Wabtec CORPORATION

2021 Sustainability Report

Moving and improving the world

WabtecCorp.com

About this report

This report covers calendar year 2020 and provides qualitative and quantitative information on our approach to managing our Environmental, Social and Governance (ESG) opportunities and risks. In some cases, we also share highlights from programs and initiatives that were launched in 2021 to provide more up-to-date information to our stakeholders. When we use the terms "Wabtec," "company," "we," "us," or "our" in this report, we mean Wabtec Corporation and its subsidiaries, on a consolidated basis, unless we state, or the context implies, otherwise.

Reporting guidelines and content

In this report, the use of the term "materiality" and other similar terms refers to topics that reflect our priority ESG issues. We are not using such terms as they are used under the securities or other laws of the United States or any other jurisdiction or as these terms are used in the context of financial statements and financial reporting. We report on ESG issues through this ESG report and the Sustainability section on Wabtec's website. Additional information can be found through our submissions to the CDP (formerly Carbon Disclosure Project), in our annual and quarterly reports on file with the U.S. Securities and Exchange Commission and on Wabtec's Investor Relations webpage. Links and references included throughout the report provide direction on where to find additional information.

Forward looking statements

This sustainability report contains forward-looking statements, which concern future circumstances and results and other statements that are not historical facts. Forward-looking statements are sometimes identified by the words "believe," "continue," "could," "endeavor," "estimate," "expect," "goals," "may," "potential," "predict," "seek," "target," "will," or other similar words or expressions. These forward-looking statements are based on current expectations and reflect assumptions about future market conditions, operations and results. Accordingly, forward-looking statements are subject to risks, uncertainties and assumptions. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those indicated or anticipated by such forward-looking statements. Factors that could cause actual results to differ materially from such plans, estimates or expectations include, among others, (1) Wabtec's ability to implement its business plans, productivity improvements, and cost control objectives, including with respect to strategic ESG initiatives and goals; (2) changes in the legal and regulatory environment, including environmental, health and safety regulations, and taxes and tariffs; (3) changes in general economic, political, and/or industry specific conditions, including increases in competition, changes in freight or passenger rail traffic and customer demand, advances in technology, and changes in governmental policies relating to ESG issues; (4) acquisition and investment-related risks, including risks associated with past acquisitions and our increased presence in emerging markets; (5) ability to attract, hire and retain key personnel in line with our strategic ESG priorities; (6) changes in the expected timing of projects or initiatives related to our ESG goals; (7) increases in manufacturing and compliance costs, including additional costs related to the implementation of ESG initiatives; (8) the effects and costs of actions by third parties, including government agencies; (9) the severity and duration of the COVID-19 pandemic and the resulting impact on Wabtec's operations and global supply chain; and (10) other risk factors as detailed from time to time in Wabtec's reports filed with the Securities and Exchange Commission (SEC), including Wabtec's annual report on Form 10-K and other filings made with the SEC.

The foregoing list of important factors is not exclusive. Any forward-looking statements speak only as of the date of this sustainability report. Wabtec does not undertake any obligation to update any forward-looking statements, whether as a result of new information or developments, changes in the assumptions on which they were based, future events or otherwise, except as required by law. Readers are cautioned not to place undue reliance on any of these forward-looking statements.

MOVING AND IMPROVING THE WORLD

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Visit **WabtecCorp.com/Sustainability** to read stories about how Wabtec is driving a more sustainable future.

"We are committed to accelerating our sustainability priorities, evolving our culture, and innovating groundbreaking technologies that will help build a cleaner, safer, more inclusive world."

Rafael Santana
President & CEO

2021 SUSTAINABILITY REPORT

Letter from Rafael Santana, President & CEO

For more than 150 years, Wabtec has looked for ways to improve safety and make a positive impact on people and the planet. Today, the scope of sustainability requires broader consideration across the environmental, social, and economic landscape, so we must find more ways to enable efficiency, innovation, and human connection.

We are committed to accelerating our sustainability priorities, evolving our culture, and innovating groundbreaking technologies that will help build a cleaner, safer, more inclusive world.

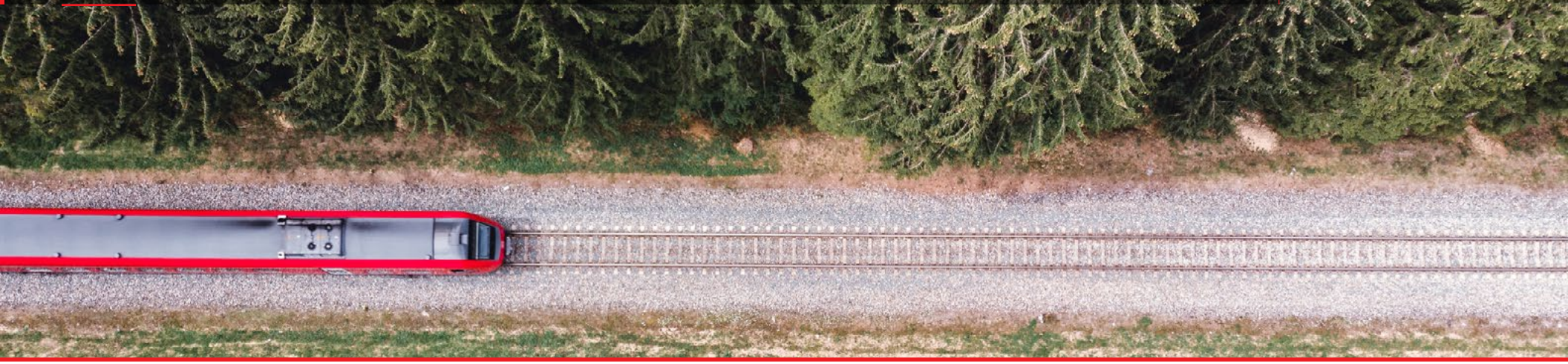
2020 was truly a year of unprecedented global challenges. No industry, including the global rail industry, remained untouched by the concurrent challenges of the COVID-19 pandemic, social and racial justice movement, economic slowdown, global transportation and supply chain disruptions, and increased climate volatility.

For us at Wabtec, this moment presents an opportunity to use our strengths for a larger purpose: to move and improve the world. The heartbreak of the COVID-19 pandemic continues and the pace of recovery remains geographically uneven.

However, one of the most important lessons is the fundamental imperative of accelerating our efforts across all aspects of environmental, social, and corporate governance (ESG) to better serve our employees, customers, communities, and shareholders in more sustainable ways. While the events of the past year revealed the fragility of many aspects of our society, it also showed the critical role that businesses can – and must – play in generating equitable growth and tackling the world's biggest long-term challenges.

Nowhere is this truer than in combating the effects of climate change. Climate change is an undeniable reality, and the reduction of greenhouse gas (GHG) emissions must be both an urgent short- and long-term priority for everyone in the public and private sector. As a leading transportation manufacturer and supplier of critical technology to the transit rail and industrial sector, we are well positioned to play an important role in shaping the clean energy economy.

Today, rail represents the cleanest, most energy-efficient, and safest mode of moving freight and people on land – moving 40 percent of freight (per ton-mile) in the United States alone. As global demands for growth increase, current trends indicate that freight and passenger rail activity will more than double by 2050, leading to an increased demand for sustainable transportation of people and goods. These converging forces highlight the critical interplay between market dynamics, the need for decarbonization, and Wabtec's business strategy.



The world needs transformative – not incremental – change to slow the rate of climate change. We announced a bold vision to accelerate the shift to alternative clean energy solutions through zero-emission battery-electric and hydrogen-powered locomotives. Our vision is to expand the use of freight rail, enable the elimination of over 300 million tons of carbon dioxide annually across the global transportation network, reduce road congestion in our cities, and make transportation significantly safer for everyone.

Today, we have the capability and expertise to transition diesel-powered locomotives to battery power and drastically reduce emissions, as we are doing with our FLXdrive locomotive. Looking forward, we expect to extend this technology further to hydrogen fuel cells for rail and help lead the industry to a zero-emission rail network of the future.

In addition, we have extended battery technology to passenger transport and are driving several technology breakthroughs to boost transit efficiency and reduce emissions and pollutants. We're also leading the charge to create a safer and more efficient rail network. In recent years, we helped more than 70 customers successfully meet the deadline for Positive Train Control, and have begun implementing advanced technology that allows a customer to autonomously start a train from zero miles per hour and stop it using software integrated with Positive Train Control. A safer and more efficient rail network helps our customers reduce their most significant operating cost – diesel fuel – which in turn reduces GHG emissions and air pollution.

Doing our part to address climate change in the transportation sector is at the center of our business strategy, and we are carefully balancing where the world is going and where we must lead. Our mission to succeed in these efforts is governed by core sustainability priorities and our purpose: to move and improve the world.

We believe it's important to listen to our key stakeholders and focus on areas where Wabtec can enable the most meaningful impact for our customers, communities, and the world. In 2021, we conducted a comprehensive ESG Materiality Assessment that included stakeholder involvement from employees, customers, shareholders, suppliers, business partners, industry associations, and others to identify material ESG issues facing the Company.

We also aligned our sustainability strategy to several key United Nations Sustainable Development Goals. From *Innovating with Purpose* to *Driving Responsible Operations* to *Empowering Our People and Communities*, we are accelerating positive change for our stakeholders. In last year's inaugural Sustainability Report, we set a series of aggressive sustainability targets that we aspire to achieve by 2030. Despite the disruptions of the past year, we realized significant growth in several key areas, from the eco-efficiency of our product portfolio to reductions in our GHG emissions and energy intensity. However, there is always more we can – and must – do, and we are committed to mitigating the impacts of climate change within our products and operations and doing more to create a diverse workforce and empower our people to bring the best innovations to every customer we serve.

At our core, we believe that transformational change requires collaboration, so we are committed to accelerating progress by partnering with government leaders, policy makers, NGOs, investors, communities, and peers. While there is still much work to do, I'm confident that our concerted effort on all aspects of our sustainability strategy will ensure that Wabtec is well positioned to accelerate the progress we must achieve.

Rafael Santana
President & CEO

We are Wabtec

Wabtec is a leading global provider of equipment, systems, digital solutions, and value-added services for the freight and transit rail sectors. Drawing on over 150 years of experience, we are leading the way in safety, efficiency, reliability, innovation, and productivity. Whether it's freight, transit, mining, industrial, or marine, our expertise, technologies, and people – together – are accelerating the future of sustainable transportation.

$7.6B
2020 REVENUES

62%
NON-U.S. EMPLOYEES

38%
U.S. EMPLOYEES

~25K
EMPLOYEES
as of 12/31/20; excludes contingent workers

~50
COUNTRIES WITH WABTEC OPERATIONS

Our Portfolio

* based on 2020 revenue

33% OF PORTFOLIO*

Transit

With its exceptional fuel economy and low emissions, public transportation is one of the most environmentally-friendly modes of transport to move people – fast and safe. At Wabtec, we provide products and services to virtually every major rail transit system around the world, supplying an integrated solutions of brakes, doors, and components for commuter and metro cars, as well as buses, that deliver safety, efficiency and passenger comfort.

We offer an extensive array of products, from pneumatic, electronic, and hydraulic brake equipment, to HVAC and sanitation systems. Each of our products draws on our deep experience tailoring components to meet the specific needs of our customers and are manufactured using the latest technologies.

67% OF PORTFOLIO*

Freight

From the food on our tables to the products we purchase, freight rail is part of an integrated, efficient, and cost-effective network fueling the world's economy. Today, more than 20 percent of the world's freight is moved by a Wabtec locomotive and more than 30 percent of all products transported through North American shipping ports are tracked by Wabtec software.

Wabtec's compelling and comprehensive portfolio includes locomotives, a broad selection of mission-critical components, advanced braking systems, Positive Train Control (PTC) systems, digital solutions to drive the future of autonomous operations, and lifecycle service offerings to help customers realize the most value from their investment.

With best-in-class manufacturing facilities, global services delivery, and unrivaled product breadth, Wabtec is the rail industry's one-stop-shop.

Building a More Sustainable Future

Sustainability at Wabtec means operating in an ethically and socially responsible manner, maintaining a culture of safety, protecting the environment, supporting our communities, and growing and developing our employees.

Making the rail industry – the cornerstone of global transportation – more efficient and sustainable is at the heart of what we do at Wabtec and the reason we're pushing ourselves to better serve our customers, our communities, and the world.

