the value they create and ensuring a real alignment with the interests of its shareholders.

Process and action plans

Remuneration schemes

Alstom's policy is to review the employees' compensation packages on a yearly basis, with a specific attention given to gender equity, and to have open negotiations with employee representatives where they exist. In each country where Alstom operates, remuneration surveys are conducted through dedicated external providers, in order to ensure that remuneration policies are aligned with up-to-date local market practices.

Due to Alstom's presence in numerous countries, and the influence of local economic factors, no comprehensive global indicator can be developed to monitor this action. However, in 2023/24, the following considerations have continued to drive the application of remuneration policies and practices of Alstom:

- continuous improvement of the remuneration package definition tools and processes to cope with the need to improve the attraction capabilities of Alstom, and the retention of its critical employees;
- continuation of the close monitoring of inflation at a global scale and its impact on local salary references, and implementation of ad hoc measures in the most impacted countries while protecting the competitiveness of the Group activities;
- increase reward for performance measure to match business priorities.

Performance linked to remuneration schemes

Alstom's annual short-term incentive scheme is based on two performance factors: collective performance (60% of the incentive target) and individual performance (40% of the incentive target). The target incentive is the incentive payment that is received when 100% of the financial and extra-financial goals and individual objectives are met. If the financial results and/or the employee performance exceed the goals, the incentive paid out may exceed the target incentive. In the second half of the fiscal year, measures were implemented to focus on business priorities aligned on the communication to the market.

Eligibility and incentive target rates are linked to the job grading and influenced by local market practice in each country. More than 29,500 employees were eligible for short-term incentive on 31 December 2023.

Several indicators based on Corporate Social Responsibility (representing 26.7% of the collective targets) were used in this short-term incentive programme based on the Group performance in line with the Alstom strategy:

- Safety at work, monitored through the Total Recordable Injury Frequency Rate (TRIR);
- Ethics & Compliance, with the measurement of the deployment of the Yearly Integrity Review among the top 2,500 employees of the Company;
- Diversity,Equity & Inclusion, monitored trough the percentage of women holding a Manager, Engineer or Professional position in the Company;
- Climate action, with the measurement of the decrease of greenhouse gas (GHG) emissions in scope 1 & 2 of Alstom activities.

The objective of the incentive is to foster employees' commitment to the performance of the company, to reward eligible employees according to company targets and to communicate on the results of business performance.

More details on CSR criteria integration in the remuneration of corporate officers including the Chairman and Chief Executive officers are available in chapter 5 (section 5.1).

The global short-term incentive programme of Alstom is completed in some countries by specific profit-sharing schemes (such as France, Brazil, Egypt, Mexico, Belgium, South Africa and Italy), meant to reward collective performance, depending on the achievement of agreed criteria, including additional safety at work or operational targets (including, in some cases, specific environmental targets). Such programmes cover 22,266 employees, as of Dec. 31, 2023.

Shareholding schemes

To reward the long-term performance of the Company and further align the interests of the shareholders and the employees, several shareholding and equity-based schemes are in place, all of them implemented in the context of the authorizations voted at the general meeting of Alstom:

- performance share plans are granted on a yearly basis, assorted with long-term targets reflecting the strategy of the Company, with a mix of financial, Corporate Social Responsibility and share performance targets (chapter 5 "Executive and employee shareholding" to have more details on the criteria used in the Performance Share plans). Between 2021 and 2023, 1,867,325, 2,481,612 and 2,439,122 performance shares have been granted to around 1,400 beneficiaries around the world, with a vesting period of three years;

- on a global scale, and to associate all employees with the success of the new group, an equal allocation of free share plan ("We Are Alstom 2021") was launched in July 2021, with the grant to all employees of 15 free shares, covering around 70,000 Alstom employees worldwide. After the end of the 2 years vesting period on July 4 2023, 790,770 free shares were delivered and the cash equivalent paid in the countries where grant of shares was not possible due to legal constraints;
- furthermore, to complete the rewards structure of Alstom, foster investment in Company shares by its employees and thus further share the long-term value creation of Alstom, employee shareholding scheme ("We Share Alstom") are proposed to the employees. The last operation "We Share Alstom 2023" was launched in 2022/23 . The eligible employees in 21 countries were given the opportunity to invest in Alstom shares at preferred conditions including a matching of the Company. On 31 March 2024, current and former employees held 2.75% of the Alstom share capital, either directly or through the Alstom employee shareholding scheme (FCPE).

Employee benefits

On top of compensation and equity-based remuneration components, Alstom also aims at providing to its employees a fair, comprehensive and competitive social coverage. Further to the acquisition of Bombardier Transportation in 2021, many benefits plans needed to be harmonised globally. As of March 31, 2024, it is estimated that less than 5% of such schemes are still to be modified to meet the expectations of the Company, and the corresponding corrective action plan has been defined.

Furthermore, irrespective of local market standards, and in line with the Corporate Social Responsibility ambitions of the Company, the Total Rewards policy sets up a minimum level of benefits to be provided to employees in terms of life insurance coverage (especially for accidents at work) and health coverage. The aim is that all employees should be covered by a life insurance in case of accidental death amounting to at least two years of salary including amounts paid by the state subject to an absolute minimum of one year's salary. In some countries, employer contributions to insurance policies are considered as taxable benefits, leading some employees to decline this offer, but this is being addressed.

Alstom total rewards policy states that, in countries where the statutory health coverage does not provide adequate benefits or where there are long waiting lists for treatment, a supplementary healthcare plan can be implemented, or at least a Group plan is negotiated with a local provider as an option for employees, to join on a voluntary basis. In countries where inadequate statutory health benefits are provided, all employees must be covered by a supplementary scheme.

Alstom total rewards policy also states that benefits programs should be competitive in each specific market, enabling Alstom to attract and retain key required employees. The competitiveness of each of the main types of benefit plan are currently assessed with the aim that all should be at or above market median by end of FY 2024/25.

Main results and performance indicators

LIFE INSURANCE FOR ACCIDENTS AT WORK

	31 March 2023	31 March 2024
Ratio of employees covered by a life insurance in case of accidental death at work or on the journey to/from work	99.6%	99.8%

2023 figures have been recalculated due to a change in methodology. Last year, information was taken from the Social survey with a sample of countries. Since 2024, information is directly collected by the total rewards team and covered all countries where Alstom has employees.

BENEFITS COMPETITIVENESS

	31 March 2023	31 March 2024
Ratio of benefit plans assessed as at or above market median (weighted by headcount)	91.7%	98.6%

Includes plans assessed were all plans categorised as defined contribution pension, life insurance, accident insurance, disability insurance, medical insurance, dental insurance, company car.

SHORT-TERM AND LONG-TERM INCENTIVES

	2021/22	2022/23	2023/24
Ratio of employees covered by Short Term Incentive (STI)	26.4%	32.5%	35.5%
Ratio of employees covered by Long Term Incentive (Performance Share Plans – PSP)	2%	2%	2%
Ratio of employees participated in a global Employee Shareholding programme	-	20%	N/A*

* no programme issued in FY2023/24

Social dialogue

Strategy & policies

Alstom respects the rights of its employees to participate in trade unions and workers' organizations. This includes the right to organize, join, and bargain collectively. This statement is reminded in Alstom's Code of ethics, available on the Company's website. and reaffirmed through the commitments made in favour of social dialogue.

At central level, Alstom concluded European agreements on consultation with social partners in the implementation of workforce transformation or adaptation projects, as well as on measures to encourage employability and support employees. The 47,111 employees of the 24 European countries, including the United Kingdom, are represented in the European Work Forum (EWF).

Composed of 29 permanent members, the forum met 7 times during 2023. During the EWF meetings usual agenda topics are covered such as the strategic overview, the market trends and competitiveness, the capacity and workload of Alstom sites, the financial situation of the company, the evolution of investment plans, the professional development and risk prevention and any important transformation topic of the company. The year 2023 gave the EWF the opportunity to tackle fundamental issues such as CSR activities and the EHS strategy. Specific information was provided on a restructuring project concerning the DERBY site, which is monitored regularly by the body.

The year 2023 closed with the announcement of a global project to adapt the workforce. This project, which has a social impact, will be subject to a consultation procedure and an in-depth examination within the European body, as well as in the countries requiring it. At local level, Alstom has collective agreements in all countries covered by collective bargaining mechanisms(1) and aims to put in place more agreements and practices that address social issues and ensures employees' expectations are channelled across the Group.

In addition, to foster a constructive and relevant social dialogue wherever the company operates, Alstom has adapted some of its delegation of authority (DOA) procedures in 2023. The DOA procedure, based on a real approval process, guarantees that any transformation projects impacting the working environment and the employment level is compliant with Alstom social commitments and human values.

Process and action plans

The annual employee engagement survey included dimensions characterizing the relationship between employees and their work environment in the broader sense, to better identify the points of improvement and the challenges linked to the working conditions of the Alstom employee.

Topics related to professional development, reward and recognition, and health and well-being are more and more on the agenda in the dialogue with the social partners or through other mechanisms put in place.

In addition, the social survey conducted in 32 countries representing 98% of Alstom's total workforce, revealed that 64.7% of employees were covered by a national or company collective agreement.

In 2023, 279 collective agreements were signed in the surveyed countries. These agreements were concluded at site, country or legal entity level, and most of them were covering one or more of the following aspects:

- career development (covered by 5% of the agreements concluded);
- work time flexibility (covered by 18% of the agreements concluded);
- employability/lifelong learning (covered by 7% of the agreements concluded);
- equal opportunities (covered by 6% of the agreements concluded);
- environment; Health, and Safety (covered by 7% of the agreements concluded);
- non-discriminatory, anti-harassment (covered by 5% of the agreements concluded);
- restructuring and reorganization (covered by 13% of the agreements concluded).

Among these, particularly positive agreements for employees were signed in various countries because of a constructive social dialogue. To encourage the practice of the latter, some countries such as France have established agreements in favour of employee representation.

Workforce adaptation 2023/2024

With the announced negative cash flow of the first half year, it was necessary to define steps to reduce leverage and secure midterm profit and cash targets. Those steps are mainly targeting the acceleration of the third phase of the Bombardier Transportation merger roadmap. Included is the reduction of overhead costs by reducing ~ 10% of the total S&A positions. Alstom puts a strong focus on keeping its human capital by offering our employees new opportunities by repositioning as much as possible those impacted, without presuming discussions to be held with social partners and representatives.

Main results and performance indicators

	2021	2022	2023
Ratio of employees covered by a national or company collective agreement	59.9%	63.7%	64.7%
Number of collective agreements signed	212	208	329
Number of countries which had a consultations/negotiations process with trade unions	23	22	18
Number of incidents related to freedom of association	0	0	0

Source:
2023 Social survey conducted in 32 countries representing 98.0% of Alstom's total headcount.
2022 Social survey conducted in 32 countries representing 97.9% of Alstom's total headcount.
2021 Social survey conducted in 35 countries representing 97.6% of Alstom's total headcount.

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(1) More than 40% of countries are covered by at least one local collective agreement

People Development

Strategy and policies

As an inclusive and responsible Employer, Alstom aims to develop diverse people and to grow talents and leaders across the organization. Fuelling the talent pipeline for a new company of more than 84,000 employees in a context of a business growth and in a very dynamic environment with the recruitment of almost 17,000 hires (breakdown on page 384) to ensure business execution, represents a key challenge that requires the most advanced solutions.

The People development culture is based on three pillars:

- enhanced leadership development with the proper implementation of the Alstom values (Agile, Inclusive and Responsible) within a clear defined leadership model. Supporting by varieties of development tools such as leadership programme across the Board to nurture and develop leaders of tomorrow on soft skills. For instance, it could be: executive development programme for top executive partnering with INSEAD, women executive mentoring by member of the executive committee, Alstom leadership programme for key talents in upper-middle to senior level positions, remote coaching solutions to scale the development of our leaders or regional and local development programme for local leaders and managers;
- learning culture and solutions – Alstom recognizes that it is both in the interest of the Company and the employees to develop their competencies, to reinforce their skills and develop new competencies for the future;
- performance and Talent Management – the people management cycle in Alstom aims at aligning individual contribution to the organisation's goals by setting specific, measurable, achievable, relevant, and time-bound (SMART) objectives. For performance evaluation, the formal and annual assessment is done at the end of the fiscal year and a mid-year review after six months from the objectives setting phase is also required. Periodic review of the performance can be done at any time during the fiscal year.

Alstom follows the impact of its policy by monitoring the number of training hours by employee and has targetted to reach 22 hours per employee by 2025.

Processes and action plans

Performance and talent management

Career path management relies on the combination of three processes articulated in the People Management Cycle, launched each year.

The People Management Cycle in Alstom consists in the following phase:

- objective setting and annual performance evaluation – all employees participate in an annual objective setting meeting and performance evaluation with their managers. Specific individual objectives are agreed at the beginning of each fiscal year. At the end of the fiscal year, during the annual performance evaluation, manager and the employee review the achievement of these objectives;
- people review and succession planning – this is a key management engagement event, conducted on a yearly basis by both Human Ressources team and managers. It aims to build a collective and shared vision on the potential of employees and their evolution within the organization as well as to prepare the next steps of their careers taking into account their aspirations and the needs of the Company. This staff review allows management to identify potential candidates for change, to consider employees' wishes for development and to draw up succession plans for key positions. Decisions taken during the people reviews are communicated by the manager to his/her direct reports during an individual meeting, called "people review feedback". People reviews are carried out at site, region, function and Group level;
- competencies development – each year, each employee is invited to carry out a self-assessment of its competencies in regard to the competency matrix linked to his job level and missions. Then, this assessment is discussed during the competenciess review and amended by the manager. The aim of this double assessment is to identify development actions (training or other) that could support alignment with the requirements matrix. A competency matrix exist for each function and is reviewed on a yearly basis to be in line with business needs and to take into consideration feedback from the previous campaign assessment.

These assessments allow for a better allocation of resources, a better identification of training needs, the implementation of more relevant individual development programmes and key inputs for collective development programmes.

In addition of the people management cycle, Alstom provide 360° feedback as a behavioural perception tool to provide a view on how people (manager, peers, direct reports) perceive the participant in his/her leadership role and how the participant evaluate himself/herself. The awareness generated from the results give the employee the opportunity to self-develop him/herself. In 2023/24 the Group has updated this 360° tool with the addition of the competencies of the AIR leadership model, and 20 Human ressources members were trained to manage a debriefing session. In 2023, 243 360 ° feedbacks were run.

Learning solutions – Alstom University

Learning being the cornerstone of Alstom's people development strategy, in 2023, the Group invested 20 million euros in learning initiatives.

This learning strategy is mainly supported by the corporate University – Alstom University – which proposes relevant and customised programmes to all employees. Carefully chosen expert partners – universities, external consultants, companies, as well as internal specialists – collaborate on programmes offered by the university. In addition, to fulfil every employee needs, a wide range of training methods is used, including classroom-based learning, workshops, virtual classrooms, e-learning, blended learning, virtual reality modules. This complete learning offer is sustained by a global catalogue of more than 1,600 different courses (face to face and virtual classrooms) and diverse online content comprised of more than 5,500 in-house and 47,000 off-the-shelf learning elements (e-learning, tutorials, testimonials, massive online open courses (MOOCs)) available in many languages.

In 2023/24, all of the core business topics have been covered through a total of two million learning hours.

The main missions of the Alstom University team include:

- to define and share annual learning orientations in line with business strategy;
- to design, build and manage a central and global learning offer and deploy it worldwide;
- to benchmark and detect innovative training methods and tools;
- to animate and facilitate the sharing of best practices and networking within the Learning community;
- to identify, train and reward internal trainers across the organisation.

Alstom's digital learning ecosystem relies on the i-Learn portal: a web platform available from any device (computer, tablet, smartphone) that offers highly interactive digital learning, within and outside of Alstom's universe. Thanks to this tool, people can explore a broad range of topics, find relevant content and learn at their own pace. They are also able to create and share content in their area of expertise in a variety of formats.

The global learning orientations established for the 2023/24 fiscal year and shared with all the regions focused on:

- strengthening of the employee-centered learning and development model enabling upskilling and reskilling based Individual development plans combining formal training, peer-to-peer coaching and on-the-job practicing as per the 70/20/10 model Alstom aims to generalise;
- fostering the adoption of the single learning experience platform for all learning management activities, improving learner experience, enabling social learning and competency-based training assignments (web and mobile application enabling permanent access to Alstom academies' and third party knowledge content including Coursera, Linkedin learning, cross knowledge… anytime, anywhere, from any device and to any content including Virtual Reality Modules);
- promotion of an anchored learning & knowledge sharing culture through the "Minds-Up World Challenge " and enabling change management for strengthening the adoption of the new processes and tools.
- implementation of a worldwide network of Alstom University regional campuses. Each region has nominated an Alstom University regional campus manager hierarchically linked to the talent director of the region and reporting functionally to Alstom University Director. This new organization has already enabled a deeper understanding of Alstom learning processes and tools while contributing to foster the development of the innovative mindset at every level of the organisation.

Development programmes

Alstom believes that there is a positive and significant relationship between motivation and performance, and that having opportunities to learn is part of this motivation. Developing all employees is part of the Company's "People Management Cycle", which guides managers in empowering their teams. For each employee a training plan is designed annually together with his/her manager and the Human Resources partner and put into action during the year.

Alstom University supports and animates the identification and training of internal trainers. Indeed, Alstom believes that being able to design and deliver training is a real managerial competency that needs to be valued but also that internal training helps develop and keep the expertise within the Company (being taught by colleagues facilitates knowledge transfer).

In 2023/24, more than 1,500 internal trainers have been running training courses of the Alstom University Catalogue and more than 93% of the training sessions have been delivered by internal trainers.

The network of internal trainers is animated on a regular basis by Alstom University: every month the latest learning news are shared with the entire trainer network through monthly calls.

Moreover in October 2023, a learning week has been organized gathering remotely trainers from all Alstom regions. The event being organised in the metaverse leveraging Virbela virtual island: all trainers at Alstom could therefore participate in the event through their avatars whilst connecting from any region of the world. This innovative solution enables virtual telepresence and improves the employee experience compared to usual remote collaboration tools.

Finally, Alstom focuses on mentorship based on individual development needs. This kind of engagement is implemented globally and regionally to address people development areas and to support the sharing of knowledge and learning from each other.

In order to manage the Company's core competencies, Human Resources have developed different programmes to address the management of these competencies across functions. For instance the world class engineering and world class manufacturing programmes, are maintained each year to identify all technical experts, and to provide them with appropriate personal development opportunities ensuring that technical expertise supports the evolution of the market and Alstom's strategy. As of today, thank to these programmes, Alstom benefits from a global network of around 814 Senior Experts and 95 Master Experts.

Their main missions are:

- to use their technical expertise to support the teams in charge of the operational performance of bids and projects, both through design reviews and the resolution of problems arising during commercial service;
- to develop Alstom's knowledge in their field and to transmit their knowhow internally, thereby acting as trainers;
- to develop their influence in their area of competence and get recognition, not only within their entity or within the Company, but also outside the Company (in particular for master experts).

Specific skills-transfer programmes are implemented for senior and master experts in order to develop technical expertise in the organisation.

Main results and performance indicators

Learning solutions

	2021/22	2022/23	2023/24	Target 2025
Percentage of employees who have had training	90.7%	88.9%	90.8%	90%
Average number of training hours/employee	19.0	22.2	26.7	22
Total number of training hours	1,378,436 hrs	1,703,791 hrs	2,213,886 hrs	1,804,000 hrs

Source: iLearn - Learning Dashboard

	2021/22	2022/23	2023/24	Target 2025
Net Promoter Score = Willingness of trainees to recommend the training they have received	45	39	37	42

Source: iLearn - Learning Dashboard

"Net Promoter score" is a ratio ranging from -100 to 100 that measures the willingness of interviewees to recommend a service to others.

It is calculated as "percentage of people who strongly recommend this course to a colleague or peer" (Promoters considering rating of 9 or 10) minus the "percentage of people who do not recommend the course" (Detractors considering rating of 0 to 6)

Performance and talent management

To attract people to work on the realization of the Company's goals and strategic targets, recognition of their performance is closely followed. It can take form of a communication within the team and department as well an individual financial component.

	2021	2022	2023
Ratio of eligible employees who had their objectives set	86%	87%	90%
% of employees beneficiting of individual recognition of performances	29.2%	37.0%	45.4%

Source:
2023 Social survey conducted in 32 countries representing 98.0% of Alstom' s total headcount.
2022 Social survey conducted in 32 countries representing 97.9% of Alstom's total headcount.
2021 Social survey conducted in 35 countries representing 97.6% of Alstom's total headcount.

Diversity & equal opportunity

Strategy and policies

The Alstom in Motion 2025 strategy recognizes the importance of Diversity, Equity and Inclusion (DEI). The vision of an inclusive workplace culture, where everyone can thrive and make meaningful contributions is reflected in the Company value "inclusive". Alstom aims to implement a holistic approach, integrating inclusion and diversity into every stage of the employee life cycle, including recruitment, assessment, development, promotion and retention. Every part of the organization is actively encouraged to participate in DEI initiatives as described in the employee inclusion journey. By doing so, the Group intends to build an inclusive work environment where differences are celebrated and everyone can reach its full potential.

To establish a culture of inclusion through the organization, the Group has embedded the inclusive leadership pillar inside Alstom leadership model describing expected behaviours by everyone who play a leading role in the organisation.

The Group DEI strategy is supported by four pillars – gender balance, disability inclusion, multiple culture and LGBTQ at work, all covered by detailed commitments. This strategy is deployed all over the Group with the aim to sustain the continuous development of an inclusion culture across the organisation.

In order to reach the DEI ambition, a robust governance has been established at both Group and regional level:

- a DEI steering committee – comprised of members from the Alstom executive committee, senior business & global function leaders & members from the HR leadership team – is in charge to develop corporate DEI strategy, define global initiatives , ensure internal and external communication on DEI matters and evaluate progress on the organization's diversity Goals. It meets quarterly;
- a DEI champions network is responsible to promote, facilitate and support the implementation of the corporate diversity initiatives at regional and or business unit/project level. The network is co-chaired by the Global Diversity Champion and the Global Talent Development Director and comprises of DEI representatives from the Regions.

More details regarding Alstom Diversity, Equity & Inclusion strategy, its governance and relevant policies such as Alstom's Diversity Charter and global anti-discrimination and anti-harassment policy are available on the Company's website.

Alstom follows the impact of its policy by monitoring the percentage of women in managers, engineers & professionals (MEP) and has targetted to reach 28% by 2025.

Processes and action plans

Equal opportunity

Keeping in mind all dimensions of diversity (age, generations, educational background, social status and ability/disability), countries are asked to implement their own, specific action plans to help make Alstom a more inclusive workplace while responding to local priorities.

- During FY 2023/24, key initiatives have been implemented to promote a more diverse and inclusive workplace: launch of the "Mind the Glass" program. This program focuses on tailored, targeted, local action, and provides a framework for implementing initiatives that promote gender balance at local level. As part of this program, countries are asked to develop, implement and monitor a two-years action plan and to follow the implementation of actions and their successes;
- 47 projects for 4Awards4Inclusion Awards. Every year, through its 4Awards4Inclusion awards campaign, the Group give employees the opportunity to showcase achievements and successful initiatives implemented in order to inspire each other. The initiatives are reviewed and selected by the Diversity, Equity & Inclusion Steering Committee with the support of an external DEI expert. The criteria to award an initiative are impact, strategy, leadership, innovation and duplicability:
  - impact: results and progress in terms of increase of the underrepresented group;
  - strategy: alignment to business needs and/or DEI pillars;
  - leadership: lead by the business and boosting allyship;
  - innovation: innovative in terms of process/approach and compared to DEI level of maturity of the context;
  - duplicability: potential of longevity where implemented and potential to be implemented in other sites/countries.
- Relaunch of the DEI learning Academy, offering general diversity, equity and inclusion learning opportunities for all employees covering each of the four DEI pillars.

Supporting gender equality

For the fifth consecutive year, Alstom has maintained its mentoring programme called "WILL" (Women In Leadership Levels). Through this programme, the executive committee members become, for nine months, mentors of women with an identified potential to grow in senior leadership roles in the future.

At regional level, the same kind of programme is implemented in Asia-Pacific (WILL APAC). In the Americas, the Women of Excellence (AWE) initiative has been pursued. This year for instance, AWE hosted "We ELEVATE! Invest in Women: Accelerate Progress," a panel discussion over the power of elevating women into leadership positions and the business benefits it brings.

In addition, in France, in partnership with HEC, the France leadership women programme was reconducted for the fourth year in a row.

To be aligned with the Group guidelines, all global and regional leadership programme must guarantee that at least 30% of the participants are women. In 2023, this 30% target was exceeded for all the global programmes. In line with the Group target of increase the percentage of women in the highest position of the Company, a specific focus on the development of women has also been made during this year through the annual people review exercise, where in the succession plan, it was always requested to identify at least one woman.

In addition, Alstom total rewards policy and processes strictly forbids any form of discrimination when defining and reviewing the remuneration of Alstom employees. Since 2021/22, the Company monitors monthly its compensation practices to identify the pay gaps that may exist between its female and male employees, using its internal grading system in support. This analysis assesses the salary gaps (fixed compensation and short term incentive) by grades, considering also performance and potential levels of each employee, as assessed during the people management cycle. The regular follow-up of this analysis ensures a high level of awareness on the matter among the management of the company and can trigger ad hoc corrective actions when and where needed. This has been reinforced by adjustments in the remuneration package definition and salary review processes, to ensure a continuous improvement of this indicator.

Promoting cultural diversity

Alstom is fully aware of the strength resulting from the large number of nationalities, cultures and approaches that its employees represent. In 2023 the company continued to move forward on its cultural integration journey started in 2021. To spread out the compagnies core values, a network of 100 AIR Values Champions was set up beginning of 2022. These champions, representing all geographies, product lines and functions, are responsible for sharing initiatives, promoting values knowledge and supporting the appropriation of the Group's Agile, Inclusive and Responsible values. To do so, the air champions have been trained and meet quarterly to share progress and updates toward their activities.

Employment and inclusion of disabled people

Regarding disability, Alstom focuses on five complementary areas: job access, maintaining employment, raising awareness, accessibility to premises and information, and partnership with the sheltered work sector. Each entity is encouraged to integrate them into its processes.

Each year, Alstom organizes internal training sessions to help Human Resources team members better understand the various situations relating to disability and to help prepare job interviews and the integration of people with disabilities. Alstom is also continuing its partnership with The "Valuable 500", the network of 500 CEOs and their companies committed to action for disability inclusion. In addition, since 2022, Alstom has been involved in the " Generation Valuable" initiative.

In 2023, during the international day of persons with disabilities, an online webinar "Disability Inclusion at Alstom" was organised. During this event, internal best practices from locations across the global were shared to help inspire managers to take actions in their own area of responsibility. More than 600 Managers attended to this conference.

In addition, as regulations regarding the employment of disabled people are very different from one country to another, actions plan to promote integration of people with disabilities are conducted at local level.

Inclusion of the LGBTQ+ community

To increase awareness on the challenges faced by the LGBTQ+ community, Alstom's Pride employees resources group, Alstom True Colors, organizes the Rainbow Train.

This global initiative takes place every year, during the month of June and is dedicated to celebrate and commemorate lesbian, gay, bisexual, and transgender pride. Alstom True Colours (ATC) North America hosts this event, and it connects participants around the world, transforming their steps and other sports activities results into fuel for the virtual pride train. Through this initiative, awareness of LGBTQ+ issues is raised, developing a sense of community and created acceptance of diverse sexual orientations.

In Italy, Alstom partners with the Parks Association. Parks was created with the aim of helping partner companies to understand and attain maximum business opportunities deriving from the development of strategies and good practices that respect diversity with a focus on sexual orientation and gender identity.

Main results and performance indicators

In France, where gender equality has been a focus for the Group, Alstom has reached 94 points (out of 100) on the French Professional equality index in 2023 for its largest legal entity, Alstom Transport SA, same score as last year, and 93 for its second largest entity, Alstom Crespin, +5 points versus last year.

Gender equality

	2021/22	2022/23	2023/24
Percentage of women in the workforce	18.8%	19.7%	20.7%
Percentage of women: Managers, Engineers & Professionals (MEP)	23.2%	23.9%	24.7%
Percentage of women: Executives & Senior Managers	18.3%	19%	19.7%
Percentage of women in MEP STEM related positions[1]	16.1%	16.1%	17.5%
Percentage of women trained in training sessions[2]	20.4%	21.5%	21.7%

Sources: Alstom HRIS. As of 31 March 2024.

(1) STEM defined with job functions: Engineering, Industrial, Digital Transformation, IS&T, Project & BID management, MEP.

(2) Source: iLearn - Learning Dashboard.

Gender pay gap

Gender pay equity remains a strong focus for the Group and Alstom has launched various initiatives in pursuing the goal towards neutrality.

In previous years Alstom has measured and reported the median gender pay gap adjusted by performance measures. Whilst Alstom continues to measure this adjusted gap and utilizes it for decision making processes such as salary reviews, the Group has decided to change its reporting methodology starting with fiscal year 2023/24.

To strengthen initiatives that foster a structural reduction of the gender pay gap targeting neutrality, Alstom has shifted the focus to the evolution of the median gap between male and female target compensation per grade. Currently, for all Managers, Engineers and Professionals, the median gap is measured at 5.5% as of 31 March 2024 versus 5.8% last year. Alstom calculates the gender pay gap by determining the difference between the average compensation ratios of women and men. The compensation ratios are based on target total cash compensation over position level and geography based reference values.

	2021/22	2022/23	2023/24
Gender pay gap for Managers, Engineers and Professionals	6.3%	5.8%	5.5%
Gender pay gap for Senior Managers	5.7%	6.6%	3.9%
Gender pay gap for Executives	6.7%	8.1%	7.0%

The methodology changed between FY22/23 and FY23/24. Historical data has been updated accordingly.

In terms of short-term incentive payout, the gap between female and male employees can be analysed through the difference of achievement of individual targets for the given exercise (achievement of collective targets result from global indicators that are not linked to individual situations).

	2021/22*	2022/23*	2023/24*
Gender bonus gap (achievement of individual targets)	0%	0%	0%
Gender bonus gap for Senior Managers	+1% in favour of women	+1% in favour of women	+2% in favour of women
Gender bonus gap for Executives	+2% in favour of women	0%	+2% in favour of women

* This refer to fiscal year pay out.

Employment of disabled people

	2021	2022	2023
Percentage of employees with disabilities	2.3%	2.42%	2.18%

Source:
2023 Social survey conducted in 32 countries representing 98.0% of Alstom's total headcount.
2022 Social survey conducted in 32 countries representing 97.9% of Alstom's total headcount.
2021 Social survey was conducted in 35 countries representing 97.6% of Alstom's total headcount.

3. CREATING A POSITIVE IMPACT ON SOCIETY

As a global Group operating in 77 countries, Alstom plays a key role in the local footprint development of the countries, through business placed with local supply chains and the different social & economic initiatives taken to develop local ecosystems. Alstom also continues to commit to local communities near its sites, thanks to continuous dialogue and contribution in a long-term engagement.

Through local programmes on Sustainability and Corporate Social Responsibility including community activities, Alstom seeks to act and to be recognised locally as a responsible company. In recognition of its success in operating in a socially responsible way Alstom received the AFNOR CSR Commitment label for alignment with the **ISO 26000 standard** in Canada in 2023. This recognition brings the number of CSR Commitment labels to eight with the following countries covered: Australia, Belgium, Canada, France, India, Italy, Spain and the United Kingdom & Ireland. The renewal of the labels over the years with improved scores demonstrates the local teams' commitment to a continuous improvement approach to the principles and management of social responsibility, covering topics such as company governance, respect for human rights, labour practices, environment, fair operating practices, treatment of consumers, and participation in community development. Alstom aims to expand the number of countries covered by the label to 12 by 2025.

Key topics	Main CSR targets and KPI	Starting point/ baseline	Starting/ baseline Year	2023/24	Targeted Year	Progress	SDG
Encouraging local development	Conduct analysis about number of supported jobs annually	Achieved	FY2021/ 22	Achieved	2024/25	▬	
Relationship with local communities	250,000 beneficiaires from community investment programmes and Alstom Foundation activities	245K	FY2021/ 22	359K	2024/25	▬	1 NO POVERTY 4 QUALITY EDUCATION 5 GENDER EQUALITY 6 CLEAN WATER AND SANITATION 7 AFFORDABLE AND CLEAN ENERGY 8 DECENT WORK AND ECONOMIC GROWTH 10 REDUCED INEQUALITIES 11 SUSTAINABLE CITIES AND COMMUNITIES 13 CLIMATE ACTION 15 LIFE ON LAND

▬ Reached ▭ On progress

Encouraging local development

Strategy and policies

By providing mobility solutions worldwide, the Group anchors its projects in local economies. Alstom is able to meet local content requirements especially from public procurement policies (institutions, states, cities), to comply with demanding regulations, as well as to satisfy growing expectations from its customers on local footprint.

Its contribution to economic and social development includes a wide range of initiatives, such as: employment, trainings, local investments, or collaboration with small, medium and large local companies, start-ups, innovation clusters, associations, universities, inclusive actions, as well as the development of relations with regional economic stakeholders. The development of local ecosystems is part of Alstom's development strategy. The Group's main objectives are:

- promoting innovative local institutions and companies;
- participating in regional supply chain growth;
- contributing to the development of the territories where it operates.

Wherever Alstom extends its industrial footprint, new businesses emerge and grow, especially thanks to its collaboration with various suppliers. Indeed, in every country where it intervenes, Alstom relies on a network of local suppliers to meet contractual requirements or regulations and implement its projects.

Furthermore, as part of its open innovation strategy, Alstom also contributes to boost start-up development by participating in R&D programmes or capital ventures and by collaborating with innovation clusters.

Alstom follows the impact of its local development strategy by monitoring:

- the alignment of the number of employees versus sales by destination;
- the part of regional ordered amount;
- the number of supported jobs.

Processes and action plans

Alstom's main contributions to social and economic local development are made of tailor-made solutions to respond to specificities of each customer and country. Indeed, Alstom develops its local supply chain footprint to comply with global and national regulations, customers' and stakeholders' expectations or with financing parties. Thus, Alstom's international expert teams apply their knowledge of regional ecosystems and offer customized solutions for every local development project.

As part of the procedure, Alstom's teams first contact economic institutions, local and international companies already located in the project country. Second, when necessary, they coordinate the establishment of complementary structures (e.g. offices, maintenance depots, industrial sites), according to the terms of the contract provided by the customer.

The Group's teams are also committed to identifying, qualifying and developing local suppliers and contractors, and in particular small and medium-sized enterprises (SMEs) or start-ups.

They can deploy robust supplier development programmes, with a focus on product development, compliance with international standards, capacity ramp-up and technology transfer, or implement skills development programmes and partnerships with training organizations. A special attention is brought to strengthen suppliers' skills and capabilities, as well as to address the prerequisites to become an Alstom supplier, especially in terms of quality standards, working practices, ethics and compliance, or human rights.

This support will be reinforced with the opening of a supplier academy end of 2024.

Sponsorships or collaborations with associations or institutions are also part of the Group's strategy, and mainly focus on positive actions towards specific categories of suppliers (employing minorities, disabled people, seniors, women).

Main results and performance indicators

Alstom's current global presence in 77 countries illustrates its ability to adapt its organisation in order to reinforce its international presence, ensuring close proximity with its customers.

Alstom's large geographical coverage of suppliers and contractors is reflective of its capacity to support local development worldwide.The Group's recent initiatives illustrates the concrete implementation of its local development strategy:

Americas

- **In the United States**, Alstom continues to position itself as a world-class procurement organization in the U.S. and as a valued strategic partner and industry differentiator. For the high-speed train project alone, it has invested in and partnered with 170 suppliers in 27 states, benefitting over 90 communities across the U.S. Alstom and Amtrak have worked in close partnership to meet ambitious goals, regarding Small Business Enterprises (SBE), Disadvantaged Business Enterprises (DBE), and Minority & Women owned Business Enterprises (MWBE) across the country. Alstom invests in local communities, helping co-develop the talents and skills of the local workforce through partnerships with local educational institutions and small businesses. It aspires to increase social equity and inclusion within the industry and works diligently through its Supplier Disadvantaged Business Enterprise (DBE) programme to develop local supply chains. The DBE programme promotes partnering with firms who are certified Small or Disadvantaged, Women or Minority Owned, or Service-Disabled Veteran Owned, creating equal opportunities for employment and growth. One such example is the MWBE programme at JFK Automated People Mover site, with MAC Tech, a firm which specializes in Fabrication and Repairs. MAC Tech began as a lone entrepreneur that Alstom local team mentored until he qualified for MWBE Certification. Alstom helped MAC Tech grow into a state-of-the-art metal fabrication company. Through Alstom's partnership, MAC Tech grew from 42,000 euros in sales in 2006 to become a 3.5 million euros company, investing in cutting-edge technology and employee development. Alstom continues to maintain its strong partnerships with legislative partners at all levels of Local, State, and Federal government. Alstom Procurement in the Americas also keeps active participation and leadership in industry events, including various APTA (American Public Transportation Association), multiple APTA sub-committees, and in New York State at the NYS MWBE (New York State Minority/Women Owned Business Enterprises) forum.
- **In Canada**, Alstom is the only railway manufacturer with production capacity, including a strong local supply chain. Since the company has manufacturing sites in regions, outside of urbanized communities, Alstom pays attention to source supplies in the surrounding areas of La Pocatière and Thunder Bay, for instance. Committed to social and economic development, the company is actively promoting sustainable procurement from British Columbia to Ontario, Québec, all the way to Nova Scotia. Alstom has a supplier panel spanning across 8 of the 10 provinces and includes on an annual basis more than 1,200 suppliers covering over half of the country's spend. It actively supports many business associations and partners from other industries and, in particular, the "Association des Manufacturiers Exportateurs du Québec".
- **In Latin America**, Alstom has played a strategic role in the rail industry, delivering +150 cars during 2023 with a forecast of production around 1,000 cars for next 5 years in LAM countries. Product offerings include important level of localization in Brazil and Mexico, impacting directly Supply Chain in both countries.

