

THE CULTURAL NEWSLETTER FOR WABTEC EMPLOYEES

SAME TRACK



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MANAGERS' ROUNDTABLE

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Trust and Transparency

January 2026



LEADER LETTER

What's Coming Down the Track for 2026

Team,

The beginning of a new year is always a great time to take stock of where we've been and where we want to go. All in all, 2025 was a good year, but it definitely had its challenges. We had to overcome difficulties like the CPKC vibration issue and other challenges with CBH, but ultimately we delivered on both. And of course, tariffs added a whole new element of pressure.

But your hard work in 2025 puts us in a good place for 2026. We made some great progress on the services integration and platform development. It was fast and furious there for a while, but we're finding our rhythm and beginning to see the benefits. I've been very impressed with the professional maturity and ability to adjust that we saw from both the Operations and Support teams.

The Simandou project execution in India and Kazakhstan deal were huge wins for the region and Wabtec. Mining and Distribution continued to sustain their performance, even with some major challenges. And we've seen overall improvements and growth across the organization.

Here's where I want our focus for 2026:

- **Quality:** Every single one of us is responsible for product and production quality.
- **Efficiency and Adaptability:** Let's continue to share best practices, standardize across platforms, and improve controls.
- **Elimination of Waste:** Using continuous improvement and Lean principles, we can find new solutions to make impactful changes.
- **Flexibility:** We'll need to exercise even greater flexibility — in capacity, execution, resiliency, and strategic pivots. When we're hit with the unexpected — which is something we've learned to expect — we want to be prepared to adapt, quickly and efficiently.

I'm proud of what we accomplished together in 2025 and am excited about what's to come in 2026. This year, like every year, it all comes down to the fundamentals: safety, quality, and cost. Know that I appreciate your efforts to improve our performance in all three of those areas.

Thanks for all you do,

Justin Downs
Group Vice President, Operations Management
Head of Global Freight Operations organization

Justin Downs expresses pride in how we met the challenges of 2025, and maps out where he wants our attention in 2026.



Making Hot Work Safer

David Pring and his manager Randy Carpenter walk us through their recent focus on reducing risk in Erie's fabrication workstations.

David Pring, Production Supervisor, and Plant Manager Randy Carpenter have recently engaged the Erie Fabrication team in a renewed commitment to fire protection — which is a major concern in the work they do.

"Fabrication is a demanding job," says Randy. "This work is not child's play, and I believe everybody knows that."

David agrees. "We want to make sure everyone goes home to their families safe," he says. "We have to remind ourselves that what we are doing is dangerous."

Identifying the risks

The first step was isolating the areas of risk. "You really have to start at the 30,000-foot level and understand, within the facility, where the hot work is allowed and where it is not," Randy says.

"It was easy to break the shop up into different areas and assign them to a material handler," David says. Recognizing those boundaries led them to a deeper evaluation of how to control fire risk on the hot work platforms and the surrounding areas. An early step was removing any flammable items that did not absolutely need to be there, such as aerosols and plastic waste bins. For the combustible items that are necessary to have at the workstations, the team added containment controls such as weld curtains.

Putting the front line in charge

"The number one strategy was assigning responsibility to our material handlers and empowering them to act," says David. Material handlers for each area met with David and Randy to talk through their responsibilities and offer feedback from their people. Employees sharing their concerns and ideas was an important part of the process.



**David
Pring**

Production Supervisor



**Randy
Carpenter**

Plant Manager

"We received some good feedback that we were able to share with the rest of the team at muster meetings," adds David. "It was important that employees felt valued and that we were willing to listen to their concerns."

"Involving the workforce meant educating them on why we are doing what we're doing," Randy says. "We really put the ownership on our employees to be responsible for their area and ensure it's safe for them and their coworkers."

Sharing best practices with other plants

While the Erie plant has the largest square footage of fabrication hot work in the organization, other plants also engage in welding, cutting, or grinding. As Randy explains, "There might be even more risk of an incident at plants where fabrication isn't a core competency, since their workforce may not be as highly aware of the potential safety issues."

In the spirit of continuous improvement, the Erie Fabrication team met with EHS to update the hot work audit for shop floor practices. "If you aren't actively improving safety, then the processes are degrading," Randy says. "No safety process or culture is static. It's either improving or declining, so it's an initiative that never ends."

Keeping each other safe is also part of being a strong team. As Randy explains, "We have a moral obligation to our employees and our coworkers to come to work and be safe."

Procurement Problem-Solving

The ability to roll with the punches is something Sourcing has in common with Manufacturing.

We depend on the Procurement team to get us the parts we need when we need them. For Brian Shepard, Chief Procurement Officer, and his team, that requires some creative problem-solving when global issues create unexpected challenges.

That might mean sailing around the Horn of Africa to avoid terrorism. It could mean finding new shipping lanes in the Middle East due to the war in Gaza. Sometimes it requires replacing a vendor that's going out of business. Increasingly, it involves issues raised by tariffs.

Poised for unpredictability

Sourcing and Manufacturing share common ground, according to Brian, because they're both asked to solve problems at a moment's notice. "Sourcing, just like the rest of Operations, is a case study in predictable unpredictability," he says. "We know there will always be disruptions, and it's our job to be as ready as we can be." The goal, in those cases, is to find innovative ways around those disruptions.

"Thinking through those sorts of problems and coming up with solutions is really, really challenging," Brian says. "So, our people need to be flexible and roll with the punches. That's something else we have in common with Manufacturing."

Buying local

Finding vendors closer to the plants is one way the Procurement team works around global challenges. In India, for instance, Brian's team developed a local supply base for an alternator that was previously sourced from another continent. "Localizing that product for our plant in India makes our sourcing more reliable and also saved a lot of money in the process," Brian says.

