

# SAME TRACK

THE CULTURAL NEWSLETTER FOR WABTEC EMPLOYEES

## Frontline Spotlight

Jefferson Aguiar and others on the painting team in Contagem helped develop the solvent recycling project from its initial concept through the long process to implementation.



## Leader's Letter

Justin Downs discusses the ways sustainability is embedded in our goals and decision making, and how our technology enables those efforts.



## Competitive Edge

Andy Bell discusses sustainability at Wabtec and how employees can get involved to move and improve the world.



## Managers' Roundtable

Managers from locations across the globe discuss the importance of sustainability and share what employees can do to make an impact.



## Picture This

Our technologies will help us with our goals of reducing our company-wide energy consumption by 30% by the year 2030.



## Leader's Letter

# Sustainability in Action

## Driving responsible operations

Justin Downs discusses the ways sustainability is embedded in our goals and decision making, and how our technology enables those efforts.



Team,

One of our greatest strengths at Wabtec has been an ongoing commitment to driving responsible operations. By innovating with purpose and having an inclusive culture grounded in integrity, we have become safer and more environmentally friendly. Our business practices align with the values we have as a company focused on building a more sustainable future. Wabtec recently announced that we will join the United Nations Global Compact, the world's largest sustainability initiative.

This edition of *Same Track* focuses on sustainability — and how it is embedded in our goals and decision making. With new technologies like the FLXdrive and by advancing the circular economy through our locomotive modernization program, Wabtec is leading the way when it comes to enabling greener rail operations. Customers are relying on us to achieve their emissions reduction and efficiency goals.

Along with helping our customers, we have significantly reduced our energy use at facilities in recent years and increased our use of renewable sources like solar. From reducing emissions to how we source raw materials, we have identified and implemented solutions to minimize our impact on the planet.

Sustainability involves being proactive in addressing safety hazards. We take safety seriously at Wabtec. It is core to our values and represents who we are. The well-being of our employees, our customers — and their customers — depends on it. We remain on a journey toward safety excellence with a goal of zero accidents.

Finally, 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. With greater representation of various groups, we have programs like Employee Resource Groups that provide valuable forums for networking, support, and learning.

All of us have a role to play when it comes to moving and improving our world. As you read through this edition, I hope you are encouraged by the progress our company is making on sustainability and recognize the opportunities that exist for you to better serve our customers and the communities where you live.

Thank you for all the work you do,

Justin Downs

### TAKE THE SURVEY

We want to hear your thoughts on the *Same Track* newsletter, so we've created a survey for you to speak your mind. Follow the QR code to share your feedback.



## Competitive Edge

# Reducing Our Manufacturing Footprint

## Making sustainability a priority in operations

Andy Bell discusses sustainability at Wabtec and how employees can get involved to move and improve the world.



Sustainability is a major component of Wabtec's company vision. Andy Bell, Senior Director of Operational Excellence, shares how Wabtec employees at all levels can prioritize sustainability in their daily operations and why it's something we can all get excited about.

### Incentivizing sustainability

Improving our environmental footprint is a key piece of our mission to move and improve the world at Wabtec. "We've made a company-wide commitment to reduce our energy usage by 30% by the year 2030," Andy says. "We're making that commitment to our investors and our employees, because we know it matters to our people."

At Wabtec, we want everyone to have the opportunity to make a positive impact, to move and improve the world, so employees across the company are encouraged to bring their suggestions to their local sustainability champions. "Sustainability champions harness ideas from Wabtec

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**We've made a company-wide commitment to reduce our energy usage by 30% by the year 2030.**

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employees at every level," says Andy. "Then they bring those ideas to a council, made up of each site's sustainability champions, to share these ideas around the globe."

With this program, everyone has the ability to contribute to Wabtec's sustainability objectives, and employees on the front line see some of the best opportunities firsthand. "The sustainability champion

program has helped us upgrade manufacturing plants, implement LED and motion-activated lighting, and add solar panels to car parks," Andy says. "We've also shared ideas about simpler improvements, like putting solar reflective film on windows or doing more routine maintenance on our compressed air systems, which have huge benefits to save energy in the long term."

### Optimizing our resources

Workers on the shop floor aren't directly tasked with developing sustainability initiatives, but it's still possible to make a difference on the front line with more efficient manufacturing processes. Andy believes that the main opportunity for improvement is something we're all familiar with: energy usage. "All of our processes consume power and energy in some way, shape, or form. Employees connect with that when they think about their personal lives," he says.