Asia/Pacific

- **In India**, Alstom is actively implementing the national Make-in-India policy through development of its local supply chain. Its Rolling Stock factories in SriCity (Andhra Pradesh) and Savli (Gujarat) are manufacturing hubs for both domestic and international projects. Alstom India is the second-largest contributor to patent registrations in the Alstom group. Alstom in India buys goods & services worth approximately 730 million euros, 75% of which are from Indian suppliers. The group collaborates with close to 1,200+ Indian suppliers, of which 12% are small & medium enterprises (SMEs). The company has sponsored advanced supplier development programmes for over 4 critical suppliers with the objective to improve their maturity. Indian suppliers currently export over 40 million euros worth of goods & services to majorly Germany, France, Australia, and America. In 2023 Alstom trained over 424 supplier employees, covering 89 suppliers on various technical programmes.
- Alstom **Australia and New Zealand** is Australia's leading rolling stock manufacturer and signalling and services provider with 730 MEUR Sales and a 4.2 billion euros backlog end of March 2023; it operates across 25 sites, including 3 manufacturing facilities, engaging with 850 Australian suppliers and supporting 3,000 indirect jobs, apprenticeships, and traineeships with a 364 million euros annual spend. It works extensively in the social procurement space with a year spend of 1.2 million euros and has introduced a new Social Procurement Advisory Panel (SPAP) which will have a particular focus on Victoria's 10-year Rolling Stock Maintenance contract (RRSMC) which was signed in December 2023 and has commitments to women's equality, indigenous cadetships, sustainable business development and training. Alstom Australia has partnered with several Social Benefit suppliers; Nadrasca is the official supplier of promotional items and corporate clothing who supports those living with a disability, while Kulbardi is the biggest social benefit supplier with

a total spend of 1.2 million euros since 2021 who provides the office and stationary needs. Alstom Australia has currently started manufacturing 100 of Melbourne's Next Generation G Class trams which will see a 65% local content commitment; it operates with wide-ranging industry participation including research and development programmes established with local universities and has launched the Mobility Supply Chain Centre of Excellence, a partnership with the Victorian Government. Manufacturing has also begun in regional Victoria for 25 new X'Trapolis 2.0 trains with a 60% local content commitment. Both projects undertook lengthy public engagement programmes with up to 2,000 key stakeholders including disability and community groups which also involved work with social enterprises such as Ability Works. In Perth, the first C-Series train manufactured by Alstom has started revenue service since 2024. This Metronet project works with 100% Aboriginal-owned enterprise, Eon Protection, to provide site security services. By procuring services from Eon Protection, they are supporting Aboriginal people to work, grow, build careers, and businesses, creating new opportunities and providing a sense of belonging. This project also ran an Aboriginal Pre-Employment Programme which provided a partial qualification and real work experience in the rail manufacturing industry for Aboriginal people to support the communities and Aboriginal families to overcome barriers; it has led to 3 Aboriginal mechanical apprentices employed. Alstom Australia also partners with Indigenous group, Kinaway Aboriginal Chamber of Commerce supporting their projects and events and has recently submitted for the Reconciliation Action Plan: Part 1 REFLECT with Reconciliation Australia. Alstom provides fast-tracked training and skills development programmes through dedicated partnerships with local Technical And Further Education (TAFE) as well as training organizations, creating a new generation of skilled railway manufacturing professionals. It also works with industry and local suppliers through conducting supplier days as well as industry and careers showcase.

Africa/Middle East/Central Asia

- **In Kazakhstan**, Alstom remains the only manufacturer of electric locomotives and point machines in Central Asia and Causasian region. It employs over 1,000 people and has 3 depots, 2 plants and a repair center. One plant is EKZ in Nur-Sultan for electric locomotives manufacturing and maintenance and production of on-board transformers, and the second KEP in Almaty to produce point machines. EKZ has started a localization plan on main commodities since 2022 for its locomotive projects KZ4 and KZ8. The localization levels will increase as the traction cubicles will be produced Alstom JV EKZ from 2022, and as freight and passenger locomotives should reach about 40% local content. In addition, traction transformers for the passenger locomotives will now be produced in EKZ (traction transformers for freight have been manufactured locally since 2020).
- **In Egypt**, Alstom has started also a localization plan for its railway activities through sourcing, qualification and development of Egyptian suppliers for the National Authority of Tunnels, the Egyptian National Railways and Monorail projects.
- **In Morocco**, Alstom supports the Kingdom's goals of growing its industrial base through knowledge transfer and new production and engineering capability. Alstom's strategy is to localize procurement activities in Morocco as much as possible. Alstom objective is to continuously increase the localization rate and to reach 53% by 2025
- **In Saudi Arabia**, Alstom held a supplier day in Riyadh on July 2023, to celebrate collaboration and excellence, strengthen and diversify its supplier network and to highlight its commitment to localization.

Europe

During 2023/24, Alstom organized several suppliers' days throughout Europe gathering hundreds of providers, that covered various topics such as CSR stakes: three events in UK for Scottish suppliers ('meet the buyer event' + focus on Rail maintenance and opportunities + engagement strategy), three events in Sweden (focus on payment terms and reverse factoring), one at Bucharest in Romania (on the services activities) and one at Ceska Lipa in Czech Republic (indirect purchases).

- **In Spain**, Alstom is going to supply 152 high-capacity commuter trains for Renfe, 10 Coradia stream trains for FGC for airport service (including 15-year maintenance and the construction of a depot), 3 X05 Citadis Trams for ATM and is completing the production of 50 new-generation metro trains for TMB. In December 2022, Alstom has been awarded a contract to supply 49 additional Coradia Stream high-capacity trains to Renfe; all the trains will be manufactured at Alstom's Santa Perpètua factory, Barcelona. Alstom Spain commits to local industrial development, the creation of stable and quality local employment, as well as the consolidation of an important railway hub in Spain. Finally, Alstom Trapaga works with a company employing disabled people for the delivery of bus bars.
- **In UK**, Alstom suppliers can benefit from trainings and assessments from the 'Supply Chain School for Sustainability', organization of which Alstom is an active member and more than 100 Alstom UK employees have enrolled for training with the School. Alstom has also joined Scottish Engineering and their Rail Cluster Builder; this organization connects business in Scotland and supports access to major clients and projects to develop skills and business opportunities.
- **In Benelux**, several inclusion actions are led with suppliers: local talent development to recover profile shortage, inclusion of disabled people for manufacturing services in the frame of Tram TEC Project, engineering activities employing autistic people.

- Alstom has deep roots in the communities across **Germany, Austria and Switzerland**. Since the company has 17 sites in this areas, partially also in economic weaker areas, e.g. Eastern Germany, Alstom pays attention to source supplies also in those areas. The company is actively promoting sustainable procurement across the whole region, with around 4,000 suppliers located in the three countries, supplying to Alstom sites worldwide. Besides Alstom continues its strong partnership with all customers in the region, public and private ones, as well with a number of Institutions, Universities and Associations where Alstom is represented by employees from different functions, including procurement. Alstom participates in more than 30 Associations, related to Business, Economic Development, Engineering, Logistics, Quality, Human Resources and more. Finally, Alstom organized several suppliers' days in different sites, gathering a significant number of key suppliers, this year with focus on ongoing and newly won Traxx locomotive projects.
- **In France**, Alstom has an important industrial footprint (with 80% of its procurement from France) and has led several projects and initiatives specifically dedicated to SMEs on industrial performance, sustainability and inclusion:
  - For the Toulouse 3rd metro line, a responsible purchasing policy is implemented, for example through Alstom active participation within the Totem Cluster or through several initiatives taken in Occitanie French region.
  - Alstom La Rochelle held its Suppliers Convention on September 2023: 35% of the suppliers invited were from "Grand Ouest" area. Alstom Valenciennes could identify some local suppliers to replace distributors, thanks to the network of the 'Association des Industries Ferroviaires'. Besides this site led a detailed CSR survey towards its main suppliers: among 87 answers collected, four suppliers were highlighted for their best practices. The results of this survey were presented to the local CSR committee in October 2023.
  - Alstom, which brings inclusion and professional equality to the heart of its strategy, regularly works with the sheltered sector through "Entreprises Adaptées" (EA) and "Etablissements ou Services d'Aide par le travail" (ESAT), which contributes to employ people with disabilities on Alstom sites in France. For example, Alstom La Rochelle employs ESAT workers on site for different activities (production of wiring tables, safety shoes cleaning, sorting out of Rilsan collars), whereas Alstom Le Creusot uses a reintegration enterprise for cleaning and painting works. Alstom Crespin launched a survey on inclusion towards its main suppliers on indirect procurement. Among 160 answers collected, three suppliers with recognized best practices were invited to exchange with the site CSR committee. Finally Alstom works regularly with RéseauH to promote professionals with disabilities: one candidate awarded for the yearly "Woman in EA or ESAT" trophy, training to the French procurement teams on inclusive procurement and conference on disabling diseases at work in 2023. In 2023, the purchases with the inclusive economy suppliers (i.e. covering the following inclusive pillars: Disability, Integration, Social & Solidarity Economy, City Policy Priority Neighborhoods, Rural revitalization zones) represented 125 million euros for France, accounting for 6.1% of total spend; this was achieved through 318 suppliers.
  - Alstom France has also been contracting with the major temporary labour suppliers to help developing more inclusive solutions for its sites. First of all, those companies implement targets and regular governance to track the rates of disabled people proposed at site and at regional levels. They have been bringing specific actions to make sure to reflect Alstom values in their recruitment process or in their communication campaigns for Alstom. Besides they support also Alstom to bring much more women in the plants, deploying programmes to enrol women especially in the industry, committing to reach a target of 26% of women in France. Finally, many discussions are ongoing regarding the insertion topics, to boost even further diversity on the interim population.
  - The Group is an active member of the "Compétitivité, Accompagnement, Rail, Emploi" CARE Rail Programme (Competitiveness, Support, Rail, Employment). This programme aims to reinforce the industrial performance of SMEs in the French railway industry through an industrial maturity diagnosis led by an independent expert (Planning, Flow Management, Quality and Supply) and regular monitoring of improvement actions. In partnership with the Federation of Railway Industries (FIF) and BPI France, Alstom plans to extend this project throughout France. Five groups of local SMEs have already been deployed in France (for the regions Hauts de France and Auvergne Rhône Alpes and for 'Grand Ouest' area), the last 2 groups on June 12th 2023 and on January 18th 2024.
  - Alstom has been a member of the Pacte PME since its creation in 2010. This is a joint association bringing together large companies and SMEs around a shared conviction: to grow French SMEs and promote the emergence of new leaders in the French economy, companies of all sizes must cooperate better together. It stimulates all forms of cooperation in purchasing, open innovation, export, skills development, etc. Indeed, within this association, Alstom participates to the Observatory, a barometer to assess the relationship customer/SMEs. In 2022/23, Alstom participated to several workshops to define and promote best practices to improve payment terms with suppliers (with a focus on SME) in France.
  - Alstom France is a board member of the association Ferrocampus in the Nouvelle Aquitaine region which focuses on research and innovation for the regional lines and targets students to promote the rail sector. Ferrocampus is now also organizing the Rail Innovation Challenge, a collaborative innovation contest for master students in Europe.

The three innovation stations in Tel Aviv, Singapore and Stockholm are also boosting collaboration with local partners. They are versatile structures for innovation, designed according to their ecosystems.

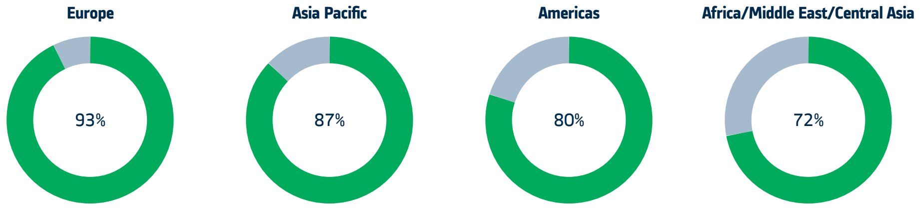
The year 2023/24 has been marked by the first big external promotion event of Alstom's startups collaboration. At the occasion of VivaTech exhibition in Paris in June 2023, Alstom invited 6 startups to its booth, allowing them to benefit from Alstom's exposure to increase their own. As every year, Alstom has also launched a global scouting campaign with the support of an external scouting partner. As a results, five startups have been introduced to internal experts who are now studying potential collaboration use cases.

NUMBER OF EMPLOYEES BY REGION VERSUS SALES BY DESTINATION IN 2023/24

	% of employees	% of Sales by destination
Europe	55.7 %	58 %
Africa/Middle East/Central Asia	6.7 %	9 %
Asia-Pacific	19.6 %	14 %
Americas	18 %	20 %

Alstom is a key contributor to the regional industrial ecosystem, as shown below:

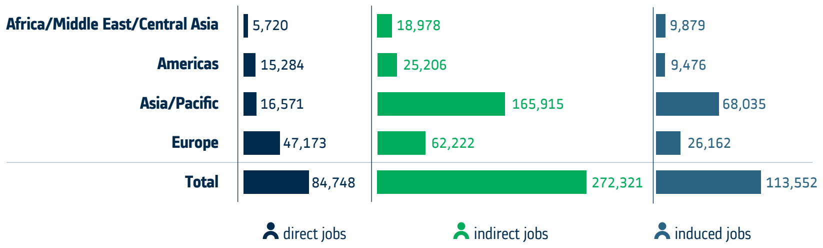
SHARE OF REGIONAL ORDERED AMOUNT BY REGION (TO EXTERNAL SUPPLIERS TIER 1):



Social impact assessment

Alstom has defined a methodology to evaluate the Company's contribution to the development of territories in its various countries of operations. This is translated into the social and economic value created locally by Alstom's activities. Indeed, the Group's entities are considered as key local suppliers of products and services, drivers of local supply chains, as well as major employers and skills developers. This positive impact could be measured through the number of jobs supported (direct, indirect and induced). The entities impact on national development is also evaluated looking at their ecological footprint and, their role as corporate citizens. Up to now seven impact assessments have been conducted over recent years highlighting Alstom's contribution in India, Morocco, Kazakhstan, South Africa, the United Kingdom, France and the USA, generally positively perceived locally. Alstom keeps on deploying this methodology to other countries where it has a major presence, and new impact reports are expected to be released in FY2024/25 for Italy, Canada and Spain.

NUMBER OF JOBS SUPPORTED (DIRECT, INDIRECT, INDUCED)



Direct jobs represent the contribution of the activity/entity itself to the entire economy (the number of employees working for Alstom).

Indirect jobs are the jobs supported in Alstom's supply chain due to its procurement among its subcontractors and suppliers. Induced jobs are the jobs supported in the economy at large by the spending in the economy of Alstom direct employees' wages and part of Alstom suppliers' wages, corrected for income tax, employee social contribution and savings.

Source: Alstom Social Impact Assessment Survey 2023.

Relationship with local communities

The legitimacy of a company like Alstom, which is operating in many countries around the globe, stands not just on its ability to satisfy its customers, partners, investors and employees, but also on the acceptance of its presence by the communities amongst which it is located. The lack of open and regular engagement with these local communities could impact a company's reputation thereby challenging this legitimacy – its "Licence to operate" –.

Establishing itself locally and demonstrating positive impact are essential to the preservation of a company's ability to perform its day to day business. Through dialogue with these communities and contribution to local initiatives, Alstom strives to be a good corporate citizen, the success of which is good for the broader community.

Strategy and policies

Alstom recognises that, whilst it is a global player, it also has the obligation to act as a local player wherever it is operating. This requires engagement with communities near to its sites and offices in order to nurture good relationships, ensure an acceptance of its presence and demonstrate its long-term commitment.

The Company's various stakeholders – its customers; investors; employees; local authorities; and the local communities themselves – increasingly expect such engagement to lead to measurable material benefit for the communities; indeed, in some countries (e.g. Indiaa South Africa) there is a legal requirement for companies to undertake such activities.

The Sustainability & CSR function coordinates the transversal deployment of the related community investment and volunteering policies through a network of Sustainability & CSR champions located in all countries or clusters in which Alstom has a significant presence. The number of beneficiaries is the key indicator measuring the effectiveness of these policies, addressed under the Alstom In Motion strategy commitment to society. The objective set is to reach a total of 250,000 beneficiaries by the end of FY2024/25.

Community investment

Alstom consistently applies its global community investment policy (last updated in 2022), engaging with local stakeholders in order to develop and implement local action plans (the Country Community Action Plans or CCAPs) which address their expectations and needs. The policy covers:

- responding to local social needs;
- supporting development through education;
- encouraging the development of local enterprises;
- protecting the environment.

Responding to local social needs

Alstom seeks to make a positive impact on disadvantaged local communities, improving their living conditions and their socio-economic standing through pragmatic dialogue, by encouraging employee awareness and employee involvement in various volunteering and charitable activities, and by allowing the use of company property or by giving employees the time to participate.

Most usually Alstom's employees get involved in fund-raising events such as charity runs, bike race, walks or sale of products (fruits, chocolates, etc.). Engaging in collecting or donating clothes, toys, books or food is also greatly practiced in many countries, often geared to a specific calendar event such as christmas time, ramadan or chinese new year.

Overall, Alstom addresses social needs through its support to charities and through community project support.

Examples of charitable support include:

- collection and donations of cash, blood, goods (food, toys, clothes, furniture, etc), services or equipment to local, national and international charitable appeals;
- membership of, and subscriptions to, charitable organisations that help to deliver the community engagement strategy;
- company-matching of employee donations and fundraising;
- employee volunteering during working hours.

Examples of community support include:

- the provision of expertise in areas such as diversity; human rights; science, technology, engineering, mathematics (STEM);
- general manpower and financial support to disadvantaged communities;
- grants, donations (cash, goods, services or equipment) to community partner organisations;
- support to individuals of the community who are struggling, by such actions as mentoring jobseekers and targeted recruitment of local people from disadvantaged backgrounds or without qualifications;
- relief to disasters such as earthquakes, floods, war, etc.

Supporting development through education

Alstom promotes education among young people through: the development of individual skills and employability, the raising of awareness on key topics linked to Alstom values (e.g. diversity, health and safety, human rights, STEM), support to schools and partnerships with colleges and universities. The Company has created a core group of STEM engaged ambassadors with the aim to collaborate with educational establishments to promote STEM topics and to mentor individual students.

Alstom's sites around the world often have strong links with local schools. They support them by:

- organising familiarisation visits to their sites;
- participating in governing or examining boards;
- deploying their STEM Ambassadors to present possible career paths to children;
- facilitating internships;
- fulfilling other needs such as equipment provision or the renovation of school infrastructure.

Alstom has a broad array of technical partnerships in place with universities/higher education establishments in Europe and beyond. The objective of these is to enhance the Company's research and development (R&D) capability relying on local talent. A list of partners by country can be found on Alstom website.

Further examples of education-related activities, often encouraging students into the railway industry, include:

- developing employability – encouraging individuals e.g. in-house training, internships and placements of local people and mentoring of apprentices;

- support to schools e.g. organisation of Alstom site visits (including virtual ones); general manpower and financial support;
- partnerships with and support to colleges and universities:
- providing lecturers on engineering-related topics;
- establishment of Alstom scholarships/chairs;
- sponsoring engineering fairs, innovation competitions and hackathons.

Encouraging the development of local enterprises

See the section on Local Development.

Protecting the environment

Alstom is willing to participate in the global effort to fight again climate change, limit pollution and provide a better environment to population. This is translated into local actions in favour of the environment such as:

- protecting nature and reducing CO_2 emissions through planting trees and supporting biodiversity (for example installing beehives, helping animals, etc.);
- cleaning up sites (beaches, forests, cities) from garbage, plastic and other polluting materials, and supporting recycling initiatives

Volunteering

To support its community investment policy, Alstom has developed a volunteering policy which encourages volunteering amongst its workforce. Through this policy, Alstom encourages all its employees to spend one paid day per year to get involved in volunteering activities. This process is managed by local team in accordance with their own country regulation. Whilst activities can be undertaken at individual level, the Group favours collective activities to give the best results for the beneficiaries whilst promoting purposeful team-building.

Processes and action plans

Under the banner of "Alstom in the Community" there are two arms to the Company's local community activities.

One arm is the Alstom Foundation which is a centrally managed entity, with its unique budget and own branding, which selects, finances and monitors the progress of community-related projects around the world on a once-a-year cycle. These projects are generally of a duration of between six months and three years.

The second arm involves the management teams, in all countries in which Alstom has a significant employee headcount, (>200 employees(1)) in the development of their own annual country community action plans (CCAPs). These plans are developed, funded, managed and implemented locally in line with the Company's community investment policy. The actions under each plan are decided based upon a local perspective of how the Company can have maximum impact in addressing local needs, whilst taking account of local culture and sensitivities. Such actions are normally performed in the name of the local Alstom entity.

The Alstom foundation

The Alstom Foundation was created in 2007 to share Alstom's success with disadvantaged communities situated in countries where the Group is active, thereby enhancing the relationships with such communities whilst encouraging the citizenship and engagement of Alstom's employees.

Working with international and local partners, the Foundation seeks to improve the living conditions of local communities by providing finance for a variety of concrete initiatives which support socio-economic development and sustainability. With its budget of 2.2 million euros per year, the Foundation supported 36 projects in FY2023/24. The Alstom Foundation also makes donations on a selective basis to expert non-governmental organisations (NGOs) in the aftermath of natural or humanitarian disasters. During this fiscal year, it acted after the floods in Italy and Greece in May and September 2023, and supported the population in Morocco strongly impacted by the earthquake in September 2023. Finally a donation was also made in Chile to support families after the uncontrollable fires in February 2024.

Whilst its focus remains predominantly developing economies, the Foundation also supports worthy community projects located in developed countries.

The projects of the Foundation generally address one or more of the following four challenges:

The Foundation's Board of Directors includes eight members, five of whom are internal to Alstom and three of whom are external experts. The Board is supported by a secretariat which undertakes the day-to-day running of the Foundation and implements the Board's decisions.

Country community action plans

In all the countries in which Alstom has a substantial headcount (typically greater than 200 employees) a Sustainability & CSR champion has been appointed to lead the local implementation of the Company's community investment policy. CSR Champions have also been appointed at region level to coordinate such activities and to facilitate approvals where required.

The Sustainability & CSR champions are not all full time in this role but act as main point of contact on top of their standard role. Global coordination is undertaken by the Director of community investment, who ensures the overall consistency of activities and the transfer of best practice from one region to another and the alignment of initiative with the Group community investment policy.

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(1) Countries with an headcount < 200 employees can also decide to deliver actions.

Alstom has put in place a philanthropy and community engagement strategy spanning all the countries in which it has a major presence, and its priorities are aligned with Alstom's business drivers. Such alignment allows the Company to leverage its strengths, its brand and its employees to have the maximum impact on the beneficiaries. The strategy is underpinned by a process, drawn up in 2018 and lodged formally in the Alstom management system, which sets out the rules and methodology for the production and implementation of country community action plans.

The Sustainability & CSR Champions use the CCAP template to support this process, allowing the actions to be planned, monitored, recorded and assessed. Using this document also facilitates consolidation of actions implemented during the year all over the regions. In FY2023/24, Alstom spent a global cash budget of 8.8 euros to support the implementation of these activities.

In addition, the non-cash costs of such activities (person-days value), borned by country or project budgets, reached a cash equivalent of ~4.1 million euros. This year also, Alstom's joint venture in South Africa – Gibela – spent over 4 million euros on broad-based black economic empowerment-related skills development and local enterprise development.

Main results and performance indicators

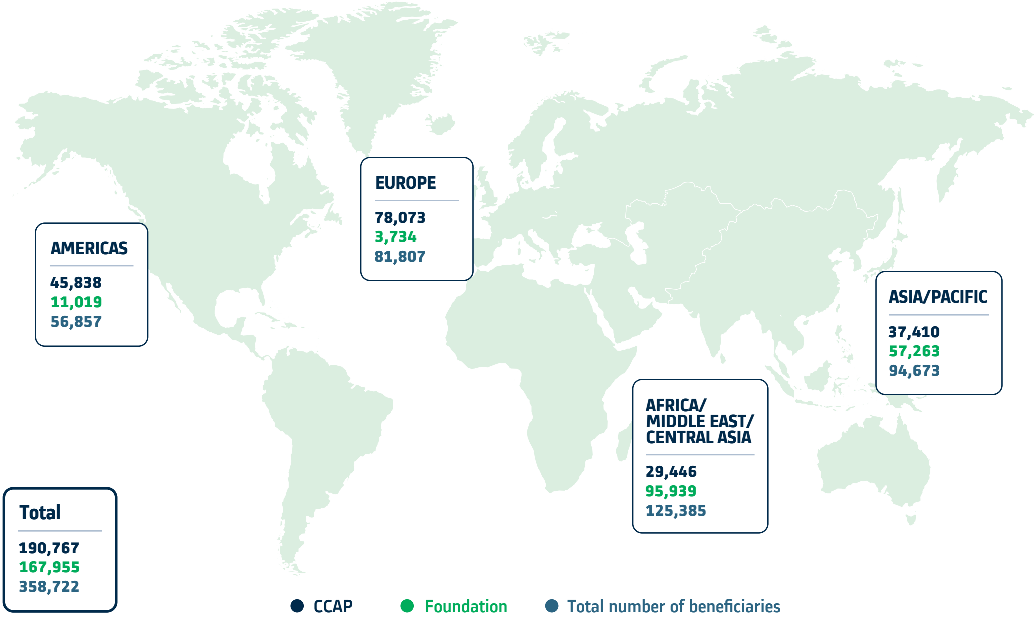
Alstom follows the impact of its community investment policy by monitoring the number of people who benefit from Alstom Foundation projects and local country actions every year.

NUMBER OF BENEFICIARIES FROM SOCIAL PROGRAMMES (*1,000)

	2021/22	2022/23	2023/24
Alstom Foundation	60	102	168
Actions in support to communities from Country Community Action Plans (CCAPs)	185	197	191
TOTAL	**245(1)**	**299(1)**	**359**

(1) Data corresponds to an estimation inferior or equal to the value, defined according to internal rules and based on a conservative approach

NUMBER OF BENEFICIARIES FROM SOCIAL PROGRAMMES BY REGION



It is estimated that close to 11,000 persons of the Alstom workforce engages in some sort of philanthropic activity, giving freely of their time, money, and expertise.

The Alstom foundation

In September 2023 the Board of Directors selected 36 projects for support from the FY2023/24 budget. Examples of these projects are included below, according to the four axes of the Foundation.

The nature of the projects supported by the Alstom Foundation is such that it is sometimes quite difficult to assess the number of direct beneficiaries of a project. For certain projects the benefits are felt during the implementation phase, whereas for others the benefits can only be realised after the project has been completed. The Foundation has decided to place a special focus on this issue with the goal of positively impacting through its projects at least 60,000 direct beneficiaries per year by 2025. An analysis of the 92 projects that were active during the fiscal year FY2023/24 across 37 countries indicates that around 166,000 individuals have benefitted directly from them, plus 2,427 additional ones have benefitted from the emergency fund donations of the Foundation (mentioned earlier in three countries), reaching a total of 168,000 beneficiaries.

More information about the Alstom Foundation and its projects can be found on the Foundation's website: www.foundation.alstom.com.

ALSTOM FOUNDATION PROJECTS SELECTED DURING 2023 BOARD – EXAMPLES

Axis	Country	Project title	Partner
	Ukraine	**Improving the access to a safe and quality water for war affected population** – Restore the water system in collaboration with local provider for the population to get a safe access to water and better health & hygiene conditions	WeWorld
	France	**Ecovolonterre** – A Civic Service program allowing youth (16-25y) to commit to missions of general interest focused on environment, and take part to concrete actions to fight against the decline in biodiversity	Unis-Cité
	Brésil	**Virtual Reality for Inclusion –** Address the challenges & barriers (Directions, physical accessibility, safety instructions) faced by disabled individuals through a virtual environment that simulates the reality they experience when moving in the city	Instituto Jo Clemente
	Kazakhstan	**Technovation –** Teach girls (8-18y) how to create mobile applications or algorithms for artificial intelligence to solve social problems	Kinergy

Country community action plans (CCAPs)

At the end of the fiscal year, 44 Country Community Action Plans had been implemented.

A special focus is placed on assessing the number of direct beneficiaries of these various actions and on understanding how they benefit. Guidelines for assessing the number of direct beneficiaries have been established and are shared all over the Group. Overall, it is estimated that around 191, 000 people have benefitted from Alstom's CCAP activities during the year.

All together, Alstom Foundation and CCAP activities benefitted to 358,722 people.

The following paragraphs highlight the inputs and outcomes of a selection of activities from the list of 683 undertaken during the fiscal year. Overall, around 12,175 person-days of Alstom time were committed to these activities

ALSTOM CCAP EXAMPLES FY2023/2024

Priorities	Responding to local social needs	Supporting development through education	Encouraging the development of local enterprises	Protecting the environment
Examples	**France**: Alstom employees in Saint Ouen participated in a national food collection organized by Banque Alimentaire de Paris et Île-de-France, benefitting to people in need **South Africa**: To support the Duduza Multipurpose Center and allow the community and youth in particular to benefit from sports platforms, an industrial lawnmower was purchased to facilitate the maintenance of the grounds **Germany:** In partnership with Weggefährten Braunschweig e.V and Köki e.V, an iLINT train trip was organized from Salzgitter to Wolfsburg for children who have tumors or disabilities to visit the Phaeno Science Center	**Saudi Arabia:** As part of the relationship with the Prince Noura University, Alstom participated in a Career Day to provide free career consultations to visiting students and showcase our career opportunities. Alstom also hosted female students at our Riyadh Metro facility to introduce Alstom and expose students to green mobility **Spain:** Alstom has in place several initiatives with schools to support students such as the 4° ESO+Empressas program, a collaboration between schools & companies to help students in their orientation & future career during three days	**India**: Alstom has extended its partnership with NSRCEL, the startup hub at IIMM Bangalore, to implement a Sustainability Incubation Programme and support startups and innovation in the fields of electric mobility, last-mile connectivity, green buildings, logistics and supply chain, etc. **Sweden**: Alstom continues to foster innovation through Ignite matchmaking network to help start-ups land projects, deals or clients	**Canada:** As part of the Forests Ontario's 50 million Tree Program, 29,400 seedlings were planted on Alstom property in Kingston **Singapore:** Alstom team repurposed train seats into functional furniture for the Assumption English School, to enhance their common areas while promoting the circular economy **Mexico:** In collaboration with the GMA Foundation, Alstom employees collected 760 kg of garbage through a 6 km clean-up on the Telhac beach (Yucatan)

4. ACTING AS A RESPONSIBLE BUSINESS PARTNER

Alstom aims to be a responsible business partner in every aspect of its activity. This involves: Ethics and Compliance (page 348); Sustainable Procurement (page 353); Human rights (page 357); Customer Relationship (page 361); Railway Safety (page 362); Tax Evasion (page 364).

Key topics	Main CSR targets and KPI	Starting point/ baseline	Starting/ baseline Year	2023/24	Target Year	Progress	SDG
Ethics and compliance	Global ISO 37001 certification	All region certified	FY2021/22	All region certified	FY2024/25	🟩	12 RESPONSIBLE CONSUMPTION AND PRODUCTION 16 PEACE, JUSTICE AND STRONG INSTITUTIONS
Sustainable procurement	100% of suppliers monitored or assessed on CSR and E&C as per their level of risk	62%	FY2021/22	91%	FY2024/25	▨	8 DECENT WORK AND ECONOMIC GROWTH 12 RESPONSIBLE CONSUMPTION AND PRODUCTION 16 PEACE, JUSTICE AND STRONG INSTITUTIONS 17 PARTNERSHIPS FOR THE GOALS
Customer relationship	Average Net Promoter Score (NPS) > 8	8.1	FY2021/22	8.4	FY2024/25	🟩	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 12 RESPONSIBLE CONSUMPTION AND PRODUCTION
Railway safety & healthier mobility	75% of safety review ok	77%	FY2021/22	79%	FY2024/25	🟩	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 11 SUSTAINABLE CITIES AND COMMUNITIES

🟩 Reached ▨ On progress

Ethics and Compliance^{VP}

The respect of the highest standards of integrity is essential for Alstom. Alstom's reputation can only be built through the continuous strengthening of its ethical rules and procedures, as well as the adhesion of all managers and employees, who must know and rigorously apply the principles of Alstom's Code of Ethics and its Ethics & Compliance instructions.

The Alstom Ethics & Compliance (E&C) programme covers the areas of anti-corruption efforts, anti-trust compliance, human rights, export controls and trade sanctions, and data privacy. The risks that many of these areas address are potential criminal liability which can result in important criminal penalties and imprisonment for Alstom managers and other employees, exclusion from national or international markets in the framework of debarments by public or private authorities, civil lawsuits and damage to Alstom's reputation in the eyes of its stakeholders in all aspects of its activities (employees, business partners, shareholders, among others).

The regulatory environment in which Alstom operates is becoming more and more complex. This is especially the case in the areas of competition laws and legislation relating to the fight against corruption, influence peddling and money laundering. Another area where this complexity is evidenced is in the field of economic sanctions, export controls or other trade restrictions imposed by many countries and organisations such as the European Union, and the United States.

More specifically:

- the corruption risk is present due to the nature of Alstom's international business activities involving high value public works projects with public administrations and governmental bodies financed (partially or in whole) by government funding;
- the risk of anti-competitive practices such as collusion or price fixing is present due to the structure of Alstom's markets which involve a small number of competitors;
- for trade sanctions and export control, Alstom's activities are governed by European Union trade sanctions and dual use regulations, OFAC(1) economic sanctions and BIS(2) export control regulations in the United States as well as similar applicable requirements in multiple jurisdictions. The trade sanctions and export control regulations are constantly increasing and the fact that some of these regulations carry an extraterritorial impact make compliance activities even more challenging;
- for data privacy, the main non-compliance risks for Alstom are (i) an unauthorised disclosure of a person's personal data ("data breach"), (ii) an unjustified collection or usage of personal data, and (iii) the inability of Alstom to comply with the rights under law of data subjects (right to be forgotten, right of access, right to object, right of correction, right of transfer).

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(1) Office of Foreign Assets Control.
(2) Bureau of Industry and Security.

Strategy and policies

The Alstom Ethics & Compliance Policy, signed by the Chief Compliance Officer, sets forth the values and E&C commitments of the Group. It is fully integrated into the Alstom Group Sustainability and Corporate Social Responsibility policy, which is endorsed by the CEO.

The fundamental rules are included in the Alstom Code of Ethics which prescribes essential principles of conduct: respect of laws and regulations, respect of all Alstom rules and policies, prevention of corruption and bribery, compliance with competition laws and the importance for everyone to play his/her role in internal control and the non-disclosure of confidential information.

Published for the first time in 2001, this document applies to every Alstom manager and employee and is regularly updated. A new version of the Alstom Code of Ethics was published in 2020 in French and English and considerable efforts are being deployed to meet the objective of having a local language version of the new Alstom Code of Ethics available to all employees. Currently, the updated Code of Ethics is available in over 20 language versions. The E&C Central team continuously works with local teams to understand the needs of employees and provide further local language versions as required.

The Code of Ethics presents the Alstom Integrity Programme and gives specific instructions and requirements on the level of ethical behaviour expected from each Alstom employee or manager. It also provides contact points so that everyone can raise any question or concern.

The Code of Ethics and related internal rules and instructions cover the way Alstom manages its relations with Customers, Suppliers and Contractors, Sales Partners and Government Procurement in respect of Compliance with Laws and Regulations, Prevention of Corruption and Bribery, Compliance with Competition Laws, the Export Controls and Trade Sanctions, Anti-money Laundering, Conflicts of Interests, Gifts and Hospitality, Environmental Protection, Community Relations, Political Contributions and Activity, Charitable Contributions, Sponsorship, Respect of Human Rights, Relationships with Employees, Career Management for employees, Equal Opportunity Inclusiveness and Non-Discrimination, Health and Safety, Security of Employees, Data Privacy, Respect for Confidential Information, Intellectual Property, Insider Dealing, Communication with Analysts and Investors, Communication with the Media and Use of Social Networks.

The E&C Instructions specify the principles expressed in the Code of Ethics, in particular, regarding compliance with competition law, export controls and trade sanctions, prevention of corruption and bribery with customers, suppliers and contractors and in joint ventures and consortia, gifts and hospitality, political contributions, charitable contributions, sponsorship, dealing with sales partners or consulting companies, conflicts of interest, and facilitation payments.

The E&C Instructions are regularly updated based on the experience of employees, external reviews (lawyers, companies specialised in the questions of ethics and compliance, etc.), internal and external audits and recommendations emanating from public authorities and other public entities.

The E&C activities are the responsibility of all Alstom employees and are implemented at all management levels of the organisation. The culture must permeate the whole organisation, the “tone from the top” being relayed by each level of the management to all employees.

Within the Board of Directors, the Ethics, Compliance and Sustainability (ECS) Committee, created in 2010, became the Ethics & Compliance (EC) Committee in 2020. It reviews the Ethics & Compliance policy of the Company and the processes in place and monitors their implementation by providing its advice to the Board of Directors. The Chief Compliance Officer is the secretary of the E&C Committee.

The Chief Compliance Officer leads a dedicated team and reports to the General Counsel of Alstom who is a member of the Alstom Leadership Team (ALT) (formerly known as the Executive Committee), as well as to the Chairman and Chief Executive Officer and to the Board of Directors. To avoid any conflict of interests, the Chief Compliance Officer has autonomy and independence to define and implement E&C rules and adequate processes.

The Ethics and Compliance (E&C) Department, managed by the Chief Compliance Officer, includes a central team and a regional network. This team is composed of compliance experts who ensure the implementation of, and the harmonised approach to, the compliance rules of Alstom and its processes. It provides support for the application of the policies and the current rules. The regional network increased to 15 regional compliance officers and managers, each reporting hierarchically to the Legal & Compliance of the region, and functionally to the Chief Compliance Officer. The regional compliance officers work as closely as possible to the management to provide the support necessary for the operational activities of their region.

To increase the awareness of managers and employees, the E&C Department relies on an expanding community of 530 E&C ambassadors, all volunteers, who come from diverse functions. These ambassadors agree to devote part of their time to ethics and compliance matters. Their main role is to promote the culture of integrity through E&C awareness sessions and participation in any action of communication organised in their region and to be a contact point for questions about ethics and compliance.

Alstom’s E&C strategy is memorialized in its Strategic Vision 2025 translated into yearly objectives that address Alstom’s key priorities, which may include E&C audits, E&C Ambassadors and E&C training.

Certification

Alstom ensures that its efforts systematically reflect best practices in terms of compliance and ethical standards and regularly reviews and audits its Integrity Programme. Since 2009, Alstom has been engaged in a process of certification of its anti-corruption policy.

Alstom obtained, in June 2017, the ISO 37001 certification for its anti-bribery management system on a European scale. Awarded by AFNOR Certification, this certification confirmed Alstom’s commitment to fight corruption and marked the start of the Alstom certification campaign that has been followed by further audits in other regions in which the Group operates.

The international standard ISO 37001, introduced in October 2016, advocates a series of measures to help organisations of all types, both private and public, to prevent, detect and address bribery through the implementation of an anti-bribery management system. The audits focus on the adequacy of Alstom's anti-bribery system according to the standard ISO 37001, in particular its Ethics & Compliance policy, the Code of Ethics, and the various instructions relating to existing anti-corruption procedures and numerous associated training tools.