Our responsible business practices ensure that we are acting in accordance with our values. Likewise, sustainability priorities are embedded into our governance framework, leadership decision making, and commitment to supporting the United Nations Sustainable Development Goals. Our evolving portfolio of products and services enable us to make a substantial impact in improving the health of our planet.

Having a dynamic ESG strategy is critical to living up to those goals, and clear, defined metrics make it easy for us and others to measure our progress.

The following pages highlight how our products and innovation work to build a more sustainable world and how our foundational culture of integrity, forward-looking strategy, and robust sustainability programs make these priorities come to life.

Sustainability Strategy

OUR MISSION

Performance that drives progress. We create transportation solutions that move and improve the world.

SUSTAINABILITY VISION

Wabtec is committed to sustainable value creation. Our strategy is to contribute to a better, more sustainable world through our unique business offerings, leading technologies, and sustainable business practices. These help us capitalize on market opportunities and reduce safety and environmental risks, while creating value for our customers, employees, and other stakeholders.

SUSTAINABILITY PRINCIPLES

Innovating with Purpose
We are committed to developing responsible and sustainable products that minimize the impact on the planet.

Driving Responsible Operations
We are committed to providing safe work environments and products that enable productive and efficient use of resources.

Empowering People and Communities
We are committed to driving an inclusive culture grounded in integrity, committed to the development of and investment in the communities where our teams live and work.

Corporate Governance

CORPORATE GOVERNANCE

Responsible Business Practices

Wabtec believes we are not only responsible for doing things right, but it's our obligation to do the right things. We listen to and engage with our stakeholders in a variety of ways, all with the goal of sharing information and informing business decisions with meaningful dialogue.

At Wabtec, we are constantly searching for new ways to operate more responsibly, safely, and impactfully as we deliver on our mission to move and improve the world. Building a more sustainable future begins with taking significant measures to ensure all our business practices reflect our unyielding commitment to the highest environmental, social, and governance principles. At the heart of our operations and strategy, is a culture of integrity, safety, and accountability to and for our workers, suppliers, and the communities in which we live and work. Guiding our actions are the following policies and programs.

Code of Conduct and Business Ethics

In line with our steadfast commitment to compliance, integrity, and fairness, Wabtec launched a new Code of Business Conduct and Ethics ("Code of Conduct"), which applies to all employees and contingent workers and is the cornerstone of our Global Compliance Program. All employees are required to comply with all applicable laws and regulations in every jurisdiction in which Wabtec does business and to behave fairly in their dealings with customers, suppliers, other third parties, and each other. Employees are encouraged to raise concerns to an employee's manager or supervisor, Human Resources, Legal, Compliance, or Internal Audit if they see or suspect unethical, illegal, or unsafe conduct of any kind – or behavior that just doesn't seem right. Employees may also report a concern anonymously by phone or electronically. All reported concerns are taken seriously and thoroughly investigated and we do not tolerate retaliation against any employee who reports wrongdoing and/or participates in the investigation of misconduct. All employees are required annually to acknowledge that they have received, read, and understood the Code of Conduct. This year, roughly 50 percent of Wabtec employees took part in Code of Conduct training.

Wabtec's Code of Conduct and Business Ethics Core Policies

- Acceptable Use Policy
- Anti-Bribery, Anti-Corruption, Anti-Money Laundering Policy
- Complying with Antitrust and Competition Laws
- Conflicts of Interest Policy
- Employee Handbook
- Employee Privacy
- Human Rights Policy
- Independent Third-Party Due Diligence Procedure
- Information Security Policy
- Insider Trading
- Intellectual Property Policy
- IT Data & Analytics Data Usage
- Record Retention Policy
- Safe Environments Policy
- Statement of Policy with Respect to Related Party Transactions
- Supplier Code of Conduct
- Trade Compliance Policy

Voice of Integrity: Speak Up, Wabtec

Open reporting, without fear of retaliation, is a cornerstone of Wabtec's commitment to integrity and one of the best indicators of employee engagement on compliance priorities. If an employee suspects unethical, illegal or unsafe conduct of any kind, they are encouraged to report it immediately through one of many channels available including Managers, Human Resources, Legal, Compliance, Internal Audit, or the Company's anonymous Speak Up Wabtec hotline or resource site. In 2020, 217 concerns were raised and 210 concerns were investigated to closure.

During the investigation process, Wabtec:

- Selects objective, neutral, and trained investigators.
- Collects, reviews, and analyzes facts gathered from interviews and/or documents.
- Determines if the concern is confirmed and implements corrective action (including disciplinary actions ranging up to termination), where necessary.
- Provides feedback to the concern raiser (if that person is known).

Retaliation for raising a concern, or participating in an integrity investigation, is strictly prohibited, and violations are dealt with seriously and swiftly.

Sustainable Procurement

The foundation of our approach to sustainable procurement is our Supplier Code of Conduct. Wabtec business units utilize standard terms and conditions for suppliers, which incorporates Wabtec's Supplier Code of Conduct, setting specific expectations regarding suppliers' compliance with laws and regulations related to environmental, health, safety, labor, human rights, security, and privacy. Wabtec uses a variety of assessment tools to evaluate supplier risk, based on several factors including geography and alignment with international standards for human rights, the environment, health, and safety.

Wabtec regularly audits suppliers in high-risk counties. In 2020, Wabtec audited approximately 22 percent of suppliers in high-risk countries, which are defined as countries that have been deemed to have weak or limited controls to prevent non-compliance with international standards for human rights or other labor protections. Corrective actions from these audits are closely monitored and tracked to closure by Wabtec employees located in the supplier's region. By 2030, Wabtec aims to increase audit coverage of all suppliers in high-risk countries to more than 90 percent.

Wabtec also performs Restricted Party List (RPL) screening by evaluating its suppliers against a RPL database to ensure that we are not dealing with a supplier with whom we are legally prohibited from doing business, including entities that may have been sanctioned for engaging in modern slavery. Any supplier that is flagged through this screening process will be subject to additional due diligence and replaced with an alternate supplier where necessary.

This year, Wabtec implemented a new Supply Chain Risk Management tool to enhance our understanding of risks to our supply chain. Real-time monitoring on over 75 different indicators allows additional visibility into key supplier areas such as fair labor practices and human rights, environmental law, and regulatory and legal activities.

Modern Slavery/Human Rights

Wabtec's Human Rights Policy, issued in 2020, outlines our commitment to respecting human rights wherever we operate. The Human Rights Policy prohibits any form of forced, involuntary, or child labor in our operations and includes specific commitments to ongoing due diligence to identify, prevent and mitigate any adverse impacts of our activities, including providing access to remedies through effective reporting mechanisms.

Wabtec evaluates the risks of human rights violations and modern slavery within its direct operations and supply chain, and we are committed to working with our suppliers to eradicate modern slavery in Wabtec's supply chain.

Wabtec uses approximately 35,000 direct and indirect suppliers all over the world. We apply the same policies, procedures, and practices that guide the actions of internal operations to our partners in the supply chain. Wabtec strives for compliance with its policies through a rigorous due diligence program, including conducting a risk-based segmentation and assessment of modern slavery and human rights risks among its external suppliers based on geographic risk and sector/product risk. As part of this initial segmentation, Wabtec audited a subsection of its higher risk population of direct material suppliers. In 2021, Wabtec initiated an always-on self-assessment questionnaire focused on modern slavery and human rights risks to continuously monitor high-risk country suppliers.

Lastly, Wabtec continues to measure our program effectiveness, including but not limited to, measuring the number of the suppliers surveyed or audited, and tracking to close any significant red flags raised regarding modern slavery or human rights. We are currently developing a

training initiative for our Sourcing employees to develop their awareness of global modern slavery and human trafficking risks as another layer of accountability. To learn more about our approach to manage these risks, please read Wabtec's Modern Slavery and Human Rights Statement.

Engaging Industry Stakeholders

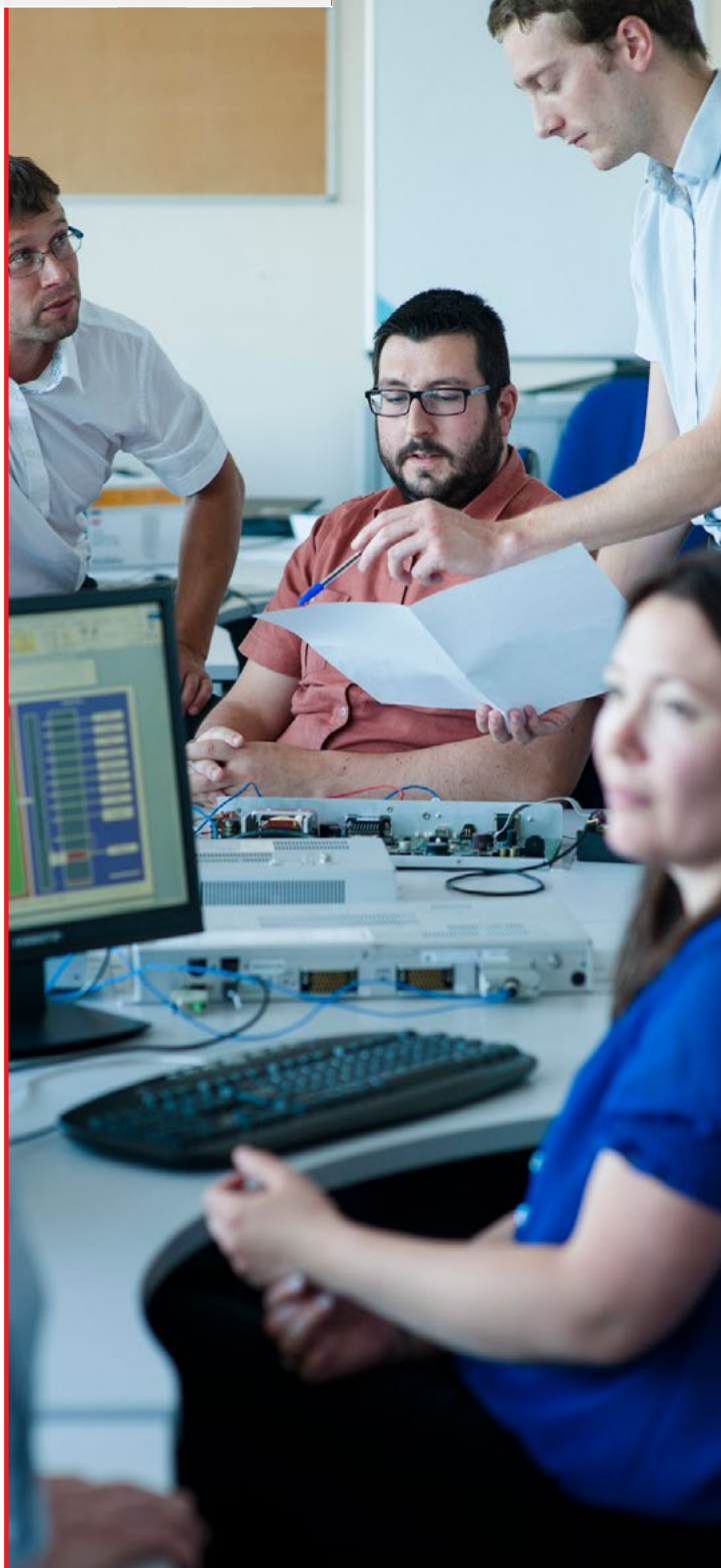
Wabtec is a member company of Railsponsible, an industry initiative focused on sustainable procurement, with the aim of continuously improving sustainability practices throughout the railway industry supply chain. The initiative aims at improving environmental and social practices of companies across the rail supply chain through best practice sharing and capability building. Railsponsible is an important vehicle through which Wabtec engages and collaborates with industry leaders in areas such as sustainable procurement and climate change.

Wabtec also is a member of the Responsible Minerals Initiative. Wabtec's Conflict Minerals Policy outlines our commitment to avoiding and eliminating the use of minerals that directly or indirectly finance or benefit armed groups in the Democratic Republic of the Congo or adjoining countries. The Conflict Minerals Policy and accompanying set of guidelines, support the due diligence process related to eliminating the use of conflict minerals in our products and ongoing engagement with suppliers on this topic.

Cybersecurity Framework

Cybersecurity and data protection are important considerations in the design and production of Wabtec products, projects, and services. Information technology is used and relied upon extensively by our business. We collect, process, and retain sensitive and confidential customer information, including proprietary business information, personal data and other information, some of which may be subject to privacy and security laws, regulations and/or customer-imposed data protection controls. To address risks related to cybersecurity and privacy, Wabtec seeks to leverage industry cybersecurity practices that have been developed by organizations such as National Institute of Standards and Technology (NIST) and the International Standardization Organization (ISO).

