Forward-looking statements & non-GAAP financial information

This communication contains “forward-looking” statements as that term is defined in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended by the Private Securities Litigation Reform Act of 1995, including statements regarding the impact of acquisitions by Wabtec, including the acquisition of GE Transportation (the “GE Transportation merger”) and Nordco, statements regarding Wabtec’s expectations about future sales and earnings and statements about the impact of evolving global conditions on Wabtec’s business. All statements, other than historical facts, including statements synergies and other benefits from acquisitions; statements regarding Wabtec’s plans, objectives, expectations and intentions; and statements regarding macro-economic conditions and evolving production and demand conditions; and any assumptions underlying any of the foregoing, are forward-looking statements. Forward-looking statements concern future circumstances and results and other statements that are not historical facts and are sometimes identified by the words “may,” “will,” “should,” “potential,” “intend,” “expect,” “endeavor,” “seek,” “anticipate,” “estimate,” “overestimate,” “underestimate,” “believe,” “could,” “project,” “predict,” “continue,” “target” or other similar words or expressions. Forward-looking statements are based upon current plans, estimates and expectations that 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. The inclusion of such statements should not be regarded as a representation that such plans, estimates or expectations will be achieved. Important factors that could cause actual results to differ materially from such plans, estimates or expectations include, among others, (1) unexpected costs, charges or expenses resulting from acquisitions, including the GE Transportation merger; (2) uncertainty of Wabtec’s expected financial performance; (3) failure to realize the anticipated benefits of acquisitions, including as a result of integrating acquired targets into Wabtec; (4) Wabtec’s ability to implement its business strategy; (5) difficulties and delays in achieving revenue and cost synergies; (6) inability to retain and hire key personnel; (7) evolving legal, regulatory and tax regimes; (8) changes in general economic and/or industry specific conditions, including the impacts of tax and tariff programs, supply chain disruptions, industry consolidation and changes in the financial condition or operating strategies of our customers; (9) changes in the expected timing of projects; (10) a decrease in freight or passenger rail traffic; (11) an increase in manufacturing costs; (12) actions by third parties, including government agencies; (13) the severity and duration of the evolving COVID-19 pandemic and the resulting impact on the global economy and, in particular, our customers, suppliers and end-markets; (14) the imposition of economic sanctions on Russia resulting from the invasion of Ukraine could lead to disruption, instability, and volatility in global markets and negatively impact our operations and financial performance; and (15) other risk factors as detailed from time to time in Wabtec’s reports filed with the SEC, including Wabtec’s annual report on Form 10-K, periodic quarterly reports on Form 10-Q, periodic current reports on Form 8-K and other documents filed with the SEC. The foregoing list of important factors is not exclusive. Any forward-looking statements speak only as of the date of this communication. Wabtec does not undertake any obligation to update any forward-looking statements, whether as a result of new information or development, future events or otherwise, except as required by law. Readers are cautioned not to place undue reliance on any of these forward-looking statements.

This presentation mentions certain non-GAAP financial performance measures, including adjusted gross profit, adjusted operating expenses, adjusted income from operations, adjusted interest and other expense, adjusted operating margin, adjusted income tax expense, adjusted effective tax rate, adjusted earnings per diluted share, EBITDA and adjusted EBITDA, net debt and operating cash flow conversion rate. Wabtec defines EBITDA as earnings before interest, taxes, depreciation and amortization. Wabtec defines operating cash flow conversion as net cash provided by operating activities divided by net income plus depreciation and amortization including deferred debt cost amortization. While Wabtec believes these are useful supplemental measures for investors, they are not presented in accordance with GAAP. Investors should not consider non-GAAP measures in isolation or as a substitute for net income, cash flows from operations, or any other items calculated in accordance with GAAP. In addition, the non-GAAP financial measures included in this presentation have inherent material limitations as performance measures because they add back certain expenses incurred by the company to GAAP financial measures, resulting in those expenses not being taken into account in the applicable non-GAAP financial measure. Because not all companies use identical calculations, Wabtec’s presentation of non-GAAP financial measures may not be comparable to other similarly titled measures of other companies. Included in this presentation are reconciliation tables that provide details about how adjusted results relate to GAAP results. Wabtec is not presenting a quantitative reconciliation of its forecasted GAAP earnings per diluted share to forecasted adjusted earnings per diluted share as it is unable to predict with reasonable certainty and without unreasonable effort the impact and timing restructuring-related expenses and the outcome of certain regulatory, legal and tax matters; the financial impact of these items is uncertain and is dependent on various factors, including the timing, and could be material to Wabtec’s Consolidated Statement of Earnings.
WABTEC

Our agenda

Wabtec Overview & Our Path Forward
Rafael Santana
President & CEO

Portfolio Spotlights

Technology
Eric Gebhardt
Chief Technology Officer

Unleashing Further Growth
Gina Trombley
Executive Vice President & Chief Commercial Officer – Americas

Global Operations
Greg Sbrocco
Executive Vice President, Global Operations

Market-Led Growth Drivers

Segment Overview
Rafael Santana
President & CEO

Equipment
Rogerio Mendonca
President, Equipment

Services
Pascal Schweitzer
President, Services

Components
Mike Fetsko
President, Components

Digital Electronics
Nalin Jain
President, Digital Electronics

Transit
Lilian Leroux
President, Transit

Disciplined Value Creation

Closing Comments
Rafael Santana
President & CEO

Q&A
What you will hear today

01 Portfolio positioned to drive long-term profitable growth

02 Innovative, sustainable technologies expanding Wabtec’s market size

03 Growth strategy driving strong cash flow and margin expansion

04 Strong business fundamentals driving long-term value creation for shareholders
Leadership team

**WABTEC**

**DAVE DENINO**
Executive Vice President, General Counsel & Secretary

**MIKE FETSKO**
President, Components

**ERIC GEBHARDT**
Executive Vice President & Chief Technology Officer

**NALIN JAIN**
President, Digital Electronics

**LILIAN LEROUX**
Executive Vice President, & Chief Commercial Officer – Americas

**ROGERIO MENDONCA**
President, Equipment

**JOHN OLIN**
Executive Vice President Finance & Chief Financial Officer

**RAFAEL SANTANA**
President & Chief Executive Officer

**GREG SBROCCO**
Executive Vice President, Global Operations

**PASCAL SCHWEITZER**
President, Services

**NICOLE THEOPHILUS**
Executive Vice President & Chief Human Resources Officer

**GINA TROMBLEY**
Executive Vice President, & Chief Commercial Officer – Americas
OUR PURPOSE IS CLEAR

Move and improve the world
We’re committed to creating a more sustainable future

**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 a diverse and inclusive culture and investing in the communities where our teams live and work.
Delivering strong financial performance

**$250M**
GE Transportation synergy run-rate achieved 15 months ahead of schedule

**310 BPS**
Transit margin increase

**~$500M**
Investment in strategic M&A... Nordco, Relco, MASU

**6-7%**
Annual investment in technology (% of rev.)

**2.5x**
Adjusted net debt EBITDA leverage ratio (down from 3.0 post-merger)\(^{(1)}\)

**~$800M**
Share repurchases and dividends returned to shareholders

**~$3B**
Cash generated for an average cash conversion of over 100%

---

Net debt is defined as total debt minus cash and cash equivalents; adjusted leverage is defined as net debt divided by adjusted EBITDA
Building a solid foundation for growth

**Integration of 3 Rail Leaders**
- Merged 3 market-leading rail companies
- Delivered on $250M synergies 15 months ahead schedule

**Cultural Transformation**
- Strengthened Company leadership
- Meritocracy... pay for performance
- Strengthened talent framework
- Focus on diversity and inclusion

**Navigated Through the Trough of the Market**
- Covid-19, global supply chain, and labor disruptions
- Reduced capital budgets by railroads / PSR
- Zero locomotive orders in NAM
- Freight carloads down... storage up
- Transit ridership declines

**Invested in the Future of Rail**
- Modernization business scaled
- International expansion / execution
- Digital and energy management
- ESG focus and acceleration

**Well-Positioned to Grow, Leverage Company’s Infrastructure, Drive Productivity and Generate Cash**
Wabtec is well-positioned to lead the industry and deliver shareholder value.