Rising energy prices have made everyone more aware of the power they use daily. “Our home and heating bills have gone up, and because of that, people are thinking more about how to be energy efficient,” he says. “It’s only natural that we take the same steps at work, where we spend a lot of our time and use a lot of energy in processes to manufacture products.”

Another key resource that we try to optimize from a sustainability perspective is water usage. “We’ve got 125 operations around the globe, and some of those are in areas that have water scarcity,” says Andy. “In those manufacturing plants, we try to reduce water usage in innovative ways, whether that’s researching other best practices, recycling water, or capturing rainwater.”

### Efficiency and sustainability

Andy believes that Operations employees have an advantage when it comes to implementing sustainability measures because it overlaps with something

that’s already top of mind. “We often talk about lean manufacturing for operational excellence,” Andy says. “Lean can line up with sustainability because it’s about a more efficient way to build a product, and that typically means less energy usage.”

According to Andy, Operations employees also impact sustainability as the last ones to interact with products before they go to the customer. “Customers have always wanted products that last and serve their purposes, but more and more, they’re asking for products that help them achieve their sustainability goals,” he says. “The people who work on the factory floor are the ones actually manufacturing those products.”

### Making an impact

Andy believes that viewing safety and sustainability side by side is a great way for Wabtec employees to prioritize the environment. “Our people are reminded to be mindful about safety on a daily basis. We can strive for that same mindfulness about our energy footprint,” Andy says.

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**Lean can line up with sustainability because it’s about a more efficient way to build a product, and that typically means less energy usage.**

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He encourages employees all around the company to keep their eyes open for sustainability opportunities. “When employees notice things in their work environments, they can get them on the table by talking with their manager or sustainability champion.”



## Managers' Roundtable

# Motivated by Impact

Supporting sustainability on the front line

Managers from locations across the globe discuss the importance of sustainability and share what employees can do to make an impact.



### Why is sustainability important at Wabtec?

**Stephanie:** Sustainability is important to Wabtec both from a product and a process perspective. From a product perspective, we're driving to make our products more efficient and sustainable, reducing our carbon footprint, and reducing emissions associated with our locomotives. From the manufacturing process perspective, we're also focusing on sustainable operations so that as we build these products, we're being mindful and efficient with the resources used by the shop in creating them. The more sustainable we are there, the better we are at maintaining sustainability through the entire life cycle of a product.

**Christopher:** Sustainability helps improve the quality of life for everyone while being able to ensure we leave a better future for our children.

**Chandra:** Sustainability at Wabtec means operating in an ethically and socially responsible manner, maintaining a safe culture, protecting our environment,

supporting our families, and at the same time growing and developing our employees. Sustainability is a business approach to create long-term value, taking into account how the given organization operates in ecological, social, and environmental economics to create company longevity.

**Alejandro:** Wabtec has always looked for ways to improve our products and technologies to help build a better world, operating with a strong integrity-based culture. So sustainability at Wabtec is part of our governance framework and business practices. Working on sustainability priorities means acting according to our core values.



### Why should employees be excited about sustainability at Wabtec?

**Stephanie:** When we develop products and improve our shop processes to meet our own sustainability goals, that also helps from a competitiveness perspective. As we're able to conserve and reduce resources needed in manufacturing operations, that usually equates to cost savings, which in turn makes Wabtec more competitive.

**Christopher:** We are innovating toward electric locomotives to help move the industry forward, and it's always exciting to know you are a part of creating a better tomorrow. I take pride in knowing that I'm working toward a greener future. Being in the transportation industry, we're working in one of the areas that needs the most innovation to help clean up the planet.

**Chandra:** We are committed to developing a responsible and sustainable product that minimizes the impact on the planet, to operating in an environment with safe and efficient uses of resources, and



**Sustainability helps improve the quality of life for everyone while being able to ensure we leave a better future for our children.**

— Christopher



**Stephanie Siford**  
Environmental Manager  
Erie, Pennsylvania



**Christopher Rhine**  
Shipping Specialist  
Fort Worth, Texas



**Chandra Bhan Mishra**  
Material Planning and  
Inventory Manager  
Marhowrah, India



**Alejandro Esparza**  
Manufacturing Quality Manager  
Saltillo, Mexico

to driving inclusive culture, grounded in integrity, developing the communities where our teams live.

**Alejandro:** For us at Wabtec, this moment presents an opportunity to participate in the identification and implementation of product, process, and facility improvements to reduce emissions, eliminate waste, and improve energy efficiency. There are many exciting examples of how we are innovating with purpose, to empower our people and communities. At the end of the day, an organization cannot be sustainable if we don't take care of our most valuable resource: our people.

