Agreement on the anticipation of Change or Developments in Alstom
On February 24th, 2011, Alstom signed an agreement with the EMF European Metalworkers’ Federation.

3 objectives:
- organise the social dialogue at European and local levels,
- anticipate the impacts of market and product evolutions on employment and competencies and
- safeguard employment in a period of crisis.
1 - Scope and duration

The EMF groups almost all the union organisations we have in Alstom in the European Countries.

• 20 countries are represented with at least 1 delegate at the EWF (European Works Forum):

Belgium, Croatia, Czech Republic, Estonia, Finland, France, Germany, Hungary, Italy, Netherlands, Norway, Poland, Portugal, Romania, Russia, Spain, Sweden, Switzerland, Turkey, United Kingdom.

• Some other countries where Alstom has a local presence are not represented at EWF level but can be concerned with this agreement:

Austria, Denmark, Greece, Ireland, Slovakia,.

• The agreement will remain in place for 3 years and can be renewed by mutual agreement.
2 – Key objectives of this EMF agreement
2.1) Organize the social dialogue at European and local levels

2.1.1) Information:
- Once a year, Presentation of our forecasts to the EWF, with a 2/3 year horizon on:
  - Strategic overview,
  - Market trends,
  - Workloads,
  - Key economics, Capex,
  - HR responses (Recruitment, Training, Headcount Evolution)
- This information will be completed with data by sector on Orders, Sales, Investment and Headcount.
- Same topics at national level.
2 - Key objectives of this EMF agreement
2.1.2) Information and Consultation

• The EWF will be regularly informed and consulted about the Company’s development, with the opportunity to formulate further solutions.

• The information and consultation processes, at national and European levels, must be articulated and coordinated in order to optimize effectiveness. In other words:

• the EWF must be informed before or at the same time as the national instances, but not after them,

• the national consultation process must not be closed before the closing of the European process.
The target is to develop yearly meetings between each employee and his/her manager for all Alstom employees at all levels in all countries. This target should be progressively implemented in order to:

- Support mobility and promotion wishes,
- Promote training plans contributing to professional development
- Manage the end of employees' careers (transfer of key competencies, tutoring and monitoring)

Specific training programmes shall be developed to help people with low qualifications access higher positions. All positions below executive level open to outside recruitment should be published internally with open access for existing employees.
2 - Key objectives of this EMF agreement

2.3) Safeguard employment in a period of crisis

In a period of crisis, all options can be explored such as

• Balancing the workload on sites
• Developing new activities (internal or external)

Alstom’s commitment is “to make our best efforts to avoid redundancies as much as possible”.

2.3.1) Maintain the workforce as much as possible in particular by:

• Developing internal mobility within and between the Group’s activities.
• Providing employee requalification to enable the employees to adapt to new positions
• Implementing short time working (when the workload variation is due to temporary circumstances)
• Developing part time work if it allows to reduce the overstaffing
Once all alternatives to maintain the employees in positions have been exhausted, Alstom and the employee representatives will commit to enter in a process aiming to reach a negotiated solution, with a view to avoid redundancies as much as possible by

- Voluntary mobility
- Voluntary departures
- Individual projects to create own companies
- Support to the employee’s search and training for a new position
- Support to the creation of positions in other Companies in the same geographical area, when such creations permit the hiring of Alstom employees
3 - Steering Committee/ Cascading / Follow up / Country

- A steering committee set up in coordination with EMF.
- Composed of union representatives, members of the Select Committee or of the EWF and management.
- To organise the follow-up and communication regarding the implementation.
- Meetings every quarter / first year, then once a year, integrated in the meetings of the EWF working groups/sector.
- Communication managed and followed in each European country.
In each country directly impacted by the Power or Transport plans,

Management and EWF Delegate will jointly organise a meeting for presenting and explaining this agreement on the sites concerned by the plans.

A brochure with the summarize of the agreement will be prepared for these meetings and distributed or sent to the participants.

This common understanding of the agreement will contribute to the quality of the future negotiations.