

24th July 2014

EUROPEAN AGREEMENT

Between

Alstom

Represented by Bruno Guillemet
Group Senior Vice President Human Resources

On the one hand

And,

The Alstom European Works Forum

Represented by Kai Müller
Secretary of the European Works Forum

And

Daniel Garcia Molina
Deputy Secretary of the European Works Forum

On the other hand.

24th July 2014

The following agreement is concluded:

Preamble

In order to face foreseen challenges in the Energy markets, support the sustainability of existing businesses and secure the future of its current activities, the Alstom Group has been exploring several possible evolutions: standalone organization, partnership in selected areas or relying on a partner to take over the Energy Business.

As part of this analysis, an offer from General Electric has been received on April 26th 2014 by the Management, updated on June 19th 2014. This offer targets the sale to General Electric of the whole Energy Business (Thermal Power, Renewable Power and Grid) and Central and Shared Services, and other related terms. This offer also includes the sale of General Electric Signalling activity to Alstom.

The European Works Forum has been informed about the reasons leading to this possible strategic move, the content of the considered deal during meeting that took place on April 29 and 30, May 15 and 27, June 18 and 22, July 8, 2014.

On July 8th 2014, the documentation supporting the information and consultation process of the EWF on the project to sell to General Electric the Energy Business of Alstom, to acquire the Signalling activity of General Electric and the related terms of the transactions, has been sent to EWF members. The first presentation meeting took place on July 16th 2014.

During this meeting the EWF decided to ask Experts' assistance to understand the project, to analyze its consequences and possible impacts. The EWF delegates have expressed their view to get quality information for a meaningful analysis, to be able to anticipate changes and impacts, to guarantee delays for their information, to negotiate guarantees and to ensure a consultation process in each countries concerned, and full respect of local legal frame work, and finally that the local consultation process is closed after EWF's advice.

Management stated that complete and qualitative available information would be shared with the EWF, according to legal constraints, that altogether the parties need to secure the process from a legal and Business point of view, to conduct parallel local/national procedures so that the consultation process is closed in a reasonable time.

As part of the long established constructive dialogue existing within the EWF, the parties negotiated the terms and conditions of the information consultation process to be implemented at the EWF level. They decided to formalize the result of these talks in the present agreement.

During the EWF Plenary session held on July 16th 2014, the EWF Secretary presented the key elements of the agreement, as discussed during the Select Committee meeting that took place the same day, and has been given the mandate (with the EWF Deputy Secretary) to sign this agreement on behalf of the EWF.

24th July 2014

The purpose of this agreement is to list the commitments undertaken by both parties, describe the means for the consultation process to be smoothly conducted and to agree on the milestones of this consultation process.

Article 1 : Expertise principle and scope

The parties agree that an expertise is required to help the EWF members for in depth understanding of the foreseen project. This expertise focuses on the project to sell to General Electric the Energy Business of Alstom, to acquire the Signalling activity of General Electric and the related terms of the transactions.

The scope of the expertise includes worldwide strategies and businesses, and all the potential impacts of the project in European countries, for both Alstom and, GE relevant activities involved in the deal.

The expertise does not include the French specific 'concentration' topic which is limited by law to the French representation bodies.

The cost of the expertise is paid by Alstom in accordance to past practice which determines the number of expert days, fees and payment conditions.

Article 2 : Documentation

According to past practice, the Experts will send to Management as soon as possible their list of requested information and the list of interviews they consider mandatory to conduct their tasks.

Management will organize those meetings, will provide the requested information either through files or electronic communication. It is agreed that some documents will be available only in data room for confidentiality reasons. Management will provide information when available, in current format. When documentation will become available during the course of the expertise, Management will appropriately communicate this new information to the Experts. Same will happen in case the content of already communicated document would be changed after communication to the Experts.

It is understood by the parties that some documentation may not exist or not exist yet. In this case Management will explain why this documentation is not available. For example there are, at the time of the start of the process for the information and consultation of the EWF no drafted nor validated business plans for the combined resources in case the sale takes place. Therefore Management cannot provide such documentation at this time, despite the interest it may offer.

Information will be provided to the Experts.

24th July 2014

Some information may be indicated as confidential and should be treated as such. Some documentation may be communicated subject to the third party's consent. For that purpose the Experts will be asked to sign confidentiality agreements.

For information, contracts or agreements to which Alstom is not a party or interviews with people belonging neither to Alstom or General Electric, Alstom will support the Experts' request to access to those documents / people to the extent possible but cannot be held as accountable if the requests are not fulfilled by those parties.