WHERE WE HAVE BEEN

2019-2021
Lay the foundation

2022-2023
Lead the recovery

2024+
Deliver the future of sustainable rail

WHERE WE ARE

WHERE WE ARE GOING
Where we are... leading the recovery

**MARKET CONDITIONS**

- Strong international pipeline... Australia, Brazil, Egypt, CIS
- Reduced parking of locos and freight car build recovery in NAM
- Transit operating levels improving in high speed, regional/metro
- Continued global infrastructure spending on sustainable rail

- Significant inflationary pressures and labor shortages
- Continued customer CapEx / OpEx constraints... orders continue to push out
- COVID volatility remains... ridership volumes and budget constraints pressuring Transit

**KEY ASSUMPTIONS**

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2022-2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>Locos</td>
<td>—</td>
<td>++</td>
</tr>
<tr>
<td># Parkings</td>
<td>+</td>
<td>+</td>
</tr>
<tr>
<td>Mods</td>
<td>++</td>
<td>++</td>
</tr>
<tr>
<td>NAM Freight Car Build</td>
<td>—</td>
<td>+</td>
</tr>
<tr>
<td>Transit Rolling Stock</td>
<td>—</td>
<td>+</td>
</tr>
<tr>
<td>Mining Wheels</td>
<td>++</td>
<td>++</td>
</tr>
</tbody>
</table>

**IMPROVING INDUSTRY FUNDAMENTALS**
Where we are going... lead the future of sustainable rail

CUSTOMER GOALS:
PRODUCTIVITY, GROWTH, SUSTAINABILITY

CUSTOMER OUTCOMES
LOWER OPERATING RATIO
+ CO$_2$ REDUCTION

OPPORTUNITY TO GROW REVENUE AND EARNINGS FASTER THAN INDUSTRY VOLUMES
Value creation framework for delivering the future of rail

Extending the lead as #1 rail technology company in the world

Drivers of Portfolio Optimization and Growth

1. Accelerate innovation of scalable technologies
   Build high-margin, innovative and scalable products to increase customer productivity, automation, utilization, and capacity

2. Grow and refresh expansive global installed base
   Increase share across asset lifecycle (Locos/Mining, Freight Cars & Transit)

3. Lead decarbonization of rail
   Drive the industry in innovative, low-carbon technologies and transformative solutions

4. Expand high-margin recurring revenue streams
   Increase revenues and expand margins while reducing exposure to economic cycles

5. Drive continuous operational improvement
   Accelerate Lean; drive cost competitiveness; deploy capital efficiently; build a stronger, better Wabtec
#1 Accelerate innovation of scalable technologies

~6–7% target annual organic investment in technology as % of sales

ENHANCE EXISTING PRODUCTS

INVENT, TEST AND SCALE FUTURE TECHNOLOGIES
#2 Grow and refresh expansive global installed base

**LOCOMOTIVE MARKET**

<table>
<thead>
<tr>
<th>Region</th>
<th>IB</th>
<th>Age (years)</th>
<th>WAB%</th>
<th>2022-2026</th>
</tr>
</thead>
<tbody>
<tr>
<td>NORTH AMERICA</td>
<td>31K</td>
<td>20</td>
<td>51%</td>
<td></td>
</tr>
<tr>
<td>APAC</td>
<td>20K</td>
<td>16</td>
<td>9%</td>
<td></td>
</tr>
<tr>
<td>RUSSIA/CIS/EU</td>
<td>47K</td>
<td>22</td>
<td>3%</td>
<td></td>
</tr>
<tr>
<td>LATAM</td>
<td>3K</td>
<td>19</td>
<td>61%</td>
<td></td>
</tr>
<tr>
<td>SUB-SAHARAN AFRICA</td>
<td>4K</td>
<td>17</td>
<td>28%</td>
<td></td>
</tr>
</tbody>
</table>

Customers projected to spend **1-1.5X** the original price of loco on service alone

**TRANSIT**
- Opportunity for pantograph pull through on FLXdrive
- High-margin friction products

**DIGITAL ELECTRONICS**
- Pull-through content of up to $250K per new loco
- Recurring software services

**FREIGHT SERVICES**
- 120+ service events over asset life
- >1,000 Mod units in operation
- High market share with Class I customers

**FREIGHT CAR COMPONENTS**
- Average $6K+ on freight car
- Opportunity to pull through new deliveries, manufacturing & aftermarket sales
Lead the decarbonization of rail

Growing Demand

2x

Global demand for transport growing fast... freight and passenger activity projected to grow more than double by 2050

Today

Carbon Reduction
75% reduction in carbon emissions per ton-mile than trucking

Safer
22x fewer deaths and injuries per year than trucking

More Efficient
3-4x more fuel efficient than trucking

Environmental Impact

~300M Tons

Annual CO₂ Reduction Globally

Decarbonization drives strong customer returns

FLXdrive
Price
2-3x vs. T4

ROI
Double-digit returns

Sources: AAR sustainability Fact Sheet, Wabtec internal data
Expand high-margin recurring revenue streams

Driven by expansive installed base of locomotives and significant content on transit / freight cars

Includes service businesses, replacement parts, software licenses, digital services and consumables

~60% OF COMPANY PROFIT DRIVEN BY RECURRING REVENUES

* 2021 FY results
#5 Drive continuous operational improvement

**ACCELERATE LEAN**
Deliver best-in-class manufacturing cost productivity and material cost deflation

>90% on-time delivery

Engineering productivity focus; yr/yr cost improvement

>20% flexible workforce capacity

Achieve over-the-cycle working capital cycle improvement

**DRIVE COST COMPETITIVENESS**

~135 manufacturing sites... drive best cost footprint

>25% sites in best-cost countries

>30% of engineers in best-cost countries

“Should cost” analysis & competitive product benchmarking

**CAPITAL EFFICIENCY METRICS**

<table>
<thead>
<tr>
<th>Continual Focus on Fixed Asset Productivity</th>
<th>Improve ROIC</th>
<th>Cash Conversion in Line With Long-Term Targets</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.9 2019</td>
<td>3.3% 2019</td>
<td>141% 2019</td>
</tr>
<tr>
<td>4.7 2020</td>
<td>3.7% 2020</td>
<td>89% 2020</td>
</tr>
<tr>
<td>5.3 2021</td>
<td>4.6% 2021</td>
<td>102% 2021</td>
</tr>
</tbody>
</table>

Total net sales/property, plant, and equipment, net
Operational rigor underpins financial performance
Continued disciplined capital deployment

**CAPITAL DEPLOYMENT PRIORITIES**

- **Maintain Strong Balance Sheet**
  *Maintain investment-grade rating*

- **Invest In Sustainable Growth**
  *R&D and CapEx*

- **Increase Dividends**
  *$0.03 quarterly dividend increase in Q1 ‘22*

- **Supplement Organic Growth with M&A**
  *Portfolio optimization; accretive investments*

- **Repurchase Shares**
  *Return excess cash through repurchases*

**CAPITAL DEPLOYMENT PLAN (2022-2026)**

**ACCRETIVE EARNINGS → STRONG CASH FLOW CONVERSION → REINVEST & RETURN**
Attractive long-term financial profile

Resiliency tested and validated over past 5 years; proven track record of delivering growth

Attractive end markets... building momentum, renewal of locomotive fleets, strong and growing backlog

Leading market position and innovative, customer-focused solutions across major rail and industrial segments

Exceptional quality and reliability delivering leading market shares

Disciplined capital deployment generating strong returns

5-YEAR OUTLOOK

MSD CORE ORGANIC GROWTH CAGR

+ 250-300 BPS MARGIN EXPANSION

= DISCIPLINED CAPITAL DEPLOYMENT

= DOUBLE-DIGIT EPS GROWTH WITH STRONG OPERATING CASH FLOW CONVERSION (90% + )
Key takeaways

**Attractive long-term investment** with a clear profitable growth model

**Strong organic growth profile** driven by our industry-leading installed base and services

Relentless focus on **innovation, customer productivity, efficiency and safety**

Unwavering focus on and **commitment to execution**

Demonstrated ability to deliver **strong cash flow generation and margin expansion**

**Disciplined capital allocation** with strategic alignment to our core capabilities
Technology
Global technology leadership and scale

LEGACY OF ONGOING INVENTION ... FROM FOUNDERS TO TODAY

1869 Westinghouse Air Brake Company founded
1880 Thomas Edison conducts first test of the electrified railway
1923 Faiveley introduced pantograph
1995 Introduced AC electric drive system for mining trucks
2004 Introduced Electronic Train Management System (ETMS)
2009 Launched Trip Optimizer™ and Movement Planner
2020 Introduced advanced Metroflexx braking system
2021 Launched first long-haul battery-electric diesel locomotive

TECHNOLOGY

AMERICAS
~1,600

EUROPE
~1,100

ASIA/OCEANIA
~1,300

4,000+ Engineers
25+ Years Avg. Experience
(leadership team)
7,000+ Patents*

* Includes issued and non-issued patents
Focused on making customers more productive while achieving sustainability goals

**TECHNOLOGY**

**EQUIPMENT**

*Objective*
- Reliability
- Power / haulability
- Fuel efficiency
- Carbon reduction

**TRAIN OPERATIONS**

*Objective*
- Automation
- Smart train & network optimization
- Improved train handling

**CUSTOMER OUTCOMES**

- **LOWER OPERATING RATIO** + **CO₂ REDUCTION**

**ECONOMIC PATHS TO REDUCE CO₂ ARE CRITICAL FOR CUSTOMERS**
Customer science-based targets for CO₂ reduction

TECHNOLOGY

TECHNOLOGY BENEFIT FOR CUSTOMERS

<table>
<thead>
<tr>
<th>TECHNOLOGY</th>
<th>CO₂ BENEFIT</th>
<th>COST BENEFIT</th>
</tr>
</thead>
<tbody>
<tr>
<td>UPGRADE</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trip Optimizer</td>
<td>+</td>
<td>+++</td>
</tr>
<tr>
<td>Engine Advantage</td>
<td>+</td>
<td>+++</td>
</tr>
<tr>
<td>OPERATIONAL</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Biodiesel 20%</td>
<td>+</td>
<td>+</td>
</tr>
<tr>
<td>Renewable Diesel</td>
<td>++</td>
<td>-</td>
</tr>
<tr>
<td>NEW ASSET</td>
<td></td>
<td></td>
</tr>
<tr>
<td>FLXdrive Consist</td>
<td>++</td>
<td>+</td>
</tr>
<tr>
<td>Hydrogen</td>
<td>+++</td>
<td>-/+</td>
</tr>
</tbody>
</table>