Since 2019, Alstom is certified ISO 37001 for countries and operational sites in all its regions. A first renewal audit campaign took place and certified Alstom ISO 37001 until 14 June 2023. A second renewal and expansion campaign took place in 2022 to include ex-Bombardier Transportation sites, resulting in a new ISO 37001 certification until June 2026.

Processes and action plans

Risk-based approach

Alstom deploys its E&C programme to address the risks of its activities and the requirements of its employees and business partners. The E&C Department conducts an annual risk assessment and develops an action plan to mitigate the identified risks. This risk assessment is then conducted on various levels of the organisation to adapt the evaluation of risks locally according to the operational activities and the geographical zone and to adapt corrective actions to every type of risk.

Alstom's bribery & influence peddling risk assessment is a process designed to identify, assess, prioritize and manage the risks of bribery and corruption, as well as influence peddling linked to Alstom's activities (Bribery Risk map). Bribery risk & influence peddling scenarios are identified and assessed in consideration of Alstom's business environment, which may be affected by several factors, such as its activity sectors, the nature of its operations, the countries where Alstom does business and the nature and type of its relationships with third parties. Each of these scenarios are assessed from a gross risk and net risk perspective and use different indicators: the likelihood of occurrence, the impact (with three different dimensions: criminal, image/reputation and economic impact), the aggravating factors (which take into account criteria such as location, transaction value or complexity, use of intermediaries, involvement of public officials) and the effectiveness of the controls activities implemented by Alstom in order to reduce these risks.

In addition, a compliance assessment is made on each project during the pre-tender preparation phase prior to bidding on the project. As a part of this assessment, Alstom considers, among other points, the corruption risk associated with the country where the project will be executed, whether the customer is public or private, the funding for the project and Alstom's project partners. Approximately 230 projects were evaluated during the fiscal year. In larger, more complex projects involving consortium partners or joint ventures, specific risk assessments are conducted on the project partners. A mitigation plan is elaborated according to the importance of the project and the risks identified before any answer to a tender, which is then transferred to the Project teams to ensure its execution. These compliance risk assessments are regularly reviewed by the Project teams, with the support of the Regional Compliance Officers, throughout the life of the project.

In all projects and activities, the use of commercial agents is subject to a specific risk review exercise as part of the due diligence and "on-boarding" process of the commercial agent.

Finally, at the discretion of the compliance team, specific risk assessments have been implemented for long-term projects which involve a significant investment in the country of activity..

Training and communication^{VP}

Communication, awareness and training of the managers and employees are essential to explain Alstom's Ethics & Compliance policy. These actions are available on multiple media: on-line modules, class-room sessions and specialist interventions on the questions of ethics and compliance. Over the years, as part of Alstom's continuous improvement approach, Alstom has developed its training offering and deployed new training modules, which consist today of 12 main trainings as follows: Code of Ethics, Competition Compliance class, E&C Class, Alert Procedure, Conflicts of Interest, Working with External Third Parties, Advanced Global Data Protection, E&C for Procurement, Gatekeeper training for Finance, Gatekeeper training for Legal, and Trade sanctions awareness.

While Alstom's managers, engineers and professionals (MEPs) population >45,000 are all required to take core E&C training, such as the e-learnings on the Code of Ethics, Conflicts of Interest & the Alert Procedure, because certain Alstom personnel are considered more exposed to risk due to their scope of work, e.g., those dealing with external third-parties, such as managers and employees working in the Commercial, Bid & Projects, Procurement, Finance functions, >10,000 and this population, in addition to the mandatory e-learnings, are required to take additional E&C classroom training, focusing on corruption & influence peddling, as part of the three-hour E&C Class and three-hour Competition Compliance Class below.The percentage completion rates of the training these populations must take are also set forth in the table below:

Alstom E&C Alert Procedure	E-Ethics 2020 Code of Ethics	Conflicts of Interest
What is the Alert Procedure? What issues can be reported? How can one report?	A variety of case studies representing ethical situations faced in daily work.	Identify and take the necessary steps about conflict-of-interest situations at work.
format: micro- e-learning **population:** All MEPs **Completion** ≈ 98% of target	**format:** e-learning **population:** All MEPs **Completion** ≈ 96% of target	**format:** micro- e-learning **population:** All MEPs **Completion** ≈ 97% of target

Competition Compliance Class	E&C: Working With External Third Parties	E&C Class
Application of Alstom's competition policy and alert procedure and awareness on basic principles.	Covers responsibilities of engaging external 3rd parties, focusing on consultants.	Awareness on company ethical values, principles and rules. This training defines corruption, bribery and influence peddling, illustrated by concrete and practical examples. The course provides essential information on the different forms and means of corruption, the legal landscape, as well as the consequences for the company.
format: classroom training **population:** targeted MEPs **Completed by** > 10,000 employees (82% of 2021 target)	**format:** e-learning **population:** All MEPs **Completion** > 86% of target	**format:** classroom training **population:** targeted MEPs **Completed by** > 10,000 employees (84% of 2021 target)

Gatekeeper Training for Legal	Gatekeeper Training for Finance	Advanced Global Data Protection	E&C: Trade sanctions Awareness	E&C for Procurement	Gatekeeper Training for Procurement
Recorded classroom course focuses on members of Legal as Gatekeepers who defend against Corruption & Fraud.	Recorded classroom course focuses on certain members of Finance as Gatekeepers who defend against Corruption & Fraud.	Raise awareness and provide guidance on applicable data protection laws and regulations.	Learn about Trade Sanctions & how Alstom deals with it around the world, & how to be compliant with these rules.	2 Modules – E&C for procurement.	Recorded classroom course focuses on members of Procurement as Gatekeepers who defend against Corruption & Fraud.
format: recorded classroom training **population:** Legal	**format:** recorded classroom training **population:** Finance	**format:** e-learning **population:** targeted MEPs	**format:** e-learning **population:** targeted MEPs	**format:** e-learning **population:** Procurement	**format:** recorded classroom training **population:** Procurement

The completion rates are reported by the Chief Compliance Officer to concerned Alstom's management. Feedback on the trainings is incorporated back into the programs as part of Alstom's continuous improvement process.

With regards to the three training modules described at the top (Alert procedure, E-Ethics 2020 and Conflicts of Interest), in addition to making these a Group objective for the Company, the Alstom Leadership Team (ALT) (formerly known as the Executive Committee) made the completion of these learnings part of the incentive plan. Alstom recently launched a series of E&C Gatekeeper Trainings, for the Legal, Finance & Procurement Departments, emphasizing critical thinking and taking ownership of escalating potential risk issues. In addition, training for new Alstom Directors & Officers recently issued on their Ethics & Compliance responsibilities.

Also, a number of communication tools were adopted as part of a detailed communication plan in order to increase the visibility of the compliance activities. Among these activities are "E&C Days", which are an all-day or half-day compliance event that can be deployed remotely on each Alstom site to raise awareness and adherence to the Alstom Integrity Programme. These sessions are organised to introduce local teams to the E&C team, to highlight the importance of compliance activities in the Region and also to help fully integrate the E&C ambassadors into the programme and raise their visibility. The E&C days are an interactive and informal way to reinforce the Company's expectations and promote an ethical culture, demonstrating that everyone is concerned through various role-playing scenarios where the participant is placed in practical situations. To uphold the commitments that underpin the Integrity Programme, Alstom puts in place dedicated training courses, clear procedures and internal annual Ethics & Compliance communication campaigns prepared for all employees.

The E&C team works continuously with the E&C ambassador community to fully integrate them into the Integrity Programme. The Regions circulate regular communication messages showcasing the ambassadors in order to publicise them as a point of contact for E&C issues. Their contact information is available in a directory on Alstom's E&C SharePoint. An Award ceremony takes place annually to reward local E&C ambassador initiatives. A dedicated training course was implemented to strengthen their knowledge of the ethics and compliance subjects and various tools available to the employees of the Company such as the Alstom Alert Procedure. E&C ambassadors have been trained since the pilot session in February 2017.

Alert procedure^{VP}

The Alstom Alert Procedure allows any employee or any third party in relationship with Alstom to report, according to the applicable legislation, a violation of the Code of Ethics or Alstom rules and policies.

The Alert Procedure offers several means of reporting:

- a secure website (www.alstom.ethicspoint.com);
- an icon for a direct access on every Company computer;
- a toll-free hotline;
- all reachable 24 hours a day, seven days a week.

The scope of the Alstom Alert Procedure covers all the values and principles of the Alstom Code of Ethics, according to the applicable legislation in each country including: accounting banking & cash; anti-competitive practices corruption & bribery; conflicts of interest; discrimination & harassment; employee relations; environmental, health, safety; fraud & misuse of company assets; human rights; insider dealing; IT fraud; supplier & customer relations; workplace security and theft; other violations of Alstom rules, policies and internal controls.

A dedicated training on the alert procedure has been mandatory for all managers since 2018. A new online training package was launched in January 2018 with a focus on the Alert Procedure (see section above).

Alstom ensures that every measure is taken to respect reporter confidentiality and make the commitment that no employee will suffer from retaliation, such as a change of status, harassment or any other form of discrimination as a result of using the Alert Procedure or disclosing information in good faith. Alstom also allows for the anonymity of the reporter in the respect of applicable legislation.

All cases reported through the Alert Procedure were investigated, measures were taken and sanctions imposed by the Disciplinary Committee in all substantiated cases when judged necessary (written warning, reminder letter, dismissal).

Disciplinary committee

Alstom has implemented a Disciplinary Committee as the management body with authority to review cases of non-compliance with the Code of Ethics and Alstom rules and decide on appropriate and uniform disciplinary actions throughout the Company. In order to reinforce the importance of this Committee and the Alstom commitment to discipline, the Committee is made up of the Chief Executive Officer, the General Counsel, the Chief Human Resources Officer and the Chief Compliance Officer.

This Committee adopted a Charter which governs its activities and holds reports of meetings and a register of all the disciplinary decisions taken to assure uniformity and equity. If the accused person is an employee, he/she has the right to be heard and any disciplinary action is presented to the employee by the Chief Compliance Officer or by the Human Resources Department and, in certain cases, directly by the General Management to assure a complete understanding of the measures taken and their justification.

Furthermore, the E&C Central team deploys an annual communication plan to increase awareness regarding the disciplinary measures taken within the Group and regularly publishes anonymous examples of concrete cases.

Continuous improvement

The Company remains committed to the highest level of integrity in its activities and will continue the development of its compliance programme.

To control the relevance, the adequacy and the efficiency of the Alstom Integrity Programme, an internal audit plan dedicated to the E&C processes is established every year and a resource of the Internal Audit Department is dedicated to these audits.

To monitor the performance of the Alstom Integrity Programme, the E&C Department launched in 2012, the Yearly Integrity Review to gather feedback on the performance of the Alstom Integrity Programme during the year. The twelfth exercise was launched in January 2024 in order to collect the feedback. The managers requested to complete the questionnaires were identified by Human Resources and the list is reviewed with the Chief Compliance Officer (2,682 managers this year) reaching 99% of deployement (considering targeted population). The Yearly Integrity Review includes the signature annually of a representation letter confirming the managers' commitment to the Alstom Integrity Programme, including Alstom's Ethics & Compliance rules, the Alstom Code of Ethics and all applicable laws and regulations.

Based on the responses, the E&C Department provides to the Chief Executive Officer and the Ethics & Compliance Committee members a summary of feedback and statistics on the responses to the online survey. Then, the E&C Department prepares an action plan to address perceived points of attention.

Regulation of lobbying activity

In December 2016, France modified its legal framework to reinforce its anti-corruption initiatives and promote transparency in public affairs. In this framework, since 1 July 2017, interest representatives have been required to register in a digital directory with the High Authority for Transparency in Public Life ("Haute Autorité pour la transparence de la vie publique"), in which they must provide information on their organization, their lobbying actions and the resources devoted to them. In accordance with this legislation, Alstom Transport SA has registered on this directory and declares annually its actions of representation of interests to the French authorities.

Main results and performance indicators^{VP}

The E&C Department uses various indicators to monitor the performance of the Alstom Integrity Programme.

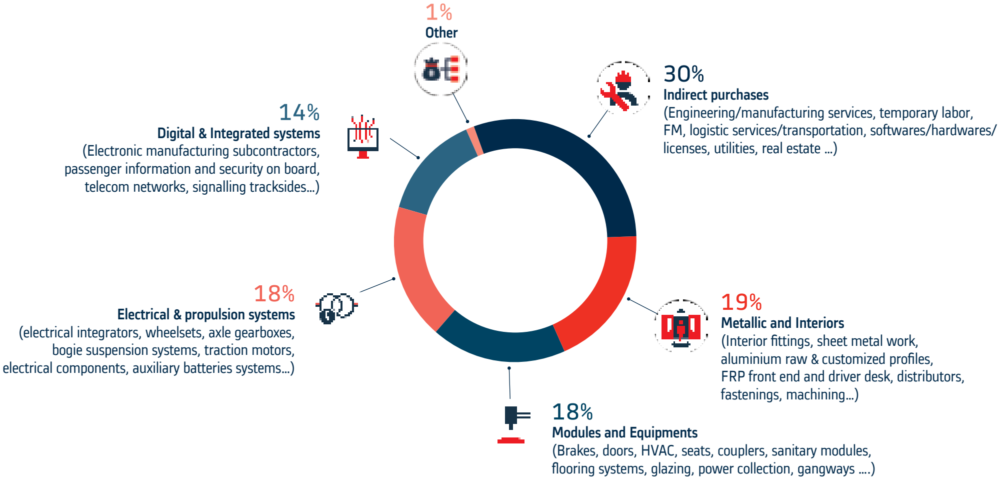
	2021/22	2022/23	2023/24	Target
Number of E&C Ambassadors	460	490	530	2025: >600
ISO 37001 certification	All regions certified	All regions certified	All regions certified	2026: Maintain certification for the Alstom Group
% of people trained in E&C class (vs. targeted population)	-	-	82% of new employees in target population	2024/27: 90% of target population

Sustainable procurement^{VP}

As procurement activities account for nearly 64% of sales, they represent a source of both opportunities and risks. Procurement is a major contributor to the Alstom's global performance a but also involves the Group's reputation and the sustainability of its activities. In this perspective, the quality of the company relationship with its wide panel of around 22,000 suppliers and contractors is a paramount of the Group overall success.

Therefore, a dedicated Sustainable Procurement Department is fully integrated into the procurement organisation. Alstom's Procurement community is organized by domain (commodities) and by region covering the global scope. Procurement Managers are responsible for a defined panel of global strategic product families based on a key account management principle, while local procurement is led by procurement teams organized by Alstom's sites location.

The main procurement commodities (in % of purchasing amount) are detailed below:



Strategy and policies

Sustainable Procurement mission is the integration of sustainable development principles into the procurement strategy. This Sustainable Procurement Policy, signed by the Chief Procurement Officer (CPO), covers 5 main pillars:

- ensure that suppliers and contractors commit to the "Ethics and Sustainable Development Charter for Alstom's Suppliers and Contractors";
- assess, develop, and support suppliers and contractors on their corporate social responsibility performance,
- source ecodesigned, environmentally friendly, and socially responsible products and services provided in the frame of safe working conditions;
- develop tight and balanced relationships with start-ups, small, medium, large companies and companies employing people with disabilities;
- work in a continuous improvement approach following appropriate indicators.

As part of the Group's strategy Alstom In Motion (AIM) 2025,to "act as a responsible business partner", the Sustainable Procurement objective is to monitor or evaluate 100% of the suppliers on CSR and Ethics & Compliance standards as per their level of risk, by April 2025.

The main performance indicators used are:

- the part of the purchase amount covered by key suppliers(1) who have signed the Ethics and Sustainable Development Charter;
- the part of suppliers monitored or assessed on CSR and E&C standards as per their level of risk;
- the part of the procurement community members, as well as the number of suppliers, that Alstom has trained in sustainable procurement (the target is to train 500 suppliers by 2025).

Processes and action plans

Supplier CSR commitments

Procurement teams ask their providers to comply with Alstom's sustainable development values and principles detailed in the "Ethics & Sustainable Development Charter for Alstom's Suppliers and Contractors". Compliance with this document is mandatory to enter into Alstom's suppliers panel and is also part of the Group's general procurement terms and conditions.

By signing this charter, the suppliers are engaged to meet applicable laws and regulations, as well as international conventions related but not limited to labour standards, human rights, environment and ethics, respect health and safety requirements of Alstom and implement environmental friendly initiatives. In particular, they undertake to be compliant at least with:

- the United Nations' Universal Declaration of Human Rights;
- the fundamental conventions of the International Labour Organisation (ILO);
- the OECD Guiding Principles, the rules of conduct of the International Chamber of Commerce (ICC);
- the values defined by Alstom's Code of Ethics.

Following the application of the European Union General Data Protection Regulation (EU GDPR) since 25 May 2018, data confidentiality is also required in this charter.

In accordance with the ISO 37001 standard, the charter integrates Alstom's alert procedure: suppliers and contractors can use this procedure 24/7 on a nominative or anonymous basis to report possible violations of the code, Alstom's rules and policies or the laws.

As of 31 March 2024, 97% of purchase amount is covered by key suppliers having signed the Ethics and Sustainable Development Charter.

In addition, as part of ecodesign policy , suppliers providing goods must sign the Alstom Hazardous Substances Regulation Commitment (regardless their location) and comply with Alstom rules and legal obligations for the placing on the market and use of hazardous substances, as explained in Alstom website. They shall also provide to Alstom up-to-date safety data sheets and dangerous substances declarations.

As of 31 March 2024, 74% of purchase amount is covered by the panel of suppliers(2) having signed the Hazardous Substances Regulation Commitment.

Besides, with the support of EHS team, procurement team are identifying contractors with potential EHS high-risk activities (as defined in AZDP). Contractor with identified risks must sign Alstom EHS requirements and apply its principles during the entire contract execution.

The management of contractors on EHS stakes is regularly checked during AZDP and APSYS audits on Alstom sites. EHS teams follows up several health and safety key performance indicators related to contractors: number of fatalities at work, total recordable injury rate (TRIR), lost time injury frequency rate (IFR1).

Suppliers' screening

To comply with its Ethics & Compliance policy and the French "Sapin II" law addressing lack of transparency and corruption risks, Alstom has established due diligence procedures to verify the situation of its commercial agents, consortium and joint venture partners, as well as its suppliers and contractors.

In this sense, the Group has been using since September 2019 a screening tool named ADIT to check the companies against sanction lists before and during the business relationship and to communicate the risks identified or the related remediation measures.

When required, some suppliers get an additional screening of their CSR risks (fraud, corruption, bribery, money laundering, anti-trust, human rights, conflict minerals, environmental and modern slavery) relying on enlarged sanctions and enforcement lists, politically exposed persons lists and adverse medias quotes. When a risk alert identified by ADIT poses a true material legal or reputational E&C or CSR risk necessary actions are taken, such as blacklisting the supplier or terminating existing contracts with it.

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(1) Suppliers with whom Alstom has a spending exceeding 100,000 euros, excluding the charter included in the general conditions of purchase.
(2) Suppliers in line with the commodity strategy.

Suppliers' CSR performance process

Suppliers' risk mapping

The yearly tier-1 suppliers' (including contractors) risk mapping is led by Sustainable Procurement team. From April 2023, the risk mapping has been strenghtened using Ecovadis IQ module. As a consequence, about 52,000 suppliers' sites are analysed yearly , whatever their spend, on both their main activity (according to the United Nations International Standard Industrial Classification) and their country location. The IQ module uses indicators from external international databases.

The activity risk covers:

- environment: energy consumption & GHG, water, biodiversity, pollution…
- labor & human rights: employee health & safety, working conditions, child labor, forced labor…
- ethics: corruption, anticompetitive practices, responsible information management;
- sustainable procurement: supplier environmental & social practices.

The country risk covers:

- environment: air pollution, water, biodiversity, climate change, environmental safety…
- health & social: human development index, infant mortality rate, unemployment rate…
- human rights: voice and accountability, global slavery index, global right index, freedom of press…
- governance: control of corruption, regulatory quality, corruption perception index…

The outcome is the classification of each supplier site into a CSR gross risk with a scale up to 6 levels.

Suppliers' CSR evaluation methodology and governance:

Then Alstom proceeds to additional assessments (EcoVadis rating, onsite CSR audits) for supplier sites with a yearly ordered amount higher than 1,00K euros and that account for the highest levels of CSR gross risks:

- those with a very high CSR gross risk must undergo both onsite CSR audits and EcoVadis rating;
- those with high or medium-high CSR gross risks, must be covered at least by a valid EcoVadis assessment.

For new supplier sites not included in the risky pool, the ADIT screening result determines the CSR net risk. Following this methodogy, for the FY2023/24: 91% of supplier sites were covered by CSR assessment(s) (ADIT screeening, EcoVadis rating, onsite CSR audit), according to their CSR gross risk and to their yearly ordered amount.

The outcome of those evaluations – the CSR net risk level, is used in the supplier business award and in the supplier risk management processes. Each time a CSR evaluation results, do not meet Alstom's criteria , suppliers are required to define and implement a corrective action plan. To do so, they can benefit from the support of Alstom's teams who are trained to help them in their improvement process.

All suppliers with medium CSR net risk and pending corrective action plans from EcoVadis and/or onsite CSR audits are closely monitored by the domains and/or regions in charge, with the support of the Sustainable Procurement Performance Manager if needed.

Suppliers with high CSR net risks trigger the escalation process: indeed the CSR status of these suppliers must be discussed during the quarterly Supplier Risk Management Reviews, with procurement top management. If there is no progress after 2 sessions, the suppliers who triggered the escalation process are escalated to the top offenders reviews, which can lead to suspend or terminate the business relationship with these suppliers.

EcoVadis evaluations and onsite CSR audits:

Suppliers identified throughout the risk mapping can be eligible to an EcoVadis evaluation. This online assessment covers 21 sustainability criteria under four pillars: environment, labor & human rights, ethics and sustainable procurement. It is based on a detailed questionnaire with official documentary evidence to attach in the platform, as well as on a 360° CSR watch. The questions are customized depending on the size, the activity and the localization of the supplier.

The evaluation system is in line with the UN Global Compact guidelines, ISO26000, and the Global Reporting Initiative (GRI). Following their evaluation by Ecovadis independent experts, suppliers can benchmark their CSR performance with comparable compagnies (from same country or doing same activity. Not compliant suppliers (global score <45) are reassessed by EcoVadis, once the corrective action plans have been implemented, to check their effectiveness.

1,932 suppliers' sites were covered by an Ecovadis evaluation during FY23-24, with an average score of 67/100. Besides, during the past two fiscal years (FY21/22 and FY22/23), 796 suppliers' sites were covered by a compliant Ecovadis score.

Regarding onsite CSR audits, Alstom has been auditing the manufacturing and/or installation bases of selected suppliers and contractors, located mainly in Asia Pacific, Africa Middle East and Latin America regions. In FY 2023/24, 15 CSR onsite audits were conducted in the above mentioned regions.Alstom subcontracts these onsite CSR audits to external third parties recognized worldwide, such as TUV and SGS. These audits are mainly based on the international Social Accountability 8000 standard, with the following process: opening meeting with the supplier's management, qualitative and quantitative controls performed, including some interviews with workers & staff to check conformity against local and international standards. The third parties auditors check suppliers' sustainability compliance on the following topics: child labour, forced labour, employment contracts, health & safety, freedom of association, discrimination, disciplinary practices, working hours, wages & compensation, environment, monitoring of compliance and anti-bribery. At the end of the audit, a closing meeting is done to present findings and recommendations and supported by an initial audit report including the corrective action plan to be signed by the supplier. Finally, in order to follow up the closure of non conformities (especially the major and critical ones), documentary review and/or follow up audits are performed if necessary.

Typology of suppliers' evaluations on CSR risks

In addition, for all new Alstom's suppliers, preliminary evaluations called "quick industrial assessments" are carried out onsite by Alstom's procurement teams. They address questions related to suppliers' CSR activities. If the results are satisfactory, more extensive audits, called "supplier process audits" are conducted by Alstom's supplier quality teams. These audits include compliance with a minimum level of social practices, as well as dedicated questions on child labour, working conditions, hazardous substances and waste management, recycling processes.

During the 2023/24 fiscal year, 413 supplier process audits and remote quality evaluations were led by Alstom's supplier quality teams.

To summarize, Alstom's tier 1 suppliers (including contractors) are evaluated based on CSR criteria, using one or more of these six main methods:

- permanent online screenings*, provided by an external solution provider ADIT;
- online documentary assessments*, carried out by an external company EcoVadis;
- onsite evaluations, called "quick industrial assessments" run by Alstom's procurement teams;
- onsite audits, called "supplier process audits" led by Alstom's supplier quality teams;
- onsite CSR audits*, conducted by external specialized companies;
- assessment of living conditions on construction sites where contractors' workers are provided with accommodation, led by EHS teams during AZDP audits.

According to the suppliers' CSR performance process, suppliers are assessed using one or more of these methods*, cumulatively in some cases.

Conflict minerals

Alstom position paper on conflict minerals is available on its website. Conflict minerals requirements are also part of the general purchase conditions of goods & services and of the Ethics & Sustainable Development Charter. In addition, in February 2024, a new e-learning 'Conflict Minerals in the supply chain' was released for Alstom employees in the training platform.

In order to comply with conflict minerals regulations, every year, Sustainable Procurement proceeds to a risk mapping analysis of its product families, to identify the ones potentially at risks. Then it launches a specific survey on conflict minerals to the main suppliers implied, in order to track the origin of minerals contained in the goods purchased by Alstom and check that those suppliers have internal process to mitigate related risks in their supply chain.

This survey is based on the Conflict Minerals Reporting Template (CMRT), the Cobalt Reporting Template (CRT), and the Mica Reporting Template (MRT) of the Responsible Minerals Initiative (RMI) . Besides this specific survey, the conflict minerals topic is monitored through the Suppliers' CSR performance process, using suppliers' answers to Ecovadis dedicated questions.Finally, Alstom encourages its suppliers to use recycled minerals or to get certifications attesting that minerals are conflict-free or to be part of an international initiative for the responsible sourcing of conflict minerals (e.g. the RMI, the International Tin Supply Chain Initiative (ITSCI), the Responsible Cobalt Initiative (RCI).

Sustainable procurement maturity

Alstom sustainable procurement training programme

To foster the strong involvement on CSR topics, Alstom has put in place a sustainable procurement training programme for both procurement community and suppliers.

Different trainings have been provided during the 2023/24 period:

- an introduction to sustainable procurement (embedded in the induction e-learning) for Alstom procurement newcomers;
- a mandatory Sustainable Procurement training * for the procurement population;
- webinars on the new suppliers' CSR performance process toward procurement community;
- two new e-learnings have been released in a dedicated training platform for Alstom employees: conflict minerals and CO_2 emissions in the supply chain EcoVadis webinars (general presentation and improvement actions sessions) have been conducted for both procurement community and suppliers;
- additional sustainability trainings from other departments (ecodesign, CSR, E&C…) are also available in the procurement academy, to strengthen procurement teams' knowledge;
- three training workshops on supply chain decarbonization were conducted towards Alstom main suppliers, during Global Supplier Day held at Casablanca in October 2023.

As of end of March 2024, 69% of procurement teams have completed the Sustainable Procurement training*. 182 suppliers and 1,082 members of procurement community have been trained to the other CSR thematic webinars/e-learnings.

Procurement internal maturity assessment

In addition, each year, part of Alstom's procurement teams are evaluated on a demanding internal assessment (APSYS), that aims to measure the maturity of the procurement function on three axes: the strict application of processes and tools, people collaboration and trainings, and results achieved. During this audit, a dedicated section on Sustainable Procurements is reviewed, with a focus on the CSR management of suppliers and CSR training completion . The results of these yearly audits demonstrate the compliance on this item.

Alliance partnership

Alstom has a premium partnership programme called "Alliance™". It aims to develop a collaborative approach with its strategic suppliers in four main areas: business development, operational excellence, product & process innovation and after sales market. As of end of March 2024, 19 suppliers are members of the program. By the end of 2024, Alstom aims to onboard more than 30 Alliance™ partners. As part of the governance process, Alstom regularly evaluates the mutual interests, achievements and common benefits of each partnership, as well as the entry of new potential companies into the programme. With the redesign of the programme in 2022, Alstom put a strong emphasis on CSR criteria already during the partner selection phase,this is reflected in:

- a higher Ecovadis score required;
- clear carbon footprint reduction targets;
- strong ecodesign requirements (with regards to e.g. energy consumption and noise reduction), on environmental innovation and on the use of recycled materials/products;
- stronger focus on diversity, equity & inclusion criteria.

Schneider Electric group, an Alliance partner, received Alstom sustainability award during the global supplier day event organized on October 2023 at Casablanca.

Selection of suppliers and products/services on CSR criteria

In addition to commit to Alstom technical requirements, suppliers are increasingly challenged to propose low-carbon innovative solutions to improve the environmental performance of the Group's products.

Since October 2023, the grids used for suppliers' selection have been updated to strengthen the CSR criteria and to involve more departments in the decision making. The criteria taken into account are: the supplier's CSR net risk, their compliance on ecodesign requirements, their EHS evaluation and performance results depending on the scope of work. EHS, ecodesign and Ethics and Compliance teams are integrated into the business award decisions when relevant. For sole supplier cases, the regional compliance officer's approval is required for sole supplier cases.

Sector initiative: Railsponsible(1)

Alstom is a founding member of "Railsponsible", a sustainability initiative of the railway industry, with the aim of making railway supply chains more sustainable, through the sharing of best tools, practices and processes.

Within this framework, most members use EcoVadis to measure the CSR performance of their suppliers. Suppliers' EcoVadis scores are shared betweenthe members of the initiative. As a consequence, Alstom has access to additional supplier assessments that are not necessarily derived from its risk mapping.

On 31 March 2024, 2,828 suppliers, representing all rail industry professions, have been covered by EcoVadis assessment, as part of the "Railsponsible" initiative.The 2025 strategy of the "Railsponsible" Committee is structured around 3 main objectives:

- climate action (CO_2 efficiency of products/services; low carbon procurement; circular economy);
- responsible procurement (skills development; business process and transparency; supplier development);
- social responsibility (human rights).

Alstom participates to several workshops, such as supplier CSR evaluations and supply chain decarbonization methodologies.

Main results and performance indicators

	2021/22	2022/23	2023/24	Target
Part of purchase amount covered by the key suppliers having signed the Ethics and Sustainable Development Charter(1)	96%	98%	97%	2023/24 : 99 %
Part of suppliers monitored or assessed on CSR and E&C standards as per their level of risk	NA*	NA*	91%*	2023/24 : 90 %
Part of procurement community members trained in Sustainable Procurement	39%	62%	69%	2023/24: 70%
Number of suppliers enrolled in Alstom Sustainable Procurement training programme	>100	202	182	2024/25: 200

(1) Suppliers with whom Alstom has a spending exceeding €100,000, excluding the charters included in the general conditions of purchase.

* As explained in section "Suppliers' CSR evaluation methodology and governance", since 2023, the methodology to calculate the part of suppliers sites covered by CSR assessment(s) (ADIT screenings, EcoVadis assessments and/or on-site CSR audits) has been updated to be more comprehensive. Due to this change of methodology, it was not possible to calculate the proforma KPI for previous fiscal years. 74% is the result for FY22/23 using the former methodology covering the purchased amount.

Human rights^{VP}

The respect for, and adherence to, human rights and fundamental freedoms is at the heart of Alstom's social responsibility. The consideration of human rights and fundamental freedoms concerns Alstom's operations and the entire value chain.

As a global company, Alstom is expected to adhere to and promote high levels of human rights, social and labour standards across its sphere of influence. Any gap in this field would affect the Group's reputation and ability to meet client, investor and other stakeholder's increasing expectations in these areas. It would also lead to legal and financial consequences resulting from the non-compliance with sustainable and human rights legislations applicable to Alstom's business. In the context of global and complex value chains, Alstom is also exposed to legal and reputational risks through its value chain, the sourcing of specific materials or potential low ethical standards and working conditions from its commercial partners.

From an operational perspective, third parties may oppose some of Alstom's projects or activities because of their immediate human or social impact which could lead to delays in projects or their suspension.

As per the French Law on the Corporate Duty of Vigilance (2017), large French-listed companies are expected to take measures to address the risks of adverse impacts their activity and supply chain can pose in terms of human rights issues and to be transparent on the way they manage these risks. Similar multisectoral due diligence legislations addressing human rights impacts with respect to companies' operations and value chains are developing across Europe and worldwide. In June 2021, Germany approved the Supply Chain Due Diligence Act to enforce the protection of human rights and environmental standards along global supply chains. The new Norwegian Transparency Act, became effective in July 2022. This Act requires companies to make sure human rights and decent working conditions are respected in their operations and supply chains.

In addition, at European level, growing concerns over specific human rights risks and abuses have led to the adoption of sectoral and product-related value chain due diligence regulations such as the EU Conflict Minerals Regulation since January 2021, the EU Deforestation Regulation that came into effect in June 2023 or the EU Battery Directive, adopted in 2023.

As a result of this reinforced legislative framework, litigation and reputational risks are also likely to increase over the next couple of years.

This Human Rights chapter illustrates Alstom's global approach to the identification, prevention and mitigation of human rights negative impacts resulting from the Group's activity. With regards to Alstom's suppliers and contractors, the "Sustainable Procurement" strategy from the Procurement Department, described on page 353, completes this approach.

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(1) Additional information is available on www.railsponsible.org

This Human Rights chapter is incorporated by reference into Alstom's Vigilance Plan published on page 375 of this Universal Registration Document.

Strategy and policies

Alstom's human rights policy is part of the Sustainability and CSR policy and is defined in the Group's Code of Ethics. This Code of Ethics was updated in 2020, and now integrates a series of case studies to make it more accessible for employees.

Alstom's human rights policy aims to comply with the Guiding Principles on Business and Human Rights set out by the United Nations Human Rights Council and to respect internationally recognised human rights in all countries where Alstom operates. Alstom is particularly respectful of the laws governing, inter alia, human rights and labour, health and safety standards, and the protection of the environment. Alstom's policy is to comply fully with the fundamental conventions of the International Labour Organisation (ILO). Alstom supports the elimination of all forms of illegal, forced or compulsory labour, including child labour. Illegal, forced or compulsory labour is strictly prohibited for Alstom's suppliers and subcontractors. Alstom also complies with the Guidelines for multinational enterprises of the OECD and the United Nations Universal Declaration of Human Rights.

Alstom is a member of the United Nations Global Compact (UNGC), promoting the respect of human rights within its sphere of influence. In 2023, the Group's Chairman and Chief Executive Officer renewed his commitment to the 10 principles of the United Nations Global Compact.

In addition to the human rights policy, the following corporate policies ensure compliance with applicable law and recognised international standards regarding human rights and working conditions:

- Alstom Sustainability and Corporate Social Responsibility Policy;
- Alstom Anti-Discrimination and Anti-Harassment Policy;
- Alstom Sustainable Procurement Policy;
- Alstom Environment, Health and Safety Policy;
- Alstom Ethics and Compliance Policy;
- Alstom Data Privacy Charter;
- Alstom Diversity, Equity and Inclusion Charter;
- Alstom Ethics and Sustainable Development Charter for Alstom's Suppliers and Contractors.

Respect for human rights is managed transversely according to the topics addressed. The Human Resources function, Sustainable Procurement, Health and Safety, Sustainable Development and CSR, Ethics and Compliance and the Legal Department are all involved in Human Rights processes.

In addition, a cross-functional Vigilance Committee was set up in May 2023, which comprises Alstom Leadership members from Legal, Governance, CSR, Strategy, Ethics and Compliance. This committee gathers on a quarterly basis to develop and implement the strategic guidance on vigilance duties.

Alstom follows the impact of its Human rights strategy by monitoring the following KPIs:

- number of internal on-site social audits of subcontractors;
- number of external on-site social audits of subcontractors and suppliers;
- number of alerts in the area of non-respect of human-rights, child exploitation, forced labour, freedom of association from alert procedure and social survey leading to internal investigation.

Process and action plans

Risk mapping^{VP}

The identification, analysis and prioritisation of human rights related risks are established at different levels:

- At global level: a global risk mapping for human rights was done in FY2021/22 to determine and prioritise human rights that were most likely to be affected by Alstom's activity. This risk mapping is performed every three years to ensure regular monitoring of existing risks and the identification of emerging risks. The methodology for this risk mapping exercise is detailed below;
- On the Group's supply chain: a risk mapping of Alstom's suppliers and contractors based on CSR criteria, including labor and human rights, is performed annually (see section "Sustainable Procurement").

In addition to the risk mapping exercises, a CSR risk assessment with a strong focus on Human Rights is performed at tender stage for projects of a certain size (see section on Strengthening the integration of Human Rights risks in the tender process and project management below).

The global risk mapping for human rights is based on the list of Human Rights as presented in Annex A of the UN Guiding Principles Reporting Framework: "Table: Internationally Recognised Human Rights and Examples Of How Business Might Impact Them".

The Human Rights risk mapping was last updated in 2022 to cover all Alstom geographies and activities. This exercise involved the extensive consultation of corporate as well as operational functions, to identify existing and emerging risks and assess and prioritise all Human Rights risks, in relation to Alstom's activities and supply chain.

This assessment led to the identification and prioritization of the Human Rights risks for Alstom and its business partners in projects where Alstom is involved. Impacts were measured according to scale, reach, probability and remediability in accordance with the UN Guiding Principles on Business and Human Rights. The Human Rights risk assessment is also informed by country risk data, which identify the main risk areas in a country for Human Rights and labour right violations.

The scope of the global human rights risk mapping covers Alstom's activity, supply chain and partnerships and the following stakeholders were considered during the analysis.

POTENTIALLY AFFECTED RIGHT-HOLDERS

Workers in the value chain		Alstom workers	Local communities	End-users
Tiers 1 suppliers	Sub-contractors	Alstom employees	Local communities	Passengers
Tiers 2+ suppliers	Co-contractors	Temporary workers	Indigenous groups	
	Others business partners (JV, consortium)			

Two risk matrices were produced, focussing on gross risks (criticality based on impact and probability) and net risks (priorisation based on remediability).

Taking into account the remediability, namely the ability to restore the damages potentially caused, the most salient Human Rights risks that have been identified include:

- inadequate H&S conditions in the production sites of Alstom or throughout the supply chain;
- harassment or discrimination in the workplace;
- non-responsible sourcing of raw materials (conflict minerals, mica & cobalt);
- bounded/forced labour in the supply chain;
- child labour in the supply chain;
- human trafficking by logistical subcontractors;
- indirect contribution or link to controversial projects.