Article 3 : Topics to be addressed by the Experts

1. **Legal and financial topics, regarding the closing** : Description of the legal and financial framework of the operation, including access to all available contracts and projects between the parties (Alstom, GE, Bouygues, French State) on the operation ; comment from Management : Bouygues and French State are not depending on Alstom and it may happen that the agreements involving those bodies may not be provided, possibly due to confidentiality clauses.
2. **Contractual cooperation's between the companies for the future** : Detail of the legal framework for future cooperation as delivery and services agreements or technical and commercial partnerships that will be established ;
3. **Business Plans for each activity**: Prospects and projects (business plan) for Transportation and Energy activities sold to GE, including joint ventures (JV). Particular attention should be paid to the situation and perspectives of support functions as well as the commitments of General Electric on the creation of French headquarters or center of excellence for certain activities;
4. **Footprint and Products** : Mapping of locations and detailed product lines portfolio of the two groups by continent and detailed by country for Europe;
5. **Integration process within GE, Alstom and JV** : Project organization within the two companies (Alstom and GE) and integration process of operations sold (GE, Alstom and JV):
6. **Social risks and impacts for middle term**: Policies GE is planning on employment issues, or actions could be suggested to anticipate and avoid redundancies. This will enable the Experts to analyze the explicit or likely social consequences on a medium-term horizon (2 to 5 years) and in particular on possibly concerned by overlapping activities or sites, on activities potentially concerned by overcapacities in the following years (synthesis by country);
7. **Social Commitments** : Detailed commitments on employment and in particular for 1,000 net jobs GE is committed to create in France;
8. **Social standards and collective representation** : Project impacts on the individual and collective rights of employees, and their representation through representative bodies at all levels of the company;

DGM 38 K.M.

24th July 2014

9. **Allocation of cash from Energy Branch disposal** : future Alstom's balance sheet and financial situation;
10. **Risks and opportunities regarding the project**: Advices and proposals could be formulated to Alstom's management or to GE.

Those items will be addressed by the Experts in their report to the EWF and Management will provide information according to confidentiality rules in force, availability of documents or information.

Article 4 : EWF and local processes

In full compliance with the EWF agreement and regulation Management will be able to start the local and national procedures in parallel, immediately after the beginning of EWF procedure.

Those local and national procedures shall not end, before the EWF has given an advice on the GE project according to the schedule described here below.

The final report of EWF Experts will be transmitted, by Management, to local and national works council members, in the four languages in force for the EWF documentation.

Article 5 : Schedule of meetings

The following dates and types of meeting (Plenary session or Select Committee) have been agreed as well as their agendas.

The 'item' numbers refer to the ones described in article 3.

July 16th EWF Plenary first meeting: Presentation of the project (reminder)

August 29th EWF Plenary: first questions and GE Representative

September 11th EWF Plenary: Legal (items 1, 2 and 7)

September 30th EWF Plenary: Experts' pre-report (items 4, 6 and 8)

October 9th EWF Plenary: Integration process (items 3 and 5)

October 21st EWF Plenary: Experts' draft final report (item 10)

October 27th Select Committee: (final questions and item 9)

October 28th EWF Plenary: Final report and EWF opinion

All local and national processes closed by October 31st 2014.

24th July 2014

Other Select Committee meetings may be organised on request either from the Select Committee's members or Management.

Article 6 : Questions and answers from the EWF members.

The EWF members' questions will be sent to Management in one of the four languages used for documentation exchange in the EWF.

Management will answer in the four languages in force in documentation exchange in the EWF.

Article 7 : Reports and Translation

Experts' reports will be sent for translation purposes 8 calendar days before the presentation meetings so that EWF members benefit from a translation in the four languages used for documentation exchange in the EWF.

Article 8 : EU Mergers and Acquisitions Control

The Merger regulation of the European Commission prohibits mergers or acquisitions that would significantly reduce competition. Therefore also this transaction must be notified to the Commission before it is implemented. If the Commission finds the transaction could distort competition, and request major pre-closing changes affecting Alstom (compared to the contemplated agreement as of presented on July 16th 2014), the parties agree that a new information and consultation process will be started based and limited to considered changes.

Article 9 : Commitment on transition period

The parties agree that the employee representation of the Energy Business of Alstom within GE is a question of interest. During the course of the implementation of the present agreement, this topic will be a discussion topic between the EWF and the GE Management with the aim to reach a transition agreement.

Article 10 : Litigation

In case the interpretation of the present agreement is leading to litigation, the parties agree to seek a solution through constructive dialogue. This dialogue will take place between the EWF Select Committee and Management through a face to face meeting.

Article 11 : Applicable law

EWF agreement about Alstom Strategic Move procedure

6/7

DGM 38 K.M.

24th July 2014

As the agreement creating the EWF is governed by French regulation, the present agreement will be governed by French regulation.

Done in Levallois-Perret (France) on *28th August 2014*

Signatures

For Alstom

Bruno Guillemet

Group Senior Vice President Human Resources

For the Alstom European Works Forum

Kai Mueller

Secretary of the European Works Forum

Daniel Garcia-Molina

Deputy Secretary of the European Works Forum