% CO₂ REDUCTION TARGET

- 2021 Achievement to Date
- Remaining to Target

2021 Achievement to Date
Remaining to Target
**Impact**

**Up To ~30%**

Reduction in diesel emissions and fuel utilization

- 22% efficiencies today ... 18% EPA certified

**Products**

**Integrated Fuel Optimization**

Movement Planner
LOCOTROL
Trip Optimizer Platform

---

**Capability Evolution**

3% → 4%
Fuel savings across the enterprise network

4% → 6%
Fuel savings on distributed power trains

15% → 22%
Fuel savings per locomotive

**Movement Planner**

Optimizes the use of slack time to reduce overall fuel consumption

**Locotrol**

Optimizes the distribution of power to reduce total horsepower required

**Trip Optimizer Suite**

Plans the most fuel efficient way to arrive on time

*Non-EPA certified reductions reflect current estimates*
Engine advantage

FDL - ADVANTAGE

>5% fuel savings
Leverage high-pressure common rail
Available now

EVO - ADVANTAGE

>5% fuel savings
Harvest exhaust energy
Available 2023-25

* Fuel reductions reflect current estimates

DELIVERING SIGNIFICANT EFFICIENCY AND GHG REDUCTIONS
Systems focus ... the Wabtec differentiator

**WABTEC VS THE COMPETITION**

<table>
<thead>
<tr>
<th></th>
<th>ENERGY MGT</th>
<th>Haulage</th>
<th>RELIABILITY</th>
<th>NA FREIGHT UNITS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tier 4</td>
<td>+++</td>
<td>+</td>
<td>++</td>
<td>&gt;1,000 vs &lt;100</td>
</tr>
<tr>
<td>Mods</td>
<td>+++</td>
<td>++</td>
<td>+++</td>
<td>~1,200 vs ~100</td>
</tr>
</tbody>
</table>

**PRODUCTS OPTIMIZED FOR**
- Safety & reliability
- Fleet integration
- Performance & efficiency
- Overall life cycle cost

**TECHNOLOGY**

World-class systems optimization driving market advantage
Bio/renewable diesel

FULL WABTEC ENGINE PORTFOLIO
BIO DIESEL DEVELOPMENT PLAN

FDL Fleet  EVO Fleet

BIODIESEL
B5 / R30 TODAY

20% BIODIESEL
55% + HDRD

Industry partnership to validate performance, durability, and emissions impact

ADVANCING DIESEL TECHNOLOGY FOR REDUCED EMISSIONS
FLXdrive development progress

**FLXDRIVE 2.0 VS 1.0**

- Energy Density: +++
- Battery Life Cycle Cost: +++
- Fuel & CO₂ Reduction: +++

**WABTEC + GM TECHNOLOGY**
**DELIVERING BEST IN CLASS:**
- Safety
- Overall system performance
- Reliability
- Locomotive layout & maintainability
- Ongoing product evolution
- Life cycle cost & recycling

**STRATEGIC INVESTMENTS ACCELERATING FLX PORTFOLIO COMPETITIVENESS**
Alternative propulsion – hydrogen

**TECHNOLOGY OPTIONS**

**H₂ FOR FREIGHT**

- Longer range option for low/zero emissions
- Fuel generation cost ↓ through public & private investment
- Complementary to FLX technology... hybrid unit + hybrid consist

**PATH TO A ZERO-EMISSION RAIL NETWORK**
### Locomotive technology road map for sustainability

<table>
<thead>
<tr>
<th>Year</th>
<th>Diesel Electric</th>
<th>Battery (Hybrid Consist)</th>
<th>Hydrogen</th>
<th>Digital</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>TIER 4 intro</td>
<td>BEL Demo</td>
<td>FLX H2 Demo</td>
<td>BIOFUELS B5</td>
</tr>
<tr>
<td></td>
<td>MODS</td>
<td>FLX drive 2.0</td>
<td>FLX H2 HHP/tender</td>
<td>B20</td>
</tr>
<tr>
<td>2021</td>
<td>FDL Advantage</td>
<td>FLXswitch</td>
<td>Switcher / Short line</td>
<td>MOVEMENT PLANNER</td>
</tr>
<tr>
<td></td>
<td>EVO Advantage</td>
<td>FLXhybrid</td>
<td>Main line locomotive</td>
<td>LOCOTROL</td>
</tr>
<tr>
<td></td>
<td></td>
<td>FLX drive 3.0</td>
<td>~4MW fuel cell; 1 MWh battery; ICE</td>
<td>TRIP OPTIMIZER SUITE</td>
</tr>
<tr>
<td>2026</td>
<td></td>
<td></td>
<td>Up to 92%</td>
<td>Up to 30%</td>
</tr>
<tr>
<td>2030+</td>
<td></td>
<td></td>
<td>Up to 40%</td>
<td>~8%</td>
</tr>
</tbody>
</table>

**CO₂ REDUCTION TARGET**

- Diesel Electric: ~5-8%
- Battery (Hybrid Consist): Up to 40%
- Hydrogen: Up to 92%
- Digital: Up to 30%
Unlocking further growth
Market for rail continues to expand

KEY TRENDS INFLUENCING GROWTH

Increased **focus on environmental sustainability** and decarbonization

**Improved rail infrastructure** ... enabling economic growth in developing regions. In NA, increased government funding and Class I CAPEX

**Digitization and automation** driving improvements in productivity and efficiency

**Continued urbanization and globalization** driving greater overall demand for freight and passenger transportation

GLOBAL RAIL FORECAST

Consistent, positive outlook ahead for next 15+ years.

RAIL FREIGHT & PASSENGER TRAFFIC EXPECTED TO DOUBLE BY 2050 ... LED BY INCREASED INFRASTRUCTURE INVESTMENT & FOCUS ON ESG

Railroads well-positioned to expand share vs. truck

**GLOBAL RAIL VS. ROAD OUTLOOK**

Key Rail battleground

- **2050**: Rail Freight (40), Road Freight (30)
- **2030**: Rail Freight (35), Road Freight (25)
- **2020**: Rail Freight (30), Road Freight (20)
- **2015**: Rail Freight (25), Road Freight (15)

Flexible share represents ~50M carloads, ~$400B revenue

**CUSTOMER INITIATIVES TO GAIN SHARE**

- **Sustain existing share and focus on customer needs** to capture flexible freight commodities
- **Create a diversified supply chain and railcar visibility** to help shippers handle variability in demand
- **Collaborate with the government on key policies** focused on decarbonization and automation
- **Invest in cleaner energy, and digitalization** to improve transport efficiency and reduce shipper scope 3 emissions
- **Accelerate the adoption of automation technologies** to unlock latent capacity, efficiency and cost gains

Assumed Class I Rail operations to calculate these metrics

**PRODUCTIVITY, EFFICIENCY, & SUSTAINABILITY TO CAPTURE “FLEXIBLE SHARE”**
Freight railroad imperatives

1 **PRODUCTIVITY**

<table>
<thead>
<tr>
<th>OPERATING RATIO %</th>
<th>CLASS I</th>
<th>INT'L PRIVATE</th>
<th>STATE-OWNED</th>
</tr>
</thead>
<tbody>
<tr>
<td>&gt;80%</td>
<td>70-75%</td>
<td>&lt;60%</td>
<td></td>
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</tbody>
</table>

Safety and productivity
Asset utilization
Fuel efficiency

2 **GROWTH**

<table>
<thead>
<tr>
<th>PROJECTED FREIGHT CAGR %</th>
<th>2021</th>
<th>2030</th>
<th>2050</th>
</tr>
</thead>
<tbody>
<tr>
<td>GLOBAL TON-KM</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2-3%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3-4%</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Improved visibility/reliability
Supply chain integration/resilience
Asset/network optimization to unlock latent capacity

3 **SUSTAINABILITY**

<table>
<thead>
<tr>
<th>PROJECTED MODAL SHIFT RAIL VS ROAD</th>
<th>2020</th>
<th>2030</th>
<th>2050</th>
</tr>
</thead>
<tbody>
<tr>
<td>RAIL</td>
<td>33%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ROAD</td>
<td></td>
<td>36%</td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td></td>
<td>40%</td>
</tr>
</tbody>
</table>

Rail more energy efficient
Reduce road congestion
Economically attractive alternative power

Wabtec enabling NAM railroads competitiveness

<table>
<thead>
<tr>
<th></th>
<th>2000</th>
<th>2019 (PRE-COVID)</th>
<th>V%</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUE TON MILE (B)</strong></td>
<td>1,466</td>
<td>1,614</td>
<td>+10%</td>
</tr>
<tr>
<td><strong>FUEL GALLONS PER 1000 RTM</strong></td>
<td>2.4</td>
<td>2.1</td>
<td>(16)%</td>
</tr>
<tr>
<td><strong>EMPLOYEE PER 1000 RTM</strong></td>
<td>114.8</td>
<td>86.7</td>
<td>(25)%</td>
</tr>
</tbody>
</table>

**GO-FORWARD OUTCOMES CLASS I LOCOMOTIVE ILLUSTRATIVE EXAMPLE**

- Gross ton mile per locomotive for AC adoption: 20%
- Fuel consumption for T1 to T4 conversion: ~8%
- In carbon emissions through FLXdrive in a consist: up to 40%
- Longer trains driven by Class I AC adoption: 36%
- Reliability improvement from modernization: 40%