Assessment, mitigation and prevention measures, follow-up and monitoring system^{VP}

Following the completion of the Human Rights risk mapping and regular monitoring of evolving context, the mitigation measures implemented in the group were assessed and additional actions were identified and launched to drive continuous improvement.

Salient risks	Mitigation measures
Inadequate H&S conditions in the production sites of Alstom or throughout the supply chain;	See Health and Safety section p 321.
Harassment or discrimination in the workplace;	See Diversity & equal opportunity section p 335
Non-responsible sourcing of raw materials (conflict minerals, mica & cobalt);	See "Reinforcing due diligence on Conflict Minerals" below and Sustainable Procurement section p356
Bounded / forced labour in the supply chain;	See "Reinforcing social audits on Alstom construction activities and high-risk suppliers" section below and Sustainable Procurement section p 355.
Child labour in the supply chain;	See "Reinforcing social audits on Alstom construction activities and high-risk suppliers" section below and Sustainable Procurement section p 355
Human trafficking by logistical subcontractors;	See "Reinforcing social audits on Alstom construction activities and high-risk suppliers" section below and Sustainable Procurement section p 355
Indirect contribution or link to controversial projects.	See "Strengthening the integration of Human Rights risks in the tender process and project management" section below

Reinforcing social audits on Alstom construction activities and high-risk suppliers

Because of the nature of on-site activities and the scale of these projects, living conditions, working conditions and labour and recruitment practices on construction sites have been identified as priorities and the following actions are now in place:

Assessment of living conditions on construction sites where workers are provided with accommodation is integrated in AZDP audits (see the section "Employees Health and Safety, page 287) in identified high-stakes projects. A specific instruction has been developed for its implementation jointly by the Sustainability and CSR, Sustainable Procurement and EHS teams. The questionnaire used in the assessment covers such issues as the general level of comfort and cleanliness of the facilities and the existence of communication means and medical care facilities. It can be adapted in the countries to take into account local standards for example in terms of worker welfare. Non-compliance leads to the implementation of an appropriate action plan by the subcontractor and potentially a reassessment depending on the results. Unsatisfactory results are reported to the internal supplier risk management committee, which is responsible for taking appropriate measures, up to and including the ending of a business relationship. In total two sites were audited over 2023/24. The selection focused on large sites in India and the results of the audits were largely compliant.

- Pluriannual external audit programme: since 2020, Alstom has partnered with external specialists to conduct an audit programme with the aim of rolling out additional assessments, benefiting from a global network of local social audit experts and targeting high-risk contractors and suppliers. In 2023/24, 15 audits took place on sites in Bahrain, Brazil, China, India, Italy, Romania and South Africa. Themes covered include: Forced labour, Child labour, Health & Safety, Freedom of association, Working hours and Remuneration. All audits were followed by a closing meeting on site which involved the signature of a corrective action plan if required. If critical or major non-compliances are identified, Alstom organises a follow-up audit.

Out of the 15 audits which took place in 2023/24, 12 were follow-up audits. Due to the implementation of the new suppliers' CSR performance process, most onsite CSR audits led in FY2023/24 were follow-up audits of suppliers from the past year's risky pool.

Additional assessments are detailed in the "Sustainable Procurement" section (page 353).

Strengthening the integration of Human Rights risks in the tender process and project management

Railway infrastructure projects can negatively impact their immediate environment and local communities' means of subsistence. As a result, Alstom seeks to identify, and mitigate any adverse social, environmental, and economic impacts of the projects the Group is involved in, and reinforce the positive socioeconomic impact of its activity (for more information on Alstom's contribution to local development, refer to page 304). To strengthen the Group's capacity to address these risks, a human rights and CSR risk scorecard for new tenders and projects has been developed. It is based on specific Human Rights criteria and a risk mapping per country established on the basis of different indexes by international organisations and NGOs such as the United Nations, the International Labour Organisation (ILO), the European Union, the World Bank, International Trade Union Confederation and Transparency International.

The objective is to identify potential risks, relating to Human Rights, Communities, the Environment, Armed Conflicts, etc., around projects and define mitigation measures ahead of bid submissions, including the undertaking of specific Human Rights due diligence assessments when relevant. In FY2022/23 a due diligence checklist was prepared to support bid teams in establishing project-level risk mappings. In addition, enhanced CSR due diligence guidelines were developed for projects with a higher exposure to Human Rights or CSR risks. In 2023/24 this Enhanced Due Diligence was applied to one tender. In addition, Alstom contributes to the Impact Assessment of customers and resulting Environmental and Social Management/ Action Plan (ESMP/ESAP). This was the case for one additional project in 2023/24. Other mitigation measures include rolling out awareness sessions for the project teams, naming a CSR representative in the project team or establishing a bespoke mitigation plan.

The human rights scorecard is integrated in the Ethics and Compliance assessment process, and the associated instruction. In FY2023/24, the specific monitoring on high-risk projects is pursued, involving operational teams as well as central functions.

In addition to the internal risk assessments, central functions are developing bespoke solutions to address client requirements in bids on the topic of Human Rights over the project lifecycle. Such requirements have involved the development of a supplier panel risk management tool or a Method Statement to address Modern Slavery risks.

Employee awareness and alert procedure

The efficient deployment of Alstom's Human Rights programme also relies on raising employee awareness on this issue. An e-learning module was launched in November 2020 for all staff, but particularly targeted at the Tender, Project Management, and Sustainability & CSR teams, and aims to introduce key concepts around human rights. End of March 2024, more than 2,400 employees had completed the module. Countries with specific requirements have also rolled out dedicated training sessions. In addition, a new e-learning module on Conflict Minerals was launched in March 2024 for Alstom suppliers as well as internal teams.

Every year, Alstom conducts a social survey to ensure the absence of any incident regarding child labour, forced labour or freedom of association and monitors human rights alerts reported through its alert procedure. Alerts are recorded and investigated as per alert procedure rules (see page 343). In FY2022/23, a new question was added to the Social Survey to monitor the deployment of Human Rights programmes at country level, beyond specific points relating to forced/child labour already covered. Best practices reported include diversity, equity and inclusion networks, and gender pay reporting.

If potential issues related to the working or living conditions of suppliers or contractors are brought to Alstom attention through other sources (like NGO contacts, screening, etc.), they are properly investigated through supplier inquiries and site visits.

Strengthening Due Diligence to meet local requirements

In Germany, Alstom has successfully implemented the governance, processes & controls to comply with the new German "Act on Corporate Due Diligence Obligations in Supply Chains" law and provided the Company Policy Statement to the Ministry in July 2023.

This reporting comes in addition to existing reporting campaigns such as the requirements of the Modern Slavery Acts in the UK & Ireland and Australia, or the Norway Transparency Act.

Reinforcing due diligence on Conflict Minerals

Following the new EU regulation around conflict minerals and European Directive on Batteries, Alstom has proceeded to establish whether its supply chain was exposed to conflict minerals. The Sustainable Procurement department launches an annual campaign which involves sending a specific survey on conflict minerals to targeted suppliers to track the origin of minerals contained in the goods purchased by Alstom and verify that suppliers have internal policies to mitigate related risks in their supply chain (for more information see "Conflict Minerals due diligence" p356)..

Main results and performance indicators^{VP}

	2021/22	2022/23	2023/24
Number of internal on-site social audits of subcontractors and suppliers	9	4	2
Number of external on-site social audits of subcontractors and suppliers	21	54	15
Number of alerts in the area of non-respect of human-rights, child exploitation, forced labour, freedom of association from alert procedure and social survey leading to internal investigation (1)	3	1	4

(1) Events covered by several notifications are only counted once.

The first alert raised in 2023/24 was an internal request for additional information on Alstom's presence in a specific country, considered at risk from a Human Rights perspective. This alert was managed via a communication to the reporter from the CSR department addressing the concerns raised, and closed. Two further alerts concerned the working conditions of workers from two different suppliers. The investigations regarding these matters are ongoing. The final alert regarded a perceived breach of Alstom's rule to remain apolitical. This alert was managed via a communication to the reporter from the CSR department addressing the concerns raised and closed.

Main results and performance indicators linked to sustainable Procurement are detailed in the "Sustainable Procurement" section - page 320.

Customer relationship

Alstom provides mobility solutions all around the world to public and private transportation services owners and operators. The Company offers its customers a wide range of products, systems and services, adapted, configurated and integrated by Alstom into its customer environment.

Strategy and policies

The first pillar of the strategy Alstom in Motion 2025 is dedicated to its customers: "growth by offering greater value to customers". To be closer to mobility actors, Alstom has decided to adopt a regionalised organisation, this local geographical presence allows a permanent contact with its customers and to capture their needs locally. These field teams benefit from the know-how of central functions which bring a more transversal vision while offering their technical experience.

Furthermore, Alstom continues to deploy its proven ability in operational excellence and project management with the objective to maintain a Net Promoter Score target of 8 by 2025.

Alstom's market experiences a great, long-term commercial momentum: the demand for low carbon and smart transportation has never been so high. It benefits from an unmatched global footprint supported by a comprehensive portfolio which gives to the Group an unrivalled commercial advantage and capacity to respond to tenders all around the world while answering the growing demand for localisation.

Alstom's Central Commercial Organization (CCO) is in charge to strengthen the commercial performance of Alstom and to ensure a well-balanced order intake across all regions and product lines with the right level of profitability. It also includes the tender and project to early anticipate and mitigate risks in the commercial process and to avoid high risks at a later project stage.

Processes and action plans

Integrate customer needs at the heart of the Group planning

Since 2013, Alstom has been running commercial carousel, which aims at adapting solutions to customer needs:

- customer needs are collected from regional sales and marketing teams and are consolidated per product line;
- then, each product lines analyse demands and decide whether to integrate them into its three-year plan, or not;
- requirements potentially leading to the development of a new product range are subject to a more detailed analysis with a group of representative customers;
- customer needs reported between two Product Portfolio Plans are analysed on a case-by-case basis.

The central commercial organization department follows the Company commercial strategy through the bi-annual commercial carousel process. The aims of these reviews are:

- to ensure a continuously sustainable commercial visibility of the market and customer needs;
- to ensure high data quality in the commercial tool "Wall-C";
- to ensure a sound mix of order intake between rolling stock, services and signalling orders, as per the Group´s strategy;
- to guarantee reliable inputs for the financial as well as the sales and operations plan budget exercise ensuring accurate industrial and engineering workloads at Group level.

Measure customer satisfaction

The better the customer insight, the better Alstom can continuously improve its offers. To engage with its customers, since 2013, Alstom has run periodic customer satisfaction surveys (CSS) to measure their satisfaction on the way projects are executed.

Each year, projects submitted to this evaluation are defined according to contract value and criticality and following regional commercial teams suggestion. For important projects, several surveys can be performed at different project phases. Customer satisfaction surveys process is under the responsibility of Quality department, both at region and central levels and supported by the regional Customer Directors.

As this process in an effective element of the Group continuous improvement, answers are deeply analysed and if needed corrective actions are implemented. Survey answers are integrated in the customer relationship management tool to record and track action plans. Two years ago, questionnaires were updated to take into account perception of customer regarding cybersecurity management or detailed product feedback.

Staying close to customers

Alstom has implemented a dedicated customer portal to maintain contact and provide digital services to its customers, accessible from the contractualization stage to after sales services.

The Customer Portal (https://www.customerportal.alstom) provides clients with a secured and reliable working environment to run their day-to-day operations with Alstom, it simplifies daily exchanges and increase operational efficiency.

User-friendly, the portal offers access to various online services such as: Technical & Commercial Support, Online documentation, Operational reports sharing but also the possibility to buy components, spare parts or access to repair services.

It allows collaboration in full transparency through real-time information updates, exchanges traceability and tailored services to meet the highest expectations.

Capitalising on its digital learning ecosystem centred on a learning experience platform, a large network of +1,500 subject matter experts who contribute in multiple academies, the Group also proposes technical (hard skills) and behavioural (soft skills) trainings to its customers and partner organisations. Operational staff, management and/or any designated organisation member can be trained through a variety of teaching methods (face to face sessions, e-learning, on-the-job coaching, immersive learning, virtual reality, augmented reality, the metaverse, driving simulators, etc.); all is accessible by computer, mobile phone or tablet at any time and even without connection. Technical staff who are trained, can learn and improve their knowledge in various scientific domains covering all rolling stock and railway system topics, driving, maintenance, signalling and train control, infrastructure and depot management.

In addition, Alstom can rely on more than 750 subject matter experts, including experienced training consultants who can travel to customer sites and to Alstom's network of transport training centres in Europe, Asia, the Middle East, Africa, North America and South America.

Main results and performance indicators

The principal measure of a customer's satisfaction is the Net Promoter Score (NPS), i.e. their propensity to recommend Alstom as a supplier.

The Group's objective is to achieve an annual average NPS of eight out of 10.. Over the FY2023/24, 320 projects were surveyed, with an average NPS of 8.4. This overall result is above the objective, with an increase compared to last year that demonstrates the confidence of the customers.

In the event of an NPS of less than four (on a scale of 10), an alert is sent to the regional management teams and the quality management teams and its generates an action plan aimed at regaining customer satisfaction.

	2021/22	2022/23	2023/24	Target
Average Net Promoter Score (NPS)	8.1	8.3	8.4	FY2024/25: 8

Railway Safety and Healthier Mobility™ VP

Railway safety aiming at preventing accidents can be defined as the ability of the railway system to operate without leading to injuries or human casualties. This ability is defined as the absence of unacceptable risk(1).

In addition to the potential impact on human beings (passengers and third parties), the resulting risks for Alstom's activities could be the following:

- worldwide recall of products that are suspected to be unsafe and retrofit of fixes on all defective products;
- the need to stop all or part of operations in the event that a safety issue has occurred or is suspected on a product, system or service provided to a customer by Alstom, with a further risk of penalties or a legal suit from this customer against the Company;
- liquidated damages related to the consequences of an accident on a railway network;
- legal impact with suits under civil and/or criminal laws against the company and/or its employees;
- image damage, impacting the whole company and its relationships with stakeholders and customers.

Strategy and policies

Railway safety is a real concern for the railway industry and a major driver for Alstom's business.

Since 2021, Alstom has established a specific railway safety policy, giving more importance and visibility to railway safety topics and highlighting the strong commitment of Alstom in this area. Indeed, Alstom is committed to develop and deliver, for its clients and their customers, a range of products & services with a high safety level:

- based on railway safety regulations, and internal processes compliant with standards and codes of practices;
- formally demonstrated and assessed with impartiality;
- maintained and continuously improved through return of experience.

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(1) IEC62278 or EN50126-1: Railway applications – Specification and demonstration of reliability, availability, maintainability and safety (RAMS).

The implication of the top management has led to the implementation of a safety management system, which is defined in the railway safety manual, reinforcing the the railway safety governance within the organization. Applicable requirements for Quality and Railway Safety are also included in the Group Management System and are regularly audited and certified following ISO 22163 standard(1).

In addition, Alstom participates to discussions with States and Ministries of Transportation, working groups with industry associations such as UNIFE(2) and standardization committees to promote and reinforce the vision of the future transportation system. Some of these exchanges are specific to Railway Safety.

Alstom follows the impact of its policy by monitoring the percentage of Safety review OK and with the target to reach 75% of review ok.

Processes and action plans^{VP}

Railway Safety processes and actions plan

The Railway Safety policy is deployed, e:

- the processes and way of working set in place at Alstom level and in the different businesses and deployed in the Regions;
- the global Railway safety governance with Railway Safety follow up via dedicated boards at Alstom, Regions, and Sites levels;
- dedicated annual action plan to enable the continuous improvement of Railway safety.

In addition, Alstom's products, core framework, sub-systems and systems all integrate cybersecurity arrangements and related good practices (see chapter 4).

Dedicated railway safety processes at Alstom level exist and cover the full needs for safety:

- to ensure that safety is implemented and demonstrated in the systems/products delivered to customers, a systematic process (including safety risk analysis and safety demonstration) is applied. This process is in line with the European Regulation EU402/2013(3) and the Railway standards such as EN 50126(4). On certain projects, specific adaptations can be implemented to meet specific local requirements;
- to maintain safety during the operation and maintenance phase with adequate safety management of maintenance activities (Alstom is certified as the Entity in Charge of Maintenance of a project as per regulation(5) when applicable); and trains operation activities (Alstom complies with authorization scheme(6) when applicable) when performed by Alstom;
- to report and manage any potential safety issues occurring or having the potential to have an impact on Safety in revenue service, through a specific methodology and company tool.

These processes are deployed and followed per activity in all Regions As per EN50126 requirements, the safety resources are managed with the appropriate level of independence.

Every year, the railway safety core team is defining its action plan, based on four axes:

Commit to Railway Safety and ready for growth	It refers to the completion, the deployment, and the monitoring of the Safety Management System through an updated reenforced governance. For example: this year the independent assessment organisations part of Alstom and legacy Bombardier merged and the new Alstom Safety Assessment Organisation obtained the accreditation ISO17020(7) allowing the Company to play the role of Assessment Body as per EU CSM-RA(8) or Independent Safety Assessor as per EN50126(9) and associated standards.
Manage risk in a robust and efficient way	It covers the different actions to improve the efficiency of the railway safety processes (including safety review follow up as presented in "Main results and performance indicators"), the management of safety issues and the global improvement following return of experience. For example: the process and tool to manage the safety issues and possible precursors that could ultimately results in railway safety events was improved allowing a better follow up of open issues and a reduction of the risk for the Company.
Contribute to innovative solutions	It covers the lobbying in standards and regulations to secure compliance, the evolution of the SMS considering new technologies and impact on processes/methods and tools and the activities in R&D and in new mobilities.Such as,Alstom participation in development of new mobilities as autonomous road transportation systems.
Promote a positive railway safety culture supported by skilled people	It aims at maintaining and growing the engagement of employees, at achieving sustainable competent resources and at implementing a positive railway safety culture. For example, a railway safety communication campaign named "Eyes open to Railway Safety" was launched in November 2023 with film, posters and cascading kits for managers. This campaign will continue in 2024/2025 focusing on specific behaviours associated to railway safety.

This action plan is reviewed on a monthly basis.

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(1) ISO22163: Railway applications - Railway quality management system - ISO9001:2015 and specific requirements for application in the railway sector.
(2) UNIFE: Union des Industries Ferroviaires Européennes or European Rail Supply Industry Association.
(3) Regulation (EU) No. 402/2013 of 30 April 2013 on the Common Safety Method for Risk evaluation and Assessment (CSM-RA).
(4) EN50126: Railway applications – Specification and demonstration of reliability, availability, maintainability and safety (RAMS).
(5) Regulation (EU) 2019/779 of 16 May 2019 laying down detailed provisions on a system of certification of entities in charge of maintenance of vehicles pursuant to Directive (EU) 2016/798 of the European Parliament and of the Council and repealing Commission Regulation (EU) No. 445/2011.
(6) Regulation (EU) 2018/763 of 9 April 2018 establishing practical arrangements for issuing single safety certificates to railway undertakings or America 49 CFR Part 270 - System Safety Program Plan (SSPP).
(7) ISO17020: Conformity assessment - Requirements for the operation of various types of bodies performing inspection.
(8) Regulation (EU) No. 402/2013 of 30 April 2013 on the Common Safety Method for Risk evaluation and Assessment (CSM-RA).
(9) EN50126: Railway applications – Specification and demonstration of reliability, availability, maintainability and safety (RAMS).

Healthier Mobility™ actions plan

Alstom has established an Healthy Mobility™ working group which brings together the key internal expertise and resources on the technical domains concerned by sanitary issues and improvement of air quality onboard (virus, bacteria, VOC, PM..). The activities of the Healthier Mobility™ working group are to:

- build a catalogue of solutions for new build and existing fleets with a short, medium- and long-term perspective;
- engage partnerships with internationally recognized actors such as partnership with Bureau Veritas, Lille Pasteur Institute, Airmid, Estaca, Certam, DLR…: virology and health labs, and recognized operators such as Keolis, SNCF, First Group; recognized transport authority such as Sytral; and start-up/companies such as Bioxegy, Nextsense, Rensair…
- capitalize on worldwide knowledge thanks to enlarged network: operations, maintenance…;
- provide accurate and verified solutions with robust protocols.

The action plan seeks to cover short, medium- and long-term perspective:

- short term actions to protect passengers and technical staff, recommend available solutions for immediate support during sanitary issues; (improvement of air quality onboard, ..);
- medium term actions to restore confidence: Validate complementary solutions;
- long term actions to promote healthier mobility: Develop innovative and sustainable solutions to improve air quality and sanitary conditions in rail transportation.

Main results and performance indicators

Railway Safety

The Railway Safety is monitored though different indicators among which:

	2021	2022	2023/24	Target
Number of safety review registered	509	760	756	-
% of Safety review OK (1)	77.0%	82.1%	79%	2024: 75%

(1) Measures the capacity to anticipate safety concerns in projects execution, considering results of safety reviews done at the different milestones of projects execution. Calculated over 12 months.

With a score given to each safety review being:

- Score 1 in case of Safety Review OK or with no Major/Medium findings raised
- Score 0,5 in case Safety Review OK with Medium findings but no Major findings raised
- Score 0 in case of Safety Review: considered as Not OK or with Major findings raised

And a calculation of the indicator being: Sum of Safety review score / Sum of safety review done * 100

Since several years, despite some fluctuations, the target of 75% is achieved.

	2021/22	2022/23	2023/24	Target
Number of employees trained	26,195	32,608	40,382	-
% of participation in Alstom Railway Safety E-training (1)	89.4%	94.2%	95.4%	FY2024/25: 90%

(1) % of the Managers, Engineers and Professionals population trained to railway Safety": It allows to ensure that the global white-collar population is aware in term of Railway Safety.

Healthier Mobility™

This year (2023/24) following solutions were studied, tested and are on-progress:

- antibacterial paints for hand bars and ceramics coating; alternative solution);
- antiviral and antibacterial liquid paint and varnish;
- antiviral and antibacterial fabrics & film;
- long lasting sanitization coating: one solution to be released;
- sanitization technologies by lighting for passenger area and driver cabin with reflective and/or UV-C protective films;
- micro-texturized surfaces to protect passengers against pathogens; (film, metallics, paints);
- active and passive Air treatment solutions for the passenger area;
- new PEPA-F Filters: several improvements released;
- touchless boarding device to active the opening of the doors without contact;
- µ-sensors to measure air quality onboard (benchmark, protocols and test to be launched with laboratories); definition dashboard and AQI (Air Quality Index) ongoing.

Tax evasion

Tax evasion risk can be defined through three aspects:

- a financial risk: risk of tax re-assessment by tax authorities, based on a matter related to tax avoidance, artificial tax scheme or lack of substance. For instance, the risk would materialise if Alstom was in breach of an anti-avoidance rule or tax transparency rule;

- a business risk: for example an aggressive tax behaviour would jeopardise the Company's ability to win new projects, since a significant percentage of Alstom revenue is from direct or indirect government and public sector entities;
- a reputation risk: risk of deterioration of the public image of Alstom if it was suspected of participating in tax evasion.

Based on this analysis, it is estimated that Alstom's risk regarding tax evasion is low.

Strategy and policies

Alstom is committed to comply with tax laws in a responsible and ethical manner and to have collaborative and transparent relationships with tax authorities. Tax obligations, and therefore tax contribution, are aligned with the commercial and economic activity of Alstom's operations.

The internal tax team is headed by the Chief Tax Officer who reports directly to the Chief Financial Officer of the group. The Chief Tax Officer is responsible for ensuring that policies and procedures are in place, maintained and used consistently around the world, and that the global tax team has the skills and experience to implement them.

Alstom's tax policy is closely monitored to ensure a consistent application across all territories and is updated on an annual basis as a minimum.

The Alstom Tax & Customs function within Finance aims to determine and apply the correct tax treatment across all its business transactions, to ensure the Group pays the right amount of tax, in accordance with the tax laws of the territories in which it operates and makes sure that no illegal steps are taken to avoid paying taxes.

Processes and action plans

The VP Tax and Customs leads an in-house team of tax specialists who each have defined responsibilities to manage a specific geographic region and/or specialist topic as part of a Central team who co-ordinate and lead transversal topics.

Each country where Alstom has a footprint is under the responsibility of a Regional Tax Director ("RTD") who has the responsibility for overseeing the tax management of the countries in their scope. Regular communication between the Regional Tax team and Central tax team occurs on an informal basis and through a series of Tax Committees which also form the basis of the tax governance and approval processes.

External service providers are used on a selective basis, for example when the Company needs additional resource or expertise.

To ensure strong tax governance the Tax & Customs function support the Country financial departement with regard to the implementation of internal controls to support the correct calculation and payment of taxes. Tax & Customs function also work with the Internal Controls team to determine the appropriate audit testing of key controls for tax purposes.

The Internal Audit team independently monitors and tests Alstom's key financial controls, including those for tax, and reports on their effectiveness to the Audit Committee.

Alstom is highly engaged in determining the correct tax treatment across all its business transactions, to ensure it pays the right amount of tax at the right time, in accordance with the tax laws of the territories in which the Group operates. Concerning the uncertainty related to the application of tax law, Alstom engages in discussion with the relevant tax authority to achieve certainty for Alstom and the tax authority concerned.

Alstom has a low-risk approach to tax and does not engage in artificial tax arrangements.

The Group seeks to conduct transactions between Alstom companies in accordance with the OECD principles and Anti-Tax Avoidance Directive (ATAD).

Each year, Alstom files with the French tax Authorities the Country By Country Report, which confirms that the Company does not engage in any artificial tax driven scheme. This document is available to foreign tax Authorities upon request to the French Tax Authorities.

Planned transactions are analysed according to DAC 6 principles.

In 2021, central tax team has been extended with dedicated resources for compliance, policy harmonization and tax risks monitoring. It provides a framework for the management of tax risk in Alstom and ensures a consistent approach to the assessment, documentation and approval of all matters relating to tax risk.

Main results and performance indicators

Over the last years and in the course of tax audits that were performed worldwide, no tax authority have reported any instances of tax evasion.

Since July 2022, Alstom Group in France is in the Trust-based relationship with French Tax Authorities and regular meetings are organised with the French tax representatives.

Following the increase in the size of the Group, the Alstom Group has an increased presence in countries that qualify as non-cooperative either in accordance with the article 238-0 A 2 of the French Tax code or in accordance with the EU list of non-cooperative country published the 17th of February 2024.

Alstom operates in Panama, which has been included on the black list of non-cooperative countries because it does not exchange information. Alstom's presence in Panama is solely for commercial reasons where Alstom is the leader of a consortium which has been granted with the Panama City metro construction project. Specifically for this project Alstom has set up a business subsidiary in Panama, which employs 184 people.

Russia has been added to the list of non-cooperative jurisdictions in accordance with the art 238-0 A, 2 bis-2° of the French Tax Code. However, Alstom has since sold its 20% stake in Transmashholding (TMH), which held Alstom's investments in Russia, back to the Russian railcar manufacturer and has divested from joint-ventures with TMH. As such, Alstom no longer has activities in Russia.

Following the acquisition of the Bombardier Transportation Group, Alstom has acquired two legal entities located in Mauritius which hold investments in China. Mauritius was delisted from the EU list of tax havens since EU and OECD test requirements are now met. Dividends received by those entities are taxed according to the local rules that apply in addition to the taxation applicable in China.

Effective Tax Rate of the group is 28% (before PPA).

METHODOLOGY

Introduction

The Sustainability and CSR reporting is key to monitor, manage and support the Group Sustainable Development and Corporate Social responsibility strategy. The content of this chapter dedicated to Alstom's Sustainable Development and CSR has been prepared by the Sustainable Development and CSR central team of Alstom with the collaboration of many support functions such as Group Risk control, Environment Health & Safety (EHS), Ecodesign, Human Resources, Sustainable Procurement, , Ethics & Compliance, Innovation, country representatives and product platforms.

The collection and consolidation of all information was the subject of a dedicated process between January and April 2024. The whole chapter has been reviewed by PricewaterhouseCoopers as an independent third party in respect of the order of 19 July 2017 (order No. 2017-1180) and of the Decree No. 2017-1265 of 9 August 2017.

The elements presented through this chapter cover the activities within Alstom scope.

Reporting principles

To ensure the accuracy, the quality and the control of the key indicators it published, Alstom can rely on several reporting processes, all managed by the departments that own and manage the indicators. Details regarding these processes are available in respective sub-sections.

Consistent with the ISAE 3000 norm principles, the fundamental guidelines which guide the Group's reporting are:

- relevance: material sources of impacts and opportunities for each topic are considered;
- representativeness: assumptions and calculation methods are clearly defined;
- consistency: guaranteeing data comparison year by year;
- transparency: the selected hypotheses and the calculations used in this document are clearly defined throughout our processes;
- reliability: records are kept at every level to guarantee the traceability of the data.

In addition, Alstom has chosen to report its environmental, social and governance performance in accordance with the standards set by the Global Reporting Initiative (GRI) and reference to the requirements is made in the synthesis of indicators/key figures available on page 390. This table includes information as per the Order of 19 July 2017 (Order No.2017-1180) transposing Directive 2014/95/EU of the European Parliament and of the Council of 22 October 2014 on the publication of non-financial information.

Methodological note for GHG emissions

General principles

All the results presented in the Low carbon solutions section are calculated according to the GHG protocol.

Scope 1 & 2

Scopes 1 & 2 emissions are those resulting from energy directly purchased or produced by Alstom. The Group is using the market-based methodology, to better reflect its effort to switch to renewable.

As regards to emissions factors:

- for natural gas, butane and propane, CO_2e emission factors come from "IPCC Guidelines for National Greenhouse Gas Inventories (2006)".
- for electricity, information come from AIB (2021 data base) or, if not available IEA (2020 data base).

Scope 3 Upstream

Purchased Goods & Services

Alstom has developed a methodology to estimate the company's scope 3 greenhouse gas emissions stemming from the purchased good and services. Based on the amount spend for, the Group is applying corresponding CEDA emissions factors to the identifying commodities. As mentioned in the corresponding section, a dedicated calculation tool will be implemented at the end of 2024.

Other upstream emissions

An equivalent spend base method, is used for the following categories:

- Transportation and Distribution;
- Capital goods;
- Business travel.

In addition, CO_2e emissions from transportation and distribution are closely monitored, primarily based on the collection of data from transportation providers.

Scope 3 Downstream - Use of sold products

Alstom has developed a methodology to estimate the company's scope 3 greenhouse gas emissions stemming from the use of sold products. For each contract, GHG emissions are calculated automatically from the sales at completion, the associated "representative solution", the location of the contract (to allocate the corresponding electricity emission factor). For each group of Alstom solutions (RS, Services,Sgnalling…), the tool contains a predefined list of representative solutions that were created from Alstom's LCAs, EPDs and Energy KPIs documents and from external databases. Each representative solution provides relevant ratios and emissions factors for the GHG assessment calculations. The total emissions induced during the product life are allocated to a specific year proportionally to the percentage of sales of the year vs. total sales at completion. The electricity emission factors used are IEA's data base. Other emission factor used (e.g. diesel, natural gas) are from ADEME Base Carbone (French Agency for Environment). The methodological guide used has been developed by Carbone 4.

Methodological note for environmental, health and safety indicators

Data covering environmental, health and safety topics are gathered within the reporting and consolidation system "Teranga", which is also used for financial reporting purposes.

Health and Safety results cover almost 100% of Alstom employees and contractors working for Alstom. As regards the environmental performance, all production sites, all depots operated and managed by Alstom in the case of a contract of five years or more, all permanent offices occupied and managed by Alstom and all permanent sites of more than 200 persons are consolidated in the environmental reporting. Moreover, Brampton has not reported their car consumptions (gasoline and diesel oil) as they were not able to collect this data. Environmental performance for activities conducted in sites of less than 200 persons on which the utilities are not managed by Alstom is not recorded. According to those reporting rules, environmental results cover 78% of Alstom employees

Newly acquired activities start to report after a full calendar month of presence in the Group for safety results and after a full calendar quarter of presence for environmental results. The environmental results of newly acquired sites are consolidated after a full calendar year of reporting. For the specific case of legacy bombardier Transportation sites acquired 1 February 2021, the data of January 2021 have also been integrated. Generally, data for the baseline year are recalculated to take into account the new sites and allow the performance to be measured on a constant scope. 2021/22 is established as the new year of reference.

Concerning health and safety reporting, this is done on a monthly basis from around 328 elementary reporting units with 12 basic indicators. On environment, the reporting is done on a quarterly basis from 147 reporting units with 30 basic indicators. Monthly and quarterly reporting are completed by a yearly reporting campaign with 22 additional indicators.

The definition of indicators is described in a Group document – the EHS reporting manual, which is completed by a reporting procedure. The process is under the responsibility of the EHS Vice President.

Except when specified differently, health and safety data are presented over a fiscal year, i.e. from April 2023 to March 2024, while environmental data are consolidated in a calendar year, i.e. from January to December 2023.

Methodological note for social and local communities indicators

The sources for social reporting indicators are:

- the Alstom Human Resources Information System (HRIS), which is based on the Success Factor software and covers all Alstom facilities;
- a social survey, conducted in **32** countries, on the figures of calendar year 2023 – Australia, Austria, Belgium, Brazil, Canada, Chile, China, Czech Republic, Denmark, Egypt, France, Germany, Hungary, India, Israel, Italy, Kazakhstan, Mexico, Morocco, Netherlands, Philippines, Poland, Romania (excluding Cluj-Napoca), Saudi Arabia, Singapore, South Africa, Spain, Sweden, Switzerland, Thailand, United Kingdom (UK) and United States of America (USA) – representing **98.0%** of Alstom's workforce.

HRIS data is presented over the fiscal year, i.e. from April 2023 to March 2024, while data from the Social Survey is consolidated over the calendar year, i.e. from January to December 2023.

In addition, and in order to illustrate the different sections with examples of initiatives, the following actions are conducted by the Sustainability and CSR central team:

- a collection and summarisation of the local community activities conducted in 44 countries, with the support of the network of CSR Champions and local management teams;
- a collection of all news related to Sustainability and CSR, published internally through internal communication tools and externally through press releases.

Regarding countries numbers:

- 64 corresponds to, countries in which Alstom employees are located;
- 77 corresponds to countries in which Alstom operates its contracts.

Methodological note EU Taxonomy

Technical Screening Criteria

Substantial contribution

For Alstom products and solutions under 3.3, 3.19 and 6.3 activities (rolling stock and components and services products), Manufacturing or other service activity including maintenance performed on electrical trains (powered by catenary or battery), Hydrogen trains and bimode trains are in line with technical criteria. Activities leading to manufacturing or servicing on Diesel and hybrid trains do not comply with SCC.

For Alstom products under 6.15 activity, all solutions passed the SCC criteria: urban trains are mainly electrical, thus lead to no direct CO_2 emissions and are dedicated to passenger transport.

For Alstom products under 6.14, freight and mining projects have been excluded using a conservative approach. As other mainline solutions are mainly dedicated to the transport of passengers, they were classified as SCC once the line of operation was confirmed to be electrified or planned to be electrified.

Does Not Significantly Harm (DNSH)

For manufacturing sites, offices and operation locations, environmental information (climate, water, waste and biodiversity) was collected and compiled to meet DNSH. In general, a conservative approach was applied when the available documentation was not sufficient to validate a criterion. It should be noted that compliance with European standards, as mentioned in the EU Taxonomy regulations applied for project sites located outside the EU, could only be partially documented.

DNSH for "Transition to the circular economy" and "Pollution prevention and control" relevant to Products were evaluated using the information included in the Group's environmental dashboard. This dashboard compiles the solutions using an ecodesign approach, environmental declarations of products and other relevant information (refer to Ecodesign chapter p 316).

- **Climate change adaptation**: In 2024, Alstom commissioned a second study to assess the climate resilience of its assets and potential impact on its business for entities not covered in first year of reporting. The exposure of assets has been conducted based on scenario consistent with the IPPC (SSP5 8.5 and SSP2 4.5) and projections were computed in 2030 and 2050 and compared to a baseline which reflects current climate conditions. The locations that had a high level of exposure to one of the studied climatic hazards went through a climate adaptation survey. Alstom sites are currently deploying actions to mitigate climate risks, especially the ones related to heat waves. Additional details regarding the study are available (on page 315 asset resilience section and page 187 of chapter 4).

- **Sustainable use and protection of aquatic and marine resources**: Compared to other environmental issues, water consumption is not considered as a material topic for Alstom. However, as part of its EHS strategy and aware of the sensitivity of the water resource, the Group nevertheless seeks opportunities to improve its water efficiency and monitors both quantity and quality of waterborne discharges. Water management is part of the overall ISO14001 certified environmental management system. All the units have maintained their ISO 14001 certification this year, which guarantees the implementation of appropriate control measures for the risks identified on each site. Further details of water performance for 2023/24 are available on page 343 in the appendix of chapter 6.

- **Transition to a circular economy:** The circular economy is at the heart of Alstom's value chain. On its main sites (covering manufacturing, maintenance and installation units), the Group is committed to managing its waste and achieving its recycling objectives. Circular economy is also included in the company's waste management process and covered by ISO14001 certification. Upstream, through an eco-design approach, the Group is committed to reducing the energy consumption of its solutions and products by 25%. The Group is also committed to ensuring that 100% of newly developed solutions are eco-designed by 2025. Further details on Alstom eco-design strategy are available on page 284 in the Eco-design and Circular Economy section.

- **Pollution prevention and control:** Alstom rules and processes related to hazardous substances management allows projects alignment regarding REACH, POP, RoHS and other applicable regulations. As an active member of the UNIFE "Chemical Risks" group, Alstom adheres to a common interpretation of the application of Appendix C and pollution prevention and control criteria for 6.14 and 6.15 activities for industries in the rail sector published in March 2024 (page 383). Therefore, Alstom products and services are considered Compliant with Appendix C. Signalling solutions and products are also considered compliant with the Taxonomy criteria for 6.14 and 6.15 criteria. Other products, services and solutions mainly linked to infrastructure projects were assessed case by case.

- **Protection and restoration of biodiversity and ecosystems:** In line with the requirements of the Taxonomy to assess the impact of its activities on biodiversity, Alstom conducted in 2022 a Key Biodiversity areas (KBA) analysis on its main sites with the help of an expert firm. This initial inventory was complemented during the period on all operational sites, including locations where Alstom operates on customer or project sites. When a site was in a KBA (own operations, project sites and customer depots), Alstom used a conservative approach by assessing these locations as Not compliant in the absence of a thorough and appropriate assessment. Because the protection and restoration of biodiversity is a relevant topic to achieve the Group's sustainability targets, a dedicated strategy is being developed. This roadmap expected to be launched in 2024 will be based on biodiversity impact assessment and biodiversity plans on main sites. Actions are also in progress with customers and the value chain to collect information on the impact of Alstom's products, solutions and services on biodiversity. This approach should embrace biodiversity stakes in a wide sense considering potential impacts and positive contribution in the coming years. The Group is also committed to reducing the environmental footprint of its sites as part of its AiM strategy to limit any environmental impact on its environment. Further details on Biodiversity approach are available on page 319 in the Biodiversity section. (check Biodiversity strategy EHS chapter 6).