Wabtec's Data Protection Plan describes the technical, physical and administrative controls used to protect the confidentiality, integrity, and availability of information provided to and managed by Wabtec. Cybersecurity is addressed and discussed regularly with the Audit Committee and Board of Directors. Wabtec also maintains SOC 1 Type 2 certification for select digital products, as well as cyber liability insurance coverage in amounts sufficient for our level of risk. Finally, Wabtec engages in regular security awareness training to highlight and educate its employees on how to identify and mitigate cybersecurity risks at the individual level.



CORPORATE GOVERNANCE

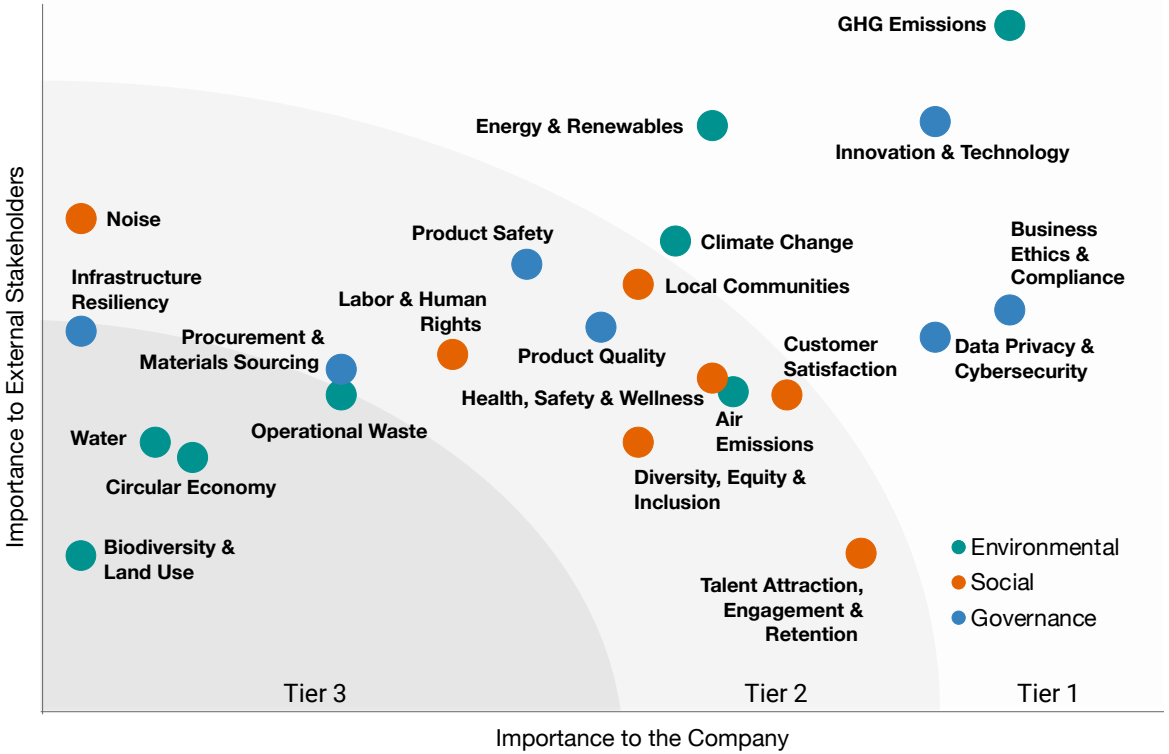
ESG Materiality Assessment

As we develop and refine our sustainability strategy, it is important that we listen to our key stakeholders and focus on areas where Wabtec can enable the most meaningful impact for our customers, communities, and the world. In 2021, we conducted a comprehensive ESG Materiality Assessment that included stakeholder involvement from employees, customers, shareholders, suppliers and business partners, industry associations, and others to identify material ESG issues facing the Company. This analysis included a series of stakeholder interviews, documentation analysis, workshops, and comprehensive discussions on risks and opportunities, likelihood of risks and opportunities to materialize, business relevance, and mitigating measures.

Based on evidence provided through the Assessment, the following topics had the highest relative priority to Wabtec and its external stakeholders and are aligned to our overall sustainability strategy and action plans:

- GHG Emissions
- Energy & Renewables
- Innovation & Technology
- Business Ethics & Compliance
- Data Privacy & Cybersecurity

Wabtec partnered with ERM to conduct its Materiality Assessment that included stakeholder involvement from employees, customers, shareholders, suppliers and business partners, industry associations, and others.



Tier 1: Highest priority for strategy, management, and reporting

Tier 2: Priority for continuous management and incremental progress

Tier 3: Foundational priority or emerging topics

Throughout this report, "materiality" refers to the list of sustainability topics, including economic, social, and environmental issues, about which Wabtec communicates because they that have the highest relative priority for our stakeholders in furtherance of Wabtec's sustainability goals this context. It should not be confused with materiality for financial reporting or regulatory purposes.

Material Topic	Definition	Alignment to Wabtec Strategic Sustainability Principles
GHG Emissions	Reducing GHG emissions across Wabtec's value chain and helping Wabtec partners across their value chain reduce GHG emissions. This includes reducing major sources of indirect emissions during the procurement and processing of raw materials, during manufacturing and the operation of our facilities, and during product distribution and end use.	• **Innovating with Purpose** • **Driving Responsible Operations**
Energy & Renewables	Supporting policies and organizational partners that contribute to the renewable energy transition. Contributing to the success of the energy transition by improving the energy efficiency of Wabtec's products and operations. Integrating renewables into Wabtec's products and operations and enabling the adoption of new and emerging renewable energy solutions.	• **Innovating with Purpose** • **Driving Responsible Operations**
Innovation & Technology	Capitalizing on opportunities related to new product advancements and innovations that include the adoption of emerging technology to help address key societal and transportation sector challenges. Developing a resilient business model capable of meeting societal expectations for continuous improvement.	• **Innovating with Purpose** • **Empowering People and Communities**
Business Ethics & Compliance	Upholding ethics and integrity in every aspect of Wabtec's business by ensuring transparency in all financial practices. Complying with all applicable national and local laws and regulations by promoting practices and policies that encourage reporting instances of non-compliance and by implementing corrective actions that prevent recurrence. Preventing bribery, corruption, and anti-competitive behavior. Promoting ethics and compliance throughout Wabtec's value chain, especially among suppliers.	• **Driving Responsible Operations** • **Empowering People and Communities**
Data Privacy & Cybersecurity	Investing in cybersecurity measures and adapting to business risks presented by technology and digitization. Protecting Wabtec's proprietary information and intellectual property. Ensuring the responsible management and use of data, including data from customers, employees, and suppliers. Protecting data collected by Wabtec products.	• **Innovating with Purpose**

CORPORATE GOVERNANCE

Alignment to the UN's Sustainable Development Goals

The United Nations Sustainable Development Goals (SDGs) represent a global agenda to address the most pressing challenges facing our world, including climate action, and empowering people and communities around the world. Wabtec plays a critical role in infrastructure, advancing quality of life, and furthering global development. As such, we recognize the importance and urgency of this global initiative, as well as the close alignment between the SDGs below and our sustainability strategy and priorities.

Sustainability Strategy Principles	UN SDG	Targets	Description of Alignment
INNOVATING WITH PURPOSE	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 11 SUSTAINABLE CITIES AND COMMUNITIES	**9.1** Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all **9.4** By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities **11.2** By 2030, provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older person	The rail industry has been a cornerstone of the global transportation system for more than a century – moving billions of tons of freight and billions of people around the world every year. It is fundamentally the most cost-effective and energy-efficient mode of transport. As passenger and freight demand is expected to double by 2050, rail is expected to continue as the most sustainable way to move people and goods over land. Investment in the future of rail benefits both urban and rural communities. As such, rail is an important driver of economic growth and job creation. Wabtec is well positioned to respond to these megatrends, as we strive to lead the drive towards autonomous systems; apply digital technologies to optimize the rail network and deliver a rail eco-system that uses less fuel and generates fewer emissions; utilizes alternate fuel sources for freight locomotives; and continues to meet the sustainable transportation needs of growing cities around the world through our Shift to Green efforts.

Continue on next page

Sustainability Strategy Principles	UN SDG	Targets	Description of Alignment
DRIVING RESPONSIBLE OPERATIONS	6 CLEAN WATER AND SANITATION 8 DECENT WORK AND ECONOMIC GROWTH 12 RESPONSIBLE CONSUMPTION AND PRODUCTION	**6.4** By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity **8.4** Improve progressively, through 2030, global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation, in accordance with the 10-year framework of programmes on sustainable consumption and production, with developed countries taking the lead **12.5** By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse	Wabtec is committed to improving the way we operate, reducing our impact on the environment, and protecting the health and safety of our employees and partners. We also aim to keep our products in circulation for as long as possible through processes that reduce waste, extend the life of equipment, and drive costs savings for our customers. Remanufacturing is at the heart of these efforts and focuses on returning end-of-life components, engines, and freight and passenger locomotives to same-as-new condition. We strive to provide customers with quality equipment that delivers the best value for their business, while maintaining a circular flow of materials, energy, and water within our manufacturing process. In 2020, the company announced a series of goals to improve our performance on environmental, social, and governance matters. Among these goals is a focus on reduction of greenhouse gas emissions intensity, energy intensity and water consumption in water scarce regions of the world. Wabtec is targeting a 30 percent improvement in these key performance indicators by 2030. Our “30 by 30” strategy sets clear, defined metrics and makes it easy for us and others to measure our progress.
EMPOWERING PEOPLE AND COMMUNITIES	4 QUALITY EDUCATION 5 GENDER EQUALITY 10 REDUCED INEQUALITIES	**4.4** By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship **5.5** Ensure women’s full and effective participation and equal opportunities for leadership at all levels of decision making in political, economic and public life **10.2** By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status	Wabtec’s continued success as a global leader in the transportation industry centers on ensuring a strong global workforce that can contribute the right skills, in the right places, to achieve our strategic objectives. To drive innovation, we must continue to attract and retain the brightest thinkers and doers, and foster a culture rooted in collaboration, inclusiveness, and continuous improvement. Diversity strengthens our innovative capacity, unleashes the full potential of our employees, and ultimately contributes to our business success. Increasing representation of women and people of color continues to be a high priority for the company. It’s been our goal – and part of our business – for over 150 years to do well by doing good in the communities where we operate. Wabtec’s commitment to our communities includes both philanthropic and economic development investments—and we know that every local community has its own unique needs. To have meaningful, sustainable impact, we take a holistic approach to engaging our communities through charitable and philanthropic efforts and explore ways to amplify our impact by engaging our team members as volunteers.

Innovating with Purpose

Innovating with Purpose

At Wabtec, we believe performance drives progress and we are committed to developing sustainable transportation solutions that move and improve the world.

As the world's foremost rail technology company, we are leading the way in creating a more sustainable freight and passenger transportation industry. For more than 150 years, our innovation has helped drive the industry toward a more sustainable and clean energy future. We are advancing our sustainability priorities both through our own commitments to our people, communities, and planet, as well as by innovating next generation technologies that reduce emissions, energy consumption, and waste, and increase fuel efficiency for our customers through advancements in our equipment and digital solutions.

Wabtec is Leading the Transition to a More Utilized, Efficient, and Low-Carbon Rail Network

Alternative clean energy technologies are critical in the fight against climate change and reducing GHG emissions. At Wabtec, we're helping our customers reduce their overall carbon footprint through the development of low-emitting locomotives like our Tier 4 and battery-electric locomotives, and the use of alternative fuels such as biodiesel, renewable diesel, and hydrogen.

Over the last year, Wabtec took a bold step toward a low-to-zero-emission locomotive future with the delivery of the world's first heavy-haul 100-percent battery-electric locomotive – called FLXdrive™. The locomotive, powered by approximately 20,000 battery cells, was tested in revenue operation with BNSF Railway, the largest railroad in the U.S., and the California Air Resources Board across more than 13,320 miles of hilly terrain in San Joaquin Valley, California. This region is classified as a non-attainment area, where the air quality does not comply with the National Ambient Air Quality Standards.