Sources: FTR January Report

In carbon emissions through FLXdrive in a consist up to 40%
Reimagining rail yards ... impacting rail communities

**THE YARD SOLUTION**

- **01 ELECTRIFY ASSETS**
  - Tangible immediate impact on emissions reduction

- **02 IMPROVE CAPACITY & ENHANCE SAFETY**
  - Create capacity in yards to handle variability in demand & loads from trucks

- **03 FOCUS ON EFFICIENCY & THROUGHPUT**
  - Derive insights from operations to minimize waste & enhance safety

---

**LOCAL SOCIAL IMPACT (ILLUSTRATIVE EXAMPLE)**

Annual estimate for converting a yard with 20 Tier 1 Switchers

- **70% REDUCTION IN LOCOMOTIVE NOISE**
- **10K TONS OF CO2 ELIMINATED = 2K CARS OFF THE HIGHWAY**
- **4T / 190T**
  - 4 TONS OF PARTICULATE MATTER & 190 TONS OF NITROGEN OXIDES
- **Local**
  - PARTNER WITH COMMUNITIES TRADE SCHOOLS
GREG SBROCCO

Global Operations
Wabtec operating model

**AREA OF EXCELLENCE**

**PEOPLE DEVELOPMENT**
- Talent reviews & succession planning
- Talent acquisition & leadership
- Employee learning & development

**STRATEGY**
- Strategic annual planning
- M&A

**INNOVATION**
- IP strategy & protection
- Technology incubation/disruption
- Investment in strong IRR projects & products

**COMMERCIAL EXCELLENCE**
- Strategic selling process
- Customer knowledge & relationships
- Commercial operations (bidding & contracting)

**OPERATIONAL EXCELLENCE**
- Strategic sourcing
- Productivity & footprint optimization
- Working capital efficiency

**FINANCE**
- Annual operating plan
- Safeguarding assets & asset utilization
- Balanced capital allocation and returns to shareholders

**PRODUCT & PROJECT MANAGEMENT**
- Rigorous tollgate process
- Multi-generational product plan
- Enterprise view
Wabtec operating model... operational excellence

CULTURE
Of shared values and mindset of problem solving and continuous improvement

STRATEGY DEVELOPMENT

OPERATIONAL EXCELLENCE

QUALITY & RELIABILITY

SAFETY & SUSTAINABILITY

CUSTOMER COMMITMENTS

COAST OPTIMIZATION

INDUSTRY 4.0

CORE OF COMMON KPI

WABTEC MANAGEMENT SYSTEM

CADENCE
Operating reviews monitoring pulse.... Site and division level
Responsible operations

Employee safety

Regulatory compliance excellence

Environmentally responsible manufacturing

Leadership development

SAFETY AND SUSTAINABILITY 2021 RESULTS

2030 GOAL

~30% REDUCTION*

SAFETY YEARS OF INJURY RATE REDUCTIONS (12 OF 13 YEARS)

12

GHG REDUCTION IN GHG SCOPE 1&2 EMISSIONS 2020 VS 2019

12%

ENERGY INTENSITY REDUCTION IN ENERGY INTENSITY 2020 VS 2019

18%

* Reduction goal reflects targeted safety, GHG, and energy intensity targets outlined in Wabtec’s 2021 Sustainability Report
Quality + reliability

**WHAT**

Best in class quality performance

Prevention & responsiveness

Minimizing waste & rework

**HOW**

Continuous improvement mindset

Knowledge sharing

Fleet performance monitoring + prognostics

Commercial partnerships and risk-based commercial tollgates

Continuous improvement and automation

Leadership engagement, rigor and reviews

Measure key process indicators

Exceeding customer expectations by 20% on 95% Loco fleet

15% Avg cost of quality reduction over last 3 years

Driving for continuous customer satisfaction... delivering quality as a differentiator
## Customer commitments

<table>
<thead>
<tr>
<th>WHAT</th>
<th>HOW</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Strategy and Planning</strong></td>
<td>Strategic commodity evaluations (<em>geographic &amp; sole/single source</em>)</td>
</tr>
<tr>
<td></td>
<td>Business planning/lean rigor (<em>forecasting, scheduling, inventory, labor planning excellence &amp; tollgate adherence</em>)</td>
</tr>
<tr>
<td><strong>Risk Mitigation</strong></td>
<td>Monitoring (<em>tools to proactively monitor supply base spend across risks: business continuity, geopolitical, financial health</em>)</td>
</tr>
<tr>
<td></td>
<td>“What if” planning (<em>mitigation activities of critical materials risks and shop disruptions</em>)</td>
</tr>
<tr>
<td><strong>Delivery</strong></td>
<td>Customer focus (<em>on-time delivery to support our customers and enable future growth</em>)</td>
</tr>
</tbody>
</table>
Cost optimization

<table>
<thead>
<tr>
<th>WHAT</th>
<th>HOW</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufacturing competitiveness</td>
<td>Lean/continuous improvement and industry 4.0</td>
</tr>
<tr>
<td></td>
<td>Rooftop reductions, make vs. buy, local production</td>
</tr>
<tr>
<td>Material cost reduction</td>
<td>Should-cost analysis, total landed cost, low-cost country</td>
</tr>
<tr>
<td></td>
<td>Supplier cost reduction ideas, long-term contracts with shared benefits</td>
</tr>
<tr>
<td>Connected production cycle</td>
<td>Rigorous planning and evaluation connected to sales through delivery</td>
</tr>
<tr>
<td>(quote to delivery)</td>
<td>3-D model-based engineering designs, connected systems to enable change management</td>
</tr>
<tr>
<td>Value-add process enablement</td>
<td>System and tools to eliminate/automate transactional work</td>
</tr>
</tbody>
</table>

GLOBAL OPS

3-5%  
HISTORICAL AVERAGE MANUFACTURING VARIABLE COST PRODUCTIVITY / YEAR SINCE 2019

2-3%  
HISTORICAL AVERAGE MATERIAL COST DEFLATION / YEAR SINCE 2019 (excl. commodities)

30%   
ROOFTOP REDUCTION SINCE GE TRANSPORTATION ACQUISITION

PROVEN TRACK RECORD OF MARGIN EXPANSION THROUGH PROGRAMMATIC COST REDUCTION AND EFFICIENT EXECUTION
Spotlight on: Lean and continuous improvement

Wabtec views Lean as the way:

- We align on strategic deployment
- We unify the “One Wabtec Culture”
- We problem solve and eliminate waste
- We drive productivity
- We drive velocity in cycle and responsiveness

Leader led... team ownership

Lean is being embedded into Wabtec’s culture and fundamental to how we execute our strategy

Expanding Transformational Lean and Driving Continuous Improvement Mindset

Transformational Lean by 2025

90% COGS Coverage

Progress to Date

33% COGS Coverage
Spotlight on consolidation and integration

GE TRANSPORTATION
SYNERGY PLAN
Consolidated operations...120 sites reduced
Exited GE Services Agreement.....100+ workstreams
Eliminated headcount redundancy
Consolidated material/service buy
Vertical integration of product lines

INTEGRATION ENABLEMENT
Transit transformation initiated
Intercompany transfer pricing
ERP migration
Common chart of accounts
Outsourcing many back-office operations
Deployment of manufacturing centers playbook
Systems harmonization

$250M
DElIVERED 15 MONTHS AHEAD OF PLAN

STRONG DELIVERY ON LONG-TERM BUSINESS OPTIMIZATION PLAN...INCREASING COMMITMENT TO DELIVER ADDITIONAL VALUE
GLOBAL OPS

Ready to embark on next phase of restructuring

INTEGRATION 2.0
CONSOLIDATE / STREAMLINE / SIMPLIFY

CONSOLIDATE FOOTPRINT
15+ facilities
Headcount redundancy
Office/facility rationalization

STREAMLINE MANUFACTURING
Restructure NAM distribution
Reman localization
Best-Cost-Country capacity expansion

SIMPPLY THROUGH SYSTEMS ENABLEMENT
Rewire Indirect Source-to-Pay
Data/process simplification

$135-165M EXPENSE*
$25M NON-CASH

$75-90M ADDITIONAL BENEFIT
TARGETED BY 2025

* Restructuring expense and one-time charges
Wabtec’s business segments
Wabtec operates its business in two segments:

- **Freight:** 67%
  - 31% Services
  - 17% Equipment
  - 11% Components
  - 8% Digital Electronics

- **Transit:** 33%
  - 33% Transit

**Portfolio:** $7.8B

- **50+ Countries**
- **~25k Employees**

Global leader in freight and transit rail technologies.
Industry-leading scale across major rail segments

MARKET LEADER IN FREIGHT LOCOMOTIVES

BROADEST TRANSIT PRODUCT PORTFOLIO IN INDUSTRY

1st HEAVY-HAUL BATTERY-ELECTRIC LOCOMOTIVE

RAIL SUPPLIER TO CAR BUILDERS

LEADER IN FUEL EFFICIENCY AND ENERGY MANAGEMENT

LEADER IN LOCO MODERNIZATIONS

LEADER IN FRICTION PRODUCTS
**Wabtec has been a partner in rail innovation for over 150 years**