"Sourcing, just like the rest of Operations, is a case study in predictable unpredictability."



Brian Shepard

Chief Procurement Officer

"There are so many factors to maximizing the value we get out of each dollar. It's kind of a fun Rubik's Cube."

The pressure of meeting our supply chain needs is just one element of what motivates the Procurement team. Their primary responsibility to the company is to make sure Wabtec is getting the most out of each purchase.

"I mean, that's why we're here, right? That's our most important metric, to save the company money and improve our gross margin," says Brian. "On smaller projects, the savings might be as little as a few thousand dollars, and on others, we might be able to save the company millions."

Every dollar counts

One problem Brian's team faces is that suppliers sometimes increase prices — even after a product has been shipped to us. "In the hyperinflationary period of a few years ago, we had over 16,000 individual price increase requests, which really puts a lot of pressure on our margin," he says.

Sourcing without slowing operations

One of the things Brian enjoys most about his role is the chance to work with other teams throughout Wabtec. “In Sourcing, you truly get to touch every part of the company,” he says. “You get to work with our plants, with our sales team, our legal team. It’s kind of fun to sit in the middle of all that.”

Finding the balance of quality and cost sometimes involves a change in some part of our manufacturing processes. “We’re not here to slow you down,” Brian says. “If our sourcing requires you to do something slightly differently from how you did it in the past, if that seems challenging or you don’t understand why that is, let’s talk about it.”

The Sourcing team knows to expect the unexpected. “We truly never know what we’re going to be dealing with when we walk into work. There are so many factors to maximizing the value we get out of each dollar,” Brian says. “It’s kind of a fun Rubik’s Cube.”



Building Momentum

Site leaders in Erie, Fort Worth, and Contagem explain how they'll build on their year-end success for 2026.



What impressed you from your team in 2025?

Bruno: I've been most impressed by the team's resilience and adaptability. We faced significant changes here in Brazil and significant challenges this year, and yet the

team consistently delivered results while embracing new processes and technologies. So their ability to collaborate across functions and maintain a strong customer focus has been outstanding.

And I'm also proud of the innovative ideas they brought forward, finding creative solutions to improve efficiency, improve productivity, and reduce operational costs. And most importantly, the commitment to our culture and support in each other has been remarkable.

John: I was proud of the whole team in 2025. We had a great safety year — we exceeded our targets and had one of the best years we've ever had in terms of injury reduction. We also made some real improvements to quality within our plants, which was great for cost and customer satisfaction. And from a delivery perspective, we're in a better position as far as delivering on time than we've been in for a while.

Roman: I'm always impressed by how smart and how flexible the team can be. They don't point fingers when something goes wrong — they just join together to solve it. It's an honor to be part of a team like this.



What challenges do you expect as we start the new year?

Bruno: This year we have proven we can respond to challenges. Now it's all about anticipating those challenges and leading change. I want to see the team build on their

ability, adaptability, and innovation by taking an even more proactive role in shaping our processes and driving continuous improvement. I would also like to deepen cross-functional



Bruno Cury

Operations Director
Site Leader
Contagem, Brazil



John Singleton

Vice President,
Operations Management
Site Leader
Erie, Pennsylvania



Roman Fortozo

Plant Manager
Fort Worth, Texas

collaboration and strengthen data-driven decision-making so we are not just efficient but also strategic. And of course continuing to invest in leadership development which will ensure we have a pipeline of talent ready to take on bigger responsibilities.

John: As we start the year, we'll definitely continue to be concerned with tariffs and all the curveballs that throws for our operations. In addition, we had really strong performance across the board last year — that means our targets for 2026 are even

higher. That's a good thing, but following up on a good year is a challenge in itself.

Roman: This will be a big volume year with multiple customers. We're continuing on with a few CPKC locomotives, then we'll have UP modernizations for a while, before we start orders for two more customers, Norfolk Southern and CSX, in the second half of the year.



What are you excited for with your team in 2026?

Bruno: One of the first things that comes to mind for the new year is continuing to strengthen operational efficiency through technology and process improvements. Our other top priority is investing in our people,

building cross-functional capabilities and leadership development so that the team feels empowered and ready for future challenges. To sum it up, 2026 is about growth efficiency, innovation, and creating an environment where the team thrives.

John: We're starting the year with a manufacturing execution system (MES) implementation across campus, which should be a great thing. We're also going to have a family day in the summer this year, which we haven't done for a few years, but it's something we're really excited about. We love that our people will have a chance to show their family members what they do here. And lastly, we're going to have a chance to continue our New York City Transit locomotives, with another 45-unit order in that program.

Roman: The most exciting thing is still to be working to build locomotives that move the world and to give them the best technology to suit their needs and operations. I'm very proud to be starting the new year with the same amazing team.



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

Bruno Cury in Contagem, Brazil



2025 Safety Performance

Our full-year safety metrics show us what's working well and where we still need to improve to make sure everyone goes home the same way they arrive.



Top trends in 2025

Our improvement in concern reporting last year was exceptional. Even with the increased number of concerns reported, the average days to close was essentially flat. Unfortunately, we saw a slight decrease in reported near misses and overall injury rates.

In 2026, it's critical to get near misses and any injuries reported, analyzed, and shared as quickly as possible. The data is clear: as we effectively solve problems early, our employees are safer.

	Percent change	2024	2025
Concern reports per employee		1.3	1.65
Reported near misses per employee		0.10	0.09
Total injuries (includes first aid and recordable)		645	660
Recordable injuries		74	75
Level A/B injuries (higher severity)		17	18

Per-employee figures are calculated using an average of 2,000 working hours per employee per year.

Takeaways

- You are empowered to stop work — if you see something, say something
- Use the 2 Minute Warning Process to identify risks to you and your co-workers
- Prevent injuries by being proactive with concern reporting