Operating in a train consist between two other locomotives, FLXdrive had a battery capacity of 2.4 megawatt hours and generated its energy from regenerative braking. Throughout this pilot, FLXdrive successfully reduced overall fuel consumption by more than 11 percent—the equivalent to over 6,200 gallons of diesel fuel saved and approximately 69 tons of CO_2 emissions reduced. FLXdrive also managed overall train energy flow and distribution through its Trip Optimizer system, an intelligent cruise control system programmed through artificial intelligence to respond to every twist and grade of the track in the most energy-efficient way possible.

This is just the beginning. At more than 7 megawatt hours, which is the next version of the FLXdrive currently in development and expected in late 2023, we anticipate further reducing fuel consumption and emissions by up to 30 percent, even while hauling several thousand tons of freight in a mile-long train.

FLXdrive 1.0 demonstration

13,320
miles

6,207
gallons of fuel saved

11%
reduction in emissions

0
major failures

FLXdrive 1.0	FLXdrive 2.0
Loco safety/durability	Loco safety/durability
2.4 MWh	7+ MWh
4 powered axles	6 powered axles
Dedicated consist	Lead capable

Leveraging Digital Solutions to deliver superior energy management

~30%
train level fuel savings

~30 tons
NOx removed/YR

~3,000 tons
CO_2 removed/YR

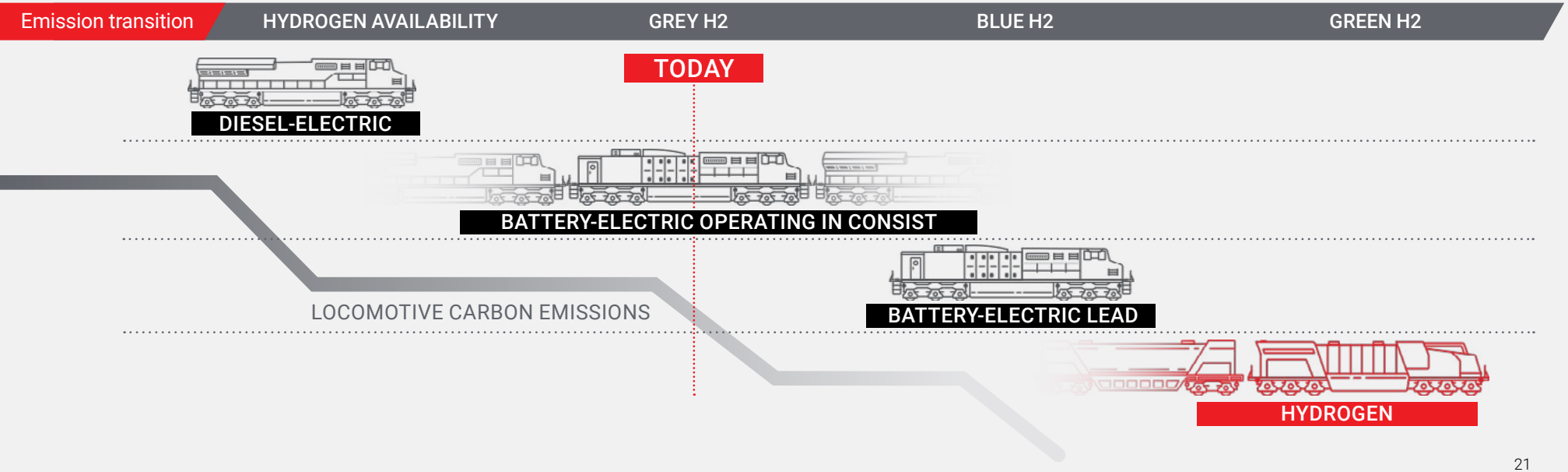
Looking to the future, we will accelerate the shift to alternative clean energy solutions, through zero-emission hydrogen-powered locomotives. Our vision is to expand the use of freight rail, enable the elimination of over 300 million tons of carbon dioxide annually across the global transportation network, reduce road congestion in our cities, and make transportation significantly safer for everyone.

Delivering on this vision requires partnership with key stakeholders. In 2021, Wabtec, along with Carnegie Mellon University (the nation's leader in artificial intelligence and robotics) and Genesee & Wyoming (the largest owner of short line and regional freight railroads) proposed the creation of a Freight Rail Innovation Institute to accelerate the transition to a more widely used, efficient, and decarbonized freight rail transportation network.

Wabtec also announced a collaboration with General Motors (GM), the global transportation company focused on advancing an all-electric, inclusive, and accessible future. This collaboration will focus on the development and commercialization of battery technology and hydrogen fuel cell systems for Wabtec locomotives. Wabtec is committed to pushing boundaries into alternative energy, as well as engaging in responsible sourcing of batteries and end-of-life management in support of a circular economy.

By working together with these partners and others, we are helping the industry realize the zero-emission rail network of the future.

Roadmap to Zero-Emissions Locomotives



INNOVATING WITH PURPOSE

Advancing a Circular Economy

Celebrating 1,000 Locomotive Modernizations in Americas

Wabtec and its customers' shift toward more sustainable operations is a multi-front campaign. While transformative new innovations are critical, optimizing existing resources is how you scale your impact.

Wabtec's locomotive modernization program updates aging locomotives with customized solutions that range from simpler changes like control system upgrades, to complex restorations such as the comprehensive transformation of a DC locomotive into an AC locomotive outfitted with state-of-the-art digital technology. These modernizations of older locomotives result in up to a 25 percent improvement in fuel efficiency, more than a 40 percent increase in reliability, up to a 55 percent increase in haulage ability, and up to a 20 percent reduction in maintenance, repair, and overhaul expenses.

Norfolk Southern Corporation is one of the nation's premier transportation companies, operating with 19,300 route miles in 22 states and the District of Columbia, and transporting industrial and agricultural products, forest and consumer products, chemicals, metals, and construction materials.

This year, Wabtec celebrated its 1,000th locomotive modernization in North and South America with a delivery to Norfolk Southern, highlighting the combined commercial and environmental success of Wabtec's modernization program. The fuel efficiency benefits of these 1,000 locomotives have reduced carbon emissions by more than 1.4 million tons since 2015. That reduction is the equivalent of removing the emissions from 340,000 cars.

Modernizations by the Numbers

25% improved fuel efficiency

40% increase in reliability

55% increase in haulage ability

20% reduction in maintenance, repair

1.4M tons CO_2 reduction = **340K** cars off the road

> *"As a leading transportation provider, it is our responsibility to reduce our environmental impact. Our partnership with Wabtec is one way we plan to achieve our targets. Wabtec's program is maximizing the value of our locomotives, lowering operating costs, and reducing emissions."*
>
> **Tom Schnautz,** Vice President
> Advanced Train Control, Norfolk Southern

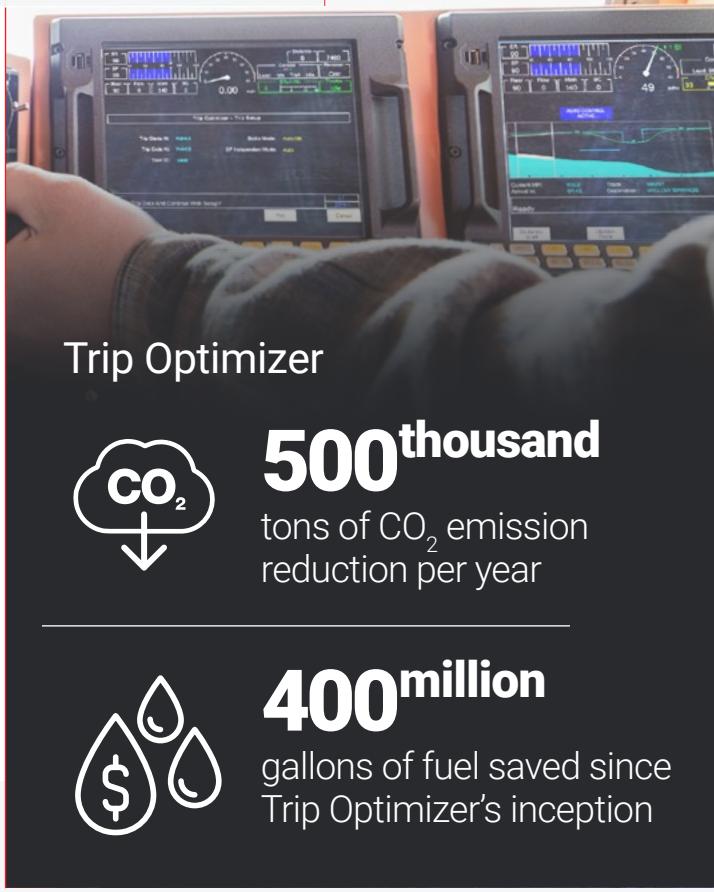
Redefining What's Possible

Technical Innovation and Environmental Stewardship are at the Core of Our Customer Commitments.
Wabtec's Trip Optimizer Zero-to-Zero system is an advanced technology that allows a train to start from zero miles per hour (mph) and stop automatically using intelligent controls. This technology builds on Trip Optimizer's proven performance, which has already saved railroads more than 400 million gallons of fuel since its inception and reduced CO_2 emissions by over 500,000 tons per year. Trip Optimizer is utilized by all Class 1 railroads in the U.S. as well as by many railroads globally.

For nearly 200 years, CSX has played a critical role in economic expansion and industrial development throughout the U.S. It is one of the nation's leading transportation suppliers, providing rail-based transportation services across a network that encompasses about 20,000 route miles of track in 23 states, the District of Columbia and the Canadian provinces of Ontario and Quebec. Its transportation network serves some of the largest population centers in the nation with nearly two-thirds of Americans living within CSX's service territory.

As a leader in rail transportation, CSX sought advanced solutions that would transform its fleet while improving its carbon footprint. They found the perfect partner in Wabtec and our new Trip Optimizer Zero-to-Zero technology. The partnership between Wabtec and CSX also includes Wabtec's Tier 4 switcher modernization program, which provides an additional 20 percent improvement in fuel efficiency and 90 percent reduction in emissions, and Wabtec's new FDL Advantage engine upgrade, which provides up to an additional five percent reduction in fuel consumption.

These modernizations are reducing the carbon footprint by as much as 250 tons of CO_2 per locomotive per year and will help CSX in its commitment to reduce GHG emissions by 37 percent by 2030.



Driving Sustainability Through Next-Generation Production

Launch of Neighborhood 91 Additive Manufacturing Operations
This year, Wabtec started operations at Neighborhood 91 to drive innovation in rail through our growing additive manufacturing capabilities. Neighborhood 91 is the first development in the world to both condense and connect all components of the additive manufacturing and 3D printing supply chain into one powerful production ecosystem.

The 11,000-sq-ft facility in Pittsburgh, Pa., features an SLM®800 printer, which will produce state-of-the-art, large-scale, lightweight parts for rail industry customers. Production will include metal aluminum transit components like brake parts and heat sinks for freight locomotives, among many other rail applications. Applying additive manufacturing technology will reduce lead times by up to 80 percent, foster creative solutions to engineering challenges, and accelerate new innovations that reduce costs and help keep Wabtec products in circulation for as long as possible.

Wabtec plans to use additive to manufacture over **25,000 parts** by 2025

Photo: Grand Opening of Neighborhood 91

INNOVATING WITH PURPOSE

Leading the Clean Energy Transition

Reducing Emissions at the Port of Kiel in Germany

A large cruise ship typically burns through 30,000 liters of diesel every 8 to 10 hours it spends at port. The Port of Kiel – a port for passenger and cargo shipping from Germany to Scandinavia, the Baltic States and Russia – was looking to reduce its carbon footprint and turned to Wabtec for help. Wabtec introduced them to ShoreCONNECT, an innovative sustainable shore power solution to support cruise operators.

The ShoreCONNECT mobile carrier system is a flexible solution that connects electrical power to vessels at port, eliminating the need to use diesel. The solution at Kiel, which is also installed at Kiel's ferry terminal, connects one vessel to shore power with up to 16 MVA High Voltage, self-propelled, zero-emission vehicles.

Ultimately, these ShoreCONNECT installations position ports to help address the required 40 percent reduction in CO_2 emissions from ships by 2030 and support the local sulfur emission control area established in the Baltic region. ShoreCONNECT also provides a reduction in noise pollution because the engines are turned off while the vessels are connected.

Photos: Pat Scheidemann

Accelerating sustainable solutions in passenger and freight rail

This year, Wabtec published its Green Finance Framework, supported by a second-party opinion from Sustainalytics, a Morningstar Company and a globally-recognized provider of ESG research, ratings and data. Following the release of the Green Financing Framework, the Company issued its inaugural green bond – a €500 million issuance on the European bond market.