<table>
<thead>
<tr>
<th>FREIGHT SEGMENT</th>
<th>TRANSIT SEGMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>EQUIPMENT</strong></td>
<td><strong>SERVICES</strong></td>
</tr>
<tr>
<td>~20%</td>
<td>~1.5B</td>
</tr>
<tr>
<td>Of the world’s rail freight is moved by a Wabtec locomotive</td>
<td>Miles traveled by Wabtec’s fleet of locomotives in 2021</td>
</tr>
<tr>
<td><strong>COMPONENTS</strong></td>
<td><strong>DIGITAL ELECTRONICS</strong></td>
</tr>
<tr>
<td>~20%</td>
<td>$1.3B</td>
</tr>
<tr>
<td>Of global freight cars have Wabtec products on them</td>
<td>Of fuel savings achieved through Wabtec’s digital solutions</td>
</tr>
<tr>
<td><strong>TRANSIT</strong></td>
<td></td>
</tr>
<tr>
<td>&gt;90%</td>
<td></td>
</tr>
<tr>
<td>Provide equipment to nearly every major transit system in the world*</td>
<td></td>
</tr>
</tbody>
</table>

* In accessible transit markets
Source: Internal Wabtec data
Attractive revenue profile

**Attractive End Markets**
- 34% Freight
- 16% Transit
- 50% All Other (Industrial and Mining)

**Robust Aftermarket Portfolio**
- 58% Aftermarket
- 42% OE

**Broad Scale in Global Markets**
- 53% Americas (42% in U.S.)
- 29% EMEA
- 18% APAC

**Strong Mix of Recurring Revenues**
- 41% Non-Recurring
- 59% Recurring

*2021 FY results*

**Strong Global Industrial Portfolio with Track Record of Innovation and Significant Recurring Revenue**
Primary growth drivers

1. Rail cycle recovery
2. International expansion / share gains
3. Increase customer productivity, capacity and safety
   - Locomotive fleet renewal
   - Innovative digital technology
   - Lead decarbonization of rail
4. Integration 2.0
5. Strategic M&A
Equipment
Diversified global base to drive growth

**EQUIPMENT**

**REVENUE BY END MARKET**
- 44% Locomotive
- 56% Mining, Marine, Drilling, Other

**REVENUE BY GEOGRAPHY**
- 39% Americas
- 24% EMEA
- 37% APAC

**AFTERMARKET REVENUE**
- 17% OE
- 83% Aftermarket

**2021 REVENUE**
- $1.3B

**RECURRING REVENUE**
- 13% Non-Recurring
- 87% Recurring

*2021 FY results
<table>
<thead>
<tr>
<th>INDUSTRY TRENDS</th>
<th>STRATEGY IN ACTION</th>
<th>ROAD AHEAD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intermodal growth</td>
<td>• Best-in-class Tier 4 technology</td>
<td>• Continue strong international orders</td>
</tr>
<tr>
<td>Decarbonization, sustainability, automation</td>
<td>• Alternative fuels for internal combustion</td>
<td>• North American fleet upgrade</td>
</tr>
<tr>
<td>Government funding</td>
<td>• FLXdrive locomotives leading decarbonization</td>
<td>• Accelerate FLXdrive adoption</td>
</tr>
<tr>
<td>Mining electrification</td>
<td>• Mining truck systems flexibility to alternative power sources</td>
<td>• Hybrid solutions for ICE locomotive</td>
</tr>
<tr>
<td></td>
<td>• Integration with Digital portfolio</td>
<td>• Mining truck renewal and growth</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Hydrogen solutions ... ICE, fuel cell</td>
</tr>
</tbody>
</table>
Primary growth drivers

1. INTERNATIONAL DIESEL ELECTRIC GROWTH
   Commodities and global trade
   Leverage local partnerships

2. NORTH AMERICA FLEET UPGRADE
   Intermodal growth
   Aging fleet
   Higher haulage and efficiency needs

3. EXPAND FLXDRIVE WINS - CAPITALIZE ON GHG GOALS
   Product design fit for application, energy & power needs
   Investor oversight to progress on decarbonization
   Successful deployment of FLXdrive launch orders

4. CAPTURE GROWTH IN NEW SEGMENTS
   Leverage FLX technology for shunting applications
   Zero emissions opens door to Europe
   Government & local funding

5. SURFACE MINING TRUCK ELECTRIFICATION & FLEET RENEWAL... VOLUME UP
   Trolley assist & power agnostic propulsion
   Sustained copper & iron ore production growth
**Locomotive international markets**

**STRATEGY IN ACTION**

- International fleet renewal & upgrades with EVO technology
- Strategic partnership for light weight applications
- Expand battery electric mainline & switcher
- Drive supply chain productivity through regional footprint

**GROWTH DRIVERS**

**AUSTRALIA**
- Mining growth
- Decarbonization targets

**BRAZIL**
- New concessions
- Agriculture growth

**INDIA**
- Economic growth
- Dedicated freight corridors

**CIS**
- Gateway Asia → Europe
- Fleet renewal & efficiency

**INTERNATIONAL FLEETS GROWING 5% CAGR SINCE 2016... WELL-POSITIONED TO CAPITALIZE ON CONTINUED GROWTH**
North America fleet renewal opportunity

FLEET PROFILE

FLEET BY EMISSION

FLEET BY TRACTION

CUSTOMER OUTCOMES

1 PRODUCTIVITY
AC traction
Reliability

2 FUEL EFFICIENCY
Engine improvements
Digital solutions

3 SUSTAINABILITY
Alternative fuel
New technology

CONTINUE TO INVEST/GROW THE CORE DIESEL ELECTRIC

STRATEGY IN ACTION

Enable & support alternative fuels

Continue to invest in fuel improvement technologies

Hybrid battery upgrade for additional fuel & GHG reduction

Enabling locomotive automation with Modular control architecture

Leverage regulation & subsidies
Growth driven by fleet renewal & technology mix

**Drivers**
- Efficiency w/ AC
- Fuel economy
- GHG SBTi targets
- Low impact to operations

- Operational flexibility
- 20% GHG ↓
- Technology readiness
- Fleet productivity

**Fleet Renewal**
- Mainline & Switcher

**Technology Drivers**
- Alternative Tech (incl. Battery + Hydrogen)
- Diesel

**Fleet Transition**
- 2030
- 2040
- 2050

**Technology Readiness**
- Net zero commitments
- Technology maturity
- Infrastructure availability

**Equipment**

**Transition to More Efficient and Sustainable Fleet**
# Commercialization of FLXdrive 2.0

<table>
<thead>
<tr>
<th></th>
<th>2018-2021</th>
<th>2020-2023</th>
<th>2024+</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>SUCCESSFUL CARB DEMO</strong></td>
<td>FLXdrive 1.0</td>
<td>FLXdrive 2.0</td>
<td>FLXdrive 3.0</td>
</tr>
<tr>
<td></td>
<td>2.4 MWh</td>
<td>7-8 MWh</td>
<td>EXPAND PORTFOLIO &amp; PARTNERS</td>
</tr>
<tr>
<td></td>
<td>10%+ fuel &amp; emissions savings</td>
<td>20-30% fuel &amp; emissions savings</td>
<td>FLXswitch 4 axle</td>
</tr>
<tr>
<td>FLXdrive pilot</td>
<td>Spanned &gt;13,000 miles</td>
<td>FLXswitch</td>
<td>Industrial and short lines</td>
</tr>
<tr>
<td></td>
<td>6,000 gallons of fuel saved</td>
<td>2-4 MWh</td>
<td>Tier 4 Hybrid</td>
</tr>
<tr>
<td></td>
<td>0 major failures</td>
<td>Local yard emissions</td>
<td>Diesel hybrid</td>
</tr>
<tr>
<td></td>
<td></td>
<td>MWh</td>
<td>Integrated charging solutions</td>
</tr>
<tr>
<td>Hybrid Transit</td>
<td></td>
<td>700 kWh</td>
<td>Wabtec FLX Smart Control Interface</td>
</tr>
<tr>
<td></td>
<td>Fuel &amp; emissions</td>
<td></td>
<td>Moving AC Charging Option</td>
</tr>
</tbody>
</table>

**SOLUTIONS TO HELP ACHIEVE CUSTOMER DECARBONIZATION GOALS**
FLX value proposition

WABTEC DIFFERENCE

**RAIL PURPOSE BATTERY**

1. **Reliability & serviceability**... designed for heavy haul application
2. **Safety**... battery thermal management pack and design
3. **Future Proof**... modular design

**TRAIN PERFORMANCE & AUTOMATION**

1. **FLX optimizer**... train-level energy management
2. **Modular Control Architecture**... next gen micro-processing with over-the-air capability
3. **PTC**... #1 train safety

**FLX360 ECOSYSTEM**

1. **Up to 40% fuel savings on battery consist** ... “zero cost fuel” through regenerative breaking
2. **Recharging solutions**... smart control interface and moving charging
3. **Sustainability**... battery pack remanufacturing, renewable electricity, battery recycling

LEVERAGING PORTFOLIO TO DELIVER AN OPTIMIZED TOTAL ENGINEERED SYSTEM
## Comprehensive locomotive portfolio... short & long term

