

## **Modern Slavery and Human Rights Statement<sup>1</sup>**

### **Section 1: Wabtec's Structure, Operations, and Supply Chain**

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 is freight, transit, mining, industrial, or marine, our expertise, technologies, and people – together – are accelerating the future of sustainable transportation. Today, Wabtec is the largest freight locomotive manufacturer, moving more than 20% of the world's freight. In addition, the Company provides products and services to virtually every major rail transit system around the world, supplying an integrated series of brakes, doors, and components for commuter and metro cars, as well as buses, that deliver safety, efficiency and passenger comfort. Wabtec is based in Pittsburgh, Pennsylvania, U.S.A, and has roughly 27,000 employees and operations in more than 50 countries globally.

We are committed to creating a more sustainable freight and passenger transportation network. Because operational excellence and environmental stewardship are among our priorities, we also conduct business in a way that is sustainable for our employees, customers, and the communities in which they work and live. You can learn more about our Environmental, Social and Governance (ESG) efforts, including our commitment to human rights, in our Sustainability Report, which is available at: <https://www.wabteccorp.com/sustainability>. Wabtec sources goods and services, including electronic components, metallic components, raw materials, and engineered systems, from a network of roughly 27,500 suppliers who ship more than 160,000 parts every year. A key consideration in the procurement of our goods and services is responsible sourcing, including mitigation of human rights and modern slavery risks.

### **Section 2: Wabtec's Risk Assessment**

Wabtec evaluates the risks of human rights violations and modern slavery within its direct operations and supply chain.

#### **Operational Risk**

Wabtec has approximately 27,000 employees in approximately 50 countries in many different manufacturing, services, warehouse, and office locations around the world. In support of Wabtec's operational activities, employee roles and responsibilities may include manufacturing, warehousing, logistics, field services, and support functions (e.g. HR, commercial operations).

Each of Wabtec's business units and their associated locations follow Wabtec's global standards and policies for recruitment and ongoing management of staff, including full-time staff and contingent workers, except where local legal requirements require deviation from those policies or standards. Wabtec encourages a safe and compliant work environment, including providing routine employee training and maintaining an open reporting program for employees to raise concerns. Additionally, all

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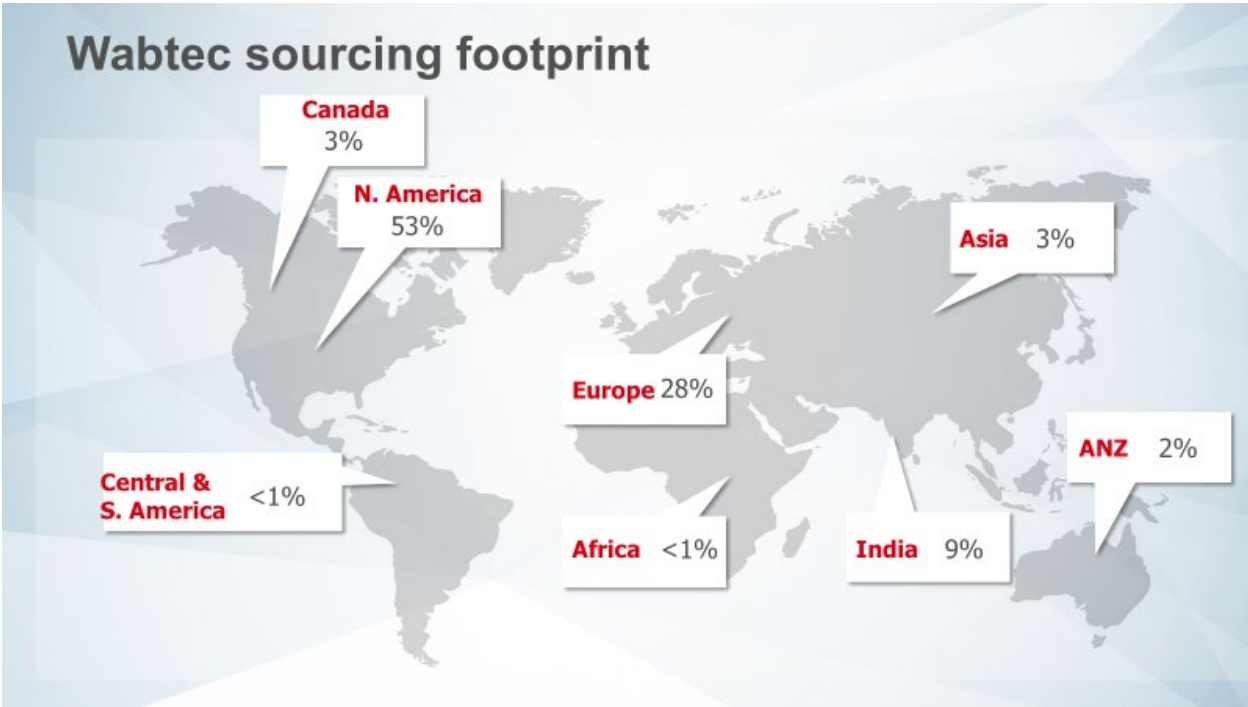
<sup>1</sup> On behalf of Wabtec and its relevant subsidiaries, this statement is intended to meet the requirements to comply with: (a) Section 54 of the United Kingdom Modern Slavery Act 2015; and (2) the California Transparency in Supply Chains Act 2010.