The Company will utilize green financing instruments to accelerate the transition to a low-carbon transportation future and meet the sustainable transportation needs of growing cities around the world. Projects supported by green financing will largely target the objective of climate change mitigation by focusing on the efficiency of freight rail systems and public transport, as well as on the provision of energy-efficient customer solution services. Focus areas include:

- Clean transportation
- Eco-efficient and/or circular economy adapted products, production technologies and processes
- Renewable energy
- Pollution prevention and control
- Energy efficiency

Investing in the Future of Sustainable Transport

Metroflexx Next Generation Braking System
With ridership expected to increase, the transit sector will need a green transition to build a sustainable future. Wabtec has taken bold steps to decarbonize global transport and make our world safer, smarter, and greener. Metroflexx, Wabtec's next generation braking system, is a foundational innovation for our Shift-to-Green ambitions.

Designed to meet customer and regulatory demands, Metroflexx significantly reduces the weight, energy consumption, and lifecycle cost of a train. Metroflexx communicates with the train computer and traction equipment to optimize the use of electrodynamic braking and was designed with sustainability in mind – 95 percent of the system's parts can be recycled at end-of-life.

As a sign of Metroflexx's growing popularity and reliability, Wabtec secured a significant order from Hyundai Rotem to supply Metroflexx brake systems on train cars for Singapore Mass Rapid Transit's new Jurong Region Line.

95% of the Metroflexx braking system's parts can be recycled

Innovative HVAC Technology

As Transit authorities continually look for opportunities to reduce the carbon footprint of their operations, last year Wabtec launched the industry's first air conditioning system called Green Air, which uses natural R290 refrigerant, a clean and environmentally friendly option.

Traditional synthetic refrigerants provide a cool, comfortable environment for passengers, but those options are not healthy for the environment. They use synthetic refrigerants, such as R-134a, which has a Global Warming Potential (GWP) of 1430. These high-GWP refrigerants trap substantially more heat in the atmosphere than the natural R290-based solutions.

The refrigerant R290 used in this next-gen HVAC system has a GWP of 3 and meets long-term regulatory requirements, eliminating the need for costly equipment changes to adhere to environmental standards. This technology also can be integrated seamlessly into the infrastructure of today's train systems and offers excellent cooling and heat pump operation for all climatic zones.

Focus on Safer Rail Operations

Safety is a core value of the company and, therefore, a fundamental priority of product design and performance. Wabtec's digital technologies are designed to address the major causes of accidents on the rail — track, equipment, and human error. Wabtec's Wireless Crossing Safety system is an overlay to existing track circuits that improves safety while increasing average train speeds and optimizing crossing-activation times. The Asset Management product line (Track IQ) is the most comprehensive wayside condition monitoring portfolio available on the market today. The portfolio includes imaging and detection of bearing, brake assembly and bogie performance characteristics and health. Wabtec's I-ETMS® (Interoperable Electronic Train Management System) is a safety-critical overlay that integrates new technology with existing train management and operating systems. The on-board system assimilates and analyzes train and track information, including speed, location, movement authority, speed restrictions, work zones, and consist restrictions in real time to provide a "safety-net" for improved crew awareness and train operation. I-ETMS also queries wayside devices, checking for broken rails, proper switch alignment and signal aspects. The I-ETMS system is designed to prevent train-to-train collisions, overspeed derailments, incursions into established work-zone, and to limit movement of a train through a switch left in the wrong position.

Improving Air Quality

Transit authorities around the world are looking for ways to improve air quality throughout their network and especially in their tunnels. Wabtec is tackling this challenge with innovative technology that drastically reduces friction brake emissions. Wabtec's Green Friction product is the result of the Company's expertise in friction materials and significant investments in the methodology of measuring the particles emitted during braking.

Over the past year, this technology has undergone rigorous testing with Paris region operator, RATP, and has proven its ability to reduce particle emissions from friction braking on metro trains by up to 90 percent. RATP and Wabtec have equipped two trains that operate on one of the busiest lines in Europe with this new technology for a final pilot. This technology represents a significant milestone on the journey towards cleaner tunnels for passengers and network personnel.

Driving Responsible Operations

Driving Responsible Operations

Our commitment to be more efficient and responsible is reflected in the extensive work we do to make our businesses more environmentally friendly, safer, and more sustainable.

Climate change is an urgent global priority and Wabtec is committed to driving innovation and technology to address the world's clean energy transition. This includes taking strong actions internally and leading by example to reduce our own environmental footprint, reduce GHG emissions, improve energy and resource efficiency, and protect water scarce areas. These actions, along with other steps to develop a more robust climate action plan, are part of the Company's long-standing commitment to environmental stewardship.

Our Climate Action Journey

Wabtec recognizes that strong governance, transparent disclosure, and deliberate action are fundamental to addressing climate change. As such, Wabtec developed an ESG governance framework to provide oversight for our climate action strategy. This structure starts with Wabtec's Board of Directors and its committees who oversee the execution of the company's ESG strategy as part of their oversight of Wabtec's overall business. In particular, the Nominating and Corporate Governance Committee assists the Board in its oversight of Wabtec's sustainability strategy and execution against key goals, as well as the review of climate-related risks and opportunities. To further facilitate the Board's engagement and oversight, climate was added as a risk category in Wabtec's enterprise risk management process.

Operationalizing Wabtec's Sustainability Efforts

In our 2020 Sustainability Report, Wabtec publicly disclosed quantitative targets to reduce both Scope 1 and 2 GHG emissions intensity, energy intensity, and water consumption in water-scarce regions. Based on the growing need to tackle climate change and feedback heard through Wabtec's ESG Materiality Assessment to develop a carbon risk strategy that accelerates the clean energy transition, the Company is exploring setting an absolute target for Scope 1 and 2 GHG emissions that is science-based.

To achieve our targets, the Company conducts site energy audits. These assessments, led by internal and external experts, are used to identify opportunities for improved energy and resource efficiency. In 2020, more than 300 potential projects were identified and prioritized, most notably in the areas of intelligent controls and building automation, upgrades to LED lighting, waste heat recovery, compressed air, and equipment upgrades.

An example of action taken based on such audits includes the implementation of heat exchangers to reduce the electrical demand for heating and cooling at our facility in the Czech Republic. In the winter, warm room air or air from production processes is used to preheat cooler outside air. In the summer, fresh air recirculation is increased at night and used to cool the plant.

Overall, Wabtec reduced GHG emissions intensity from our operations by 12 percent in 2020, versus our 2019 baseline. Emissions have decreased due to energy efficiency projects and business changes, such as rooftop consolidation. In 2020, energy intensity decreased by 18 percent versus 2019. Water consumption in water-scarce regions, including India, Mexico, Spain, and the U.S., slightly increased year over year. The Company will continue to implement programs to conserve water through reuse and recycling, as well as other methods.

ADDRESSING CLIMATE CHANGE

46.9 metric tons/ $million net sales — **2019**

41.1 metric tons/ $million net sales — **2020**

12% CO_2e/$million net sales ↓
greenhouse gas emissions intensity

Scope 1 and 2 GHG emissions only.
Reductions normalized per annual net sales.

0.66 MJ/$ net sales — **2019**

0.54 MJ/$ net sales — **2020**

18% Megajoules/$ net sales ↓
energy intensity

Reductions normalized per annual net sales.

BUREAU VERITAS

Bureau Veritas UK Ltd ('Bureau Veritas') was engaged by Wabtec to provide third-party verification of our Scope 1 and 2 GHG emissions data, as well as water consumption data in water-scarce areas, for the period from January 1 to December 31, 2020. Bureau Veritas performed this Limited Assurance Engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 Revised Edition. Visit our website to view the GHG Assurance Statement and the Water Consumption Assurance Statement.

Impact of COVID-19

2020 was an incredibly challenging and unprecedented year for everyone across the globe, including Wabtec and our operations. We believe that several significant reductions in our 2020 metrics likely reflect the impacts of COVID-19 due to temporary site closures and variable utilization of some of our facilities. We continue to be committed to transparency. Despite this unprecedented situation, investment in energy reduction projects, optimization of our operational footprint and increased awareness at the site-level resulted in a reduction in GHG emissions and energy intensity.

Targeted Action

Accountability for our climate goals and energy project pipeline rests with our Global Operations organization and its Sustainability Council, which represents our manufacturing and services facilities around the world. The Council has developed a detailed roadmap to achieve these goals that includes the optimization of our manufacturing footprint, increased use of renewable energy, and investment in energy efficiency projects at our global operations sites. Likewise, our employees globally are actively engaged in the identification and implementation of processes and facility improvements to increase the use of renewable energy, reduce GHG emissions, improve energy efficiency, and eliminate waste.

Focus on Continuous Improvement

Lean is a set of principles that emphasize customer focus, elimination of waste, high-quality growth, and ruthless prioritization of work to improve safety, quality, delivery, and cost. In connection with Wabtec's sustainability strategy, Lean is more than a contributor — Lean is being embedded in our culture and fundamental to how we execute our strategy.

We are using Lean principles to help examine processes and continuously improve them by solving problems at their root cause. Last year, Wabtec launched the next phase of our Lean transformation model focused on driving process improvements and management systems to maximize the flow of value produced for the customer, remove waste, empower employees, and optimize the enterprise.

At our manufacturing facility in Brazil, for example, Lean principles are rigorously applied to sustainability and safety. Local Lean and innovation teams have collaborated on the design and implementation of the Wabtec Turnaround System, a new strategy for improving safety, quality, productivity, and operational excellence across our regional operations. Together the teams conduct Kaizens focused on keeping an organized efficient work environment; prioritize energy efficiency projects focused on reducing energy, water, and gas consumption; and assess risks and opportunities across our property portfolio. Through these efforts, the local teams have implemented solutions that have reduced energy consumption from HVAC systems and implemented water re-utilization systems.

Powering Our Plants with Recovered Energy

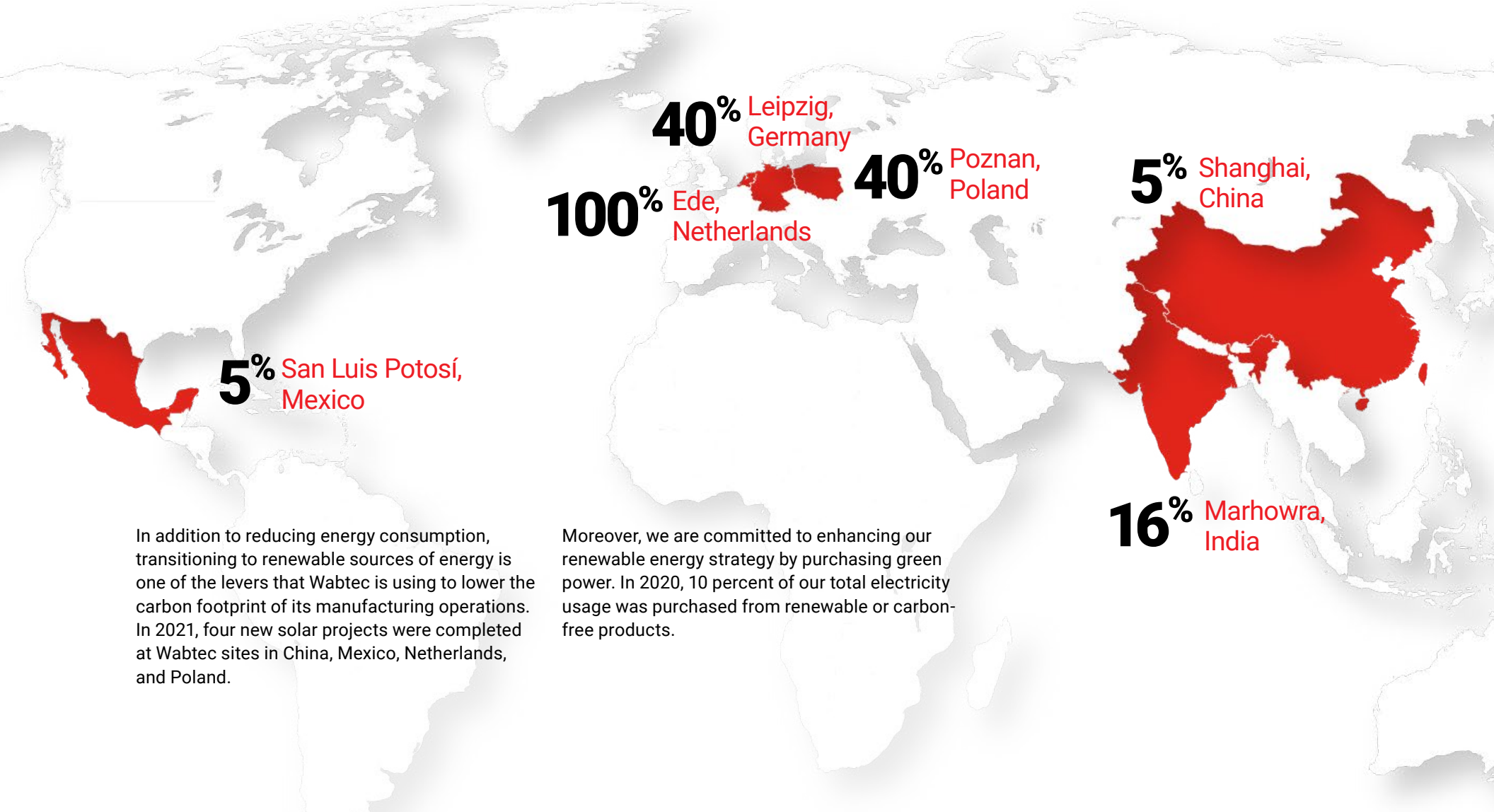
The recovery of waste heat and energy is an often overlooked tool in the arsenal of energy reduction. The team at our engine manufacturing plant in Grove City, Pennsylvania continues to look for ways to transform and capitalize on existing processes to reduce demand in line with our GHG emissions intensity and energy intensity reduction goals. One of the most significant capital investments in our 2021 project pipeline is to enable the plant to build additional capacity to recover and use waste energy from engine testing.