<table>
<thead>
<tr>
<th>TECHNOLOGY</th>
<th>DIESEL ELECTRIC</th>
<th>ALTERNATIVE FUELS</th>
<th>BATTERY ELECTRIC</th>
<th>FUEL CELL ELECTRIC</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>DIESEL, HYBRID OPTION</td>
<td>BIO, HDRD, LNG</td>
<td>REGEN, PLUG-IN</td>
<td>HYDROGEN</td>
</tr>
<tr>
<td>KEY METRICS</td>
<td>Fuel efficiency</td>
<td>Emissions &amp; sustainability</td>
<td>Safety &amp; energy optimization</td>
<td>Performance Relaxibility</td>
</tr>
<tr>
<td></td>
<td>Reliability</td>
<td>Reliability</td>
<td>Operational flexibility</td>
<td>H2 fuel price &amp; carbon intensity</td>
</tr>
<tr>
<td></td>
<td>Availability</td>
<td>Availability</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>OUTCOME</th>
<th>FUEL ECONOMY &amp; GHG REDUCTION</th>
<th>SHORT-MEDIUM TERM GHG ↓</th>
<th>ZERO-EMISSION &amp; SAVE ENERGY</th>
<th>ZERO-EMISSION &amp; RANGE</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>EXTERNAL FACTORS</th>
<th>POLICY &amp; INCENTIVES</th>
<th>INVESTMENTS &amp; CAPACITY</th>
<th>PARTNERSHIPS &amp; ECOSYSTEM</th>
</tr>
</thead>
</table>

**INVESTING IN BALANCED PORTFOLIO TO PROVIDE CUSTOMER PRODUCTIVITY AND DECARBONIZATION**
## Mining truck propulsion path to electrification

<table>
<thead>
<tr>
<th>Prime Mover</th>
<th>Diesel Power</th>
<th>Hybrid Power</th>
<th>Electric Power</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><strong>Diesel Engine Only</strong></td>
<td><strong>Diesel Engine &amp; Battery</strong></td>
<td><strong>Trolley Assist, Battery, Fuel Cell</strong></td>
</tr>
<tr>
<td>Propulsion</td>
<td><strong>Electric, Mechanical</strong></td>
<td><strong>Electric</strong></td>
<td><strong>Electric-Power Agnostic</strong></td>
</tr>
<tr>
<td>Electric Drive Advantage</td>
<td>Fuel efficiency</td>
<td>Recapture energy</td>
<td>Easy transition to zero emissions</td>
</tr>
<tr>
<td></td>
<td>Lower maintenance</td>
<td>Lower emissions</td>
<td>Lower noise</td>
</tr>
<tr>
<td></td>
<td>Better traction, 4-wheel drive</td>
<td>Boost or auxiliary power from battery</td>
<td>Lower life cycle cost</td>
</tr>
<tr>
<td></td>
<td>Supports automation</td>
<td></td>
<td>Higher productivity</td>
</tr>
</tbody>
</table>

**WABTEC at the Center of Surface Truck Electrification**
Key takeaways

01 Globally positioned for locomotive and mining growth, fleet renewal and supply chain productivity

02 Introducing new technologies to accelerate customer transition to cleaner power

03 Proven technologies that deliver safety, reliability, productivity and reduced emissions

04 Leverage partnerships to accelerate technology development
Accelerating growth across Services

**Revenue by geography**
- North America: 80%
- EMEA: 8%
- APAC: 4%
- LATAM: 8%

**Revenue by end market**
- Freight Maintenance: 18%
- Modernizations: 8%
- Maintenance of Way: 74%

**Aftermarket revenue**
- OE: 22%
- Aftermarket: 78%

**Recurring revenue**
- Recurring: 32%
- Non-recurring: 68%

**2021 revenue**
- $2.4B

*2021 FY results*
Business dynamics

INDUSTRY TRENDS

• Relentless focus on safety, cost, and productivity
• ESG fast becoming top priority for customers
• Improving intermodal product to drive road to rail

STRATEGY IN ACTION

• Leverage technology to achieve targeted outcomes ... partner with customers around comprehensive fleet strategies
• Grow MoW to enable productivity gains in engineering
• LEAN and cost reduction

ROAD AHEAD

• Introduce new solutions targeting younger fleets
• Leverage data analytics and new tools to invent the services of the future
• Leverage fleet growth to continue international expansion -- Egypt, India, CIS

A UNIQUE SERVICE FRANCHISE
Primary growth drivers

MODERNIZATIONS
Fleet transformation (haulage, reliability, fuel, & carbon) through modernizations to help customers achieve operational outcomes

MAINTENANCE TECHNOLOGIES
Asset management, material management, remote monitoring and technical advisory capabilities

GLOBAL REMANUFACTURING
20+ global remanufacturing locations for critical components including engines & traction motors

PERFORMANCE UPGRADES
Leveraging technology to deliver on fuel efficiency and reliability

MAINTENANCE OF WAY
Diverse portfolio of maintenance equipment and material movers to support the rail industry

INTERNATIONAL EXPANSION
Accelerating portfolio footprint specifically across APAC & CIS regions
Modernizations

Maximize asset value and fleet performance by transforming 20+ year old locomotives to extend life and step-change their performance.

Solutions jointly defined with each customer based on modular technology building blocks.

Enabling structural changes in railroad dispatch strategies.

CUSTOMER OUTCOMES*
50% more tractive effort
25% less fuel & carbon
40% more reliability

WABTEC IMPACT
Developed and scaled Mods business
Turning underutilized assets into preferred fleet
Significant content pull-through
Customer partner of choice

LOOKING AHEAD
15,000+ available market | <10% penetration
Install Wabtec T4 engine on competitor’s switcher
Alternative fuels
Alternative energy: battery, hydrogen, fuel cell

* Source: Internal Wabtec data
Leading rail technical innovation

Developing solutions that align with our customers’ desired outcomes, with a focus on operating ratio savings – fuel, asset availability, and labor

**PRIME MOVER**
T4 engine family with best reliability and no aftertreatment
FDL Advantage offering 5-8% fuel efficiency
Safe batteries and fuel cells

**PROPULSION**
AC traction
Individual axle control and high tractive effort software
Improved gearcase with no oil leakage

**CONTROLS**
MCA
Digital suite of solutions

**RELIABILITY AND AVAILABILITY**
Predictive maintenance
Work scopes customized at asset level; 50% less shop dwell
Locomotive allocation to priority trains
International expansion

Organized territory coverage supporting fleet expansion while leveraging scale

INDIA
Introducing world-class fleet maintenance
2 fully designed, staffed and operated maintenance sheds
Dedicated remote monitoring and diagnostics center...reliability team delivering world-class performance

AUSTRALIA
Leveraging technology to decarbonize mining fleet

KAZAKHSTAN
Full-fledged maintenance and engineering capabilities
Parts distribution
Engine overhauls

SERVICES

Homebase

Execution center capabilities: commercial and customer support; application engineering; parts distribution; remanufacturing

Other markets with locomotives in service
FLXdrive will accelerate Services growth

Accelerated growth of battery locomotive fleet presents Services with a sizeable growth opportunity

Integrated system designed for safety, reliability, performance, and maintainability … proprietary spares

Service support key to the successful launch and early performance

Battery lifecycle economics attractive to customer and Wabtec

Total lifecycle cost (including fuel) lower than diesel-electric locomotive … higher lifecycle service revenue

Opportunity to leverage battery technology for next generation of Modernization … 70% of DC-to-AC content reusable

POSITIONED AS PREFERED SERVICE PROVIDER FOR BATTERY TECHNOLOGY
Maintenance of way... path to accelerate growth

GROWTH STREAMS

01 INNOVATION
New Product Introduction
- Electrification – decarbonization
- Automation – labor & productivity

02 EXPANSION
Leverage Wabtec relationships & footprint to increase penetration with Class 1 & international customers

03 M&A
Acquire technology that complements existing portfolio

NORDCO IS A STRONG PLATFORM FOR GROWTH THROUGH WORLD-CLASS PRODUCTS AND ENGINEERING
Key takeaways

01. Fast-growing, high-quality recurring revenues through cycles

02. Clear path for further growth: leveraging the fleet; continued innovation; international expansion

03. Nordco is a strong foundation to grow in maintenance of way
MIKE FETSKO

Components
Diversified portfolio brings new growth

**Revenue by End Market**
- 40% Freight / Other
- 60% Industrial

**Revenue by Geography**
- 73% Americas
- 18% EMEA
- 9% APAC

**Aftermarket Revenue**
- 53% OE
- 47% Aftermarket

**2021 Revenue**
- $0.9B

**Recurring Revenue**
- 29% Non-Recurring
- 71% Recurring

*2021 FY results*
## INDUSTRY TRENDS

- Recovering demand for freight cars and locomotive builds
- Strong industrial end markets
- International expansion & market growth ... APAC, LATAM, INDIA, EMEA
- Increasing demand for clean energy solutions

## STRATEGY IN ACTION

- Leverage Wabtec products to expand North American freight car market share
- Expand content pull-through on locomotives
- Drive innovation into new products and solutions
- Extend core competencies and technologies into new industrial applications/products
- Increase international market share of freight and industrial components

## ROAD AHEAD

- Market demand and penetration driving profitable freight and locomotive products growth
- Developing technologies to drive profitable growth in existing and new industrial markets
- Continued focus on operational improvement & portfolio rationalization
- M&A focused on extending reach and acquiring new technology
COMPONENTS

Primary growth drivers

STRENGTHEN OUR CORE IN NORTH AMERICA
Package freight car product offerings with car builders
Leverage full Wabtec portfolio in aftermarket
Consolidate industrial go-to-market approach

DRIVE INNOVATION INTO NEW PRODUCTS & SOLUTIONS
Sensing/digitalization to improve product performance
Health monitoring to reduce maintenance cycles
Apply advanced material technology to engine cooling

INTERNATIONAL EXPANSION USING ONE WABTEC NETWORK
Freight and loco opportunities in LATAM, APAC, India, and EMEA
Industrial expansion and global partnerships to support ESG
Scaling and developing new products for wind, grid solutions, carbon reduction, and energy storage

CONTINUOUS OPERATIONAL IMPROVEMENT
Leverage best-cost country sources
Rationalize and simplify structure to drive profitability
Footprint consolidation to drive out duplication
Well-positioned to capitalize on increasing North American car build volume.