Minimum Safeguards

As stated in Article 3 of the Taxonomy Regulation, to be considered as environmentally sustainable, an activity must also be carried out in accordance with minimum safeguard. The minimum safeguards cover the activities of Alstom SA and its fully consolidated subsidiaries.

- **Human Rights:** Alstom aims to comply with the Guidelines for multinational enterprises of the OECD and the United Nations Guiding Principles. Details regarding Alstom commitment to Human Rights Due Diligence are available in the Human Rights section starting page 324. This commitment is encompassed in Alstom Code of Ethics (available at https://www.alstom.com/company/commitments/ethics). Communication regarding action plan and results of actions are available in both Human Rights section and Alstom Vigilance Plan (page 340). The respect of human rights concerns the Group entire value chain, details regarding processes applied to the value chain to make sure human rights and decent working conditions are respected are available in the Sustainable Procurement section (page 320). Every year, Alstom conducts a social survey to ensure the absence of any incident regarding child labour, forced labour or freedom of association and monitors human rights alerts reported through its alert procedure. For any concerns or suspicion, Alstom's Alert Procedure can be use by any person or third party (www.alstom.ethicspoint.com). Alerts are recorded and investigated as per alert procedure rules. Alstom also monitors other types of alerts such as those raised externally via NGOs, the media or online platforms. Over FY2022/23, Alstom has not been held liable or found to be in breach of labour law or human rights. Alstom aims to engage with all stakeholders on CSR and Human Rights issues. Issues raised by the Business and Human Rights Resource Centre (BHRRC) or a National Contact Point of the OECD will be addressed.
- **Taxation:** Alstom adheres to international standards such as OECD Tax Guidelines, EU and domestic tax legal framework of countries where it operates. Alstom Tax team is working to promote and strengthen tax good governance mechanisms, fair taxation, and global tax transparency in order to tackle tax fraud, evasion and avoidance. Alstom treats tax governance and compliance as important elements and as such has implemented adequate tax risk management strategies (page 331) and processes with a team of tax experts. The VP Tax and Customs leads an in-house team of tax specialists who each have defined responsibilities to manage a specific geographic region and/or specialist topic as part of a Central team who co-ordinate and lead transversal topics. Alstom is committed to complying with tax laws in a responsible and ethical manner and to have collaborative and transparent relationships with tax authorities. Tax obligations, and therefore tax contribution, are aligned with the commercial and economic activity of Alstom's operations. In the Financial Year 2022/2023, Alstom has not been finally convicted in court for any major violation of Tax laws.
- **Corruption & Fair Competition:** Within the Group's Legal Department, the E&C department is responsible for implementing Alstom's Ethics & Compliance programme, which aims to prevent, detect and remediate corrupt conduct, influence peddling, anti-competitive practices, violations of human rights, export controls and trade sanctions, and data privacy in connection with the Group's activities and to ensure the compliance by all employees with the Code of Ethics, and the laws and regulations in these areas of law in the countries where Alstom carries out its activities. The E&C Instructions specify the principles expressed in the Code of Ethics, in particular, regarding the prevention of Corruption and Bribery with Customers, Suppliers and Contractors and in joint ventures and consortia, Gifts and Hospitality, Political Contributions, Charitable Contributions, Sponsorship, dealing with Sales Partners or Consulting Companies, Conflicts of Interest, Facilitation Payments, respect for Human Rights, Export Controls & Trade Sanctions, and Data Privacy. The E&C activities are the responsibility of all Alstom employees and are implemented at all management levels of the organisation. Alstom's instructions feature strong principles, rules, and approval procedures to ensure the proper level of awareness and compliance within Alstom. The knowledge of the above is reinforced by regular communication and annual mandatory training campaigns around the world, and our website provides our business partners and external stakeholders Alstom's E&C commitments. The Alstom Alert Procedure, which is available 24 hours a day, seven days a week through a secure website, a toll-free hotline and an icon on the employees' computers, allows any employee or any third party in relationship with Alstom to report, according to the applicable legislation, a violation of the Code of Ethics or Alstom rules and policies. In addition, the E&C Programme is audited both internally and externally through the ISO 37001 certification process. While in the last 10 years Alstom pled guilty (2014) and was condemned once (2019) for alleged improper practices based on conduct going back about 20 years (see Note 33, page 117), Alstom's E&C programme has constantly evolved during the years as part of Alstom's continuous improvement approach, and Alstom has put in place an extensive range of remediation measures in order to address such risks. These remediation measures include a revised Code of Ethics, enhanced Group Instructions, development of training programs, significant increase in E&C staff and E&C Ambassador community, reinforced control activities and ceasing the use of Commercial Advisors paid by success-fees. For Further details, see section Ethics and Compliance, page 315.

6.2 Report of one of the Statutory Auditors, appointed as an independent third party, on the verification of the consolidated extra-financial performance declaration

(For the year ended March 31, 2024)

ALSTOM SA

48 rue Albert Dhalenne

93400 Saint Ouen

In our capacity as Statutory Auditor of your company ALSTOM SA (hereinafter the "Entity"), appointed as an independent third party ("third party") and accredited by Cofrac (Inspection Accreditation, n°3-1862, scope available at www.cofrac.fr), we have undertaken a limited assurance engagement on the historical information (observed or extrapolated) in the consolidated extra-financial performance declaration, prepared in accordance with the Entity's procedures (hereinafter the "Guidelines"), for the year ended March 31, 2024 (hereinafter the "Information" and the "Statement", respectively), presented in the group management report pursuant to the legal and regulatory provisions of Articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code (code de commerce).

CONCLUSION

Based on the procedures we have performed as described under the "Nature and scope of procedures" and the evidence we have obtained, nothing has come to our attention that cause us to believe that the Statement is not prepared in accordance with the applicable regulatory provisions and that the Information, taken as a whole, is not presented fairly in accordance with the Guidelines, in all material respects.

PREPARATION OF THE EXTRA-FINANCIAL PERFORMANCE DECLARATION

The absence of a commonly used generally accepted reporting framework or a significant body of established practice on which to draw to evaluate and measure the Information allows for different, but acceptable, measurement techniques that can affect comparability between entities and over time.

Consequently, the Information needs to be read and understood together with the Guidelines, summarised in the Statement and available on request from its headquarters.

INHERENT LIMITATIONS IN PREPARING THE INFORMATION

The Information may be subject to uncertainty inherent to the state of scientific and economic knowledge and the quality of external data used. Some information, notably in respect with Carbon emissions, is sensitive to the choice of methodology and the assumptions or estimates used for its preparation and presented in the Statement.

RESPONSIBILITY OF THE ENTITY

Management is responsible for:

- selecting or establishing suitable criteria for preparing the Information;
- preparing a Statement pursuant to legal and regulatory provisions, including a presentation of the business model, a description of the main non-financial risks, a presentation of the policies implemented considering those risks and the outcomes of said policies, including key performance indicators and the information set-out in Article 8 of Regulation (EU) 2020/852 (Green taxonomy);
- preparing the Statement by applying the Entity's "Guidelines" as referred above; and
- designing, implementing and maintaining internal control over information relevant to the preparation of the Information that is free from material misstatement, whether due to fraud or error.

The Statement has been endorsed by the Board of Directors.

RESPONSIBILITY OF THE STATUTORY AUDITOR APPOINTED AS INDEPENDENT THIRD PARTY

Based on our work, our responsibility is to express a limited assurance conclusion on:

- the compliance of the Statement with the requirements of Article R. 225-105 of the French Commercial Code;
- the fairness of the information provided pursuant to part 3 of sections I and II of Article R. 225-105 of the French Commercial Code, i.e. the outcomes of policies, including key performance indicators, and measures relating to the main risks, hereinafter the "Information".

As we are engaged to form an independent conclusion on the Information as prepared by management, we are not permitted to be involved in the preparation of the Information as doing so may compromise our independence.

It is not our responsibility to report on:

- the Entity's compliance with other applicable legal and regulatory provisions (particularly with regard to the information set-out in Article 8 of Regulation (EU) 2020/852 (Green taxonomy), the French corporate duty of vigilance law and against corruption and tax evasion);
- the fairness of information set-out in Article 8 of Regulation (EU) 2020/852 (Green taxonomy);
- the compliance of products and services with the applicable regulations.

APPLICABLE REGULATORY PROVISIONS AND PROFESSIONAL GUIDANCE

We performed the work described below in accordance with Articles A. 225-1 et seq. of the French Commercial Code, the professional guidance issued by the French Institute of Statutory Auditors (Compagnie Nationale des Commissaires aux Comptes) applicable to such engagement, in particular the professional guidance issued by the Compagnie Nationale des Commissaires aux Comptes, Intervention du commissaire aux comptes – Intervention de l'OTI – déclaration de performance extra-financière, and acting as the verification programme and with the international standard ISAE 3000 (revised) - Assurance engagements other than audits or reviews of historical financial information.

INDEPENDENCE AND QUALITY CONTROL

Our independence is defined by the provisions of Article L. 821-28 of the French Commercial Code and French Code of Ethics for Statutory Auditors (Code de déontologie) of our profession. In addition, we have implemented a system of quality control including documented policies and procedures aimed at ensuring compliance with applicable legal and regulatory requirements, ethical requirements and the professional guidance issued by the French Institute of Statutory Auditors (Compagnie Nationale des Commissaires aux Comptes) relating to this engagement

MEANS AND RESOURCES

Our work engaged the skills of 8 people between September 2023 and May 2024 and took a total of 18 weeks.

We were assisted in our work by our specialists in sustainable development and corporate social responsibility. We conducted a hundred of interviews with the people responsible for preparing the Statement, representing in particular Sustainable Development and CSR, Eco-design,

Ethics and Compliance, Human Resources, Health and Safety, Environment and Purchasing departments.

NATURE AND SCOPE OF PROCEDURES

We are required to plan and perform our work to address the areas where we have identified that a material misstatement of the Information is likely to arise.

The procedures we performed were based on our professional judgment. In carrying out our limited assurance engagement on the Information, we:

- obtained an understanding of all the consolidated entities' activities and the description of the main risks associated;
- assessed the suitability of the criteria of the Guidelines with respect to their relevance, completeness, reliability, neutrality and understandability, taking into account, where appropriate, best practices within the sector;
- verified that the Statement includes each category of social and environmental information set out in article L. 225-102-1 III of the French Commercial Code as well as information regarding compliance with Human rights and anti-corruption and tax avoidance legislation and includes, where applicable, an explanation of the reasons for the absence of the information required under Article L.225-102-1 III, paragraph 2 of the French Commercial Code;
- verified that the Statement provides the information required under Article R.225-105 II of the French Commercial Code where relevant with respect to the main risks;

- verified that the Statement presents the business model and a description of the main risks associated of all the consolidated entities' activities, including where relevant and proportionate, the risks associated with their business relationships, their products or services, as well as their policies, measures and the outcomes thereof, including key performance indicators associated to the main risks;
- referred to documentary sources and conducted interviews to:
  - assess the process used to identify and confirm the main risks as well as the consistency of the outcomes, including the key performance indicators used, with respect to the main risks and the policies presented, and
  - corroborate the qualitative information (measures and outcomes) that we considered to be the most important presented in Appendix. Concerning certain risks (Low-carbon solutions, Asset resilience, Ecodesign and circular economy, Biodiversity, Recruitment, Engagement and retention, People development, Encouraging local development, Relationships with local communities, Diversity and equal opportunity, Ethics and compliance, Sustainable Procurement, Human Rights, Customer relationship, Railway safety & Healthier mobility, and Tax evasion) our work was carried out on the consolidating entity, for other risks, our work was carried out on the consolidating entity and on a selection of sites: Salzgitter and Stendal in Germany, Vienna in Austria, REM Project Montreal in Canada, Cairo Monorail in Egypt, TIS Madrid in Spain, Crespin, Helion, IBRE, Saint-Ouen and Villeurbanne in France, Vadodara, Savli and Kolkata in India, Fez in Morocco, Derby, Glasgow, Manchester, and Midlands in United-Kingdom, Vaesteras in Sweden, and Hornell in United-States;
- verified that the Statement covers the consolidated scope, i.e. all the entities within the consolidation scope in accordance with Article L. 233-16 of the French Commercial Code within the limitations set out in the Statement;
- obtained an understanding of internal control and risk management procedures the Entity has implemented and assessed the data collection process aimed at ensuring the completeness and fairness of the Information;
- for the key performance indicators and other quantitative outcomes that we considered to be the most important presented in Appendix, implemented:
  - analytical procedures to verify the proper consolidation of the data collected and the consistency of any changes in those data;
  - tests of details, using sampling techniques, in order to verify the proper application of definitions and procedures and reconcile the data with supporting documents. This work was carried out on a selection of contributing sites: Salzgitter and Stendal in Germany, Vienna in Austria, REM Project Montreal in Canada, Cairo Monorail in Egypt, TIS Madrid in Spain, Crespin, Helion, IBRE, Saint-Ouen and Villeurbanne in France, Vadodara, Savli and Kolkata in India, Fez in Morocco, Derby, Glasgow, Manchester, and Midlands in United-Kingdom, Vaesteras in Sweden, and Hornell in United-States and covers between 17% and 30% of the consolidated data relating to the key performance indicators and outcomes selected for these tests;
- assessed the overall consistency of the Statement in relation to our knowledge of all the consolidated entities.

The procedures performed in a limited assurance review are less in extent than for a reasonable assurance opinion in accordance with the professional guidelines of the French National Institute of Statutory Auditors (Compagnie Nationale des Commissaires aux Comptes); a higher level of assurance would have required us to carry out more extensive procedures.

Neuilly-sur-Seine, May 15th, 2024

One of the Statutory Auditors

PricewaterhouseCoopers Audit

Cédric Haaser	Aurélie Castellino
Partner	Partner, Sustainability Reporting

APPENDIX: LIST OF THE INFORMATION WE CONSIDERED MOST IMPORTANT

Key performance indicators and other quantitative results for the year ended March 31, 2024:

- Share of electricity from renewable sources, Scope 1 & 2 emissions (kTCO2e) (in value and% of reduction vs baseline 22-23), Energy consumptions detail, Energy intensity group, Share of employee working on sites or projects certified ISO 14001;
- Share of energy reduction in solutions, CO2eq emissions intensity for Scope 3 passenger Sold Products (gCO2/pkm), CO2eq emissions intensity for Scope 3 freight Sold Products (gCO2/tkm), Total Scope 3 upstream and downstream CO2 emission (ktCO2e), Scope 3 – Goods and services carbon intensity (gCO2eq/€), Geographic distribution of rolling stock solutions CO2e emissions,
- Number of natural disasters generating damages and operating losses of more than 2 million euros;
- Share of newly developed solutions eco-designed, Recycled rate in Rolling stocks solutions, share of products sold last year can be reused or recycled;
- Share of units covered by a key biodiversity assessment;
- Total recordable injury rate (employees and contractors) TRIR, lost time injury frequency rate (employees and contractors) – IFR1, number of formal AZDP audits conducted in FY2023/24, share of Alstom employees trained using the e-learning module on High Risk Activities, Number of recognized occupational diseases during the calendar year, number of occupational severe accidents, Number of fatalities at work (Alstom employees), absenteeism rate, Annual engagement survey results;
- Number of countries certified Top Employer;
- Average number of training hours/employee, Net Promoter Score, Percentage of employees who have had training, Total number of training hours;
- Share of women in managers, engineers, and professionals, Percentage of women in the workforce, Percentage of women: executives & senior managers, Gender pay gap for MEP;
- Regional ordered amount disclosed per region Europe / AMECA / APAC / AMERICAS, Number of jobs supported (direct, indirect, induced);
- Number of beneficiaries from social programs, Number of Country Community Action Plans implemented at the end of the fiscal year,
- Number of E&C Ambassadors, Number of new employee trained in E&C class (vs targeted population), Share of deployment of the yearly integrity review;
- Part of suppliers monitored or assessed on CSR and E&C standards as per their level of risk, Number of EcoVadis assessments conducted in 2023-24, Part of purchase amount covered by the key suppliers having signed the Ethics and Sustainable Development Charter, Number of procurement community members trained in Sustainable Procurement, Number of suppliers enrolled in Alstom Sustainable Procurement training program;
- Number of internal on-site social audits of subcontractors, Number of external on-site social audits of subcontractors and suppliers, Number of alerts in the area of non-respect of human-rights, child exploitation, forced labour, freedom of association from alert procedure and social survey leading to internal investigation;
- Average Net Promoter Score (NPS), Number of projects surveyed by the end of the year;
- Share of Safety review "OK", Number of safety reviews performed and registered, Percentage of participation in Alstom Railway Safety Etraining, Number of country certified ISO 26000,
- Effective Tax Rate of the group, No report cases of tax evasion.

Qualitative information (actions and outcomes) for the year ended March 31, 2024:

- Internal presentation of Photovoltaic Panels installation on Wroclaw site in 2023; Reviews done by the Regions on their planned CAPEX & OPEX for energy & CO_2e;
- February 2024, delivery of the first manufactured trainset for Meerut Metro to the National Capital Region Transport Corporation (NCRTC) in India; 18 October 2023, presentation of the first battery-powered Regional Train (TER) at the Rencontres Nationales du Transport Public, in Clermont-Ferrand; the 2023 Environmental Sustainability Canadian Urban Transit Association (CUTA) Award for Alstom's Coradia iLint, the world's first hydrogen powered train;
- Nat Cat Analysis conducted as well as a Future Climate Risk Screening of its assets; Realization of an instruction on "Environment & Climatic Adaptation" written by a group of experts in environmental and climatic design;
- Development of a simplified Carbon tool in order to assess quickly different traction versions of Rolling stocks; Development of a module (eco-design and circular process training) for suppliers;
- CSR strategy – biodiversity pilar with the major sites selected for a deeper DIAGNOSIS; Internal biodiversity awareness webinar;
- New campaign of environmental training of EHS professionals launched in 2023/2024; Alstom new APSYS roadmap; "During FY2023/24, a health & well-being internal group standard was published covering mental health, stress management, physical conditions, etc;

- Revised background check policy used during the candidate selection process; At central level, European agreements concluded centrally on workforce transformation or adaptation projects,
- "In 2023/24 update on 360° tool with the addition of the competencies of the AIR leadership model; Training of human resources members to manage a debriefing session; Launch of the "Minds-Up World Challenge";
- Launch of the "Mind the Glass" program; New America's initiative AME Women's Leadership program;
- Supplier day in Riyadh on July 2023; First big external promotion event of Alstom's startups collaboration;
- Alstom foundation projects selected during 2023 board – Examples: Ukraine / France / Brazil / Kazakhstan; Alstom CCAP examples 2023/2024;
- Implementation of a Disciplinary Committee as the management body with authority to review cases of non-compliance with the Code of Ethics; Launch of the twelfth exercise of the Alstom Integrity program;
- Schneider Electric group received Alstom sustainability award during the global supplier day event organized on October2023 at Casablanca; Since October 2023, update of the grids used for suppliers' selection to strengthen the CSR criteria;
- Set up of a Vigilance Committee in May 2023, which comprises Alstom Leadership members from Legal, Governance, CSR, Strategy, Ethics and Compliance", In 2023/24 enhanced Due Diligence applied to tender, Maintenance of ISO 37001 Certification;
- Implementation of a dedicated customer portal to provide digital services; Technical (hard skills) and behavioural (soft skills) trainings provided to customers and partner organisations;
- Annual healthier mobility action plan;
- Country By Country Report files with the French tax Authorities on 2023/24 fiscal exercise.

6.3 Additional information for stakeholders

VIGILANCE PLAN[VP]

In compliance with the French law on the corporate duty of vigilance for parent and instructing companies of 27 March 2017 (Law No. 2017-399 published in the Official Journal on 28 March 2018, referred to in this document as the "duty of vigilance law"), the Company established its first vigilance plan (the "Vigilance Plan") during the 2017/18 fiscal year. It is updated every year to report on the measures implemented and assess the efficiency of the Group's actions regarding human rights, health, safety and environmental issues.

The Vigilance Plan covers the activities of Alstom SA and its fully consolidated subsidiaries. It also covers the activities of suppliers of goods and services with which Alstom Group has an established commercial relationship.

The Vigilance Plan targets risks that could have severe adverse impacts on human rights and fundamental freedoms, health and safety and the environment, as defined by the law. It presents the mapping of the risks identified, the procedures for regularly assessing the situation, the measures in place to mitigate the risks or prevent damages, the system for monitoring the measures implemented and assessing their effectiveness and the report on the effective implementation of those measures.

Alstom's commitments

The company's strategy and policies enforcing Alstom's commitments with respect to human rights and fundamental freedoms, health and safety and the environment are detailed in the chapters on the Extra-Financial Performance Declaration and summarised in the table below:

	Social & Human Rights	Health & Safety	Environment	Ethics and Compliance
Alstom commitment	Code of Ethics Alstom Ethics and Compliance Policy Alstom Data Privacy Charter Sustainable Procurement Policy UN Global Compact Commitment Letter Sustainability and CSR policy			
	Diversity & Inclusion Charter Anti-Discrimination And Anti-Harassment Policy Equal Opportunity and Non-Discrimination , and Human Rights Statements in Alstom's Code of Ethics Position paper on conflict minerals	EHS Policy Ecodesign Policy		
Supply chain commitment	Ethics and Sustainable Development Charter for Alstom's suppliers and contractors			
		Hazardous Substances Regulation Commitment Form EHS Critical Contractors Requirements		

Governance and management of Vigilance Plan

The Vigilance Plan is established by a transverse working group composed of members of the following Departments: Human Resources, Environment Health and Safety, Ethics and Compliance, Procurement, Internal Audit and Risk Management, Governance and Sustainability and CSR, under the supervision of the Sustainability and CSR Steering Committee. The Vigilance Plan is reviewed on an annual basis and necessary updates are made.

At the leadership team level, the governance of corporate vigilance duties has been strengthened with the setup of a Vigilance Committee in May 2023, which comprises Alstom Leadership members from Legal, Governance, CSR, Strategy and Ethics and Compliance. This committee gathers on a quarterly basis to develop and implement the strategic guidance on Vigilance duties in consideration of legal and regulatory corporate due diligence requirements. Alstom's Sustainability and CSR Committee meets quarterly, providing a strong forum for strategic guidance and decision making on CSR strategy and plans.At the operational level, the Sustainability and CSR Steering Committee reviews the implementation of actions in relation with the Vigilance Plan and coordinates the deployment of transverse activities.

The risks covered by the Vigilance Plan are also managed transversely according to the topics addressed. The departments of Human Resources, Procurement, Environment Health and Safety, Sustainable Development and CSR, Legal and Ethics and Compliance are all involved in the implementation of Alstom's Vigilance Plan.

With regards to Alstom's suppliers and contractors, the vigilance risks and duties are also addressed as part of the Sustainable Procurement strategy and processes deployed by Alstom's Procurement Department.

Risk mapping process for the Vigilance Plan

At Alstom, a general risk mapping procedure is implemented by the Internal Audit and Risk Management Department, as described in chapter 4 of this document (see page 157). Every year, the risks related to Alstom's activities, and risks relating to its contractors' and its suppliers' are reassessed by the Internal Audit & Risk Management Department.

The Sustainability and Corporate Social Responsibility (CSR) Department is responsible for the analysis of the Group's extra-financial risks. This risk mapping is reviewed every year by the Sustainability and CSR Steering Committee. In FY2023/24 Alstom ran a first Double Materiality Assessment campaign, in prevision of the CSRD implementation.

In addition to these transversal and consolidated risk mapping exercises, the Group's risk management structure includes sector-specific risk analyses, which aim to facilitate the management of risk programmes:

- the Sustainability and CSR Department proceeds with the mapping and ranking of risks related to Human Rights in relation to Alstom's activities and supply chain. This risk mapping exercise was renewed in 2021/22 fiscal year following the acquisition of Bombardier Transportation;
- the Procurement Department is responsible for the risk mapping and management processes specific to the supply chain and which apply to suppliers and subcontractors.A dedicated supplier risk mapping exercise targeting CSR risk criteria is also performed.This exercise is renewed on an annual basis;
- the Environment, Health and Safety (EHS) team identifies major risks in terms of Health and Safety at work and the Environment. An environmental risk mapping is established for each site and in the context of ISO 14001 certifications.

Risk management covering the activities of Alstom and its supply-chain

Risk mappings, assessment procedures, mitigation and prevention measures and monitoring of measures taken as well as their implementation FY202324 are detailed in the chapters on the Extra-Financial Performance Declaration and in the Information published for stakeholders. This information is identified in the chapter by a VP logo and is summarised in the table below.

The global risk management procedure is described on page 171.

Risk category	**Human Rights (p. 357)**	**Health and Safety (p. 321)**	**Environment (p. 381)**	**Risk management covering Alstom's supply chain (p. 353)**
Potential risks	Harassment or discrimination in the workplace Indirect contribution or link to controversial projects	Inadequate H&S conditions in the production sites of Alstom High risk activities Exposure to hazardous chemical substances and asbestos	Release of substances to the water Release of substances in the air Historical soil pollution Potential specific environmental risks identified during site analysis	Health&Safety conditions in the supply chain Working conditions in the supply-chain Bounded / Forced labour or Child labour in the supply chain Human trafficking through the supply chain Environmental risks on the supply chain Conflict minerals, mica & cobalt
Monitoring indicators	Number of alerts through the whistleblowing channels Gender and Diversity indicators	Accident rates (Total Recordable Injury Rate and Injury Frequency Rate) Occupational diseases rate % of Alstom employees benefiting from safety training Number of formal AZDP audits conducted during the fiscal year Employee Engagement Survey Results	Energy and Greenhouse gas emissions performance of operations KPIs % reduction of energy consumption in Alstom solutions CO2 emissions related to products and services sold Biodiversity KPI Energy consumption KPI Renewable energy KPI Water Consumption KPI Biodiversity KPI Air emission KPI Recycled and recovered waste KPI	Part of suppliers monitored or assessed on CSR and E&C standards as per their level of risk % of the purchase amount covered by key suppliers who have signed the Ethics and Sustainable Development Charter Part of procurement community members trained in Sustainable Procurement Number of suppliers enrolled in Alstom Sustainable Procurement training program
Risk identification and priorisation processes	Global Human Rights Risk mapping Prioritisation of issues	Identification of high-risk activities whether executed directly by Alstom or indirectly by contractors Analysis of hazardous chemical substances	Environmental risk mapping established on every site Environmental priorities based on environmental risk assessments	Annual tier-1 suppliers' CSR risk assessment using EcoVadis IQ module, based on two criteria: ● supplier's main activity (ISIC); ● supplier's country. Priorisation based on yearly ordered amount and CSR risks levels
Regular assessment of the situation	Project specific risk scorecard partly based on country risk mapping	Annual AZDP centrally-managed audit program, self-assessment and risk assessments tools part of AZDP programm Assessments and audits on production sites in accordance with APSYS ("Alstom PerformanceSystem") referential Health & well-being self-assessments on sites Employee Engagement Survey Results	ISO 14001 audit and certification Environmental assessment tools (Total CO_{2e} emissions related to products and services, Carbon inventory of Alstom's activities, Carbon tool, energy consumption related to its activity (intensity) and greenhouse gas emissions (GHG), Biodiversity assessments, water intensity and air emission measures…) TOP-E is completed for each site within the reporting scope annually. This tool covers Water ,	Suppliers' online screening tool ADIT, run by an external solution provider Suppliers' online documentary assessments, carried out by the external company Ecovadis Suppliers' on-site evaluations "Quick Industrial Assessment" led by procurement teams Suppliers' on-site audits "Supplier Process Audits" led by supplier quality teams Assessment of living conditions on construction

Risk category	Human Rights (p. 357)	Health and Safety (p. 321)	Environment (p. 381)	Risk management covering Alstom's supply chain (p. 353)
Regular assessment of the situation			Energy and Waste and is gives assurance of a standard of performance within our sites. Due diligence of new and existing sites through the Historical Pollution Management Plan Annual APSYS programme including Environmental Topics	sites where contractors' workers are provided with accommodation, led by EHS teams during AZDP audits Suppliers' onsite CSR audits, performed by external specialized agencies Conflict minerals enquiries APSYS assessment of a selected number of Alstom procurement managers every year, which includes the CSR management of suppliers and CSR trainings Contribution to ISO 37001/14001/26000 audits when required
Alert procedure and whistleblowing system	Alert procedure open to any Alstom employee or third party	Dedicated app with notification system Alert procedure open to any Alstom employee or third party	Alert procedure open to any Alstom employee or third party	Alert procedure open to any Alstom employee or third party
Mitigation and prevention measures	Code of Ethics with Human Rights, Equal Opportunities and Non-Discrimination statements and case studies Sustainability and CSR policy Alstom Ethics and Compliance Policy Alstom Data Privacy Charter Alstom Diversity, Equity & Inclusion Charter Anti-Discrimination And Anti-Harassment Policy Project-specific mitigation measures following scorecard at tender level Human Rights e-learning module targeting specific communities and available to all Alstom employees Group Diversity, Equity & Inclusion Program, including:	EHS Policy Health and well-being standards, roadmap and action plans Hazardous Substances Regulation Commitment Form EHS Critical Contractors Requirements Alstom Zero Deviation Plan (AZDP) and its 12 directives, mitigation and prevention measures to high-risk activities and action plans covering the requirements Alstom EHS Management System compliant with ISO 45001 Dedicated training course for employees and contractors on construction sites Several safety training programs including e-learning programs such as High-Risk Activities Actions following APSYS assessments Preventive and corrective measures following severe or potentially severe accidents and Return on Experience programme	EHS and Ecodesign Policy Net zero strategy (including greenhouse gas emissions) and objectives, processes and action plans Ecodesign & Circular Economy strategy and objectives, processes and action plans Energy saving plans and actions Biodiversity actions Historical pollution management program - Water consumption program Deployment of internal environmental standards integrated in Alstom Management System and compliant with ISO 14001 Training, communication and awareness-raising activities for employees (climate awareness programme, Ecodesign, hazardous substances, biodiversity…) EHS APSYS Roadmap for Environmental topics	"Sustainable Procurement Policy" "Ethics and Sustainable Development Charter for Alstom's Suppliers and Contractors" Sustainable Procurement instruction in Alstom management system Position paper on conflict minerals GHG emission reduction targets in the supply chain and roadmap part of Alstom Net Zero strategy Signature of Hazardous Substances Regulation Commitment Corrective and mitigation measures and action plans following suppliers' CSR risk assessments and audits CSR criteria and supplier CSR net risk reported in the Suppliers' selection process Actions following APSYS assessments Sustainable Procurement training program for Procurement Community and Suppliers Railsponsible initiative

Risk category	Human Rights (p. 357)	Health and Safety (p. 321)	Environment (p. 381)	Risk management covering Alstom's supply chain (p. 353)
	• Diversity Training: Provide regular diversity, equity and inclusion training for all employees to promote a respectful and inclusive workplace culture; • Fair Recruitment and Hiring Practices: Talent acquisition strategy, recruitment process, cultural bias; • DEI champions network.			
Monitoring system, deployment and impact assessment	Central CSR and Human Rights team for the management of Alstom Human Rights Program Diversity, Equity & Inclusion (DEI) Steering committee for DEI strategy, global initiatives and progress evaluation on the organization's diversity Goals Human Resources Team for the management of Alstom Diversity, Equity & Inclusion Program Vigilance Committee for quarterly monitoring and strategic guidance	Central EHS team, Region and Product Line teams for the management of transversal programs EHS bi-monthly Steering Committee to present return of Experiences, share good practices and key topics	Environmental objectives and periodical result reviews by an internal Governance Committee Annual monitoring of the standard of our sites through the Historical Pollution Management Plan – Which includes Environmental executive summaries, Permitting requirements, Asbestos and pollution management plans. Local management measures based on site risk mapping. Specific follow-up at central level in three areas with potential severe impacts: • Waterborne discharge; • Airborne emissions; • Historical pollution control. EHS organisation managed in the Regions and Product lines and coordinated centrally EHS steering committee	Monitoring system by the Procurement domains and/or regions in charge, with the support of Sustainable Procurement Performance Manager if required Escalation process for CSR high risk suppliers with quaterly Supplier Risk Management reviews at site/commodity/CPO levels Alstom Procurement Environmental committee

Alert Procedure

Details on the Alstom Alert Procedure is available on page 352.

2023/24 Vigilance Plan Implementation Report

In accordance with Article L. 225-102-4 of the French Commercial Code, the report on the effective implementation of the Vigilance Plan is presented in relevant sections of the Extra-financial performance Declaration as well as highlights below.

- a new supplier CSR performance process has been established in 2023/24 including a new, more robust, Supplier risk mapping tool (Ecovadis IQ module), a detailed process for additional assessments based on gross risk levels, and the development of a CSR net risk level, used in the supplier Business Award and in the Supplier Risk Management processes.
- the governance of corporate vigilance duties was strengthened at the leadership team level with a new Vigilance Committee, which was set up in May 2023. This committee comprises Alstom Leadership members from Legal, Governance, CSR, Strategy, Ethics and Compliance. It meets on a quarterly basis to develop and implement strategic guidance on Vigilance duties.
- in 2023/24 the awareness campaign around the Alert Procedure was pursued with continued communication via a regional roadshow and sessions targeting specific functions. In addition, the anti-retaliation tracking process was strengthened to better identify potential risks.

Follow-up of alerts raised by stakeholders

One human rights issue was raised via the Alert Procedure over the 2020/21 fiscal year following the publication of a report by the Australian Strategic Policy Institute (ASPI). This report focused on the potential forced enrolment of Uyghurs in the supply chains of major international companies and one of Alstom's suppliers was mentioned in this report.

Following the publication of the ASPI report, Alstom undertook an in-depth review of potential forced labour issues in the supplier referenced, including internal interviews, document reviews and annual third-party audits. Based on this review, no human rights incidents were identified on the plant that supplies Alstom. Alstom will continue to monitor this specific case and assess potential human rights issues in its supply-chains generally.

Four alerts were raised in FY2023/24. The first alert was an internal request for additional information on Alstom's presence in a specific country, considered at risk from a Human Rights perspective. This alert was managed via a communication to the reporter from the CSR department addressing the concerns raised, and closed.

Two further alerts concerned the working conditions of workers from two different suppliers. The investigations regarding these matters are ongoing.

The final alert regarded a perceived breach of Alstom's rule to remain apolitical. This alert was managed via a communication to the reporter from the CSR department addressing the concerns raised and closed.

ENVIRONMENTAL DATA^{VP}

The Company can be exposed to different environmental risks, including air and water pollution or the loss of environmental certifications and operating permits. However,

Environmental commitments are made at the highest level of the Company and are implemented in an Environment, Health and Safety (EHS) policy signed by the Vice-President EHS of Alstom. The scope of application of this policy is described in an internal standard that also defines the applicability criteria. It includes all the product line' activities (rolling stock and components, services, digital, infrastructure and systems projects), solutions, logistics and Merger & Acquisitions operations. Consequently, Alstom has made a commitment to:

- cause zero environmental damage;
- prevent pollution;
- continuously reduce the environmental impact of its activities especially with its Energy Saving Plan and waste management strategy;
- drive continuous improvement of environmental performance through measurable objectives and targets;
- maintain a valuable environmental management system;
- strengthen the environmental culture of its employees and subcontractors;
- ensure environmental competencies and offer training at every level of the organisation.

The policy is reviewed on a regular basis displayed on every Alstom site and published on the Company's website.

Environmental management, including energy, is based on an environmental programme, which encompasses the Energy Plan covering:

- consideration given to environmental issues at all levels of the Company;
- definition of environmental objectives in the organisation and periodical results reviews at the same frequency and in the same internal Governance Committees as for financial results reviews;
- implementation of an environmental programme: development and deployment of internal standards, assessment tools, targeted training actions that involve employees, communication and awareness-raising actions;
- an EHS ("Environment, Health & Safety") organisation managed in the Regions and Product lines and coordinated centrally.

The Alstom Management System includes the requirements of ISO 14001, which contributes to the process of environmental improvement of the sites.

Data presented in this section are based on the same methodology as the Extra-Financial Performance Declaration. Selected environmental data were reviewed by PricewaterhouseCoopers and the report is available on www.alstom.com. The main environmental indicators for monitoring Alstom's progress in achieving its objectives are the following:

- energy consumption related to its activity (intensity) and greenhouse gas emissions (GHG) (see Alstom Climate Action);
- share of recycled and recovered waste;
- water consumption related to its activity.

In this section, environmental results are presented on a calendar year basis, while ISO 14001 certification results are presented on a fiscal year basis.

Risk mapping^{VP}

In terms of environmental risks, Alstom chooses an environmental management based on continuous improvement as described in the Environmental Management System Manual. The procedures address the management of all the sites, and are also applied to the new sites, lease agreements, or service contracts (or on every existing site when such an assessment has never been done before).

An environmental risk mapping is established for each site. Globally, for all sites, lease agreements or service contracts, the local teams are assessing:

- potential environmental impacts related to the activities such as: release of substances onto/into the ground; release of substances to the water; release of substances to the air; waste resulting from an activity, product or service; waste disposal; and use of resources;
- likelihood of severe damages to the environment.

Assessment, mitigation and prevention measures, follow-up and monitoring system^{VP}

Certification of units

All the sites have maintained their ISO 14001 certification this year, which guarantees the implementation of appropriate control measures for the risks identified on each site. 83% of Alstom employees work on certified sites or projects in 218 units, the 2025 target being to have 100% of Alstom employees on certified units.

Moreover, the requirements of the ISO 14001 standard are integrated in the Alstom Management System and contribute to the environmental performance improvement process of our sites. At the end of 2023, 57% of subunits are covered by an ISO14001 certification.

Site specific procedures

Within the framework of ISO 14001, control measures of the environmental risks are being implemented at each site level. These measures are established on the results of the risk mapping on each site. An evaluation team is in charge of determining appropriate control measures and identifying the persons responsible for their implementation.

Mitigation and prevention measures

In addition to local management measures, Alstom performs a specific follow-up at central level in three areas likely to generate potentially severe impacts at the Group level.

Environmental fines/penalties

Over the last five fiscal years, Alstom has not been fined more than 10,000 dollars. In 2023, Alstom didn't receive fines/penalties.

Historical pollution control

Alstom's current and standard activities do not generate soil releases. Nevertheless, some accidental leakage prevention devices are deployed on each site.

On old sites potentially contaminated as a result of past activities, Alstom implements a monitoring and management programme and ensures compliance with local regulations. In 2023, 118 sites are under this management plan.

