

# 2022 Sustainability Report

# Moving and improving the world

#### 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, as well as to the development of and investment in the communities where our teams live and work.

### United Nations Global Compact

Wabtec recently joined the United Nations (UN) Global Compact, demonstrating our existing and ongoing commitment to the universal sustainability principles promoted by the organization, as evidenced by our corporate policies and goals.



At Wabtec, we remain committed to be part of the solution and to slow the speed of global climate change by taking action within our own operations and bringing products to market that drive sustainable value for our customers." **Bafael Santana.** President & CEO

# OUR COMMITMENT TO CLIMATE

#### Innovating with Purpose

**EXECUTIVE SUMMARY** 

- Investing 6-7% annually in technology (% of sales)
- Launched 1st 100% batterypowered, heavy-haul freight locomotive in 2021
- Partnering with industry to validate lower carbon fuels

#### **Doing Our Part**

 Setting a new, absolute GHG goal to reduce Scope 1 and 2 emissions by 50% by 2030, as compared to a 2019 baseline

#### Looking to the Future

- Disclose Wabtec's Scope 3 emissions across its full value chain in 2023
- Set near-term targets in 2024 for categories of Scope 3 emissions material to Wabtec

For more detail see our full Sustainability Report at: WabtecCorp.com/Sustainability

# **Innovating with Purpose**

In support of the clean energy transition, we are leading the drive toward a more utilized, efficient, and low-carbon rail network. This includes applying digital technologies to optimize the rail network, delivering a rail ecosystem that uses less fuel and generates fewer emissions, utilizing alternate fuel sources for freight locomotives, and continuing to meet the sustainable transportation needs of growing cities around the world through our Shift to Green efforts.



Advancing a Circular Economy

In August 2021, we completed our **1,000th remanufactured locomotive** at plants in Fort Worth, Texas, Erie, Pennsylvania, and Contagem, Brazil since the modernization program began in 2015. The milestone unit went to Norfolk Southern, who has received more than 500 remanufactured locomotives from Wabtec. These 1990s-vintage 4,000hp locomotives are rebuilt into 4,400hp A.C. traction units.



### Leading in Alternative Fuels

Wabtec is partnering with its railroad customers to use higher biodiesel and renewable diesel blends in Wabtec locomotives. This new collaboration will play a large role in Union Pacific's aims to increase the percentage of low-carbon fuels consumed to 10% of its total diesel consumption by 2025 and 20% by 2030. A project started in 2022 in partnership with BNSF Railway is intended to quantify the impact of biodiesel (B20) and renewable diesel (R80) on emissions, durability, and performance of in-service locomotives.



Sustainable Transit

In 2021, Wabtec officially joined **Europe's Rail Joint Undertaking** (**ERJU**) as a founding member. A followup to the Shift2Rail initiative, ERJU is a partnership between Europe's major railway stakeholders that aims to create a more modern and sustainable European railway system.

Our new brake control products, **Metroflexx** and **Regioflexx**, help reduce weight on trains to improve performance and lower emissions. These products are designed to be up to 95% recyclable after the end of their useful life. **Green Air** refrigerant, which provides a much lower global warming potential compared to traditional refrigerants, is another sustainable product receiving strong interest from the transit market.



### **FLXdrive**<sup>™</sup>

Wabtec is helping customers reduce their carbon footprints through the development of low-emitting locomotives like our Tier 4 and battery-electric locomotives like our FLXdrive<sup>™</sup>. Throughout the pilot in 2021, FLXdrive<sup>™</sup> successfully reduced overall fuel consumption by more than 11 percent across the train consist. **This is equivalent to more than 6,200 gallons of fuel saved and approximately 65 tons of CO**<sub>2</sub> **emissions reduced.** 

## Innovating with Purpose Metrics

Focus Area	2019 Baseline	2021	2030 Goal
Share of Net Sales of Eco-efficiency Portfolio	20%	22.3%	30%
Million Pounds of End-of life Material Recycled, Reused, or Remanufactured	296	333	<b>↑</b> by 10%

Eco efficient products are defined as meeting at least one of the following criteria: >90% recyclable, improving resource efficiency and/or emissions reductions by >5%, or extending a product life by at least five years"

# **Responsible Operations**

Climate change is an urgent global priority, and Wabtec is committed to driving innovation and technology to accelerate 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 are part of the Company's long-standing commitment to environmental stewardship.



0.58 MJ/\$ 0.50 net sales MJ/\$ net sales 2019 2021

energy intensity

annual net sales

Reductions normalized per

### Creating Safe Environments

Scope 1 and 2 GHG emissions only.

Reductions normalized per annual net sales.

In 2021, we continued our progress toward best-in-class safety performance. Compared to our 2019 baseline, the Total Recordable Injury Rate of 0.93 for 2021 represents a 14% reduction. While this is strong progress towards our 2030 goal of reducing injuries by 30%, as compared to our 2019 baseline, we continue to strive to eliminate all workplace hazards, risks, and injuries.

# **Empowering People and Communities**

At Wabtec, we create leading-edge transportation solutions that move and improve the world. Diversity and inclusion are key pillars in our ability to deliver on this mission and change the face of our industry.

#### Workforce Diversity Training

Creating a true culture of inclusion is one of our biggest priorities and training and education are at the heart of these efforts. Building on the strength of our partnership with MindGym, a leading psychology-based training and development company, we've continued to refine our companywide DE&I training by focusing on behaviors that lead to inclusivity. This training was coupled with tools and resources for leaders at Wabtec to help make diversity and inclusion a lasting conversation, with more than 5,000 salaried Wabtec employees participating.

DEI Focus Area	2019 Baseline	2021	2030 Goal
People of Color Across Total U.S. Workforce	25.5%	23.8%	30%
People of Color Across U.S. Salaried Workforce	19.4%	19.6%	25%
Females Across Global Workforce	15.7%	16.7%	20%
Females Across Salaried Workforce	17.8%	19.0%	25%

The data shared in this chart is representative of Wabtec's workforce as of December 31, 2021. All percentages have been rounded to the nearest tenth.



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