Over the next year, the plant will build the infrastructure necessary to recover waste energy from all six of its test cells, with three test cells capable of running at one time. It is anticipated that this project will reduce the electricity consumption at the site by more than 50 percent. The work at the Grove City plant is a foundational technology that we can extend to other sites where Wabtec conducts engine and locomotive testing or potentially couple with battery storage technology to further reduce impact.

DRIVING RESPONSIBLE OPERATIONS

Wabtec Operational Sites with Solar Installations

Plant Electricity Consumption Generated



In addition to reducing energy consumption, transitioning to renewable sources of energy is one of the levers that Wabtec is using to lower the carbon footprint of its manufacturing operations. In 2021, four new solar projects were completed at Wabtec sites in China, Mexico, Netherlands, and Poland.

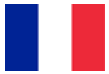
Moreover, we are committed to enhancing our renewable energy strategy by purchasing green power. In 2020, 10 percent of our total electricity usage was purchased from renewable or carbon-free products.

DRIVING RESPONSIBLE OPERATIONS

Beyond Climate

Water and Waste Reduction

Operating responsibly and in a manner that conserves our natural resources has many dimensions including conservation of water and reduction of waste. Below are some key highlights of projects that Wabtec operational sites have implemented during the past year to ensure that we take a holistic approach to environmental stewardship.



Amiens, France: With support from all employees, the site launched a campaign to reduce food waste that resulted in a 57 percent reduction in organic waste. The campaign included a variety of changes to how food is ordered and distributed, as well as a comprehensive awareness and communication plan.

Piossasco, Italy: The site installed a water recirculation system for its climatic chambers that reduced groundwater withdrawal by 20,000 cubic meters. The Piossasco plant also implemented specific projects to reduce waste plastic, paper, and wood.

Shanghai, China: The site installed a wastewater treatment plant (WWTP) for wastewater generated from washing production parts. The WWTP includes precipitation and filtration and allows the site to reuse some portion of this waste stream. The project resulted in the reduction of roughly 120,000 liters of wastewater.

Fort Worth, Texas: The site now sends water from its test operations through an oil-water separator that allows the water to be reused, reduces waste, and improves cleanliness in the area. It is anticipated that the project will save approximately 26,000 gallons of water annually.

WINNERS AMONG US

This past year, Wabtec saw many exciting examples of how we are innovating with purpose, driving responsible operations, and empowering our people and communities. Here are stories from some of the individuals and teams recognized with this year's Sustainability Awards:

Green Technology
Wabtec developed, tested, and validated the world's first sustainable rail air conditioning system – called Green Air – which uses natural gas to replace harmful chemicals. This innovative technology is now running in daily passenger operation, and its flawless performance is verified monthly.

Reducing Energy Intensity
Wabtec implemented a calorie recovery system to heat several workshops and a warehouse at its operations in France. They also use the system's ventilation systems to cool down the workshops and warehouse in summer by recovering the nocturnal freshness in summer. This innovation led to significant energy savings compared to traditional heating or cooling systems.

Sustainability Crowdsourcing
At select sites in New York and Canada, Wabtec empowered employees to tell their sustainability stories with a new survey that collects sustainability initiatives, ideas, and volunteers. Site leaders also implemented a sustainability letter of commitment to be signed by employees to raise awareness of our commitment to sustainable development business practices.

Reduce, Reuse, Recycle
In Italy, Wabtec launched a variety of initiatives aimed at increasing environmental awareness and reducing paper waste, energy use, plastic use, and waste generation. In 2020, teams recruited a group of employee volunteers to launch new sustainable initiatives and community outreach efforts, which led to a strong improvement on several key ESG metrics.

Creating Safe Environments

Creating Safe Environments

We take safety seriously at Wabtec. It is core to our values and represents who we are and what we stand for. The well-being of our employees, our customers, and their customers, depends on it.

Defining Wabtec's EHS Culture

In 2021, the Company refreshed both its Safe Environments Policy and the companion People First Pledge. Together, the two documents outline our commitment to provide safe work environments for our employees and business partners and to meet or exceed EHS laws and regulations in the places where we operate.

Putting people first is at the heart of our core values. All company initiatives and decisions are viewed through this lens. To accomplish this, we endeavor to continuously improve and foster a culture that proactively addresses hazards, encourages learning, protects the environment, and drives the company towards its goal of zero accidents.

EHS Wabtec Management System

The company uses the Environment, Health, and Safety component of the Wabtec Management System (EHS WMS) to strengthen our management system approach to addressing EHS risks and promote the consistent implementation of best practice across all global manufacturing and services sites. It establishes standard expectations in 13 core competency areas such as EHS leadership; regulatory applicability review; risk assessment; and safety, exposure, and environmental defenses. Sites assign operational owners to each element of the EHS WMS to ensure that the site-level risks are effectively assessed, and robust processes are in place to address them. Operational sites are measured on their execution of the EHS WMS and site self-assessments are validated to ensure effective and consistent implementation of this framework across the Company.

In addition to defining "what" Wabtec sites must do to implement a robust EHS management system, the EHS WMS is supported by a series of core requirements that outline "how" our operations teams must meet these expectations in critical areas of EHS, such as machine safety; electrical safety and lockout/tagout; lifting operations; and air, water and waste management. With the help of this comprehensive system, our operating units comply with all applicable EHS laws and regulations, satisfy our corporate expectations, and continuously improve site-level EHS performance.

24%

of Wabtec's sites were externally certified to ISO 14001 and/or ISO 45001 or OHSAS 18001 in 2021

Developing People

To work safely, employees must first recognize the hazards associated with their tasks and work environment. Learning and competency building is, therefore, a fundamental pillar of our EHS management system. Wabtec's Learning Management System ensures that we effectively deploy and monitor EHS training across the enterprise. The platform contains more than 1,300 online courses on EHS topics and can be adapted to include site-specific content that is curated by EHS professionals for classroom and hands-on experiences. All employees must meet the minimum expectations for EHS training defined in our standard learning matrix. Required training in this matrix is assigned based on job function and/or specialized task.

Teaching safety leadership is also an essential responsibility of the EHS organization. In the past year, there has been specific emphasis on equipping two important audiences – people managers and EHS professionals – with the skills necessary to be champions of the tenets of our Safe Environments Policy and People First Pledge.

To build the competency of entry-level EHS professionals, Wabtec continued its commitment to the EHS track of the LEAD (Leadership, Expertise, Advancement and Development) program. The two-year rotational program offers an immersive learning experience and

extensive leadership training. The program allows us to cultivate a pipeline of talent that is ready to assume EHS leadership roles at our most complex manufacturing facilities.

The continuing education and development of EHS professionals happens on an ongoing basis in regionally organized hubs and Safety Summits. Held biennially, Safety Summits bring together EHS professionals from across a region for a multi-day learning and networking experience, typically in person, that may include hearing from Wabtec's senior leaders or external experts on emerging topics in the EHS field, group audits or hands-on exercises.

Operationalizing Safety

Our Operations teams use a variety of tools to develop a learning culture, reduce risk, and ensure that our systems and processes are resilient. Examples of these tools include the 2-Minute Warning (an error prevention tool that encourages team members to stop and assess risk before beginning work); risk assessments; incident investigations; Power Up (a tool that gives an employee the power to stop work and elevate a concern); concern reporting; and daily muster meetings/toolbox talks. Wabtec's management system approach also includes the use of standard performance metrics and structured management reviews. Monthly EHS operating reviews with the Executive Vice President for Global Operations are used to communicate operational risks and key performance indicators to senior management.

The EHS WMS requires each Wabtec operational site to perform an EHS program review annually. These reviews include evaluation of EHS performance metrics, incident, and event trends, significant EHS hazards within the operation, the results of culture assessments, and conformance to the requirements of the EHS WMS. As a result of this annual review, the site builds a risk reduction plan for the upcoming calendar year that is used to drive site or project-level actions needed to address opportunities for continuous improvement. These risk reduction plans are reviewed with the Operations and EHS management teams throughout the year.

Lastly, engaged employees fuel our interdependent EHS culture, one in which everyone – managers and employees alike – feel ownership and responsibility for ensuring a safe work environment. Joint management-employee EHS committees drive collaboration and continuous improvement at Wabtec's operational sites. Employees and site management are jointly engaged in EHS-focused initiatives at more than 170 operational sites across Wabtec.

Safety and Leadership at Wabtec

Front-line supervisors and plant managers are critical stewards of our EHS culture. As these leaders direct work, coach employees, drive day-to-day decision-making, they significantly influence the environment in which our employees work. This year, Wabtec launched an EHS

2020

- Launched new **EHS Wabtec Management System**
- Launched **expanded EHS training** via Wabtec Learning Management System

2021

- Launched **safety leadership training** for plant managers
- Established **EHS organization model** centered on regional hubs
- **Risk reduction focus** on machine guarding

2022

- Revise and implement **WMS validation and compliance audit protocols** for sites
- Strengthen **business continuity planning** using lessons from global pandemic

2023

- Launch **safety leadership training** for front-line supervisors
- Build **EHS professional competency** and onboarding models

leadership training course aimed at building the toolkits of these managers. This leadership training covers Wabtec's EHS expectations of operational leaders, practical steps to meet those expectations, tips on achieving and maintaining EHS excellence, and ideas for cultivating a positive culture and motivating employees to take ownership for EHS.

The course was designed to: establish a common understanding of Wabtec's EHS tools and terminology; initiate a partnership between the plant manager and their EHS leader on a personal action plan; connect plant managers to the broader network of global leaders; and encourage decision making at the site level that is informed by an understanding of EHS impacts and of legal and compliance responsibilities. Topics such as operational accountability, management of change, hazards and defenses, safety communications, and coaching and engaging employees are covered in the four-week course. In 2021, 122 leaders from 26 countries attended the training.

EHS Performance

2020 marked the 13th consecutive year of injury rate reductions across Wabtec's vast operations.

0 **Fatalities**

0.84 **Recordable Injury and Illness Rate**
Recordable injuries and illnesses per 200,000 hours worked

0.32 **Lost Time Case Rate**
Work-related injuries resulting in lost time per 200,000 hours worked

>80 Operational sites with zero recordable Injuries

>25 Operational sites with more than 1,000 days incident-free

Empowering People & Communities

EMPOWERING PEOPLE AND COMMUNITIES

Fostering a Supportive Work Environment

Wabtec provides a variety of benefits to employees and their families, including several options of medical, dental, vision, life, as well as disability insurance and retirement savings.

Over the last 18 months, in response to evolving employee needs, we introduced several new benefits in the many regions in which we operate. These include:

Permissive Leave

In select countries, full-time employees also receive "permissive time off," which allows employees to take time off when needed with no-predefined limit.

Expanded Parental Leave

Based on geography, our parental leave is comprised of up to 10 weeks of disability and up to 4 weeks paid bonding leave, resulting in a total of up to 14 weeks paid for maternity leave. In addition, the Company offers paternity leave and adoption leave for same sex or different sex spouses / partners.