Sites conduct surveys to assess the environmental and health risks due to contamination in soils and groundwater. They also have an action plan according to the priority level defined for the site (from 1 – immediate risk to 4 – absence of risk). The progress of the plan is monitored centrally as well as the provisions for environmental risks that are decided according to the risks identified (Cf. chapter 4).

Sites at risk level 1&2 have an action plan and reviews are done twice a year. In 2023, targets have been set:

- 100% Mandatory documents (Environmental assessment, asbestos survey, environmental permits and environmental executive summary) have been shared;
- 100% of sites have a priority level defined for pollution and asbestos.

Besides the scope of the duty of vigilance and severe environmental risks, Alstom has also committed to reduce the environmental footprint of its sites as part of its AiM strategy (see the section on Energy performance of operations and greenhouse gas emissions and data mentioned below).

Water consumption

This indicator is monitored because of the sensitivity of the water resource, particularly in water-stressed regions, and more generally in emerging countries where Alstom is developing its business.

The Group is committed to reduce its water consumption, to do so, in 2023 target have been set: reducing the water intensity by 2% vs 2022.

Results: At the end of 2023 water intensity is 10l/HW and decrease by 3% vs 2022. This indicato r reflects the volume of water consumed related to Alstom activity, measured in hours worked (Alstom employees and contractors).

Global action will continue to deploy to reduce water consumption focus on depot activities specially in tanking, cleaning, washing actvities.

Regarding water reuse, local initiatives are implemented. For instance, In 2023, Sri City implemented the use of surface water from seepage pond and rain water. The water was reused for domestics usage.

Details of water consumption

(in thousands of cubic meter)	2021	2022	2023
Public network	1,142	1,269	1,355
Ground water[1]	170	142	151
Surface water	1	0.5	8
TOTAL WATER CONSUMPTION	**1,313**	**1,412**	**1,514**

(1) This figure doesn't include the geothermal usage as the water pumped is reinjected into the groundwater without any impact.

Waterborne discharge

In 2023, 45% of sites had the obligation to monitor the quantity and the quality of waterborne discharges. The diversity of obligations in terms of nature and limits of the discharges do not allow the consolidation of those figures at Alstom level. Nevertheless the Group is committed to limit water emissions and ensures, through an indicator measuring the regulatory compliance of the waterborne discharges, that regulatory monitoring is done and the authorised thresholds are respected. Heavy metal discharge, wastewater chemical oxygen are not material elements for Alstom.

Waste management

2025 Goal: Recovery rate for all waste produced above 90% and recycling rate above 80%.

The Company is pursuing its waste recovering target, particularly in countries where waste recovery is not developed.

	2021	2022	2023
Recovery rate	88%	90%	91%
Reycling rate	67%	71%	73%

Waste production

(in metric tons)	2021	2022	2023
Hazardous waste	5,904	5,585	7,012
• of which recovered	4,315	4,029	5,213
• of which recycled	2,156	2,139	3,028
Non-hazardous waste	58,516	60,284	70,468
• of which recovered	52,416	55,397	65,421
• of which recycled	40,855	44,342	53,473
TOTAL WASTE PRODUCTION	**64,420**	**65,869**	**77,480**

In 2023, the volume of waste increase due to activity ramp up for example in Sahagun, Taubate and end of project in other site like Derby. Moreover location changes had an impact on the production of waste

Food waste

The Company's food waste is only related to meals taken in the canteens. Being part of non-hazardous waste, it is not specifically monitored.

Air emissions of non-methane volatile organic compounds (VOC)

The Group strives to reduce and limit air pollution. VOC are the main air pollutants emitted by Alstom operations. Painting operations are the main source of VOC. By implementing paint substitution initiatives (e.g. replacement of solvent-containing paints by aqueous paints).

Detail of non-methane VOC emissions

(in tons)	2021	2022	2023
VOC emissions	521	401	381

The main contributors are Crespin, Bruges and Astana sites which have high painting activities.

In 2023, due to the decrease in painting activities, the company reduced its VOC emissions by 27%. In Wroclaw and Ceska Lipa, actions to reduce VOC emissions continued, such as replacing solvent-based paints with water-based paints, installing activated carbon filters and replacing cleaners, were implemented.

Following the VOC emission reduction, a new roadmap will be realigned in 2024 covering: new paint booth, greater emphasis on solvent-free paints and high solid content paints and investigation of other application systems such as electrostatic robots and guns under nitrogen.

The VOC emissions reduction roadmap is still being deployed covering: new paint booth specifications (in order to favour booths equipped with carbon activated filters), greater emphasis on solvent-free paints and high solid content paints and investigation of other application systems such as electrostatic robots and guns under nitrogen.

Airborne emissions

In 2023, 43% of Alstom's sites had the obligation to monitor the quantity or the quality of their air emissions. The diversity of obligations in terms of nature and limits of the emissions do not allow those figures to be consolidated at Alstom level. Nevertheless, Alstom ensures, through an indicator measuring the regulatory compliance of the air emissions, that regulatory monitoring is done and the authorised thresholds respected. For specific particle as SO2 and NOX, Alstom operational activities are not concerned.

Employee awareness and recognition for best practices

The Group carries out communication and awareness-raising activities for its employees on best environmental practices, in particular as part of its ISO 14001 certification programme. In addition, a new campaign of environmental training of EHS professionals has commenced in 2023/2024 to support EHS managers in their duties for environmental and substance management. These actions are supplemented by mobilisation programmes often coupled with those for health and safety.

In 2023/24, the following aspects related to employee awareness and the recognition for best practices should be highlighted:

- Biodiversity: pilot project in Spain with the installation of nest for colony of royal swifts. Some projects in the future will affect the colony. The royal swift is classified as "Vulnerable" in the Regional Catalog of Threatened Species. Nestbox with sound calls has been installed to try to get the swifts to nest as close as possible to their original habitat. Other actions as Planting of aromatic herbs, trees, installations of bees houses has been done in France and in Italy.
- Beach Cleaning: 30 Alstom representatives in an event which unite 350 volunteers from different organizations participated to the cleaning of 6 kilometers of beach in Yucatan. More than 752 kg of waste that was taken to be recycled to the municipality's comprehensive system that oversaw its classification and processing, all this with the aim of improving the quality of life for the community and tourists of the area. These actions contributes to other community actions, allowing them to have a sustainable way of life.
- Health and Well being: Baton of Hope, a growing movement aspiring to a zero-suicide society, was instrumental in seeing a huge tour of the UK completed, raising awareness along the route of the signs of suicide, supporting mental well-being, breaking the stigma of mental health and connecting with people and organisations working to save lives. The tour was a resounding success with 48 Alstom staff members supporting the tour, traversing over 1,400 miles from Scotland, to Ireland, through Wales and England and ending in London- the Baton of Hope was carried by nearly 1,000, people all who have been impacted by suicide, providing a stark reminder that there is light in the darkness. Alstom continues to support Baton of Hope with the creation of the Workplace Pledge, guiding companies on the best practices and interventions that can be implemented to prevent suicide to continue to encourage business and society in general to break the stigma around suicide.
- Safety: storage rack Inspection by drone, Ornans used drones as a new approach for storage rack inspection. Using a drone to collect visual data on storage rack removes the need for lifting basket, significantly improving safety. Efficiency for the site is improved using the drone, with highly agile process enabling systematic and repeatable inspections on ageing racks.

SOCIAL DATA

Data for this section are based on the same methodology as the Extra-Financial Performance Declaration. Selected social indicators were reviewed by PricewaterhouseCoopers. Their report is available on www.alstom.com

Group Headcount

All data is based on the whole Alstom perimeter except otherwise stated.

BREAKDOWN BY REGION

	At 31 March 2023					At 31 March 2024				
	Europe	Americas	Asia/ Pacific	Africa/ Middle East/ Central Asia	Total	Europe	Americas	Asia/ Pacific	Africa/ Middle East/ Central Asia	Total
Employees	45,901	13,723	15,230	5,329	80,183	47,173	15,284	16,571	5,720	84,748
% of employees	57.2%	17.1%	19.0%	6.6%	100.0%	55.7%	18.0%	19.6%	6.7%	100.0%
Out of which long-term absentees (LTA)	1,082	385	24	62	1,553	1,004	314	17	72	1,407

Source: Alstom HRIS.

BREAKDOWN BY TYPE OF CONTRACT

	At 31 March 2023				At 31 March 2024			
	Permanent contracts	Fixed-term contracts	Interns	Total employees	Permanent contracts	Fixed-term contracts	Interns	Total employees
Number of employees	74,513	3,976	1,694	80,183	78,684	4,515	1,549	84,748
% of total employees	92.9%	5%	2.1%	100%	92.8%	5.3%	1.8%	100%
% of women	19.6%	17.9%	26.9%	19.7%	20.6%	20.1%	26.3%	20.7%
% of men	80.4%	82.1%	73.1%	80.3%	79.4%	79.8%	73.7%	79.3%

Source: Alstom HRIS.

	At 31 March 2023			At 31 March 2024		
	Full-time employees	Part-time employees	Total employees	Full-time employees	Part-time employees	Total employees
Number of employees	78,419	1,764	80,183	82,928	1,820	84,748
% of total employees	97.8%	2.2%	100%	97.9%	2.1%	100%
% of women	19.6%	45.8%	19.7%	20.1%	46.2%	20.7%
% of men	80.4%	54.2%	80.3%	79.9%	53.8%	79.3%

Source: Alstom HRIS.

BREAKDOWN BY CATEGORY

At 31 March 2023								At 31 March 2024							
Managers and professionals				Other employees				Managers and professionals				Other employees			
Total	% of total employees	% of women	% of men	Total	% of total employees	% of women	% of men	Total	% of total employees	% of women	% of men	Total	% of total employees	% of women	% of men
47,677	59.5%	23.8%	76.2%	32,506	40.5%	13.7%	86.3%	51,284	60.5%	24.7%	75.3%	33,464	39.5%	14.4%	85.6%

Source: Alstom HRIS.

WORKFORCE CHANGES DURING FISCAL YEAR

At 31 March 2023						At 31 March 2024					
Hiring on permanent contracts	Hiring on fixed-term contracts	Resignations(1)	Redundancies(1)	Dismissals(1)	Other departures(2)	Hiring on permanent contracts	Hiring on fixed-term contracts	Resignations(1)	Redundancies(1)	Dismissals(1)	Other departures(2)
13,999	2,695	5,148	361	643	2,998	11,452	4,161	4,653	504	781	2,935

Source: Alstom HRIS.

(1) Calculated on permanent headcount only.

(2) Including retirement and end of Fixed Term Contract (FTC).

TOTAL HIRES

At 31 March 2023							At 31 March 2024						
total hires	% of managers	% of non-managers	% of women	% of men	% of permanent contracts	% of non-permanent contracts	total hires	% of managers	% of non-managers	% of women	% of men	% of permanent contracts	% of non-permanent contracts
18,226	50.8%	49.2%	23.0%	77.0%	76.9%	23.1%	16,937	44.3%	55.7%	25.4%	74.5%	67.7%	32.3%

Source: Alstom HRIS.

TOTAL TURNOVER

At 31 March 2023							At 31 March 2024						
total turnover	% of managers	% of non-managers	% of women	% of men	% of permanent contracts	% of non-permanent contracts	total turnover	% of managers	% of non-managers	% of women	% of men	% of permanent contracts	% of non-permanent contracts
12.8%	13.5%	11.8%	13.6%	12.4%	12.7%	17.7%	12.0%	10.7%	13.9%	12.4%	11.9%	11.1%	23.3%

Source: Alstom HRIS.

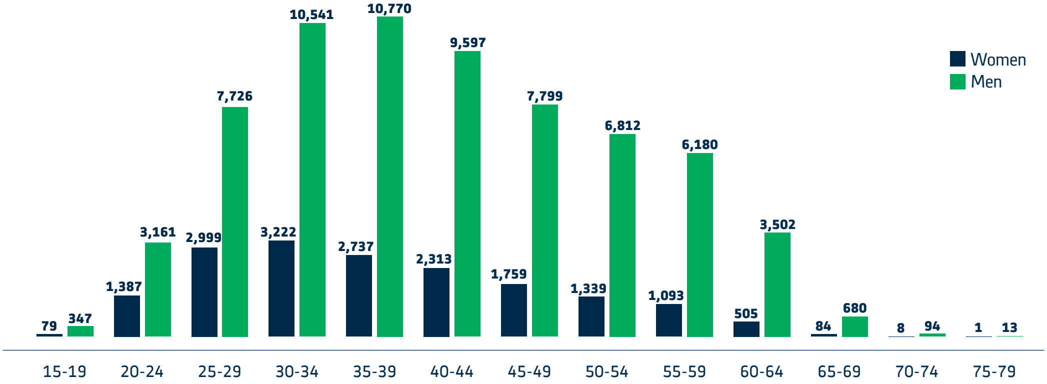
Diversity indicators

BREAKDOWN BY GENDER

At 31 March 2023				At 31 March 2024			
Men		Women		Men		Women	
Total	% of total employees	Total	% of total employees	Total	% of total employees	Total	% of total employees
64,401	80.3%	15782	19.7%	67,219	79.3%	17,526	20.7%

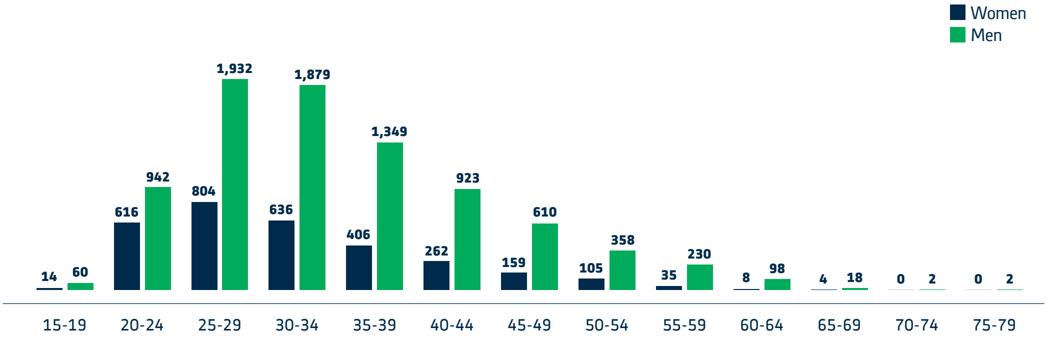
Source: Alstom HRIS.

AGE PYRAMID BY GENDER AS OF 31 MARCH 2023



Source: Alstom HRIS.

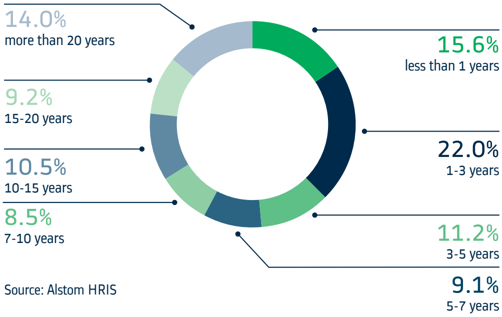
AGE PYRAMID OF NEW HIRES 2023/24 – PERMANENT CONTRACTS



Source: Alstom HRIS.

LENGTH OF SERVICE

Seniority Employees Permanent based on "Adjusted Seniority" as of 31 March 2024.



Source: Alstom HRIS

RELATIONS WITH GOVERNMENTS, INTERNATIONAL & NATIONAL ORGANISATIONS AND THINK TANKS

Contribution to the public debate on sustainable development policies

Alstom contributes to the public debate around sustainable mobility and rail transport, engaging with governments, international and national organisations and think tanks, in the development of policies.

In line with its valued strong customer proximity, Alstom's geographical presence, industrial footprint and commitment to the territories are major assets to contribute to the public debate.

The messages through which Alstom contributes to the policy debate focus on:

- the role of open markets and of fair competition to support sustainable growth, across:
  - fair competition, level-playing field and reciprocity in access to public procurement,
  - consistent application of high international standards for transparency and ethics & compliance,
  - protection of intellectual property rights (IPR) as a major driver of innovation and of investment in Research and Deployment (R&D),
  - evaluation of requests for proposals for transport systems based on the most economically advantageous tender criteria, taking into account the duration of these investments,
  - uniform implementation and mutual recognition of standards and norms between different jurisdictions (certification and approval), in order to reduce cost;
- the need for continued investment in sustainable technologies in the public and private sectors, particularly through:
  - public support and collaboration to accelerate R&D and the piloting and demonstration of sustainable technologies and services,
  - implementation of mid- to long-term financial mechanisms to spread on a large scale the solutions of sustainable mobility,
  - promoting policies aiming to internalise external costs, particularly with regards to a consistent CO_2 pricing,
  - the contribution of international financial institutions to support large infrastructure projects in developing countries,
  - the use of innovative financial mechanisms by financial institutions to mobilise private investments, particularly by sharing risks, as well as through governments which support and facilitate their actions,
  - the promulgation of initiatives on sustainable finance also covering the European taxonomy (see "EU Taxonomy" section, page 298);
- the importance of long-term, transparent and stable policy frameworks to support sustainable investments, particularly through:
  - the promotion of sustainable transport and zero carbon emission strategies, based on shared, electric mobility and hydrogen, rather than on individual transport and the use of fossil fuels,
  - the definition of a network of pan-European infrastructures enabling the deployment of rail transportation and zero-emission mobility solutions for all citizens and companies,
  - the digitalisation of the rail network with technologies including cyber security, automation, and traffic management,
  - the definition and the effective implementation of balanced regulations to support a wide portfolio of low carbon and highly efficient solutions, as well as the need for a stable and predictable regulatory environment,
  - the increased resilience of transport infrastructure, to address the impacts of climate change.

Participation in organisations and high-level initiatives

Convinced that Sustainable Development goals will only be reached if all relevant stakeholders are actively involved, Alstom participates in several leading organisations.

At international level

- Since 2008, Alstom adheres to the United Nations Global Compact Initiative, which seeks to encourage companies to commit to a set of values such as human rights, the respect for labour conditions, the protection of the environment, and ethics in business. Alstom is actively involved in this initiative and promotes the ten principles that summarise its key values.
- Besides, the Group continues to support UNFCCC forums (United Nations Framework Convention on Climate Change) to show how its technologies support the transition towards a low carbon emissions society and participated to the COP 26 in Glasgow.
- Alstom is a member of the "Sustainable Low Carbon Transport Partnership" (SLoCaT) initiative that brings together international players committed to sustainable mobility.
- Alstom is a founding member of the Transport Decarbonisation Alliance, which gathers States, local authorities, and industrialists eager to accelerate the transformation of the transport sector into a sector with zero net CO_2 emissions by 2050.
- As a member of the International Union of Public Transport (UITP), Alstom participates in various working groups and chairs the Vehicle & Equipment Industries' committee.
- Alstom is a founding member of the Hydrogen Council, which gathers 134 companies sharing the same vision on hydrogen as a key driver of the energy transition.
- Finally, Alstom is a member of the Corporate Partnership Board of the International Transport Forum (ITF), an intergovernmental organisation of the OECD, which gathers Ministers of Transport at global level.

At regional/local level

- Alstom is a member of the Union of the European Railway Industries (UNIFE) which represents the sector at the European level. UNIFE supports in particular the creation of a single European rail area through the achievement of rail interoperability. It also promotes the role of rail in reaching the EU climate ambition and its contribution to the EU Smart & Sustainable Mobility Strategy. Alstom Chairman and CEO, Henri Poupart-Lafarge, is a member of the UNIFE Presiding Board.
- The Company contributes to the Platform for Electro-Mobility, a voluntary group of 48 companies, NGO and European sectorial associations, which encourages a wider use of electric vehicles in order to reduce emissions from the transport sector.
- Alstom is also a founding member of "Europe's Rail", the European Union joint undertaking for railway research. "Europe's Rail" aims to respond to the evolving transport needs of the European Union, through research and innovation, in order to develop advanced and innovative technologies. The first projects supported by Europe's Rail are ongoing, Alstom being the coordinator of RAIL4EARTH, a project focused on decarbonization and sustainability of the rail system.
- Alstom is a member of "Hydrogen Europe", the industry association of the "Clean Hydrogen Joint Undertaking". Hydrogen Europe represents more than 440 companies, national associations and regions promoting hydrogen and fuel cells as efficient and clean technologies, while the Clean Hydrogen JU supports research in the field of hydrogen and fuel cells.
- Alstom is a member of the European Clean Hydrogen Alliance, which brings together under the umbrella of the European Commission companies, national and local public authorities and members of the civil society aiming at an ambitious deployment of hydrogen technologies by 2030.
- Alstom is a member of several expert groups of the European Commission such as the Competitiveness of the European Rail Supply Industry, the Sustainable Transport Forum, the Global Gateway Business Advisory Group and the Single European Railway Area Forum.
- The Group also contributes to many local initiatives.
  - In France, Alstom participates in activities of many industrial associations, such as CS2F (Comité stratégique de la filière ferroviaire), MEDEF (Mouvement des entreprises de France), France Industrie, AFEP (Association française des entreprises privées), Fer de France, FIF (Fédération des industries ferroviaires), UTP (Union des Transports Publics), AFRA (Association Française du Rail), France Hydrogène, Conseil national de l'hydrogène, CMDIT (Conseil ministériel pour le développement et l'innovation dans les transports) or local authorities associations such as Régions de France, GART (Groupement des autorités responsables de transport). This active participation allows the Group to better include the demands of public authorities, strengthen its proposals and anticipate the evolution of regulations. Alstom is also members of associations on sustainability such as Orée and think tanks such as TDIE (Transport Développement Intermodalité Environnement) and The Shift Project.
  - In Germany, Alstom is a member of several rail associations such as the VDB (Verband der deutschen Bahnindustrie), and the DVF (Deutsches Verkehrsforum). In addition, Alstom is a member of many other German associations, such as VDV (Verein Deutscher Verkehrsunternehmen), Allianz pro Schiene (Alliance pro rail), the DWV (German Hydrogen and Fuel Cell Association) and Mofair (Association of private operators). In Austria, Alstom is a member of the ARI (Austrian Rail Industry) and the ÖVG (Österreichische Verkehrswissenschaftliche Gesellschaft) and in Switzerland, the Group participates in two rail related associations: Swissmem (Employer Association for Machinery – Electro – and Metal-Industries in Switzerland) and Swissrail Industry (Association of the Swiss Railway Industry).

- In the US, Alstom has continued its engagement with customers, elected officials, the US Department of Transportation and industry trade associations to leverage public funding included in the historic $1T Infrastructure Investment and Jobs Act (IIJA) and advance passenger rail projects that meet our customers' sustainability goals. Alstom is currently working with passenger and freight railroads, state and local governments and regional stakeholders to make important advances on the technology roadmap to wide adoption of zero emissions traction systems. This includes projects to convert high-polluting diesel freight locomotes to battery hybrid technology that maintains operational performance and cuts carbon emissions significantly. In addition, Alstom is advocating for public policies and funding that will facilitate technology investments by passenger railroads and transit agencies to electrify existing diesel lines and cut emissions through more efficient operations and maintenance of their systems.
- Building on the solid foundations laid in 2021 following the acquisition of Bombardier Transportation, Alstom has broadened and deepened its engagement with elected officials in Canada. At all levels of government, Alstom maintains fruitful interactions and its positioning as a trusted partner of governments dedicated to ambitious environmental goals. Under various initiatives aimed at decarbonizing the economy, in particular the transportation industry, Alstom has promoted multiple sustainability projects across the country such as green hydrogen propulsion, electrified rail systems or high-speed technology. More precisely, following an agreement with the Government of Québec, the company conducted a technological demonstration of a Coradia iLint in the province for the 2023 summer season. Furthermore, Alstom continued to exercise leadership within all the organizations it is a member of. Chambers of Commerce, Boards of Trade, railways clubs and other associations have benefitted from Alstom's involvement by an increased sharing of its knowledge in matters related to rail innovation and sustainable mobility.

DATA PRIVACY

Alstom respects the privacy of all individual stakeholders with whom it interacts. Alstom's Code of Ethics and the Alstom Data Privacy Charter provide the fundamental rules of the Company in this regard as well as protection to all employees, business partners and other third parties whose personal data Alstom processes. In addition, Alstom has implemented a data privacy compliance programme centred around the three fundamental principles of its approach: Transparency, Proportionality and Necessity. The Alstom website provides an overview of the data privacy compliance programme, copies of the corporate policies including the Data Privacy Charter and various data privacy notices covering the categories of individuals whose personal data is processed.

Alstom is fully transparent on all types of personal data collected, why it collects the data and the type of processing it undertakes on it.

The Group collects only personal data that requires for its business purposes, primarily legal obligations and legitimate interests, and does not allow any additional further processing of the data. Alstom has a data privacy organisation lead by the Corporate Data Protection Officer and it does provivide a dedicated email address, which is available to all Alstom employees and any third party who have queries about the nature of personal data collected, the type of processing it undertakes and the exercise of their rights under applicable legislation. Employees who breach data privacy rules and internal policies are subject to disciplinary measures in the framework of Alstom's disciplinary policies and the Alstom Disciplinary Committee.

6.4 Synthesis of indicators/Key figures 2023/24

All the data reported are compliant with Alstom methodology principles presented on page 366.

In addition, Alstom has chosen to report its environmental, social and governance performance in accordance with the standards set by the Global Reporting Initiative (GRI) and the Sustainability Accounting Standards set by SASB. Cross-reference tables are available below.

Indicators	2021/22	2022/23	2023/24	GRI 2021 reference	Page
ENVIRONMENTAL INDICATORS					**304**
Energy and CO_2					304
Energy consumption from natural gas(1) (in GWh)	465	389	345	302.1	
Energy consumption from butane/propane and other gases(1) (in GWh)	15	16	15	302.1	
Energy consumption from domestic fuel (1) (in GWh)	8	11	14	302.1	
Energy consumption from steam/heat (1) (in GWh)	116	99	97	302.1	
Energy consumption from electricity (1) (in GWh)	383	377	377	302.1	
Energy consumption from coal, heavy fuels and other fuels(1) (in GWh)	0.5	0.3	1	302.1	
Total in energy consumption(1) (in GWh)	998	892	849	302.1	
Energy intensity(1) (in kWh/hours worked)	7.7	6.5	5.6	302.3	
Share of electricity from renewable sources(1) (in %)	42	57	75		
Direct CO_2 emissions from natural gas, butane, propane, coal and oil consumption(1) (in kilotons CO_2 eq.) – Scope 1	100	85	77	305.1	
Indirect CO_2 emissions from steam, heat and electricity consumption(1) scope 2 market-based(in kilotons CO_2 eq.)	122	85	53	305.2	
Other direct CO_2 emissions from HFC (1) (in kilotons CO_2 eq.)	2	1	1	305.3	
Company cars CO_2 emissions from gasoline or diesel oil (in kilotons CO_2 eq.) – Scope 1(1)	6	7.5	8	305.1	
Total CO_2 emissions from energy consumption and other direct emissions(1) (in kilotons CO_2 eq.) – Scopes 1 and 2	230	179	139	305.1/2	
CO_2 emissions intensity of Alstom passenger transport solutions sold during the fiscal year (gCO_2/pass.km)	4.6	4.6	4.0	305.3	
CO_2 emissions intensity of Alstom freight transport solutions sold during the fiscal year (gCO_2/ton.km)	9.2	9.2	8.4		
CO_2e emissions intensity of purchased goods & services during the fiscal year (gCO_2e/€)	NA	950	1059		
Reduction of solutions energy consumption (in %)	22.0	23.4	24.1		
Share of newly developed solutions covered by an ecodesigned process (in %)	51	65	87		
Recycled content in newly-developed rolling stocks solutions(in %)	NA	22.5 %	23.4%		
Natural disasters generating more than €2 million in damages for products and operating losses (in numbers)	0	2	0		
Water and releases					380
Water consumption from public network(1) (in thousands of m^3)	1,142	1,269	1,355	303.5	
Water consumption pumped from groundwater(1) (in thousands of m^3)	170	142	151	303.5	
Water consumption pumped from surface water(1) (in thousands of m^3)	1	0.5	8	303.5	
Total water consumption(1) (in thousands of m^3)	1,313	1,403	1,514	303.5	
Water intensity (in l/hour worked)	10	10	10		
Airborne emissions					380
Non-methane volatile organic compounds (VOCs) emissions (1) (in tonnes)	521	401	381	305.7	
Waste management					380
Hazardous waste(1) (in tonnes)	5,904	5,585	7,012	306.3	
Recovered hazardous waste(1) (in tonnes)	4,315	4,029	5,213	306.4	
Non-hazardous waste(1) (in tonnes)	58,516	60,284	70,468	306.3	

Indicators	2021/22	2022/23	2023/24	GRI 2021 reference	Page
Recovered non-hazardous waste(1) (in tonnes)	52,416	55,397	65,421	306.4	
Total waste production(1) (in tonnes)	64,420	65,869	77,480	306.3	
Percentage of recovered waste(1) (in %)	88	90	91	306.4	
Percentage of recycled waste (in %)	67	71	73	306.4	
Management system					320
Proportion of employees working in sites or projects certified ISO 14001 (in %)	80	81	83		
SOCIAL INDICATORS					**320**
Occupational Health and Safety					320
Number of fatalities at work (Alstom employees and contractors) (in numbers)	1	2	0	403.9	
Number of travel fatalities (Alstom employees) (in numbers)	0	1	0	403.9	
Number of occupational severe accidents (incl. fatal accidents) (in numbers)	5	5	5	403.9	
Lost time injury frequency rate (employees and contractors) – IFR1	1.1	0.8	0.9	403.9	
Total recordable injury rate for employees and contractors TRIR	2.3	1.8	1.5		
Number of Alstom Zero Deviation Plan audits conducted in a fiscal year (in numbers)	77	100	101		
Proportion of Alstom employees trained to e-learning module on High Risk Activities(1) (in %)	76.1	75.9	73	403.5	
Number of recognised occupational diseases for the entire Alstom scope(1)	49	35	60	403.10	
Ratio of employees covered by a life insurance in case of accidental death or total and permanent disability(1) (in %)	91	99.6	99.8	401.2	330
Workforce and organisation					
Number of countries covered by a Top Employer Certification	14	22	27		328
Distribution of employees by type of contract (in numbers)				2-7	384
Permanent contracts (CDI)	69,317	74,513	78,684		
Fixed-term contracts (CDD)	3,579	3,976	4,515		
Interns	1,199	1,694	1,549		
Total employees	74,095	80,183	84,748	2-7	384
Distribution of employees by region (in %)				2-7	384
Africa/Middle East/Central Asia (in %)	6.5	6.6	6.7		
Asia/Pacific (in %)	17.5	19.0	19.6		
Europe (in %)	59.9	57.2	55.7		
Americas (in %)	16.1	17.1	18.0		
Distribution of employees by category (in %)				2-7	384
Managers and professionals (in %)	52.6	59.5	60.5		
Other employees (in %)	47.2	40.5	39.5		
Employees' movements in a fiscal year				401.1	385
Hires on permanent contracts (in numbers)	9,703	13,999	11,452		
Hires on fixed-term contract (in numbers)	2,327	2,695	4,161		
Resignations (in numbers)	4,500	5,148	4,653		
Share of resignations (in %)	6.6	7.2	6.6		
Economic redundancies (in numbers)	373	361	504		
Non-economic redundancies (permanent staff)	604	643	781		
Other (incl. retirements, excluding disposals and acquisitions) (in numbers)	2,741	2,998	2,935		
New hire Attrition rate (180 days period) (in %)				401.1	328
Total (in %)	17.6	19.2	14.0		

Indicators	2021/22	2022/23	2023/24	GRI 2021 reference	Page
Employee Initiative (in %)	12	16.5	10.5		
Employer Initiative (in %)	2	2.2	2.9		
Managers, Engineers and Professionals (in %)	17.5	20.9	12.0		
Other employees (in %)	17.9	16.3	17.1		
Turnover rate for employees on permanent contracts					385
Total turnover rate (in %)	11.9	12.8	12.0		
Voluntary attrition rate (in %)	6.6	7.2	6.6		
Focus on Experts population (WCE/WCM) (in %)	1.4	2.4	2.3		
Involuntary attrition rate (in %)	1.6	1.4	1.9		
Turnover by regions (in %)					347
Africa/Middle East/Central Asia (in %)	17.1	14.4	14.8		
Asia/Pacific (in %)	17.2	16.5	13.1		
Europe (in %)	8.0	9.0	8.7		
Americas (in %)	17.6	16.6	14.8		
Hires by Region (permanent contracts) (in %)				401.1	384
Africa/Middle East/Central Asia (in %)	7.3	7.6	8.9		
Asia/Pacific (in %)	33.8	31.6	23.0		
Europe (in %)	42.1	39.2	39.2		
Americas (in %)	16.8	21.6	28.8		
Absenteeism rate(1) (in %)	3.3	3.8	3.3		325
Africa/Middle East/Central Asia (in %)	3.0	3.4	2.8		
Asia/Pacific (in %)	2.5	2.5	2.7		
Europe (in %)	3.7	4.4	3.8		
Americas (in %)	3.3	3.2	2.4		
Competencies and careers					332
Proportion of trained employees(1) (in %)	90.7	88.9	90.8	404	334
Average training hours per employee(1) (in hours/employee)	19.0	22.2	26.7	404.1	
Total number of training hours(1) (in hours)	1,378,436	1,703,791	2,213,886	404.1	
Diversity and equal opportunity (in %)				405	337
Proportion of women in the workforce	18.8	19.7	20.7	405.1	
Proportion of female managers or professionals	23.2	23.9	24.7	405.1	
Proportion of women as senior managers and executives	18.3	19	19.7	405.1	
Proportion of women in STEM related positions	16.1	16.1	17.5	405.1	
Proportion of women trained(1)	19.9	21.5	21.7	405.1	
Proportion of employees with disabilities(1) – Alstom	2.3	2.4	2.2	405.1	
Social dialogue				407	331
Share of employees covered by a national collective agreement or a company agreement(1) (in %)	59.9	63.7	64.7		

Indicators	2021/22	2022/23	2023/24	GRI 2021 reference	Page
INDICATORS RELATED TO ETHICS AND COMPLIANCE				2	**353**
Ethics and Compliance ambassadors (in numbers)	460	490	530		
Certification ISO 37001 (in % of regions included)	100	100	100		
Employees having received an "E&C class" training (in % of target population)	-	-	82%		
INDICATORS RELATED TO HUMAN RIGHTS					**357**
Number of internal on-site social audits of subcontractors	9	4	2		
Number of external on-site social audits of subcontractors and suppliers	21	54	15		
Number of alerts in the area of non-respect of human rights, of child exploitation, forced labour, freedom of association from alert procedure and social survey leading to internal review	3	1	4		
SOCIETAL INDICATORS					**338**
Product safety					364
Safety review OK (measure the ability to anticipate safety issues in project execution)(1) (in %)	77.0	82.1	79		
Ratio of participations to online trainings (in %)	90	94.2	95.4		
Relationships with customers					327
Net Promoter Score (out of 10)	8.1	8.3	8.4		
Relationships with local communities				413	310
Country Community Action Plans implemented (in numbers)	44	44	44		
Number of beneficiaries from social programmes (in thousands of people)	245	299	359		
RESPONSIBLE PROCUREMENT					**357**
Part of the purchase amount covered by the key suppliers having signed the Ethics and Sustainable Development Charter (in %)	96	98	97		
Part of suppliers sites monitored or assessed on CSR and E&C standards as per their level of risk (in %) (3)	-	-	91	414.2	
Part of procurement community members trained in Sustainable Procurement	39%	62%	69%		
Number of suppliers enrolled in Alstom Sustainable Procurement training programme	>100	202	182		

(1) Indicators reported on the calendar years 2021, 2022 and 2023.

(2) Modified scope or methodology.

(3) change of evaluation methodology. Since 2023, the methodology to calculate the part of suppliers sites covered by CSR assessment(s) (ADIT screenings, EcoVadis assessments and/or on-site CSR audits) has been updated to be more comprehensive. Due to this change of methodology, it was not possible to calculate the proforma KPI for previous fiscal years. 74% is the result for FY22/23 using the former methodology covering the purchased amount.

Figures in green font represent key performance indicators for the Company.