**North American Car Build Volume**

- **2019**: 58K
- **2020**: 33K
- **2021**: 30K
- **2022F**: >40K

**Historical 10-Year Average**: 54K

Increasing railcar build +
Strong share position +
Operating leverage

**Revenue Growth and Margin Accretion**
The power of one Wabtec

COMPONENTS

BATTERY PACK

AIR COMPRESSOR

COUPLERS

HVAC

CONTROL SYSTEM

POWER SUPPLY

BOGIE BRAKE EQUIPMENT

AIR BRAKE
Industrial growth opportunities

**MARKET TRENDS**

Global shift to renewable energy sources to drive decarbonization

Growing demand for data centers & power generation

Industry transition to advanced material technology for engine cooling

Product innovation & productivity for next-gen turbochargers

**WABTEC STRATEGY**

Capture market share ... leveraging bundled product packages

Capitalize renewables growth with new / existing products

Displace competition with aluminum brazing technology

Enhance strategic partnerships with selective end-customers

Launch new products to facilitate customer productivity
International growth opportunities

**FREIGHT AND INDUSTRIAL**
- Growing international opportunities in APAC, LATAM, India, and EMEA
- Leveraging one Wabtec to scale across the globe
- Develop strategic partnerships to win international share

**FREIGHT REVENUE BY GEOGRAPHY**
- 85% North America
- 15% International

**INDUSTRIAL REVENUE BY GEOGRAPHY**
- 48% North America
- 52% International

* 2021 FY results
Key takeaways

01. Well-positioned to drive profitable growth over growing freight & locomotive demand globally

02. Leverage consolidated industrial go-to-market strategy to grow share in traditional and emerging end markets in domestic and international regions

03. Push our strong innovative product development pipeline to help customers improve safety and operational efficiency with cost-efficient solutions

04. Grow profitability through continuous improvement culture by driving Lean and cost-out
NALIN JAIN

Digital Electronics
Connecting the physical + digital rail logistics network
Well-positioned for growth

$0.6B
2021 REVENUE

**REVENUE BY GEOGRAPHY**

- North America: 75%
- ANZ: 6%
- LATAM: 4%
- Rest of World: 4%

**REVENUE BY END MARKET**

- Train Automation: 15%
- Offboard, Back Office: 41%
- Adjacencies: 44%

**RECURRING REVENUE**

- Non-Recurring: 70%
- Recurring: 30%

* 2021 FY results
Business dynamics

**INDUSTRY TRENDS**

- Continued productivity
- Focus on sustainability
- Changing mix... increasing role of Intermodal
- Continued investment on safety
- Growing investment around asset management... rolling stock, track

**STRATEGY IN ACTION**

- Leveraging installed base to expand recurring revenues (SaaS and subscription models)
- Next-gen products & enhancements driving growth
- Grow in international markets
- Expand portfolio offering and grow in adjacent markets

**ROAD AHEAD**

- Continued R&D investment in Automation
- International focus on LATAM, APAC, Europe
- Growth in asset management and logistics solutions
- Bolt-on M&A ... drive increased customer value

**UNPARALLELED PORTFOLIO OF DIGITAL PRODUCTS AND SOLUTIONS ENABLING PRODUCTIVITY AND SUSTAINABILITY FOR CUSTOMERS**
Digital solutions impact operations and fuel emissions

**INTEGRATED PRODUCT SUITE**

- Trip Optimizer Suite
- Locotrol Platform
- PTC
- Network Solutions

**FUEL OPTIMIZATION**

**ESG IMPACT**

**UP TO ~30%**

- Reduction in diesel emissions and fuel utilization
- CO₂/NOx/PM

**PRODUCTIVITY IMPACT**

- Asset utilization
- Fuel savings
- Crew utilization

**HELPING CUSTOMERS MEET ESG & PRODUCTIVITY COMMITMENTS**
Primary growth drivers

**LEVERAGE PTC**
PTC 2.0, precision reference, moving block; NAM upgrades & international expansion

**EXPAND TRIP OPTIMIZER**
Zero-to-Zero & Smart Horse Power/Ton (SHPT); TO on non-Wabtec locos, FLXDrive, Alt fuels

**EVOLVE LOCOTROL PLATFORM**
Locotrol Expanded Architecture (LXA); Road Remote Control Locomotive (RoadRCL); Drone Trains

**NEXT-GEN NETWORK SOLUTIONS**
Precision Dispatch 2.0, migrate to Cloud Pacing, Service Design & Yard Planner

**INTERNATIONAL MARKETS**
Expand digital capabilities across Latin America, Europe, and Asia Pacific

**KEY ADJACENCIES**
Expand reach in digital mining; logistics, asset management & analytics
Pillar apps are foundation for 2-3x industry growth

**STRONG NORTH AMERICA PRODUCT PENETRATION**

- **94%** Penetrated
- **93%** Penetrated
- **73%** Penetrated
- **100%** Penetrated

- **TO Platform on Wabtec Fleet**
- **Locotrol Platform**
- **Network/TMS Solutions**
- **PTC USA**

**NEW PRODUCT PENETRATION OPPORTUNITIES**

- **5%** Penetrated
- **10%** Penetrated
- **12%** Penetrated
- **2%** Penetrated

- **TO New Products**
- **LOCOTROL New Products**
- **New Network/TMS Products**
- **PTC International & Additional Features (US)**

**KEY PRODUCT AREAS**

- **FUEL EFFICIENCY**
  Energy Management

- **TERMINAL DWELL**
  Remote Control Locomotive

- **LABOR OPTIMIZATION**
  Drone Control, Remote Control Locomotive, Energy Management, PTC

- **ASSET UTILIZATION**
  Distributed Power
Automation will unlock the next generation of PSR

- **Technology Foundation**
  - PTC
  - Trip Optimizer
  - Distributed Power
  - Movement Planner

- **Attended Automation**
  - PTC + Trip Optimizer
  - Zero-to-Zero
  - SmartHPT
  - Pacing

- **Path To Crew Efficiencies**
  - Advanced Dispatch
  - Road RCL-Drone Train
  - Vital Standalone PTC
  - Yard Automation
  - 5G Communication

- **Full Automation**
  - Full Situational Awareness
  - High Availability Systems

Up to:

- **25%** Reduction in Train Delays
- **50%** Potential Productivity Savings
- **75%** Reduction in Accidents Due to Human Errors
- **30%** Fuel Efficiency Improvement
Leveraging PTC, TO and Track IQ to drive international expansion

**GROWING DEMAND**

2\times

On track toward goal of increasing international sales 2X over 5 years

Market-leading position... long-term service agreements driving recurring revenues

International market opportunity to expand PTC and other Digital technologies
Key takeaways

01 Digital expected to grow 2-3X the industry growth rate

02 Leverage digital pillar-apps and enhancements to drive recurring revenues

03 International expansion led by PTC, Trip Optimizer and Track IQ

04 Bolt-on M&As to drive increased customer value
Safety, efficiency & passenger comfort

**REVENUE BY END MARKET**

- Transit Systems: 53%
- Services: 42%
- Industrial: 5%

**REVENUE BY GEOGRAPHY**

- Americas: 20%
- EMEA: 17%
- APAC: 63%

**AFTERMARKET REVENUE**

- OE: 54%
- Aftermarket: 46%

**RECURRING REVENUE**

- Non-Recurring: 40%
- Recurring: 60%

*$2.6B 2021 REVENUE

* 2021 FY results
INDUSTRY TRENDS

- Beneficiary of worldwide climate economic policies
- Rail digitization and train automation
- Transit operators and car builders seeking efficiencies and OPEX optimization
- Ridership expected to increase in post-Covid era

STRATEGY IN ACTION

- Lead innovation:
  - Breakthrough sustainable solutions
  - Productivity gains to transit operators
- Journey to automation and digitization
- Drive productivity through lean culture and integration 2.0

ROAD AHEAD

- Product development focused on sustainability
- Digitalization of operations, digital asset management, and solutions for automated trains
- Journey to mid-teens adjusted EBIT

ENABLING THE SHIFT TO RAIL
Primary growth drivers

1. **GOVERNMENT FUNDING ... FUELING TRANSIT TRANSPORT**
   Investment in rail technologies to decarbonize transport and reduce congestion

2. **INNOVATION AND SCALABLE TECHNOLOGIES**
   Enhancing train performance; maintenance optimization through digitization for transit operators