**Q** How can employees on the shop floor make a difference when it comes to sustainability?

**Stephanie:** In Erie, you'll often hear a motto, "See something, say something,

do something." If you see an issue or an opportunity for improvement, raise your hand. Say something — get the right teams involved to help make improvements. And do the little things. Turn off the lights when you're done with your shift, turn the water off when you're at lunch. Report leaks when you notice them, whether those are air, steam, or water. The little things can really add up.

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**At the end of the day, an organization cannot be sustainable if we don't take care of our most valuable resource: our people.**

— Alejandro

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**Christopher:** It's important to stay focused on the job at hand and never be afraid to ask questions.

**Chandra:** Sustainability is one of the key pillars of EHS. The power is in employees' hands to do the work according to the initiatives and KPIs we've put in place, with the same cognizance of those elements as they have for safety.

**Alejandro:** I believe people on the shop floor have a strong commitment to our EHS policy, recognizing the risks associated with their tasks and work environment. There are some tools to help us to ensure that our systems on the shop floor are working. For example, the two-minute warning and the power-up tool that give employees the ability to stop work and elevate EHS concerns.

Saltillo, Mexico



Check out the Managers' Roundtable video on the digital version of *Same Track*.

## Frontline Spotlight

# Recycling Solvents

## From frontline idea to successful program

Jefferson Aguiar and others on the painting team in Contagem helped develop the solvent recycling project from its initial concept through the long process to implementation.



Jefferson Aguiar

The solvent recycling machine at Contagem is a great example of frontline employees impacting Wabtec's sustainability. Jefferson Aguiar and others on the painting team came up with the idea during lean training and worked to turn that idea into a reality.

"Jefferson takes initiative and encourages the development of ideas," says his manager Arthur Aquino, Manufacture Analyst. "His participation in the solvent recycler project, which took approximately four years to implement, is an example of his drive and dedication."

Paint solvents are harsh chemicals that are harmful to the environment and can pollute waterways. The recycling solvent machine makes the waste easier to dispose of and allows us to reclaim and reuse some solvent.



Arthur Aquino

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**Sustainability goes along with the other needs of the factory.**

— Jefferson

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### The long road to implementation

"The biggest challenge was to follow the entire project from idea to implementation," says Jefferson. "It took years and involved several teams."

"Since the idea emerged in 2018, we've gone through several stages of development, improved the initial idea, developed a national supplier, and worked on internal processes to increase productivity," says Arthur. "Everyone's help was extremely important for us to be able to complete the project and install the machine in 2021."

### Balancing sustainability with business needs

"Sustainability goes along with the other needs of the factory," Jefferson says. "Discarding the materials we work with correctly helps with 5S keeping the line clean and organized, recycling the solvent helps to reduce costs and have more material available on the line — in addition to reducing the material discarded. Sustainability goes hand in hand with other plant needs."

According to Arthur, Jefferson "manages to incorporate sustainability into his day-to-day work." He takes care to follow the EHS rules, dispose of waste materials correctly, and develops Kaizens for potential improvements. "He also helps

with the optimization, implementation, and productivity of projects.

### Advice for prioritizing sustainability

"My advice for others on the front line would be to start with the basics," Jefferson says. "Do what is within our reach on a day-to-day basis and also take advantage of the programs that the company offers to create ideas and projects. That's how the solvent recycler came about."

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**The biggest challenge was to follow the entire project from idea to implementation. It took years and involved several teams.**

— Jefferson

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## Picture This

# Measuring Our Progress

Quantifying our environmental impact

Our technologies will help us with our goals of reducing our company-wide energy intensity by 30% by the year 2030.



## Reducing and reusing

Compared to conventional locomotives, our technologies are vastly more efficient for our customers and the planet's resources. Our FLXdrive locomotives will operate with much lower rates of emissions, and modernizations bring new life to old machinery.

## FLXdrives

**30%** train level fuel savings

**30 tons** of NO<sub>x</sub> removed annually

**3,000 tons** CO<sub>2</sub> removed annually

\*Best-case projections based on current modeling



## Modernizations

**+25%** fuel efficiency

**+40%** reliability

**+55%** haulage ability

**-20%** maintenance and repair needs

## Company-wide sustainability results



Last year, we improved our resource efficiency compared to 2019 benchmarks.

- 20% reduced greenhouse gas intensity
- 14% reduced energy intensity
- 0.7% reduced water consumption

## Responsible operations: Erie, Pennsylvania

Erie reduced gas usage by 27% in 2021 compared to the 2019 benchmark, thanks in part to the team's extra attention to their buildings' heating schedules, adjusting the temperatures and turning off during nonworking hours.