EU TAXONOMY DETAILLED REGULATORY TABLES

ALSTOM PROPORTION OF TURNOVER FROM PRODUCTS OR SERVICES ASSOCIATED WITH TAXONOMY-ALIGNED ECONOMIC ACTIVITIES - DISCLOSURE COVERING FY 2023-24

				Substantial contribution criteria						Do Not Significant Harm									
Economic activities	Codes	Turnover 2023/24	Proportion of turnover 2023/24	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution prevention and control	Biodiversity and ecosys90 tems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution prevention and control	Biodiversity and ecosystems	Minimum safeguards	Taxonomy aligned proportion of Turonver 2022/23	Category (enabling)	Category (transitional)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)
		MEUR	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
3.3 Manufacture of low carbon technologies for transport	CCM 3.3	8,553	49%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	NA	Y	Y	Y	Y	Y	Y	57%	E	-
3.19 Manufacture of rail rolling stock constituents	CCM 3.19	327	2%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	NA	Y	Y	Y	Y	Y	Y	NA	E	-
6.3 Urban and suburban transport, road passenger transport	CCM 6.3	70	0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	NA	Y	Y	Y	Y	Y	Y	0%	-	-
6.14 Infrastructure for rail transport	CCM 6.14	963	6%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	NA	Y	Y	Y	Y	Y	Y	0%	E	-
6.15 Infrastructure enabling low-carbon road transport and public transport	CCM 6.15	583	3%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	NA	Y	Y	Y	Y	Y	Y	2%	E	-
Turnover of environmentally sustainable activities (Taxonomy aligned) activities (A.1.)		**10,496**	**60%**	**Y**	**-**	**-**	**-**	**-**	**-**	**NA**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**59%**		
Of which enabling		10,426	60%	Y	-	-	-	-	-	NA	Y	Y	Y	Y	Y	Y	59%	E	
Of which transitional		0	0%	NA						-	-	-	-	-	-	-	0%		-
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
3.3 Manufacture of low carbon technologies for transport	CCM 3.3	4,432	25%	Y	N/EL	N/EL	N/EL	N/EL	N/EL								25%		
3.19 Manufacture of rail rolling stock constituents	CCM 3.19	104	0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL								NA		
6.3 Urban and suburban transport, road passenger transport	CCM 6.3	484	3%	Y	N/EL	N/EL	N/EL	N/EL	N/EL								2%		
6.14 Infrastructure for rail transport	CCM 6.14	998	6%	Y	N/EL	N/EL	N/EL	N/EL	N/EL								8%		
6.15 Infrastructure enabling low-carbon road transport and public transport	CCM 6.15	1,102	6%	Y	N/EL	N/EL	N/EL	N/EL	N/EL								6%		
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities (A.2.))		**7,120**	**40%**														**41%**		
TOTAL A (A.1. + A.2.)		**17,616**	**100%**																
B. TAXONOMY NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities (B)			**0%**																
TOTAL A + B		**17,619**	**100%**																

ALSTOM PROPORTION OF CAPEX FROM PRODUCTS OR SERVICES ASSOCIATED WITH TAXONOMY-ALIGNED ECONOMIC ACTIVITIES - DISCLOSURE COVERING FY 2022-23

				Substantial contribution criteria						Do Not Significant Harm									
Economic activities	Codes	CapEx 2023/24	Proportion of CapEx 2023/24	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution prevention and control	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution prevention and control	Biodiversity and ecosystems	Minimum safeguards	Taxonomy aligned proportion of CapEx 2022/23	Category (enabling)	Category (transitional)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)
		MEUR	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
3.3 Manufacture of low carbon technologies for transport	CCM 3.3	275	41%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	NA	Y	Y	Y	Y	Y	Y	52%	E	-
3.19 Manufacture of rail rolling stock constituents	CCM 3.19	30	4%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	NA	Y	Y	Y	Y	Y	Y	NA	E	-
6.3 Urban and suburban transport, road passenger transport	CCM 6.3	1	0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	NA	Y	Y	Y	Y	Y	Y	0%	-	-
6.14 Infrastructure for rail transport	CCM 6.14	55	8%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	NA	Y	Y	Y	Y	Y	Y	0%	E	-
6.15 Infrastructure enabling low-carbon road transport and public transport	CCM 6.15	28	4%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	NA	Y	Y	Y	Y	Y	Y	2%	E	-
CapEx of environmentally sustainable activities (Taxonomy aligned) activities (A.1.)		**389**	**57%**	**Y**	**-**	**-**	**-**	**-**	**-**	**NA**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**54%**		
Of which enabling		388	57%	Y	-	-	-	-	-	NA	Y	Y	Y	Y	Y	Y	54%	E	
Of which transitional		0	0%	NA						-	-	-	-	-	-	-	0%		-
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
3.3 Manufacture of low carbon technologies for transport	CCM 3.3	150	22%	Y	N/EL	N/EL	N/EL	N/EL	N/EL								23%		
3.19 Manufacture of rail rolling stock constituents	CCM 3.19	11	2%	Y	N/EL	N/EL	N/EL	N/EL	N/EL								NA		
6.3 Urban and suburban transport, road passenger transport	CCM 6.3	10	2%	Y	N/EL	N/EL	N/EL	N/EL	N/EL								1%		
6.14 Infrastructure for rail transport	CCM 6.14	64	9%	Y	N/EL	N/EL	N/EL	N/EL	N/EL								14%		
6.15 Infrastructure enabling low-carbon road transport and public transport	CCM 6.15	54	8%	Y	N/EL	N/EL	N/EL	N/EL	N/EL								8%		
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities (A.2.))		**289**	**43%**														**46%**		
TOTAL A (A.1. + A.2.)		**679**	**100%**																
B. TAXONOMY NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy-non-eligible activities (B)		**0.5**	**0%**																
TOTAL (A+B.)		**679**	**100%**																

ALSTOM PROPORTION OF OPEX FROM PRODUCTS OR SERVICES ASSOCIATED WITH TAXONOMY-ALIGNED ECONOMIC ACTIVITIES - DISCLOSURE COVERING FY 2023-24

				Substantial contribution criteria						Do Not Significant Harm									
Economic activities	Codes	OpEx 2023/24	Proportion of OpEx 2023/24	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution prevention and control	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution prevention and control	Biodiversity and ecosystems	Minimum safeguards	Taxonomy aligned proportion of OpEx 2022/23	Category (enabling)	Category (transitional)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)
		MEUR	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
3.3 Manufacture of low carbon technologies for transport	CCM 3.3	201	30%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	NA	Y	Y	Y	Y	Y	Y	40%	E	-
3.19 Manufacture of 01rail rolling stock constituents	CCM 3.19	78	12%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	NA	Y	Y	Y	Y	Y	Y	NA	E	-
6.3 Urban and suburban transport, road passenger transport	CCM 6.3	2	0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	NA	Y	Y	Y	Y	Y	Y	0%	-	-
6.14 Infrastructure for rail transport	CCM 6.14	68	11%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	NA	Y	Y	Y	Y	Y	Y	0%	E	-
6.15 Infrastructure enabling low-carbon road transport and public transport	CCM 6.15	27	4%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	NA	Y	Y	Y	Y	Y	Y	7%	E	-
OpEx of environmentally sustainable 7activities (Taxonomy aligned) activities (A.1.)		**375**	**57%**	**Y**	**-**	**-**	**-**	**-**	**-**	**NA**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**47%**		
Of which enabling		373	57%	Y	-	-	-	-	-	NA	Y	Y	Y	Y	Y	Y	47%	E	
Of which transitional		0	0%	NA						-	-	-	-	-	-	-	0%		-
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
3.3 Manufacture of low carbon technologies for transport	CCM 3.3	109	17%	Y	N/EL	N/EL	N/EL	N/EL	N/EL								29%		
3.19 Manufacture of rail rolling stock constituents	CCM 3.19	30	4%	Y	N/EL	N/EL	N/EL	N/EL	N/EL								NA		
6.3 Urban and suburban transport, road passenger transport	CCM 6.3	1	2%	Y	N/EL	N/EL	N/EL	N/EL	N/EL								2%		
6.14 Infrastructure for rail transport	CCM 6.14	80	12%	Y	N/EL	N/EL	N/EL	N/EL	N/EL								16%		
6.15 Infrastructure enabling low-carbon road transport and public transport	CCM 6.15	51	8%	Y	N/EL	N/EL	N/EL	N/EL	N/EL								7%		
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities (A.2.))		**285**	**43%**														**53%**		
TOTAL A (A.1. + A.2.)		**660**	**100**																
B. TAXONOMY NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non-eligible activities (B)		**0.1**	**0%**																
TOTAL A (A+B)		**660**	**100%**																

ANNEXE XII - STANDARD TEMPLATES FOR THE DISCLOSURE REFERRED TO IN ARTICLE 8(6) AND (7) TEMPLATE 1 - NUCLEAR AND FOSSIL GAS RELATED ACTIVITIES

	Nuclear energy related activities	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
	Fossil gas related activities	
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO


ALSTOM
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7

ADDITIONAL INFORMATION

AFR

The Content of the Annual Financial Report is identified in the summary table with the help of this pictogram.

7.1 Information on the Group and the parent company

7.1.1 IDENTITY OF THE COMPANY

7.1.1.1 LEI

96950032TUYMW11FB530

7.1.1.2 Company name and

registered office

Alstom

48, rue Albert Dhalenne, 93400 Saint-Ouen-sur-Seine, France

Tel.: + 33 1 57 06 90 00

7.1.1.3 Legal form

French limited company with a Board of Directors governed in particular by the French Commercial Code.

7.1.1.4 Term

Alstom was incorporated under the name "Jotelec" on 17 November 1992 and its existence will expire on 17 November 2091, unless it is dissolved early or is extended.

7.1.1.5 Registration number

389 058 447 RCS Bobigny.

7.1.1.6 Code APE

7010Z.

7.1.2 SPECIAL PROVISIONS OF THE ARTICLES OF ASSOCIATION

7.1.2.1 Company object

(Article 3 of the Articles of Association)

The objects of the Company are, directly or indirectly:

- to conduct all industrial, commercial, shipping, financial, real property and asset transactions in France and abroad, notably in the following fields:
  - energy,
  - energy transmission and distribution,
  - transport,
  - industrial equipment,
  - naval construction and repair work,
  - engineering and consultancy, design and/or production studies and general contracting associated with public or private works and construction, and
  - more generally, activities related or incidental to the above;
- participation, by any means, directly or indirectly, in any operations which may be associated with its object, by the creation of new companies, capital contributions, subscription or purchase of stocks or rights, merger with such companies or otherwise, the creation, acquisition, lease or takeover of business goodwill or businesses; the adoption, acquisition, operation or sale of any processes and patents relating to such activities; and
- generally undertaking all industrial, commercial, financial and civil operations and real property and asset transactions that may be directly or indirectly associated with Alstom objects or with any similar or related object.

Furthermore, the Company can take an interest, of whatever form, in any French or foreign business or organisation.

7.1.2.2 Fiscal year

(Article 19 of the Articles of Association)

The fiscal year starts on 1 April and ends on 31 March of each year.

7.1.2.3 General Meetings

(Article 15 of the Articles of Association)

Convening and deliberations – Agenda

Ordinary and Extraordinary General Meetings, satisfying the legal conditions for quorum and majority voting, exercise the powers respectively attributed to them by the law. They are convened in accordance with the rules and the terms laid down by law.

Meetings are held at the registered office of the Company or at any other place determined by the Board, either within the "département" in which the registered office is located or in any other French territory.

The agenda of the meeting is drawn up by the Board of Directors if the Board has called the meeting and, if not, by the person calling the meeting. However, one or more shareholders satisfying the conditions laid down by law may request the inclusion of draft resolutions on the agenda. Questions not appearing on the agenda may not be deliberated.

Admission and representation

Ordinary and Extraordinary General Meetings are made up of all shareholders without distinction who are admitted and may be represented under the conditions provided for by applicable regulations; provided, however, that the Company allows shareholders to vote electronically by correspondence and that the Board of Directors can also organise, under the conditions contemplated by law, shareholder participation and voting at General Meetings via videoconference or any means of telecommunication that allow the shareholders to be identified.

This decision by the Board of Directors (as the case may be) is communicated in the meeting and/or convening notice. Those shareholders attending General Meetings by videoconference or by these other means are deemed to be present for the purposes of calculating the quorum and the majority.

Voting rights

Each member of the meeting is entitled to as many votes as the number of shares which he holds or represents.

At all Ordinary, Extraordinary or Special General Meetings, the voting right on shares shall, in cases where such shares are subject to usufruct, be exercisable by the usufructuary.

Following the decision of the Combined General Meeting of 28 July 2021, all provisions relating to preferred shares, which had been approved by the Combined General Meeting of 29 October 2020 as part of the acquisition of Bombardier Transportation, the terms and conditions of which were set forth in annex 1 of the Articles of Association (the “Category B Preferred Shares”), were deleted from the Articles of Association. It has also been decided to delete any reference to “Ordinary Shares” in the Articles of Association and to replace the words “Ordinary Shares” at each occurrence with the word “Shares”.

7.1.2.4 Notification of holdings exceeding certain percentages

(Article 7 of the Articles of Association)

In accordance with the Articles of Association of the Company applicable at the date of this Universal Registration Document, in addition to the legal obligation to notify the Company of certain shareholding levels or voting rights, any individual or legal entity or any shareholder who holds directly or indirectly, alone or in concert pursuant to articles L. 233-10 et seq. of the French Commercial Code a number of shares in the Company giving a shareholding equal to or in excess of 0.5% of the total number of shares or voting rights issued must notify the Company by recorded letter with proof of receipt within five trading days of this threshold being crossed. Notification is to be repeated under the same conditions whenever a new threshold of a multiple of 0.5% of the total number of shares or voting rights is exceeded, up to and including the threshold of 50%.

To determine these thresholds, shares equivalent to the shares owned as defined by the legislative and regulatory provisions of article L. 233-7 et seq. of the French Commercial Code, will be taken into account.

In each of the abovementioned notifications, the declaring person must certify that the notification includes all stock held or owned in the sense of the preceding paragraph. Such notification must also state: the declarer’s identity as well as that of individuals or legal entities acting in concert with him, the total number of shares or voting rights that he holds directly or indirectly, alone or in concert, the date and the source of crossing the threshold and, where applicable, the information mentioned in the third paragraph I of article L. 233-7 of the French Commercial Code.

Any shareholder whose participation in the shareholding or in voting rights falls below one of the abovementioned thresholds is also required to notify the Company within the same length of time of five trading days and by the same means.

In the event of non-observance of the above provisions and in accordance with the conditions and levels established by law, a shareholder shall lose the voting rights relating to the shares in excess of the thresholds which should have been notified, if one or more shareholders holding at least 3% of the share capital or voting rights so requires.

A resolution will be submitted to the 2024 Combined General Meeting to modify Article 7 of the Articles of Association so as to set this notification threshold at 1%. Accordingly, any individual or legal entity or any shareholder holding directly or indirectly, alone or in concert pursuant to articles L. 233-10 et seq. of the French Commercial Code a number of shares in the Company giving a shareholding equal to or in excess of 1% of the total number of shares or voting rights issued will have to notify the Company by recorded letter with proof of receipt within five trading days of this threshold being crossed. Notification is to be repeated under the same conditions whenever a new threshold of a multiple of 1% of the total number of shares or voting rights is exceeded, up to and including the threshold of 50%.

7.1.2.5 Identification of holders of bearer shares

(Article 7 of the Articles of Association)

The Company may, under the conditions laid down by the law from time to time, request any officially authorised organisation or intermediary to pass on all information concerning its shareholders or holders of its stock conferring an immediate or subsequent right to vote, their identity and the number of shares that they hold.

7.1.2.6 Appropriation of income

(Article 21 of the Articles of Association)

The profits for the fiscal year consist of the revenues relating to the preceding fiscal year, less overheads and other Company expenditure including provisions and depreciation allowances. At least 5% of the profit, less any previous losses, is set aside to form the legal reserve fund. This provision ceases to be mandatory once the value of the fund reaches one-tenth of the share capital.

The remainder (less the above deductions) of the retained earnings and withdrawals from the reserves which the General Meeting has at its disposal shall, if the General Meeting so desires, be distributed among the shares, once the sums carried forward by the said meeting or transferred by it to one or more reserve funds have been deducted.

After the General Meeting has approved the accounts, any losses are carried forward and offset against the profits of future fiscal years until they are discharged.

Each shareholder may be granted, at the General Meeting, for all or part of the dividend or interim dividend to be distributed, an option to be paid the dividend or interim dividends in cash or in shares of the Company, under the current legal and regulatory conditions.

The Articles of Association do not contain any provision, which may delay, postpone or prevent a change of control.

7.1.3 DOCUMENTS ACCESSIBLE TO THE PUBLIC

The legal documents relating to the Company and the Group, which are required to be accessible by the shareholders according to the applicable law are available for inspection at the Company's registered office and some of them, including the Articles of Association, are available on the Group's website (http://www.alstom.com/fr/), in particular in the "Investors" sections, in application of article L. 451-1-2 of the French Monetary and Financial Code. The Group's Annual Reports for the last ten fiscal years are also available on the website.

7.1.4 ACTIVITY OF THE PARENT COMPANY

Alstom is the holding company of the Group, and only holds the shares of the company ALSTOM Holdings. Alstom centralises a very large share of the Group's external financing and advances the funds thus obtained to its subsidiary ALSTOM Holdings through loan agreements and a current account. Fees from its indirect subsidiaries for the use of the Alstom name make up Alstom's other source of revenues. For more information, see section "Financial information – Statutory accounts – Comments on statutory accounts".

7.1.5 INTELLECTUAL PROPERTY

The Group owns or benefits from licenses for the use of several trademarks, patents and other intellectual property rights. All these rights contribute to the good performance of the business, but none of the licenses alone currently has a material relevance for the activities of the Group.

7.1.6 REAL PROPERTY

The Group carries out its activities on certain real estate over which it has rights of different types. The Group has full ownership of most of its main industrial sites.

The Group set up a leasing strategy for its offices buildings, which applies notably to the headquarters of the Group.

The gross value of land and buildings fully owned at 31 March 2024 amounted to 2,445 million euros.

The related depreciation amounted to - 1,284 million euros. These amounts include neither operating leases nor rights of use on leased buildings and lands. A global office workplace policy is being implemented across the Group favoring collaborative working environment.

The Group's tangible assets are subject to costs for general maintenance and repairs required for their proper operation, and meeting legal and quality standards, including with respect to environmental, health and safety matters.

MAIN SITES (NON EXHAUSTIVE LIST)

Site references followed by an asterisk are held under lease.

Country	Site
Algeria	Algiers*
Australia	Ballarat Dandenong* Sydney*
Austria	Vienna*
Belgium	Bruges Charleroi
Brazil	Sao Paulo* Taubate
Canada	Kingston Montréal* La Pocatière St-Bruno* Thunder Bay Toronto – Brampton*
Czech Republic	Ceska Lipa
Egypt	Cairo*
France	Aix-en-Provence* Aytré – La Rochelle Belfort Crespin Le Creusot Ornans Petit-Quevilly* Saint-Ouen-sur-Seine* Tarbes Valenciennes Villeurbanne* Vitrolles*
Germany	Braunschweig* Bautzen Berlin* Görlitz Hennigsdorf Kassel* Mannheim Salzgitter Siegen
Hungary	Matranovak
India	Bangalore* Chennai – SriCity Coimbatore* Madhepura Savli-Baroda Hyderabad *

Country	Site
Italy	Bologna*
	Florence*
	Lecco*
	Nola
	Roma*
	Savigliano
	Sesto
	Vado Ligure
Kazakhstan	Astana (formerly Nur Sultan)
Mexico	Mexico City*
	Sahagun
Morocco	Fez*
Netherlands	Ridderkerk
	Utrecht*
Poland	Katowice
	Warsaw*
	Wroclaw*
Singapore	Singapore*
South Africa	Johannesburg (Gibela)
	Johannesburg (Ubunye)
	Johannesburg (Boksburg)
Spain	Barcelona – Santa Perpetua
	Madrid*
	Trapagaran
Sweden	Motala*
	Vaesteras
	Stockholm*
Switzerland	Villeneuve
Thailand	Bangkok*
Turkey	Istanbul*
United Kingdom	Crewe
	Derby
	Manchester*
	Hatfield*
	London*
	Widnes
USA	Grain Valley (MI)
	Hornell (NY)*
	Melbourne (FL)*
	Pittsburgh (PA)
	Plattsburg (NY)
	Rochester (NY)*
	Warrensburg (MI)

* Site held under lease

7.1.7 AGREEMENTS BETWEEN EXECUTIVE OFFICERS OR MAJOR SHAREHOLDERS OF THE COMPANY AND A COMPANY CONTROLLED BY THE COMPANY

(Disclosure pursuant to article L. 225-37-4 of the French Commercial Code)

None.

7.1.8 MAJOR CONTRACTS

The main acquisitions, disposals, partnerships, joint ventures and changes in scope of consolidation are identified in Chapter 2 "Main events of fiscal year ended 31 March 2024" of this Universal Registration Document.

7.1.9 DETAILS OF SHAREHOLDINGS ACQUIRED DURING THE FISCAL YEAR 2023/24

(Information pursuant to article L. 233-6 of the French Commercial Code)

The following acquisitions took place within Alstom's scope of consolidation at 31 March 2024:

- On 4 July 2023, ALSTOM Holdings acquired 100% of the shares in AMETSIS INGENIERÍA Y ASESORÍA TÉCNICA, S.L. (renamed ALSTOM Ametsis, S.L), and
- On 31 January 2024, ALSTOM Lokomotiven Service GmbH acquired 100% of the shares in WLH Beteiligungs-GmbH and all partnership interests in Westfalische Lokomotive-Fabrik Reuschling GmbH & Co. KG (renamed ALSTOM Reuschling Service GmbH & Co. KG).

7.1.10 SIGNIFICANT CHANGE IN THE FINANCIAL OR TRADING SITUATION

To the Company's knowledge and as of the date of this Universal Registration Document, and except the events indicated in Note 36 to the consolidated financial statements, no significant change in the Group's financial or trading situation has occurred since 31 March 2024, the closing date of the latest published statutory and consolidated financial statements.

7.1.11 LEGAL PROCEEDINGS AND ARBITRATION

The reader is invited to refer to the Note 33 of the consolidated financial statements as of 31 March 2024 for a description of the Group's main legal proceedings. With the exception of the proceedings and litigations described in this Universal Registration Document, there are no other governmental, legal or arbitration procedures, including proceedings of which the Group is aware, and which are pending or threatening, which might have, or have had during the last twelve months, a significant impact on the financial situation or profitability of the Group.

7.2 Information on the share capital

On 7 July 2008, following the decision of the Combined General Meeting of 24 June 2008 in its 16th resolution, the nominal value of the Company's shares was split in half, i.e. from 14 euros to 7 euros. Each share of a nominal value of 14 euros which made up the share capital on the splitting date was automatically exchanged for two shares of a nominal value of 7 euros per share and entitled to the same rights as the former shares.

Since 29 January 2021, no double voting rights are attached to Alstom's shares.

At 31 March 2024, the Company's share capital amounted to 2,690,037,476 euros divided into 384,291,068 shares of a nominal amount of 7 euros per share, each of the same category and fully paid up, subsequent to the transactions carried out in the 2023/24 fiscal year (which are detailed in the table included in the "Changes in share capital" section below).

At this same date, there were 384,291,068 voting rights.

At the date hereof, the Company is not aware of pledges recorded over its securities or those of its significant subsidiaries.

7.2.1 FINANCIAL AUTHORISATIONS

(Disclosure pursuant to article L. 225-37-4 of the French Commercial Code)

The table below summarises the financial authorisations that are in force at 31 March 2024 and their used during the elapsed fiscal year:

Nature of the delegation/authorisation	Date of the GM	Duration and maturity	Cap (nominal amount)	Use during 2023/24 fiscal year
Delegation of competence to be given to the Board of Directors to increase the capital **by way of the capitalisation of reserves, profits, premiums or other**	11/07/2023 (16th resolution)	26 months (10/09/2025)	Shares: € 920,000,000(1) (approximately 35% of the capital at 31 March 2023)	None
Delegation of competence to decide to increase the share capital by way of the issuance of ordinary shares and/or securities granting access to the share capital (of the Company or of a subsidiary) and/or to debt instruments, **with preferential subscription rights maintained***	11/07/2023 (17th resolution)	26 months (10/09/2025)	Shares: €920,000,000(2) (approximately 35% of the capital at 31 March 2023) Debt securities: €1,500,000,000(3)	None
Delegation of competence to decide to increase the share capital by way of the issuance of ordinary shares and/or securities granting access to the share capital of the Company or of a subsidiary and/or to debt securities, **with preferential subscription rights cancelled, via a public offering** (other than the offerings referred to in paragraph 1 of Article L. 411-2 of the French Monetary and Financial Code)*	11/07/2023 (18th resolution)	26 months (10/09/2025)	Shares: €265,000,000(4) (approximately 10% of the capital at 31 March 2023) Debt securities: €1,000,000,000(5)	None
Delegation of competence to issue shares and/or securities granting access to the Company's share capital and/or to debt securities, **with preferential subscription rights cancelled, in the event of a public exchange offer** initiated by the Company*	11/07/2023 (19th resolution)	26 months (10/09/2025)	Shares: €265,000,000(4)	None
Delegation of competence to decide to increase the share capital by way of the issuance of ordinary shares and/or securities granting access to the share capital of the Company or of a subsidiary and/or to debt securities, with preferential subscription rights cancelled, **via an offering referred to in paragraph 1 of Article L. 411-2 of the French Monetary and Financial Code (private placement)***	11/07/2023 (20th resolution)	26 months (10/09/2025)	Shares: €265,000,000(4) Debt securities: €1,000,000,000(5)	None
Delegation of competence to increase the share capital by way of the issuance of ordinary shares and/or securities granting access to the share capital with preferential subscription rights cancelled **in favour of members of a company savings plan***	11/07/2023 (21st resolution)	26 months (10/09/2025)	2% of capital on the day of the AGM(6)	None
Delegation of competence to decide a share capital increase reserved for a category of beneficiaries(7) **with preferential subscription rights cancelled***	11/07/2023 (22nd resolution)	18 months (10/01/2025)	0.6% of capital on the day of the AGM(6)	None

Nature of the delegation/authorisation	Date of the GM	Duration and maturity	Cap (nominal amount)	Use during 2023/24 fiscal year
Authorisation to set the issue price in the case of a share capital increase **with preferential subscription rights cancelled via an offering to the public** (including via a private placement) within the limit of 10% of the share capital per year*	11/07/2023 (23rd resolution)	26 months (10/09/2025)	Shares: 10% of the share capital as at the date of the decision to issue	None
Authorisation to **increase the amount of the issuances** in the event of a share capital increase with preferential subscription rights maintained or cancelled*	11/07/2023 (24th resolution)	26 months (10/09/2025)	15% of the initial issue and within the limits of the ceilings set by the AGM	None
Delegation of competence to issue shares and/or securities granting access to the Company's share capital in consideration for **contributions in kind** made up of shares or securities granting access to the Company's share capital*	11/07/2023 (25th resolution)	26 months (10/09/2025)	Shares: 10% of the capital on the day of the decision to issue(4)	None
Delegation of competence to issue shares of the Company, with preferential subscription rights cancelled, following the **issuance by subsidiaries** of securities granting access to the Company's share capital*	11/07/2023 (26th resolution)	26 months (10/09/2025)	Shares: €265,000,000(4)	None
Authorisation in view of **granting performance shares free of charge**	11/07/2023 (27th resolution)	26 months (10/09/2025)	6,000,000 shares (limit of 200,000 shares for awards to Corporate Officers ("dirigeants mandataires"))(8)	None

* Suspension during periods of public bids involving the Company's securities.

(1) Cap independent of all other limits.

(2) Limit common to the 18th, 19th, 20th, 25th, 26th and 27th resolutions of the General Meeting held on 11 July 2023.

(3) Limit common to the 18th and 20th resolutions of the General Meeting of 11 July 2023.

(4) Sub-limit common to the 18th, 19th, 20th, 25th and 26th resolutions of the General Meeting held on 11 July 2023, which counts against the limit provided for by the 17th resolution of such General Meeting.

(5) Sub-limit common to the 18th and 20th resolutions of the General Meeting held on 11 July 2023, which counts against the limit provided for by the 17th resolution of such General Meeting.

(6) Limit common to the 21st and 22nd resolutions of the General Meeting of 11 July 2023.

(7) The delegation reserves subscriptions to a category of beneficiaries responding to the following criteria: (i) any company held by a credit institution or any credit institution acting at the Company's request to put in place a structured offering to employees and corporate officers of companies related to the Company under the terms of Articles L. 225-180 and L. 233-16 of the French Commercial Code and whose registered office is located outside of France; (ii) and/or the employees and corporate officers of the companies related to the Company under the terms of Articles L. 225-180 and L. 2433-16 of the French Commercial Code and whose registered office is located outside of France; (iii) and/or UCITS or other employee shareholding entities invested in the Company's securities (regardless of whether they have legal personality) whose unit holders or shareholders are made up of the persons referred to above in subparagraph (ii).

(8) Counts against the overall limit provided for by the 17th resolution of the General Meeting held on 11 July 2023.

It will be proposed to the 2024 General Meeting to renew the share buyback authorisations and the financial authorisations (including the ones related to employees shareholding). It will also be proposed to this same meeting to renew the authorisation in respect of free grant of shares that was granted by the General Meeting held on 11 July 2023.

7.2.2 CHANGES IN SHARE CAPITAL

	Number of shares issued or cancelled	Nominal amount of share capital increase or decrease (in €)	Amount of the premium variation (in €)	Aggregate number of shares	Capital (in €)
31 MARCH 2019				**223,572,313**	**1,565,006,191**
Capital increase arising from the free grant of performance shares under the 2016 PSP plan (15 May 2019)	732,073	5,124,511	-	224,304,386	1,570,130,702
Share capital increase resulting from the exercise of options (9 July 2019)	18,546	129,822	293,681	224,322,932	1,570,260,524
Capital increase reserved for members of the Alstom Group Savings Plan and the company We Share International Employees (26 March 2020)	1,448,638	10,140,466	-	225,771,570	1,580,400,990
Capital increase arising from the exercise of options and bonds redeemable in shares (ORA)(1) and the free grant(2) of performance shares under the 2017 PSP and 2019 PSP plans (31 March 2020)	202,212	1,415,484	48,042,195	225,973,782	1,581,816,474
31 MARCH 2020				**225,973,782**	**1,581,816,474**
Capital increase arising from the free grant of performance shares under the 2017 PSP plan (19 May 2020)	862,298	6,036,086	-	226,836,080	1,587,852,560
Capital increase in connection with the exercise of options and redemption of bonds redeemable in shares (28 October 2020)	52,885	370,195	575,421	226,888,965	1,588,222,755
Share capital increase resulting from the exercise of options (1 December 2020)	37,889	265,223	350,184.30	226,926,854	1,588,487,978
Capital increase in cash by way of the issuance of new shares with shareholders' preferential subscription rights maintained (07 December 2020)	68,078,055	476,546,385	1,503,551,510.05	295,004,909	2,065,034,363
Capital increase reserved for CDP Investissements Inc. (29 January 2021)	64,680,147	452,761,029	2,543,747,986.67	371,189,205	2,598,324,435
Capital increase reserved for Bombardier UK Holding Ltd. (29 January 2021)	11,504,149	80,529,043	-		
Share capital increase resulting from the exercise of options (31 March 2021)	12,588	88,116	727,714.61	371,201,793	2,598,412,551
31 MARCH 2021				**371,201,793**	**2,598,412,551**
Capital increase arising from the free grant of performance shares under the 2018 PSP plan (19 May 2021)	698,912	4,892,384	-	371,900,705	2,603,304,935
Capital increase due to the payment of the dividend in shares and the free grant(2) of performance shares under the PSP 2019 plan (31 August 2021)	1,402,451	9,817,157	38,145,045.96	373,303,156	2,613,122,092
Share capital increase resulting from the exercise of options (31 March 2022)	88,590	620,130	1,261,521.60	373,391,746	2,613,742,222

	Number of shares issued or cancelled	Nominal amount of share capital increase or decrease (in €)	Amount of the premium variation (in €)	Aggregate number of shares	Capital (in €)
31 MARCH 2022				**373,391,746**	**2,613,742,222**
Capital increase arising from the free grant[2] of performance shares under the 2019 and 2021 PSP plans (17 May 2022)	392,010	2,744,070	-	373,783,756	2,616,486,292
Capital increase due to the payment of the dividend in shares (26 August 2022)	2,432,331	17,026,317	-	376,216,087	2,633,512,609
Capital increase arising from the free grant[2] of performance shares under the "We are Alstom 2021" plan and the 2020 and 2021 PSP plans (16 February 2023)	1,145	8,015	-	376,217,232	2,633,520,624
Capital increase reserved for employees "We Share Alstom 2023"(23 March 2023)	4,236,222	29,653,554	56,450,425	380,453,454	2,663,174,178
31 MARCH 2023				**380,453,454**	**2,663,174,178**
Capital increase arising from the free grant of performance shares under the PSP 2020, 2021[2] and 2022[2] plans and the "We are Alstom 2021"[2] plan (15 May 2023)	611,101	4,277,707	-	381,064,555	2,667,451,885
Capital increase reserved for employees "We are Alstom 2021"(5 July 2023)	790,710	5,534,970	-	381,855,265	2,672,986,855
Capital increase due to the payment of the dividend in shares (7 September 2023)	2,435,803	17,050,621	40,799,700	384,291,068	2,690,037,476
31 MARCH 2024				**384,291,068**	**2,690,037,476**

(1) 2% subordinated bonds due December 2008 redeemable in Company shares.

(2) Further to the request of the heirs of a deceased beneficiary.

7.2.3 DISTRIBUTION OF SHARE CAPITAL

To the Company's knowledge and based on notifications received by the Company, the table below indicates the share ownership and voting rights of shareholders holding more than 5% of the Company's share capital at 31 March 2024:

	Capital at 31 March 2024				Capital at 31 March 2023				Capital at 31 March 2022			
	Number of shares	% of capital(1)	Number of voting rights	%of voting rights(1)(2)	Number of Shares	% of capital(1)	Number of voting rights	% of voting rights(1)(2)	Number of Shares	% of capital(1)	Number of voting rights	% of voting rights(1)(2)
Public	216,931,168	56.45%	216,931,168	56.45%	239,951,714	63.07%	239,951,714	63.07%	268,856,041	72.00%	268,856,041	72.00%
Caisse de Dépôt et Placement du Québec(3)	66,832,600	17.39%	66,832,600	17.39%	66,138,621	17.38%	66,138,621	17.38%	65,367,765	17.51%	65,367,765	17.51%
Causeway Capital Management	35,796,400	9.31%	35,796,400	9.31%	18,762,900	4.93%	18,762,900	4.93%	14,964,560	4.01%	14,964,560	4.01%
Bpifrance Investissement	28,845,500	7.51%	28,845,500	7.51%	28,545,000	7.50%	28,545,000	7.50%				
BlackRock Inc.	24,741,935	6.44%	24,741,935	6.44%	17,093,380	4.49%	17,093,380	4.49%	18,293,570	4.90%	18,293,570	4.90%
Bouygues S.A.	594,512	0.15%	594,512	0.15%	588,230	0.15%	588,230	0.15%	581,441	0.16%	581,441	0.16%
Employees(4)	10,548,953	2.75%	10,548,953	2.75%	9,373,609	2.46%	9,373,609	2.46%	5,328,369	1.43%	5,328,369	1.43%
TOTAL	**384,291,068**	**100.00%**	**384,291,068**	**100.00%**	**380,453,454**	**100.00%**	**380,453,454**	**100.00%**	**373,391,746**	**100.00%**	**373,391,746**	**100.00%**

(1) % calculated based on the share capital and voting rights as of 31 March of each year and not on the basis of the share capital and voting rights on the date of the declaration.

(2) On 29 October 2020, the Special Meeting (which brought together the shareholders holding double voting rights) and the Combined General Meeting approved the elimination of the double voting rights mechanism from the Company's Articles of Association, thereby ensuring the principle of "one share, one vote" is applied to all shareholders, effective 29 January 2021.

(3) It is reminded, as indicated in Section 5.1.3.5 of Chapter 5 of this Document that Caisse de Dépôt et Placement du Québec undertook, in an investment agreement , until 16 September 2030, that its shareholding will not exceed 22% of the ordinary shares issued by Alstom without Alstom's agreement.

(4) Shares held by current and former Group employees as at 31 March 2024, of which approximately 1.45% of the capital and voting rights held through a company mutual fund.

In 2023/24, the following legal ownership threshold crossings were reported:

- By letter received on 17 July 2023, J.P. Morgan Chase & Co. (c/o CT Corporation, 1209 Orange Street, Wilmington, United States), acting on behalf of companies it manages, reported having crossed upwards on 13 July 2023 the 5% Company capital and voting rights thresholds and reported holding on behalf of such clients and funds 20,001,060 Alstom shares representing the same number of voting rights, i.e., 5.24% of the share capital and voting rights.
- By letter received on 24 July 2023, J.P. Morgan Chase & Co. (c/o CT Corporation, 1209 Orange Street, Wilmington, United States), acting on behalf of companies it manages, reported having crossed downwards on 20 July 2023 the 5% Company capital and voting rights thresholds and reported holding on behalf of such clients and funds 0 Alstom shares and no voting rights.
- By letter received on 7 September 2023, LAC 1 SLP represented by Bpifrance Investissement (6-8, boulevard Haussmann, 75009 Paris, France), reported having crossed upwards on 7 September 2023 the 5% Company capital and voting rights thresholds and reported holding 28,845,473 Alstom shares representing the same number of voting rights, i.e., 7,50 % of the share capital and voting rights.
- By letter received on 2 November 2023, Causeway Capital Management LLC (11111 Santa Monica Blvd, 15th Floor, Los Angeles, CA 90025, United States), acting on behalf of clients and funds it manages, reported having crossed upwards on 31 October 2023 the 5% Company capital and voting rights thresholds and reported holding on behalf of such clients and funds 19,329,233 Alstom shares representing the same number of voting rights, i.e., 5.03% of the share capital and voting rights.
- By letter received on 30 November 2023, BlackRock, Inc. (55 East 52nd Street, New York, 10055, United States), acting on behalf of companies it manages, reported having crossed downwards on 29 November 2023 the 5% Company capital and voting rights thresholds and reported holding on behalf of such clients and funds 16,533,035 Alstom shares representing the same number of voting rights,i.e., 4.30% of the share capital and voting rights.
- By letter received on 22 December 2023, BlackRock, Inc. (55 East 52nd Street, New York, 10055, United States), acting on behalf of companies it manages, reported having crossed upwards on 21 December 2023 the 5% Company capital and voting rights thresholds and reported holding on behalf of such clients and funds 19,480,738 Alstom shares representing the same number of voting rights,i.e., 5.07% of the share capital and voting rights.
- By letter received on 26 December 2023, BlackRock, Inc. (55 East 52nd Street, New York, 10055, United States), acting on behalf of companies it manages, reported having crossed downwards on 22 December 2023 the 5% Company capital and voting rights thresholds and reported holding on behalf of such clients and funds 19,146,033 Alstom shares representing the same number of voting rights,i.e., 4.98% of the share capital and voting rights.
- By letter received on 25 January 2024, Bank of America Corporation (1209 Orange Street, Corporation Trust Center, Wilmington, DE 19801, United States), acting on behalf of companies it manages, reported having crossed upwards on 23 January 2024 the 5% Company capital and voting rights thresholds and reported holding on behalf of holding on behalf of such clients and funds 21,407,615 Alstom shares representing the same number of voting rights, i.e., 5.57% of the share capital and voting rights.