Transgender Reassignment Surgery Coverage

Wabtec expanded its medical benefits to include coverage for the medically necessary healthcare services that transgender people may need, including surgery, hormone therapy, and mental health counseling.

COVID-Related Health Benefits

The COVID-19 pandemic accelerated the need to invest in our employee's health and wellness differently. We introduced online healthcare appointments at no cost, launched global wellness education campaigns, provided paid time off for vaccinations and quarantine, and implemented additional bereavement benefits.

Employee Assistance Programs (EAP)

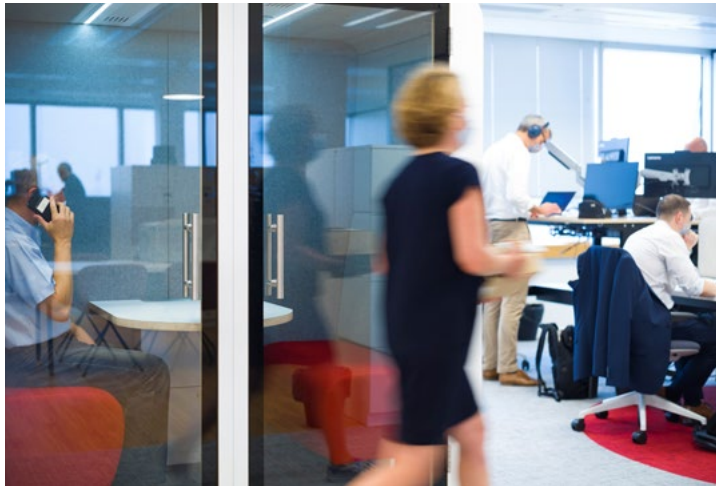
Taking into consideration the added stress that the COVID-19 pandemic placed on employees and their families, Wabtec expanded our EAP program with access to 24/7, no-cost, confidential support for all employees and everyone in their household. Counselors and online services are available to help participants manage everyday challenges, mental health concerns, and stress.

Flexible Work Arrangements

Wabtec supports flexible working arrangements that enable employees to individualize their schedules to maximize productivity, where the role allows. This may include flex-time, part-time opportunities, job sharing, reduced hours, telecommuting, and remote work.

Tuition Reimbursement

In several regions where we operate, Wabtec offers tuition reimbursement programs to employees who are pursuing continued career growth and personal development. The benefit encourages our employees to further their education and develop additional workplace skills that contribute to both the employee's and Wabtec's success.



EMPOWERING PEOPLE AND COMMUNITIES

Investing in Our People

Wabtec is committed to offering competitive benefits programs for all our employees, monitoring new market developments, and enhancing our programs when necessary.

The individual plans that make up our benefits are designed to balance immediate needs, such as paying for healthcare, with a longer-term focus, such as planning for retirement.

In coordination with each country's social welfare system, and in addition to any required local healthcare participation, we may provide additional benefits based on the market competitiveness in that country.

The following reflects benefits offered in the United States for salaried and non-union hourly employees. These benefits vary by region, business alignment, union agreement, and employee status:

Healthcare Plans

- Medical, dental, and vision coverage
- Prescription drug coverage
- Health savings account (HSA)
- Flexible spending account (FSA)

Health and Wellness Resources

- Tobacco cessation support
- Tools and resources to compare medical service prices and doctor reviews
- Medical protection for business travelers

Financial Benefits and Resources

- 401(k) retirement savings plan
- Retirement investment guidance
- Employee Scholarship Program

Life / Accident / Voluntary Insurance

- Life insurance (basic and supplemental)
- Dependent life insurance
- Accidental death and dismemberment coverage
- Business travel accident coverage
- Short- and long-term disability insurance
- COVID bereavement pay
- Pet insurance

Work / Life / Time Away Benefits

- Permissive leave (paid vacation)
- Paid holidays
- Parental leave
- Medical and family leave of absence
- Bereavement leave
- Employee assistance and well-being program
- Jury leave
- Leave for victims of domestic or sexual violence
- Service recognition
- Volunteer service time
- Flexible/alternate work options
- Telecommuting options
- Voting paid time off
- COVID-19 vaccine-related paid time off

EMPOWERING PEOPLE AND COMMUNITIES

Advancing Diversity, Inclusion and Equality

We are committed to a diverse and inclusive workforce built on the foundation that all employees treat each another with respect and dignity, and that everyone feels safe bringing their authentic selves to work every day.

We know meaningful change starts with exceptional leadership. In 2020, Wabtec established a Diversity and Inclusion Council, led by members of Wabtec's executive leadership team who oversee global diversity and inclusion policies and initiatives. This includes our efforts to increase representation of women globally and people of color in the U.S.

Our Board of Directors also plays a critical role in creating an organization that prioritizes, supports, and invests in diversity, inclusion, and equity. Over the last two years, Wabtec has named three diverse members to its Board. Today, 40% of Wabtec's Board is diverse (gender; race / ethnicity). In addition, today, over 18 percent of Wabtec's global senior management are female, and roughly 18 percent are people of color based in the U.S.

We recognize that transparently measuring our progress in this area is important to our internal and external stakeholders. This marks the beginning of a journey to improve the depth and breadth of our diversity data, and we expect to include a more extensive data set over time.

Workforce Diversity Training

Education is a significant driver of inclusion and the reason Wabtec invested heavily in diversity training for all employees over the last year, including specialized training for people leaders.

Partnering with MindGym, a leading psychology-based training and developing company, Wabtec's training program worked to build a Company-wide D&I foundation by focusing on the behaviors that lead to inclusivity. The training was coupled with tools and resources for people leaders to help make diversity and inclusion part of a long-term conversation rather than a one-time training.

In 2021 more than **4,000** Wabtec employees participated in Diversity and Inclusion training

DEI Focus Area	2019 Baseline	2020	2030 Goal
People of Color Across Total U.S. Workforce	25.5%	23.7%	30%
People of Color Across U.S. Salaried Workforce	19.4%	20.0%	25%
Females Across Global Workforce	15.7%	16.1%	20%
Females Across Salaried Workforce	17.8%	18.2%	25%

NOTE: The data shared in this chart is representative of Wabtec's workforce as of December 31, 2020. All percentages have been rounded to the nearest tenth

Importance of Self-Identification

We want all our employees to feel comfortable disclosing aspects of their identity, so we can continue to honor what makes them diverse and unique, while strengthening a culture that encourages and promotes diverse perspectives. We believe that self-identification communicates to our employees that we know they are here, that they are welcome, and Wabtec wants to understand how their identity impacts their work experience.

Last year, we expanded our efforts to collect data beyond the U.S., encouraging global employees, depending on country, to voluntarily and confidentially self-identify race, gender, sexual orientation, gender identity, military, and disability status. This included the ability to self-ID two or more races. By understanding the full range of our diverse talent, we can better measure our progress toward our representation goals while simultaneously creating new strategies and programs to build a more inclusive culture.

EMPOWERING PEOPLE AND COMMUNITIES

Employee Resource Groups

Our pledge to diversity is a global effort that reaches across the entire Company.

Wabtec's Employee Resource Groups – open to all employees – play a big role in amplifying these efforts. These groups include:

African Heritage Forum: This forum was founded on the principle of community and attracting, promoting, and developing talent of African heritage across our global workforce.

Asian Pacific Forum: This forum was created to support Wabtec's Asian and Pacific Islander employees and offers global education, mentoring, and networking opportunities to grow leadership abilities.

Hispanic / Latino Forum: This forum was established to create an inclusive environment where Hispanics / Latinos can thrive and become a catalyst for promoting Hispanic heritage and showcasing Hispanic talent.

MyAbilities Forum: This forum is committed to providing support and resources that enable people with disabilities, their families, and allies to connect and thrive.

Pride Forum: This forum was created to support employees who identify as part of the lesbian, gay, bisexual, transgender, queer, asexual, intersex community, and their allies.

Veterans Forum: This forum was established to create a community of veterans, as well as support and encourage the career development and growth of all members.

Women of Wabtec: This forum was created to promote the importance of gender diversity across all levels of the organization through education, industry best practice sharing, and advocate development.

Led and managed by our employees locally, these groups play an active role in personal and professional development across all phases of a person's career, provide a forum to build strong relationships and allies through networking, as well as create a medium for sharing, learning, and supporting one another to become better colleagues and leaders. The groups hold networking events with Company leadership, manage formal mentoring programs, and sponsored career training geared specifically toward their members.

The Employee Resource Groups (ERGs) also help elevate diverse voices and build awareness of diversity issues across the Company. Some examples include:

Black History Month. The African Heritage Forum spent the month of February educating employees on the contributions Black Americans made to the rail industry. Each week of the month a new outstanding Black employee was also profiled to highlight talent from around the world. To close the month, the AHF hosted a Company-wide webcast on "Creating Black History." that included candid dialogue on the impact of the current racial and social justice movements on Wabtec employees. In addition, the forum led a social media campaign in the Black community aimed at fostering awareness of the efficacy of COVID vaccinations.

International Women's Day. Wabtec turned March into a celebration of our exceptional female employees by launching our own "choose to challenge" campaign. During the campaign, leadership and employees pledged to call out gender inequality and bias and the pledges were collected and shared as part of a video montage. On International Women's Day, the Women of Wabtec hosted a Company-wide webcast featuring an expert on gender inequality and several internal speakers.

Asian American and Pacific Islander Heritage Month. Every week in May, the Asian Pacific Forum educated employees about Asian contributions to rail, hosted a speaker series related to Asian issues, or shined a spotlight on some of Wabtec's Asian employees.

Pride Month. During Pride Month in June, the PRIDE Forum highlighted gay, lesbian, and transgender issues with a series of webcasts intended to educate employees, including "Crossing the Gender Divide in STEM: Insight and Experience from a Transgender Engineer," "Inclusion Across International Organizations," and a panel of Wabtec leaders discussing what the Company is doing to break down barriers.

In addition, throughout Pride Month, Forum employees partnered with regional, business and functional leaders to launch LGBTQ+ awareness training globally with several thousand employees.

The ERGs also support our goals to build a diverse talent pipeline. For example, for several years the Women of Wabtec have been working with the Society of Women Engineers (SWE) to build a strong pipeline of female talent to help tackle the ongoing gender imbalance within the STEM community. Likewise, the African Heritage Forum is partnering with Wabtec sites across the United States to build relationships with local colleges that will feed our pipeline of diverse talent. And, the Asian Pacific Forum has an established relationship with South Asian Society of Engineers (SASE) to attract more engineers of South Asian descent.

EMPOWERING PEOPLE AND COMMUNITIES

Our Talent, Recruitment and Development Priorities

Wabtec's success starts with our people. Throughout the year, we also maintained our ongoing talent strategy and approach to targeted recruitment, retention, development, and promotion.

We're increasingly leveraging data, introducing new standards and deploying training and technology to optimize inclusive hiring processes that drive greater diversity; leveraging diversity-focused recruitment platforms; and expanding our on-campus recruiting program as additional means to diversify our employee base.

To ensure we get the most diverse slate of candidates, all our externally posted jobs are posted to 20 diversity sites. Once the interview process begins, we are deliberate about making our interview panels diverse – not only in terms of race or gender, but career experience and geography as well. Finally, once hired, we often pair our diversity hires with our Employee Resource Group leaders or members to encourage belonging and conversation.

When it comes to nurturing our people, we continued to provide robust learning and development opportunities to help all Wabtec employees reach their full potential. This included launching LinkedIn Learning, an award-winning industry leader in online training that has a digital library of more than 16,000 courses available in seven languages. The courses cover a wide range of technical, business, software, and creative topics and are accessible 24/7 from a desktop or mobile device.

Wabtec Debuts on 2021 Corporate Equality Index

This year, Wabtec debuted on the Human Rights Campaign Foundation's Corporate Equality Index (CEI), building upon the Company's commitment to foster a culture of diversity, inclusion, and belonging as outlined in our 2020 Sustainability Report.

The Human Rights Campaign Foundation is the educational arm of America's largest civil rights organization and works to achieve equality for lesbian, gay, bisexual, transgender, and queer people. The Corporate Equality Index is the standard for measuring policies and practices that promote a LGBTQ-inclusive workplace.