Wabtec entities are subject to global policies and procedures addressing human rights and modern slavery, which are further described in Section 3 below.

**Supply Chain Risks**

Wabtec recognizes that our suppliers play a pivotal role in creating value for our customers, shareholders, employees, and the communities in which we operate. We are committed to working with our suppliers to eradicate modern slavery in Wabtec’s supply chain. Notably, a significant number of suppliers to Wabtec includes its affiliated companies. These companies follow the policies, processes, and procedures described in this document. Therefore, we consider these suppliers’ operational risks and supply chain risks to be low.

Wabtec uses approximately 27,500 direct and indirect suppliers all over the world. In addition, Wabtec’s suppliers have their own unique supply chains with many sub-suppliers of their own. Wabtec often has limited visibility of these sub-suppliers and whether they expose Wabtec to modern slavery risks.



Following our due diligence process, which is described in Section 4 below, we identified the following categories of suppliers that potentially expose Wabtec to modern slavery risk:

## Wabtec risk assessment areas



### Electronic Components

Wabtec sources electronic components for certain products which may have modern slavery risks



### Transportation

Wabtec transports components through ocean shipping through 3<sup>rd</sup> parties which may be associated with modern slavery risk



### Conflict Minerals

Wabtec suppliers may be sourcing materials associated with the risk of conflict minerals and modern slavery



### Higher Risk Countries

Wabtec is sourcing from some suppliers domiciled in countries with weak or limited controls and/or measures to prevent non-compliance with international standards for human rights or other labor protections

This is not an exhaustive list and may be expanded as new areas are identified during the company's risk assessment activities.

### Section 3: Wabtec's Policies

- At Wabtec, we believe that we are not only responsible for doing things right, but that it's our obligation to do the right things. We act with integrity and treat every employee, customer, and vendor with trust and respect. Guiding our actions are the following responsible business policies, procedures, and practices, including those that address modern slavery and human trafficking in our business operations and supply chain.
- 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. The Policy includes specific commitments to undertake ongoing due diligence to identify, prevent and mitigate any adverse impacts of our activities and provide access to remedies through effective reporting mechanisms.
- Wabtec business units utilize standard terms and conditions for suppliers, which incorporate by reference 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.
- In March 2021, Wabtec launched a new [Code of Business Conduct and Ethics \("Code of Conduct"\)](#), which outlines Wabtec's commitment to compliance, integrity, and fairness. Our Code of Conduct, which applies to all employees and contingent workers, is the cornerstone of our Global Compliance Program and requires all personnel to behave fairly and compliantly in their dealings with customers, suppliers, other third parties, and each other. Among other things, the Code of Conduct reaffirms Wabtec's respect for human rights, links to our Human Rights Policy, and encourages employees to raise concerns about suspected human rights violations in our supply chain.

- 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. Wabtec’s implementing guidelines outline the procedure to operationalize the Conflict Minerals Policy. If suppliers are deemed to have product-risk tied to conflict minerals, they are required to submit their internal policies and control plans to Wabtec.