- By letter received on 30 January 2024, BlackRock, Inc. (55 East 52nd Street, New York, 10055, United States), acting on behalf of companies it manages, reported having crossed upwards on 29 January 2024 the 5% Company capital and voting rights thresholds and reported holding on behalf of such clients and funds 19,239,563 Alstom shares representing the same number of voting rights,i.e., 5,01% of the share capital and voting rights.
- By letter received on 30 January 2024, J.P. Morgan Chase & Co. (c/o CT Corporation, 1209 Orange Street, Wilmington, United States), acting on behalf of companies it manages, reported having crossed upwards on 24 January 2024 the 5% Company capital and voting rights thresholds and reported holding on behalf of holding on behalf of such clients and funds 19,735,489 Alstom shares representing the same number of voting rights, i.e., 5.14% of the share capital and voting rights.
- By letter received on 2 February 2024, J.P. Morgan Chase & Co. (c/o CT Corporation, 1209 Orange Street, Wilmington, United States), acting on behalf of companies it manages, reported having crossed downwards on 29 January 2024 the 5% Company capital and voting rights thresholds and reported holding on behalf of such clients and funds 0 Alstom shares and no voting rights.
- By letter received on 2 February 2024, BlackRock, Inc. (55 East 52nd Street, New York, 10055, United States), acting on behalf of companies it manages, reported having crossed downwards on 1 February 2024 the 5% Company capital and voting rights thresholds and reported holding on behalf of such clients and funds 19,189,784 Alstom shares representing the same number of voting rights,i.e., 4.99% of the share capital and voting rights.
- By letter received on 5 February 2024, BlackRock, Inc. (55 East 52nd Street, New York, 10055, United States), acting on behalf of companies it manages, reported having crossed upwards on 2 February 2024 the 5% Company capital and voting rights thresholds and reported holding on behalf of such clients and funds 19,660,877 Alstom shares representing the same number of voting rights,i.e., 5.12% of the share capital and voting rights.
- By letter received on 8 February 2024, BlackRock, Inc. (55 East 52nd Street, New York, 10055, United States), acting on behalf of companies it manages, reported having crossed downwards on 7 February 2024 the 5% Company capital and voting rights thresholds and reported holding on behalf of such clients and funds 19,169,801 Alstom shares representing the same number of voting rights,i.e., 4.99% of the share capital and voting rights.
- By letter received on 8 February 2024, J.P. Morgan Chase & Co. (c/o CT Corporation, 1209 Orange Street, Wilmington, United States), acting on behalf of companies it manages, reported having crossed upwards on 7 February 2024 the 5% Company capital and voting rights thresholds and reported holding on behalf of such clients and funds 19,520,036 Alstom shares representing the same number of voting rights, i.e., 5.08% of the share capital and voting rights.
- By letter received on 26 February 2024, Bank of America Corporation (1209 Orange Street, Corporation Trust Center, Wilmington, DE 19801, United States), acting on behalf of companies it manages, reported having crossed upwards on 21 February 2024 the 5% Company capital and voting rights thresholds and reported holding on behalf of such clients and funds 29,489,332 Alstom shares representing the same number of voting rights, i.e., 7.67% of the share capital and voting rights.
- By letter received on 1 March 2024, BlackRock, Inc. (55 East 52nd Street, New York, 10055, United States), acting on behalf of companies it manages, reported having crossed upwards on 29 February 2024 the 5% Company capital and voting rights thresholds and reported holding on behalf of such clients and funds 20,062,840 Alstom shares representing the same number of voting rights,i.e., 5.22% of the share capital and voting rights.
- By letter received on 6 March 2024, BlackRock, Inc. (55 East 52nd Street, New York, 10055, United States), acting on behalf of companies it manages, reported having crossed upwards on 5 March 2024 the 5% Company capital and voting rights thresholds and reported holding on behalf of such clients and funds 23,669,202 Alstom shares representing the same number of voting rights,i.e., 6.16 % of the share capital and voting rights.
- By letter received on 22 March 2024, The Goldman Sachs Group, Inc. (Corporation Trust Center, 1209 Orange Street, Wilmington, DE 19801, United States), acting on behalf of companies it manages, reported having crossed upwards on 19 March 2024 the 5% Company capital and voting rights thresholds and reported holding on behalf of such clients and funds 20,910,164 Alstom shares representing the same number of voting rights,i.e., 5.44 % of the share capital and voting rights.
- By letter received on 25 March 2024, J.P. Morgan Chase & Co. (c/o CT Corporation, 1209 Orange Street, Wilmington, United States), acting on behalf of companies it manages, reported having crossed downwards on 25 March 2024 the 5% Company capital and voting rights thresholds and reported holding on behalf of such clients and funds 0 Alstom shares and no voting rights.
- By letter received on 25 March 2024, Bank of America Corporation (1209 Orange Street, Corporation Trust Center, Wilmington, DE 19801, United States), acting on behalf of companies it manages, reported having crossed downwards on 22 March 2024 the 5% Company capital and voting rights thresholds and reported holding on behalf of such clients and funds 25,657,735 Alstom shares representing the same number of voting rights, i.e., 6.67% of the share capital and voting rights.
- By letter received on 28 March 2024, Bank of America Corporation (1209 Orange Street, Corporation Trust Center, Wilmington, DE 19801, United States), acting on behalf of companies it manages, reported having crossed downwards on 27 March 2024 the 5% Company capital and voting rights thresholds and reported holding on behalf of holding on behalf of such clients and funds 24,258,500 Alstom shares representing the same number of voting rights, i.e., 6.313% of the share capital and voting rights.

To the Company's knowledge, there is no shareholders' agreement relating to the Company's capital.

To the Company's knowledge, as of 31 March 2024, 95,678,100 Alstom shares are held by Board Members which are legal persons, representing 24,90 % of Alstom's share capital and voting rights at such date.

A table identifying the operations as per article L. 621-18-2 of the French Monetary and Financial Code is available in section "Corporate governance – Executive and Employee Shareholding".

Alstom does not hold, directly or indirectly through companies it controls, any of its own shares.

7.2.4 ISSUED SECURITIES AND RIGHTS GIVING ACCESS TO THE SHARE CAPITAL

The issued securities and rights giving access to the Company's share capital are composed of the rights resulting from free grant of performance shares.

There are no securities giving rights to the Company's share capital other than the categories of securities described below.

7.2.4.1 Free grant of performance shares

See sections:

- "Corporate Governance – Executive and Employee Shareholding – Performance share grant plans"; and
- "Corporate governance – Executive and Employee Shareholding – Free share grant".

7.2.4.2 Stock options

Not applicable

7.2.5 POTENTIAL SHARE CAPITAL

	Total number of shares that may be issued	Corresponding share capital increase (in €)	% of the share capital at 31 March 2024
Shares that may be issued on the basis of performance share plans*	6,444,560	45,111,920	1.68%

(1) Subject to satisfaction of all performance conditions. See the section entitled "Corporate Governance – Officer and Employee Shareholding – Stock options and performance share plans" and Note 30 to the Consolidated Financial Statements at 31 March 2024.

7.2.6 SHARE BUYBACKS

(Disclosure pursuant to articles 241-1 et seq. of the AMF's General Regulation)

7.2.6.1 Use by the Board of Directors of the authorisation granted by the General Meeting

Pursuant to articles L. 225-209 (now L. 22-10-62) et seq. of the French Commercial Code, the Annual General Meeting held on 11 July 2023 authorised the Board of Directors to purchase Alstom shares on and off the stock exchange and by any means, within the limit of 5% of Alstom's share capital at 31 March 2023 (i.e., a theoretical number of 19,022,672 shares), for a maximum purchase price of 45 euros per share (subject to adjustments tied to transactions on the share capital) for a period of 18 months after the General Meeting.

The Company did not use this authorisation during the 2023/24 fiscal year.

7.2.6.2 Presentation of the Alstom share buyback programme submitted to the 2024 Annual General Meeting for approval

Pursuant to article 241-2-I of the AMF's General Regulation, the section below constitutes the presentation of the share buyback programme that will be submitted to 2024 Annual General Meeting for approval.

Number of shares and portion of the share capital held directly or indirectly by Alstom

Alstom does not directly or indirectly hold any shares making up its share capital or any securities giving access to its share capital.

Breakdown of shares held by objective

Not applicable.

Objectives of the share buyback programme

The share buyback programme may be implemented to purchase or procure the purchase of the Company's shares, and in particular as described in the report of the Board of Directors, especially in view of:

- cancelling some or all of the acquired shares in accordance with the authorisation that was conferred or that is to be conferred by the Extraordinary General Meeting;
- to cover stock option plans and/or free share plans (or similar plans) for the benefit of employees and/or corporate officers of the Company, a controlled company within the meaning of article L. 233-16 of the French Commercial Code or an affiliated company within the meaning of article L. 225-180 or L. 225-197-2 of the French Commercial Code as well as all allocations of shares under a company or group savings plan (or similar plan), under the company's profit-sharing scheme and/or all other forms of allocation of shares by granting or transferring them to employees and/or corporate officers of the Company, a controlled company or an affiliated company;
- holding the shares that were purchased and subsequently selling, transferring, delivering in payment or exchanging such shares as part of any external growth transactions, a merger, spin-off or contribution, within the limit contemplated by law;
- covering securities granting rights to the allocation of Company shares within the framework of applicable regulations;
- maintaining a secondary market in, or the liquidity of, Alstom shares through an investment services provider via a liquidity agreement that is consistent with practice authorised by regulation; provided, however, that in this context, the number of shares taken into account to calculate the above-referenced limit corresponds to the number of shares purchased, minus the number of shares resold;
- implementing any market practice that comes to be allowed by law or the AMF and, more generally, to carry out any other transaction in accordance with applicable regulations.

The purchases, sales, transfers or exchanges of such shares may be carried out, in whole or in part, in accordance with the rules set by the relevant market authorities, on regulated markets or in privately negotiated transactions, including via multilateral trading facilities (MTFs) or via a systematic internaliser, by any means, including a block trade of securities, the use or exercise of any financial instrument, derivatives and, in particular through option transactions such as the purchase and sale of options, or by delivery of shares following the issue of securities giving access to the Company's ordinary shares by conversion, exchange, redemption or exercise of a warrant, either directly or indirectly through an investment service provider, or in any other way (without limiting the share of the buyback programme that may be carried out by any of these means), and at any time within the limits set forth by applicable laws and regulations. The portion of the programme carried out in the form of a block trade may constitute the entire programme.

However, without the General Meeting's prior authorisation, the Board of Directors may not use this authorisation during tender offers covering the Company's securities that are initiated by a third party, which restriction shall last until the end of the offering period.

Maximum portion of share capital and maximum number of shares which may be repurchased

Purchases of the Company's own shares may cover a number of shares such that, at the date of each purchase, the total number of shares purchased by the Company since the beginning of the buyback programme (including those shares subject to such buyback) does not exceed 5% of the shares that make up the Company's share capital at such date (taking into account transactions affecting the share capital subsequent to this General Meeting), i.e., for illustration purposes, as of 31 March 2024, a theoretical maximum number of 19,214,553 shares with a nominal value of 7 euros per share and a theoretical maximum amount of approximately 864,654,885 euros based upon the maximum purchase price per share indicated hereafter. However, (i) the number of shares acquired by the Company to be held as treasury shares to be used at a later date as payment or in exchange in the context of an external growth transaction cannot exceed 5% of the share capital and (ii) if the shares are purchased to promote liquidity under the conditions defined by the AFM's General Regulation, the number of shares taken into account for calculating the 5% limit provided for above corresponds to the number of shares purchased, less the number of shares sold during the period of the authorisation.

Maximum purchase price

The purchase price may not exceed 45 euros (excluding expenses) per share (or the equivalent of such amount in other currencies at the same date). In the event of a change in the nominal value of the shares, a share capital increase through the capitalisation of reserves, a grant of free shares to shareholders or of performance shares, a stock split or reverse stock split, a distribution of reserves or of any other assets, a capital redemption or any other transactions affecting the share capital or shareholders' equity, the General Meeting delegates to the Board of Directors the power to decide to adjust the aforementioned maximum purchase price in order to take into account the impact of such transactions on the value of the shares. The total amount allocated to the share buyback programme authorised may not exceed 864,654,885 euros.

Term

The share buyback programme shall expire at the end of a period of 18 months as from the 2024 Annual General Meeting.

Characteristics of the shares which may be purchased

Shares listed on NYSE Euronext Paris (Compartment A).

Name: Alstom.

ISIN code: FR0010220475.

Stock code: ALO.

7.2.7 SECURITIES NOT REPRESENTING CAPITAL

In the 2023/24 and 2022/23 fiscal years, the Company issued no bonds.

During the 2021/22 fiscal year, the Company issued a double tranches bond on 27 July 2021:

- a first tranche (ISIN FR0014004QX4) for an aggregate amount of 500,000,000 euros bearing interest at 0.125% and due 27 July 2027. The issue price was 98.815%;
- a second tranche (ISIN FR0014004R72) for an aggregate amount of 700,000,000 euros bearing interest at 0.50% and due 27 July 2030. The issue price was 99.248%.

In the 2020/21 fiscal year, the Company had issued bonds on 11 January 2021 (ISIN FR0014001EW8) in an aggregate amount of 750,000,000 euros bearing interest at 0.00% and due 11 January 2029. The issue price was 98.927%.

In the 2019/20 fiscal year, the Company had issued bonds on 14 October 2019 (ISIN FR0013453040) in an aggregate amount of 700,000,000 euros bearing interest at 0.25% and due 14 October 2026. The issue price was 99.592%.

7.2.8 DIVIDENDS PAID IN THE THREE PREVIOUS FISCAL YEARS

(Disclosure pursuant to article 243 bis of the French Tax Code)

The fiscal year ending 31 March 2024 shows a net result of 89,851,187.80 euros.

No dividend will be proposed to the 2024 AGM

The dividends paid over the three previous fiscal years were as follows:

Fiscal year ended on:	31 March 2023	31 March 2022	31 March 2021
Dividend per share (in €)	€0.25	€0.25	€0.25
TOTAL	**95,463,816.25**	**€93,445,939**	**€92,800,448.25**

See the section entitled "Financial Statements – Statutory Financial Statements – Appropriation of net income".

7.2.9 ELEMENTS LIABLE TO HAVE AN IMPACT IN THE EVENT OF A PUBLIC OFFERING

(Information pursuant to article L. 22-10-11 of the French Commercial Code)

7.2.9.1 Structure of the Company's share capital

A table detailing the structure of Alstom's share capital is presented in section entitled "Additional Information – Information on the share capital – Distribution of share capital".

7.2.9.2 Provisions of the Articles of Association restricting the exercise of voting rights and share transfers

There is no Articles of Association restriction other than the restriction referred to in article 7 of the Articles of Association, which provides for the loss of voting rights under certain conditions in the event of a failure to disclose to the Company the crossing of shareholding or voting rights thresholds. See the section entitled "Additional Information – Special provisions of the Articles of Association – Notification of holdings exceeding certain percentages".

7.2.9.3 Agreements of which the Company is aware in application of article L. 233-11 of the French Commercial Code

None.

7.2.9.4 Direct or indirect shareholdings in the Company

The reader is invited to refer to the section «Additional information – Information on the share capital – Distribution of share capital» which describes the share capital as at 31 March 2023 and the legal thresholds crossed during the past year.

7.2.9.5 List of holders of any security granting special control rights

None.

7.2.9.6 Control mechanisms within possible employee shareholding schemes

The rules of the Alstom company mutual fund ("FCPE Alstom") provide that voting rights are exercised by FCPE Alstom's Supervisory Board and not directly by the employees.

Therefore only the Supervisory Board would be entitled to decide on the answer to be given in case of a public offer. FCPE Alstom held 1,45% of the Company's share capital and 1,45 % of its voting rights at 31 March 2024.

7.2.9.7 Shareholders' agreements that may lead to restrictions on the transfer of shares and the exercise of voting rights

To the knowledge of Alstom, there are no shareholders' agreements that may restrict the transfer of Alstom's shares and/or the exercise of Alstom's voting rights. See also section "Additional information – Information on the share capital – Distribution of share capital".

7.2.9.8 Specific rules governing the appointment and replacement of Directors, and amendments of the Company's Articles of Association

None.

7.2.9.9 Board of Directors' powers

The Annual General Meeting held on 11 July 2023 authorised the Board of Directors to carry out share buybacks within the limits set by applicable laws and regulations, except during any public offering period in respect of the Company's securities.

It will be proposed to the 2024 Annual General Meeting to renew this authorisation under the terms detailed above, excluding the use of such authorisation during any public offering period. See also the section entitled "Additional Information – Information on the share capital – Share buybacks".

7.2.9.10 Agreements that may be amended or terminated in the event of a change of control of the Company

The financing agreements, the terms of bonds issues and certain bonding programmes of the Group include change of control clauses.

Alstom's four outstanding bond issues contain change of control and ratings downgrade clauses that allows any bondholder to request the early repayment (at par) of its bonds, in whole or in part, during a specific period following the announcement of a change of control of Alstom that leads to a downgrade of Alstom's credit rating to a rating of less than Baa3 or BBB- (a non-investment grade rating).

The 2.5 billion euros revolving credit facility (which will mature in January 2029),the 1.75 billion euros revolving credit facility (which will mature in January 2027) and the 2.25 billion euros revolving credit facility (which currently matures in October 2024) each contain a change of control clause that allows each financial institution which is a party to that agreement to demand the early repayment of Alstom eventual drawings and to cancel its credit commitment in the event of a change of control of Alstom. As of 31 March 2024, the 1.75 billion euros revolving facility was drawn for 175m euros, and neither of the 2.5 billion euros revolving facility and the 2.25 billion euros revolving facility were drawn.

The committed bonding facility of a maximum amount of 12.7 billion euros (currently maturing in July 2026) also contains a change of control clause which may result in the program being suspended, in the obligation to procure new bonds to replace outstanding bonds or to provide cash collateral and to cancel the bonding commitment. For further information on these credit lines and facilities, see Note 32 to the consolidated financial statements.

7.2.9.11 Agreements providing indemnities to Board members or employees if they resign or are dismissed without actual and serious reason or if their employment ends due to a public offer

None. See the section entitled “Corporate governance – Report on corporate governance”.

7.2.10 RELATIONS WITH SHAREHOLDERS

The mission of the Investor Relations team is to provide the financial community (institutional investors or financial analysts) with complete and up to date information on the financial situation of the Group, its strategy and evolution.

7.2.10.1 Stock market news

On 28 March 2024, the share price closed at 14.13 euros and the Group’s market capitalisation stood at 5,430,032,791 euros.

7.2.10.2 Keeping investors informed

www.alstom.com/finance

The «Finance» section of the Alstom website is a free access area, specially designed for shareholders, containing all information related to the Group’s financial communication: Alstom share price quotation, possibility to download the share price history, financial results, presentations, Universal Registration Documents, Reference Documents, agenda of important meetings, answers to the most frequently asked questions. Printed copies of the Universal Registration Document can be obtained in French and English by sending a request to the Investor Relations Department.

7.2.10.3 Contacts

E-mail: investor.relations@alstomgroup.com

France: Toll free number from France – 0800 50 90 51, from Monday to Friday, from 9 am to 6 pm.

From abroad: +33 1 57 06 87 78 (call will be charged at your local operator’s rate).

Alstom – Investors Relations

48, rue Albert-Dhalenne
93400 Saint-Ouen-sur-Seine
France
Director – Investor Relations: Martin Vaujour
Deputy Director – Investor Relations: Estelle Maturell-Andino

7.2.11 SHARE LISTING

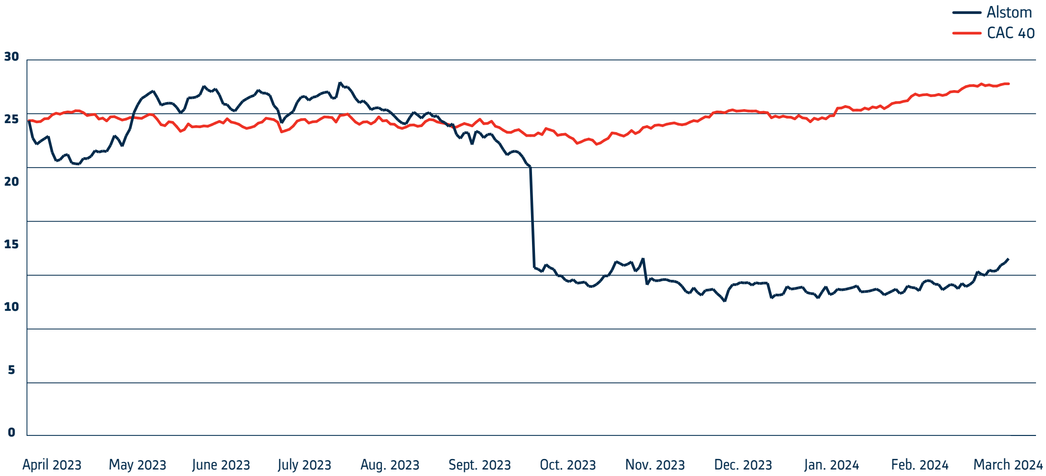
7.2.11.1 Alstom share at 28 March 2024

Listing market	Euronext Paris
ISIN Code:	FR0010220475
Stock code:	ALO
Par value:	€7
Number of shares:	384,291,068
Stock market capitalisation:	€5,430,032,791
Main indices:	CAC 40 ESG, SBF 120, Euronext 100, STOXX 600

Alstom's shares have not been listed on the London Stock Exchange since 17 November 2003, or on the New York Stock Exchange since 10 August 2004.

The Company has elected not to create or otherwise sponsor an American Depositary Receipt (ADR) facility in respect of its shares. Any ADR facility currently in existence is "unsponsored" and has no ties whatsoever to the Company. This means that the Company cannot be relied upon to ensure the proper operation of such a facility or to protect the rights of ADR holders, and the Company expressly disclaims any liability or submission to jurisdiction to any courts in the United States in respect of such facility. Persons choosing to deposit Alstom shares into such a facility or to acquire ADRs issued from such a facility do so at their own risk and on the basis of their own analysis of such facility.

CHANGE IN SHARE PRICE (IN €) **– APRIL 2023/ MARCH 2024**

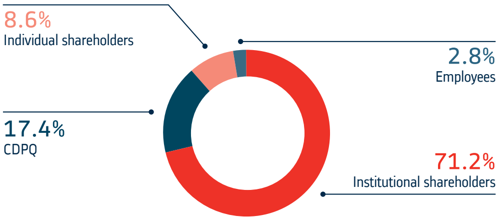


Alstom basis as of 3rd April 2024: €25.13
Source: Euronext

7.2.11.2 Shareholding structure

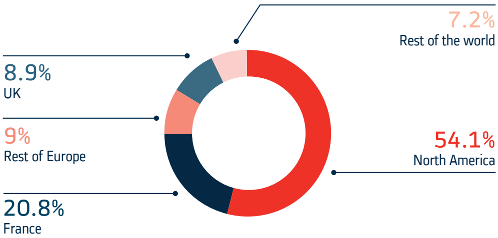
According to a shareholder study carried out by IHS Markit as of 31 March 2024, the share capital was distributed as follow:

SHAREHOLDING BY TYPE



Source: Alstom

SHAREHOLDING BY GEOGRAPHIC ZONE



Source: Alstom

7.3 Information on the Universal Registration Document

7.3.1 INFORMATION INCLUDED BY REFERENCE

Pursuant to article 19 of EU Regulation No. 2017/1129 of 14 June 2017, the following information is included by reference in this Universal Registration Document:

- the consolidated and statutory financial statements for the fiscal year ended 31 March 2023, the Auditors' reports relating thereto and the Group's management report, as shown at pages 56 to 136, 137 to 152, 133 to 136, 149 to 152 and 36 to 53, respectively, of Universal Registration Document no. D.23-0459 filed with the AMF on 6 June 2023;
- the consolidated and statutory financial statements for the fiscal year ended 31 March 2022, the Auditors' reports relating thereto and the Group's management report, as shown at pages 50 to 128, 134 to 146, 129 to 133, 147 to 149 and 32 to 47, respectively, of Universal Registration Document no. D.22-0494 filed with the AMF on 9 June 2022.

The sections of such documents that are not included here are either not relevant for the investor or are covered in another part of this Universal Registration Document.

7.3.2 PERSON RESPONSIBLE FOR THE UNIVERSAL REGISTRATION DOCUMENT

Mr. Henri Poupart-Lafarge

Chairman & Chief Executive Officer

Alstom

7.3.3 DECLARATION BY THE PERSON RESPONSIBLE FOR THE UNIVERSAL REGISTRATION DOCUMENT

I certify that, to the best of my knowledge, the information contained in this Universal Registration Document is in accordance with the facts and contains no omission likely to affect its import.

I certify that, to the best of my knowledge, the financial statements have been prepared in accordance with applicable accounting standards and give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and all the undertakings included in the consolidation, and that the management report referred to in the reconciliation table on pages 419 to 425 of this Universal Registration Document presents a true and fair view of the development of the business, the results of operations and the financial position of the Company and all the undertakings included in the consolidation, and that it describes the main risks and uncertainties that the Company and all the undertakings mentioned in the reconciliation table are faced with.

Saint-Ouen-sur-Seine, 15 May 2024

Henri Poupart-Lafarge

Chairman & Chief Executive Officer

7.4 Annual Financial Report reconciliation table

For ease of reading, the following reconciliation table identifies, in this Universal Registration Document, the information that constitutes the Annual Financial Report that must be published by listed companies in accordance with articles L. 451-1-2 of the French Monetary and Financial Code and 222-3 of the AMF's General Regulations.

Information	Pages of the Universal Registration Document
Consolidated financial statements	Pages 64 to 139
Annual financial statements	Pages 144 to 159
Management report (Minimum information within the meaning of article 222-3 of the AMF's General Regulation)	See the table of reconciliation of the management report (pages 419 to 422)
Statement by the person responsible	Page 418
Statutory Auditors' report on the consolidated financial statements	Pages 140 to 143
Statutory Auditors' report on the statutory financial statements	Pages 160 to 163

7.5 Reconciliation table – Management report (to which the report on corporate governance and the non-financial performance statement is attached)

No. and required information		Reference texts	Chapter / Pages
1	**SITUATION AND ACTIVITY OF THE GROUP**		
1.1	Situation of the Company during the previous fiscal year and objective and exhaustive analysis of the evolution in the Company's and Group's business, results and financial situation, in particular its debt position, in view of the volume and complexity of the business	Articles L. 225-100-1, I., item 1, L. 232-1, II, L. 233-6 and L. 233-26 of the French Commercial Code	Chapter 2 / pages 40 to 51
1.2	Key financial performance indicators	Article L. 225-100-1, I., item 2 of the French Commercial Code	Chapter 2 / pages 41, pages 47 to 50
1.3	Key non-financial performance indicators relating to the Company's and Group's specific activity, in particular information relating to environmental and personnel matters	Article L. 225-100-1, I., item 2 of the French Commercial Code	Chapter 6 / pages 390 to 393
1.4	Significant events that occurred between the fiscal year closing date and the date of the Management Report	Articles L. 232-1, II. and L. 233-26 of the French Commercial Code	Chapter 2 / page 52 Chapter 3 / page 132
1.5	Main shareholders and holders of voting rights at General Meetings, and changes that occurred during the fiscal year	Article L. 233-13 of the French Commercial Code	Chapter 1 / page 36, Chapter 7 / pages 410
1.6	Existing branches	Article L. 232-1, II of the French Commercial Code	Chapter 7 / pages 403 and 404
1.7	Significant acquisitions of shares in companies with registered offices located in France	Article L. 233-6 al. 1 of the French Commercial Code	Chapter 7 / page 405
1.8	Disposals of cross-shareholdings	Articles L. 233-29, L. 233-30 and R. 233-19 of the French Commercial Code	N/A
1.9	Foreseeable changes in the Company's and Group's situation and future prospects	Articles L. 232-1, II and L. 233-26 of the French Commercial Code	Chapter 1/ pages 28 to 32
1.10	Research and development activities	Articles L. 232-1, II and L. 233-26 of the French Commercial Code	Chapter 1 / pages 22 to 25
1.11	Table setting out the Company's results for each of the last five fiscal years	Article R. 225-102 of the French Commercial Code	Chapter 3 / page 164
1.12	Information on supplier and customer payment terms	Article D. 441-6 of the French Commercial Code	Chapter 3 / page 166
1.13	Amount of intercompany loans granted and statement from the Statutory Auditor	Articles L. 511-6 and R. 511-2-1-3 of the French Monetary and Financial Code	N/A
2	**INTERNAL CONTROL AND RISK MANAGEMENT**		
2.1	Description of principal risks and uncertainties faced by the Company	Article L. 225-100-1, I., item 3 of the French Commercial Code	Chapter 4 / pages 171 to 189
2.2	Information about the financial risks tied to the effects of climate change and presentation of the measures the Company takes to reduce these risks by implementing a low-carbon strategy in all areas of its business	Article L. 22-10-35, item 1 of the French Commercial Code	Chapter 4 / page 187 ; Chapter 6 / pages 304 to 319
2.3	Principal characteristics of the internal control and risk management procedures that are put in place, by the Company and by the Group, with respect to the preparation and processing of accounting and financial information	Article L. 22-10-35, item 2 of the French Commercial Code	Chapter 4 / pages 190 to 195
2.4	Information on the objectives and policy covering each principal transaction category and on the exposure to price, credit, liquidity, and treasury risks, including the use of financial instruments	Article L. 225-100-1, item 4 of the French Commercial Code	Chapter 3 / pages 104 to 111 Chapter 4 / page 171
2.5	Anti-corruption programme	French law No. 2016-1691 dated 9 December 2016 (known as the "Sapin 2" law)	Chapter 4 / pages 182 to 183 Chapter 6 / pages 315 to 319
2.6	Vigilance plan and report on the effective implementation thereof	Article L. 225-102-4 of the French Commercial Code	Chapter 6 / pages 375 to 380

No. and required information		Reference texts	Chapter / Pages
3	**CORPORATE GOVERNANCE REPORT**		
Information on compensation			
3.1	Remuneration of corporate officers	Article L. 22-10-8, I., paragraph 2 of the French Commercial Code	Chapter 5 / pages 249 to 259
3.2	Compensation and benefits of any kind paid during the previous fiscal year or awarded in respect of such fiscal year to each corporate officer	Article L. 22-10-9, I., item 1 of the French Commercial Code	Chapter 5 / pages 259 to 264
3.3	Relative proportion of fixed and variable compensation	Article L. 22-10-9, I., item 2 of the French Commercial Code	Chapter 5 / pages 254 and 259
3.4	Use of the option to request the return of variable compensation	Article L. 22-10-9, I., item 3 of the French Commercial Code	Chapter 5 / page 256
3.5	Commitments of any kind made by the Company to the benefit of its corporate officers, corresponding to compensation, indemnities or benefits due or that are likely to be due as a result of taking office or the cessation or a change in their duties or after the exercise thereof	Article L. 22-10-9, I., item 4 of the French Commercial Code	Chapter 5 / pages 253 to 258
3.6	Remuneration paid or allocated by a company included in the scope of consolidation within the meaning of article L. 233-16 of the French Commercial Code	Article L. 22-10-9, I., item 5 of the French Commercial Code	N/A
3.7	Ratios between the compensation of each corporate officer and the average and median compensation of the Company's employees	Article L. 22-10-9, I., item 6 of the French Commercial Code	Chapter 5 / page 268
3.8	Annual change in compensation, the Company's performance, average employee compensation and the above-mentioned ratios over the five most recent fiscal years	Article L. 22-10-9, I., item 7 of the French Commercial Code	Chapter 5 / pages 268 and 269
3.9	Explanation on how overall compensation complies with the adopted compensation policy, including how it contributes to the Company's long-term performance and the way in which the performance criteria were applied	Article L. 22-10-9, I., item 8 of the French Commercial Code	Chapter 5 / pages 261 to 264
3.10	Manner in which the vote of the last Ordinary General Meeting provided for in item I of article L. 22-10-34 of the French Commercial Code was taken into account	Article L. 22-10-9, I., item 9 of the French Commercial Code	N/A
3.11	Departure from the compensation policy implementation procedure and any exemptions	Article L. 22-10-9, I., item 10 of the French Commercial Code	N/A
3.12	Application of the provisions of the second paragraph of article L. 225-45 of the French Commercial Code (suspension of payment of directors' compensation in the event of non-compliance with the Board of Directors' gender balance)	Article L. 22-10-9, I., item 11 of the French Commercial Code	N/A
3.13	Award and retention of options by the corporate officers	Article L. 225-185 of the French Commercial Code	Chapter 5 / pages 256 and 257
3.14	Award and retention of free shares to executive corporate officers	Articles L. 225-197-1 and L. 22-10-59 of the French Commercial Code	Chapter 5 / pages 256 and 257
Information on governance			
3.15	List of all appointments and duties exercised in any company by each officer during the fiscal year	Article L. 225-37-4, item 1 of the French Commercial Code	Chapter 5 / pages 211 to 226
3.16	Agreements between an executive or significant shareholder and a subsidiary	Article L. 225-37-4, item 2 of the French Commercial Code	Chapter 3 / pages 130 and 159 Chapter 7 / page 405
3.17	Table summarising the valid delegations regarding share capital increases granted by the General Meeting	Article L. 225-37-4, item 3 of the French Commercial Code	Chapter 7 / pages 406 and 407
3.18	Procedures for the exercise of the general management	Article L. 225-37-4, item 4 of the French Commercial Code	Chapter 5 / pages 205 and 206
3.19	Composition, preparation and organisation of the work of the Board of Directors	Article L. 22-10-10, item 1 of the French Commercial Code	Chapter 5 / pages 200 to 202; 232 to 240
3.20	Application of the principle of balanced representation of men and women on the Board of Directors	Article L. 22-10-10, item 2 of the French Commercial Code	Chapter 5 / pages 200 to 202; 209 and 210
3.21	Any limits the Board of Directors imposes on the powers of the Chief Executive Officer	Article L. 22-10-10, item 3 of the French Commercial Code	Chapter 5 / page 205
3.22	Reference to a Corporate Governance Code and application of the "comply or explain" principle	Article L. 22-10-10, item 4 of the French Commercial Code	Chapter 5 / page 271

No. and required information		Reference texts	Chapter / Pages
3.23	Special terms applicable to shareholder participation in General Meetings	Article L. 22-10-10, item 5 of the French Commercial Code	Chapter 7 / pages 400 and 401
3.24	Procedure for evaluating routine agreements – Implementation	Article L. 22-10-10, item 6 of the French Commercial Code	Chapter 5 / pages 228 and 229
3.25	Information liable to have an impact in the event of a public tender or exchange offer: ● Company's capital structure; ● restrictions in the Articles of Association on the exercise of voting rights and share transfers, or clauses of agreements reported to the Company in accordance with article L. 233-11; ● direct or indirect holdings in the capital of the Company of which it is aware pursuant to articles L. 233-7 and L. 233-12; ● list of holders of any security carrying special control rights and description of such rights; ● control mechanisms provided for in any personnel shareholding system when the control rights are not exercised by the personnel; ● agreements between shareholders of which the Company is aware and which can lead to restrictions on the transfer of shares and the exercise of voting rights; ● rules that apply to the nomination and replacement of members of the Board of Directors and to changes in the Articles of Association; ● powers of the Board of Directors, in particular as they relate to the issuance or buy backs of shares; ● agreements entered into by the Company that are modified or terminate in the event of a change of control of the Company, unless this disclosure would seriously compromise the Company's interests (excluding cases where there is a legal disclosure obligation); ● agreements providing for indemnities for members of the Board of Directors or employees if they resign or are terminated without a genuine and serious reason or if their employment ends due to a public tender or exchange offer.	Article L. 22-10-11 of the French Commercial Code Article L. 22-10-11 of the French Commercial Code	Chapter 1 / page 36; Chapter 7 / pages 410, 415 to 417
4	**SHAREHOLDING AND CAPITAL**		
4.1	Structure, evolution of the Company's capital and crossing of shareholding thresholds	Article L. 233-13 of the French Commercial Code	Chapter 1 / page 36 Chapter 7 / pages 408 to 412
4.2	Acquisitions and disposals by the Company of its own shares	Article L. 225-211 of the French Commercial Code	Chapter 7 / pages 413 and 414
4.3	Employee shareholding status on the last day of the fiscal year (proportion of capital represented)	Article L. 225-102, paragraph 1 of the French Commercial Code	Chapter 1 / page 36 Chapter 7 / pages 410
4.4	Indication of any adjustments for securities giving access to the capital in the event of share buy backs or financial transactions	Articles R. 228-90 and R. 228-91 of the French Commercial Code	Chapter 7 / pages 412 to 414
4.5	Information about transactions in the Company's securities by executives and related persons	Article L. 621-18-2 of the French Monetary and Financial Code	Chapter 5 / page 280
4.6	Amount of dividends distributed in respect of the three prior fiscal years	Article 243 bis of the French Tax Code	Chapter 7 / page 414

No. and required information		Reference texts	Chapter / Pages
5	**NON-FINANCIAL PERFORMANCE STATEMENT (NFPS)**		
5.1	Business model (or commercial model)	Articles L. 225-102-1 and R. 225-105, I of the French Commercial Code	Chapter 1 / pages 26 and 27
5.2	Description of the principal risks tied to the Company's or Group's activity, including where relevant and proportionate, risks created by business relationships, products or services	Articles L. 225-102-1 and R. 225-105, I. item 1 of the French Commercial Code	Chapter 4 / pages 171 to 189; Chapter 6 / pages 295 and 298
5.3	Information on the way the Company or the Group takes social and environmental consequences into account in its activity and the effects of this activity in relation to human rights and the fight against corruption (description of policies applied and reasonable due diligence procedures carried out to prevent, identify and mitigate the principal risks tied to the Company's or Group's business)	Articles L. 225-102-1, III, R. 225-104 and R. 225-105, I. item 2 of the French Commercial Code	Chapter 6 / pages 357 to 361 ; 348 to 353
5.4	Results of the policies applied by the Company or Group, including key performance indicators	Articles L. 225-102-1 and R. 225-105, I. item 3 of the French Commercial Code	Chapter 6 /pages 285 to 295 ; 390 to 393
5.5	Labour information (employment, work organisation, health and safety, labour relations, training, equal treatment)	Articles L. 225-102-1 and R. 225-105, II. A. item 1 of the French Commercial Code	Chapter 6 / pages 320 to 338 ; pages 384 to 387
5.6	Environmental information (general environmental policy, pollution, circular economy, climate change)	Articles L. 225-102-1 and R. 225-105, II. A. item 2 of the French Commercial Code	Chapter 6 / pages 304 to 320, pages 380 to 384
5.7	Social information (social commitments favouring sustainable development, subcontracting and suppliers, fair practices)	Articles L. 225-102-1 and R. 225-105, II. A. item 3 of the French Commercial Code	Chapter 6 / pages 320 to 348
5.8	Information regarding the fight against corruption	Articles L. 225-102-1 and R. 225-105, II. B. item 1 of the French Commercial Code	Chapter 6 / pages 348 to 353
5.9	Information relating to actions favouring human rights	Articles L. 225-102-1 and R. 225-105, II. B. item 2 of the French Commercial Code	Chapter 6 / pages 348 to 353
5.10	Specific information: ● Company's policy on the prevention of risks of technological accidents; ● ability of the Company to cover its civil liability resulting from the operation of such facilities with respect to goods and persons; ● means provided for by the Company to ensure that victims are indemnified in the event of technological accident for which it is responsible.	Article L. 225-102-2 of the French Commercial Code	N/A
5.11	Collective agreements applicable within the Company and their impacts on the Company's economic performance and on employee working conditions	Articles L. 225-102-1, III and R. 225-105 of the French Commercial Code	Chapter 6 / pages 325 to 328 ; 332 and 333
5.12	Certification from the independent third-party organisation on the information presented in the NFPS	Articles L. 225-102-1, III and R. 225-105-2 of the French Commercial Code	Chapter 6 / pages 370 to 375
6	**OTHER INFORMATION**		
6.1	Additional tax information	Articles 223 quater and 223 quinquies of the French Tax Code	N/A
6.2	Injunctions or financial sanctions for anti-competitive practices	Article L. 464-2 of the French Commercial Code	Chapter 3 / pages 124 to 126

7.6 Reconciliation table – Headings of appendix I and appendix II of delegated regulation (EU) 2019/980 of 14 March 2019

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