The CEI criteria are constantly evolving and raising the bar to reflect best practices for LGBTQ inclusion and to drive companies to improve upon their commitment to the community. The CEI criteria fall under four central pillars: Non-discrimination policies across business entities, equitable benefits for LGBTQ workers and their families, supporting an inclusive culture, and corporate social responsibility.

BEST PLACES TO WORK
CORPORATE EQUALITY INDEX | 2021

> *Lasting change starts from within, and Wabtec is committed to bringing diversity and inclusion efforts to the forefront – ensuring every voice is heard and respected. Our inclusion in this year's CEI demonstrates we are on the right track, but there is even more we can do. We will use this ranking to build upon our progress and create a vibrant workplace where our people feel they belong and have the support to realize their full potential.*

Niki Theophilus
Chief Human Resources Officer at Wabtec

EMPOWERING PEOPLE AND COMMUNITIES

Caring for Our Communities

Wabtec has long worked to meaningfully impact the communities in which it works and operates, especially during moments of great crisis.

In a year filled with natural disasters, a renewed focus on social and racial justice, and a one-of-a-kind global pandemic, it was even more critical to live up to our values. Here are several stories of how Wabtec stepped up in the face of disaster.

United States

With more than 1,200 employees across multiple sites in Texas, including our one-million-sq-ft locomotive plant in Fort Worth, Texas is home for so many at Wabtec. Following a deadly winter storm, the Wabtec Foundation, Wabtec's philanthropic arm, donated to support local relief efforts in Texas. The donations were split among three nonprofits: Salvation Army of North Texas, Tarrant Area Food Bank, and the Tarrant County Homeless Coalition.

Similarly, when wind and thunderstorms devastated the Midwest in August, Iowa was hit hard, and Cedar Rapids saw sustained winds of 100 miles per hour for more than 60 minutes. Wabtec's two facilities in Cedar Rapids, a 60-person fabrication facility and a 130-person digital electronics facility, were both impacted. In response, the Wabtec teams ensured services were not interrupted for customers and the Wabtec Foundation provided a grant to The United Way of East Central Iowa to go toward communities hurt by the storm.

India

When India faced a spike in COVID-19 cases, Wabtec employees led a major donation effort, backed by matching gifts from the Wabtec Foundation, to support the lives impacted by the devastating pandemic. Charitable grants were directed to St. John's Hospital in Bangalore, India to help ensure vital medical services continued to be provided for families, children, and the elderly affected by COVID-19. Similarly, a grant was also given to Nari Gunjan in Marhowrah to support the fight against COVID-19.

In addition, Wabtec funded and organized four COVID vaccination camps for the Hosur community and administered nearly 6,000 vaccines.

The Company also held multiple vaccination drives across its operating locations to ensure that employees, their families, and third-party service providers had an opportunity to get vaccinated in a safe and secure environment. Wabtec teams also reached out to hospitals and NGOs to support the unique needs of these local institutions. Our Baddi site, for example, donated oxygen cylinders to support the emergency ward in one of the largest hospitals in Bangalore. Our teams also set up an Emergency Relief Centre on Platform No. 2 and 3 at Jolarpet Station in partnership with Indian Railways to provide emergency medical aid and treatment.

Europe

In Spain, Wabtec employees partnered with a local food bank, Banc dels Aliments, to provide basic aid to families in need. In addition, they orchestrated a food and monetary donation drive across Barcelona, Madrid, Seville, and Tarragona. Together, the teams donated nearly 325 pounds of food.

In France, the teams also donated critical food supplies to Restos du Cœur, an organization that delivered meals to those most in need especially during the challenging lockdowns spurred by the COVID-19 pandemic.

Latin America

Wabtec employees have a long history of giving back to the communities where the Company does business in Brazil. In the face of challenges stemming from the pandemic, roughly 80 employees sprang into action to donate more than 400 baskets of food, 600 clothing items, and 500 blankets to those in need.

Many employees across the region also participate in volunteer job readiness programs. For example, Wabtec employees teach mathematics and the English language to other colleagues and/or members of their families. In addition, employee volunteers participate in mentoring programs for at risk youth, where they share advice, discuss life and on-the-job experiences, and help students reach their full potential.

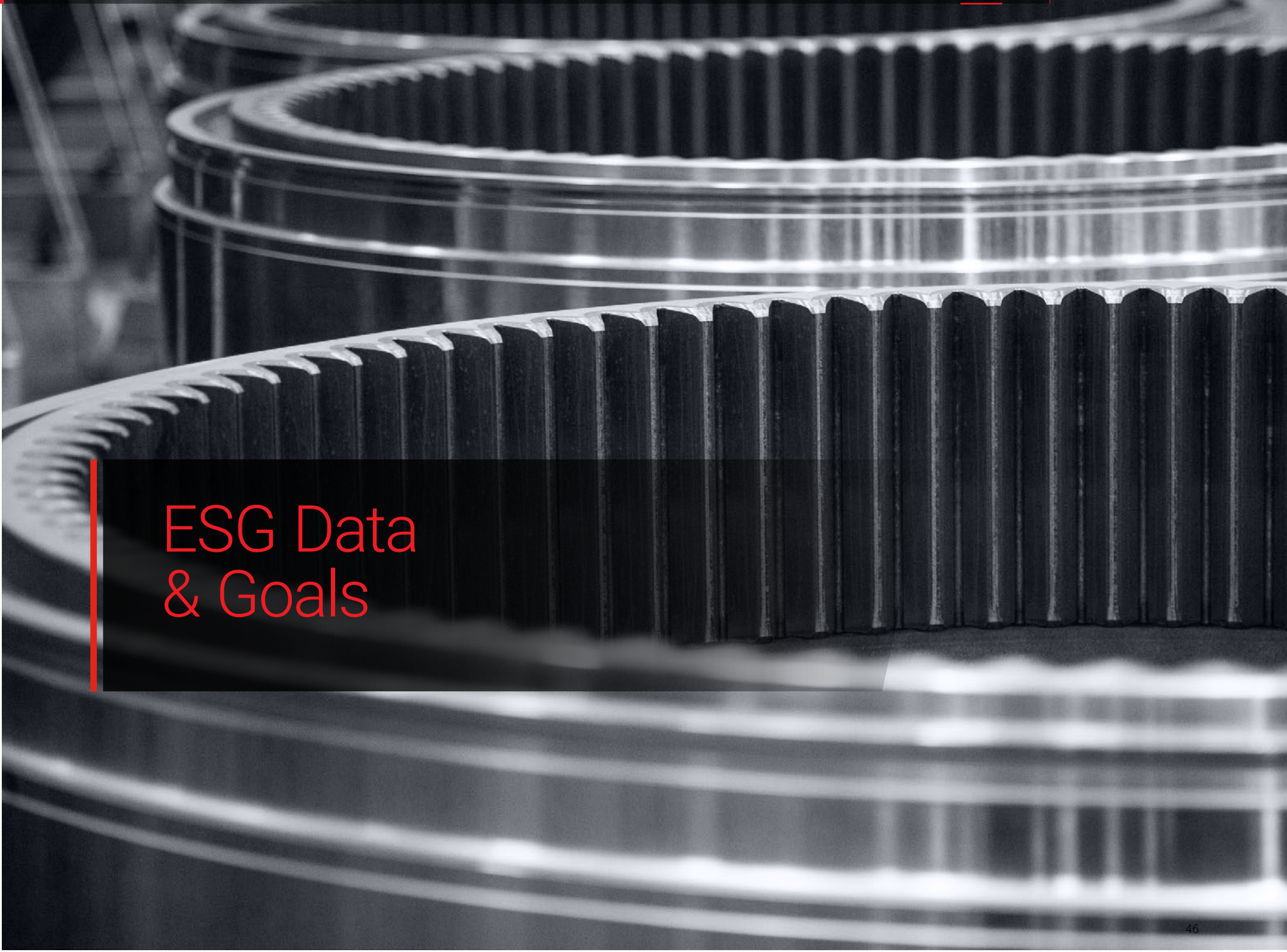
China

Throughout the year, Wabtec's team in Shanghai supported underprivileged families in Gucun Town. More than 200 employees made monetary donations and participated in programs to support those most in need.

The teams also orchestrated a Green Summer campaign across the region aimed at engaging employees and children in creating a cleaner, greener world. More than 80 activities took place to support this effort, including a clean-up project in Baotou, Inner Mongolia, and educational sessions on environmental issues and sustainable development.

Australia

Committed to making a difference in our communities, young professional leaders from the Hunter Valley region, New South Wales banded together to raise money to support Harry's House Family Retreat charity. The retreat is available to families that have a child living with cancer and to families grieving the loss of their child to cancer within the past two years. Harry's House Family Retreat is located in Newcastle close to the ferry terminal, shops, harbor, foreshore park and the beach which can be enjoyed at no expense for a short-term stay.



ESG Data & Goals

ESG Data & Goals

Wabtec is committed to publicly reporting on ESG topics, discussing the opportunities and challenges we encounter as we work to enhance performance and conduct business in the most responsible manner possible. The reporting process not only helps us manage and measure our progress, but also to engage with both internal and external stakeholders around the world. The following illustrates our progress to date.

Focus Area	Baseline ('19 YE)	2020	2030 Goal	Measurements & Perspective
Innovation				
Increase net sales driven by Wabtec's eco-efficiency portfolio	20% share of net sales	22.5% share of net sales	30% share of net sales	Wabtec's eco-efficiency portfolio is measured by net sales from products, systems and digital technologies related to energy efficiency, environmental, and resource efficiency. Eco-efficient products are defined as: • >90% recyclable • Improving resource efficiency and/or emissions reductions by >5% • Extending a product life by at least five years
Increase end-of-life material that is recycled, reused, or remanufactured	296 million pounds of end-of-life material is recycled, reused, or remanufactured	311 million pounds of end-of-life material is recycled, reused, or remanufactured	↑ by 10%	End-of-life material is returned to Wabtec and then recycled, reused, or remanufactured.
Operations				
Reduce greenhouse gas emissions	46.9 metric tons of CO_2e per million-dollar net sales	41.1 metric tons of CO_2e per million-dollar net sales	↓ by 30%	Greenhouse gas emissions intensity is calculated as normalized metric tons of Scope 1 and 2 emissions in CO_2 equivalents per million-dollar net sales. The calculation methodology was based on the Corporate Accounting and Reporting Standard and Scope 2 Guidance of the Greenhouse Gas Protocol of the World Resource Institute (WRI) and of the World Business Council for Sustainable Development (WBCSD).
Reduce energy use	0.66 Megajoules per dollar net sales	0.54 Megajoules per dollar net sales	↓ by 30%	Energy intensity is calculated as normalized Megajoules (Higher Heating Value) of energy (purchased electricity and other fuels) use per dollar of net sales.
Reduce water consumption in areas of water scarcity	37.6 million gallons of water †	38.7 million gallons of water	↓ by 30%	~20 of Wabtec's current manufacturing facilities are located in areas with greater than 80 percent water scarcity, as defined by the World Resource Institute. † During the third-party verification process, we discovered a discrepancy in the 2019 water data reflecting a reduction in the total from 39.6M gallons of water to 37.6M gallons. As a result, we reset our baseline ('19 YE) accordingly.

Focus Area	Baseline ('19 YE)	2020	2030 Goal	Measurements & Perspective
Safety				
Reduce workplace injury and illness rate.	1.08	0.84	↓ by 30%	The workplace injury and illness rate is calculated for every 200,000 hours worked by all employees.
People				
Increase representation of females in the global salaried workforce.	15.7% of global workforce is female; 17.8% of the salaried workforce is female.	16.1% of global workforce is female; 18.2% of the salaried workforce is female.	↑ global workforce to 20% representation ↑ salaried workforce representation to 25%	Wabtec prioritizes diversity, inclusion, and integrity throughout all aspects of our operations. We continue to develop new programs that promote diverse perspectives within Wabtec and throughout the community.
Increase the representation of people of color in salaried workforce in the U.S.	25.5% of U.S. workforce are people of color; 19.4% of salaried employees are people of color.	23.7% of U.S. workforce are people of color; 20.0% of salaried employees are people of color.	↑ to 30% of U.S. workforce ↑ to 25% of salaried workforce	
Communities				
Increase Wabtec's investment in sustainability and diversity-related causes	10% of grants are directed to sustainability and diversity-related causes.	84% of grants are directed to sustainability and diversity-related causes.	↑ to 45% of grants	Through Wabtec's "Caring for Our Communities" program, we have set clear guidelines for how we can best impact our local communities and support employee volunteerism efforts. We are committed to being stewards of the communities where we have facilities and where our people live.

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