#### **Section 4: Supply Chain Due Diligence**

Wabtec strives to ensure compliance with its policies through a rigorous due diligence program reaching throughout our supply chain. Our **Responsible Supplier Assessment** program is designed to prevent and address modern slavery from occurring within our supply chain. Based on risk assessments performed by our business units, Wabtec uses a variety of supplier assessment tools to evaluate compliance with human rights practices, including onboarding questionnaires, desktop supplier assessments, as well as periodic onsite supplier audits in High-Risk Countries pursuant to the Wabtec Freight Equipment & Service’s Responsible Supplier Assessment Policy. High-Risk Countries are defined as countries which have been deemed to have weak or limited controls and/or measures to prevent non-compliance with international standards for human rights or other labor protections. This definition incorporates country-specific information and data from governmental, international NGO, and industry standards related to human rights risks.

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). Wabtec will continue to run the list of suppliers against this database on a rolling basis to ensure no new risks are added to the supplier pool.

Moreover, Wabtec conducts 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 across the approximately 27,500 suppliers identified in Section 3 above. As part of this initial segmentation, Wabtec audited a subsection of its suppliers of the higher risk population of direct material suppliers to Wabtec. These audits seek to ensure that the human rights, labor, and safety of the workforce are being respected. Suppliers with significant findings must address them in a timely manner or Wabtec will take further action, including the potential termination of the relationship with the supplier. To date, no findings from suppliers audited within Wabtec required actions to exit the relationship with a supplier.

Further, in 2021, Wabtec initiated a self-assessment questionnaire focused on modern slavery and human rights risks to evaluate high-risk country suppliers. Our initiation of self-assessments and assessment of results/findings are ongoing. For suppliers where we identify policy and/or other programmatic gaps, we will request that those suppliers implement a corrective action plan and provide us documentation to demonstrate that the findings are closed.

#### **Section 5: Assessing the Effectiveness of Wabtec’s Actions**

Wabtec’s Modern Slavery program recognizes the importance of taking steps to identify and remediate any findings or concerns identified during our supply chain due diligence.

Wabtec employees and external stakeholders are encouraged to raise any concerns through multiple open reporting channels, including our open reporting hotline, “**Speak Up Wabtec!**”, that is available in local languages and is administered through a third-party. Any form of retaliation against concern raisers is prohibited. Wabtec investigates all concerns promptly and objectively. If a violation by a supplier is confirmed, Wabtec requires the supplier to take corrective action or an alternative supplier will be identified.

Lastly, Wabtec continues to measure our program effectiveness, including but not limited to:

- (1) Measuring the number of the suppliers surveyed or audited;
- (2) Tracking to closure any significant red flags raised through the RPL screening;
- (3) Terminating the relationships with suppliers with significant non-compliance;
- (4) Tracking the number of concerns raised regarding modern slavery or human rights;
- (5) Measuring the penetration of our supplier contract terms and conditions addressing modern slavery and human rights; and,
- (6) Documenting any specific findings tied to red flags, supplier corrective actions tracked to closure, and suppliers exited due to continued non-compliance with Wabtec’s Human Rights Policy.

## **Section 6: Training and Awareness**

Wabtec acknowledges that our ability to mitigate and combat modern slavery strongly depends on our employees’ ability to identify, escalate, and address human rights and modern slavery issues. In March 2021, Wabtec provided an all-employee communication, reinforcing Wabtec’s commitment to Human Rights and further instructing employees to, among other things, “not condone and strive to eliminate all forms of forced, prison or indentured labor, slavery, human trafficking, and child labor.” The Wabtec Code of Conduct, referenced in Section 3 above, is available in English and multiple other languages. Employees are required to acknowledge that they have received, read, and understood the Code of Conduct. Further, Wabtec is providing Code of Conduct training to all employees. In addition, we are exploring a training initiative for our Sourcing employees to complete a module to help build their awareness of global modern slavery and human trafficking, so they are in a better position to understand, identify, report, and address risks and incidents.

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This statement was approved by the Board of Wabtec Corporation.

Date: July 20, 2021