3. **SHIFT TO GREEN ... SUSTAINABILITY AND ESG**
   Suite of energy management, pollution/CO2 reduction, charging, and electrification solutions

4. **SERVICES**
   Leveraging a significant install base and wide geographic footprint to help transit operators gain efficiencies, reliability, and productivity
Government funding, decarbonizing passenger transport

**TAILWIND TO TRANSIT SYSTEMS PORTFOLIO**

- **U.S.**
  - $109B over 5 years for passenger

- **EUROPEAN UNION**
  - $63B in 2021-2026 for rail

- **GERMANY**
  - $95B in 2020-2030 for rail

- **INDIA**
  - $330B in 2021-2051 for passenger

---

**UNIQUELY POSITIONED TO CAPTURE GROWTH ACROSS VAST PORTFOLIO AND GEOGRAPHICAL REACH**

- **PASSENGER RAIL**
  - (28 CO2/PKM)

- **ROAD**
  - (102 CO2/PKM)

- **AIR**
  - (244 CO2/PKM)
Enhancing train performance

LATEST PORTFOLIO OF RAIL TECHNOLOGIES DELIVERS SIGNIFICANT IMPROVEMENTS

12% PRODUCT WEIGHT REDUCTION... 3 TONS PER TRAIN

20-25% LIFECYCLE COST REDUCTION

15% ENERGY REDUCTION

DIGITALIZATION EXPECTED TO REDUCE LIFE CYCLE COSTS BY AN ADDITIONAL 20%

Comparison of the current generation of Brakes, HVAC, Doors, Couplers, and Passenger Information Systems offered vs previous generations.
Source, internal analysis based on an illustrative EMU and metro
Innovations supporting a more attractive commute

**GREEN FRICTION**
Reduce brake dust and emissions by up to 90%

**METROFLEXX & REGIOFLEXX**
Industry’s most advanced braking system ... 50% less weight, 95% recyclability, greater performance

**GREEN AIR**
1st air conditioning system using natural R290 refrigerant

**BLUEFILTER**
Removes more than 99.9% of contaminants in minutes
Redefining braking distance to improve performance, reduce cost and prepare for automation

**PRODUCTIVITY GAINS**

*Wabtec Distance Master*

- Breakthrough braking performance in fall and winter conditions
- 90% reduction in braking distance degradation
- 50% reduction in costs generated by wheel sliding
- Improve train availability, punctuality, and assets utilization for transit operators

**WITH BRAKING DISTANCE REDUCTION**

<table>
<thead>
<tr>
<th></th>
<th>Dry braking distance</th>
<th>Braking distance degradation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current norm max extension (12 axles)</td>
<td>+ 20%</td>
<td></td>
</tr>
<tr>
<td>Standard Wabtec Solution</td>
<td>+ 12%</td>
<td></td>
</tr>
<tr>
<td>Partial Wabtec Distance Master</td>
<td>+ 6%</td>
<td></td>
</tr>
<tr>
<td>Wabtec Distance Master</td>
<td>+0.4 %</td>
<td></td>
</tr>
</tbody>
</table>

*Results evaluated in low conditions adhesion (0.05-0.08) according to EN15595*
Spotlight on adjacent opportunities: charging and electrification solutions
SUCCESSFULLY TURNED AROUND BUSINESS AND CONTINUING JOURNEY TO MID-TEENS ADJUSTED EBIT MARGINS

• Backlog margin ↑
• Project execution ↑
• Engineering in best-cost countries ↑
• Cost of poor quality ↓
• Lean and integration 2.0 ↑

Adjusted numbers represent non-GAAP financial metrics, see appendix for additional details and reconciliations.
Key takeaways

01 Driving lean culture to continuously improve operations and competitiveness

02 Transit rail is benefitting from government transport policies

03 Sustainability and productivity... new technology as differentiator to win share

04 Leveraging installed base and footprint to capture attractive and profitable growth
Disciplined value creation
Attractive long-term financial profile

Resiliency tested and validated over past 5 years; proven track record of delivering growth

Attractive end markets... building momentum, renewal of locomotive fleets, strong and growing backlog

Leading market position and innovative, customer-focused solutions across major rail and industrial segments

Exceptional quality and reliability delivering leading market shares

Disciplined capital deployment generating strong returns
Path to the future... maximize shareholder value

**Drivers**

**Invest in the Business**
Driving long-term profitable growth

- Deploy proven strategies / exploit growth drivers
- Execute on increasing backlog
- Mix headwinds driven by fleet renewal
- Invest in innovative technologies that drive profitable growth
- Best-in-class productivity & integration

**Invest in the Future**
Through M&A with strategic fit & accretive returns

- M&A as core competency
- Strategic markets... bolt-ons, adjacencies
- Attractive assets / end markets that drive growth
- Valuations that are accretive to earnings and ROIC

**Return Value to Shareholders**
Through disciplined capital allocation

- Capital allocation priorities
- Increasing asset productivity
- Improving ROIC
- Robust cash generation and cash flow
Delivering profitable growth

**Strategy Deployment**

- Accelerate innovation of scalable technology
- Grow & refresh expansive installed base
- Lead decarbonization of rail
- Expand high-margin recurring revenue streams
- Drive continuous operational improvement

**Growth Drivers**

- Rail cycle recovery
- Increase customer productivity, capacity and safety
  - Locomotive fleet renewal
  - Innovative digital technology
  - Lead decarbonization of rail
- International expansion / share gains
- Best-in-class productivity
- Integration 2.0

DEPLOYING PROVEN STRATEGIES WHILE EXECUTING ON GROWTH DRIVERS
Expanding long-term backlog while converting near-term orders

‘20 - ‘21 BACKLOG ($B)

- 2020: $21.6
- 2021: $22.2 (+5 pts of coverage ‘22 vs ‘21)
- 2026: $5.5

$8.7B in orders in 2021... $5.9B in Freight and $2.8B in Transit

13.5% increase in 12-month backlog

75% of 2022 midpoint revenue guidance covered in backlog...
5 points higher than 2021

MULTI-YEAR BACKLOG PROVIDES STABILITY AND VISIBILITY
Mix dynamics changing as industry renews aging locomotive fleet

PRODUCT MIX

Margin Drivers
- Digital Electronics
- Services
- Components
- Equipment
- Transit

MARGIN ACCRETION

5-YEAR GROWTH EXPECTATIONS

Sensitivity to the cycle
- Equipment: High
- Digital Electronics: Medium
- Services: Low
- Transit: Low
- Components: High

EQUIPMENT + DIGITAL TO GROW FASTER THAN AVERAGE ACROSS WABTEC PORTFOLIO
Investing in the core business

**CAPITAL**
Funding business model with capex of ~2% of revenue
Managing working capital investment below 20% of sales

**TECHNOLOGY**
Continue to invest in engineering & technology at ~6-7% of sales
Invest-in-the-future technology breakthroughs
Product innovation
Engineering as a competitive advantage

**HIGH RETURNS ON CAPITAL DEPLOYMENT**

**LONG-TERM PROFITABLE GROWTH**

**DRIVING STRONG RETURNS ON CAPITAL AND TECHNOLOGY INVESTMENTS**
Best-in-class productivity and aggressive cost management

**Continuous Improvement**
Objective: Cover normal cost inflation and drive sustainable margin expansion

**Manufacturing Productivity**
Continuous improvement & lean initiatives
Best cost country
Quality improvement

**Manufacturing Absorption**

**Supply chain & deflation projects**
Purchasing efficiencies
“Should” cost
Low-cost sourcing

**Non-manufacturing cost reductions**
Engineering efficiencies
Office productivity

**Consolidation & Integration**
Objective: Drive sustainable margin expansion

**GE Transportation synergies**
Achieved $250M of run-rate synergies 15-months ahead of schedule

**Integration 2.0**
Target benefit of $75-90M by 2025
- Consolidate footprint
- Streamline manufacturing
- Simplify through systems enablement
Future revenue growth target

**ANNUAL REVENUE GROWTH EXPECTATIONS:**
**MID-SINGLE DIGITS**

**UNDERLYING RAIL INDUSTRY GROWTH TRENDS**
- Freight carloads
- Railcar build
- Passenger ridership
- Economic strength (GDP)

**ACCELERATED GROWTH**
- Share gains in portfolio
- International expansion
- Technology-driven growth
- Digital revenue growth 2-3X industry

**LONG-TERM LOCO FLEET RENEWAL**
- Mods
- Tier 4
- Alternative fuels
- Battery electric

**WABTEC**
Sales growth expected to drive incremental margins of 25-30% based on Wabtec’s fixed-cost structure.
Growing sales and aggressive cost management expected to expand adjusted margins

5-YEAR ADJUSTED MARGIN IMPROVEMENT
250 – 300 BPS

CAPITAL & TECHNOLOGY INVESTMENT
Strong IRR capital projects
Technology to expand margins

REVENUE GROWTH
MSD annual growth CAGR
Opportunistic pricing
International expansion

COST IMPROVEMENT
Continuous improvement, lean
Integration 2.0 savings of $75-$90M
Manufacturing fixed cost absorption
Path to the future ... maximize shareholder value

**INVEST IN THE BUSINESS**
Driving long-term profitable growth

- Deploy proven strategies / exploit growth drivers
- Execute on increasing backlog
- Mix headwinds driven by fleet renewal
- Invest in innovative technologies that drive profitable growth
- Best-in-class productivity & integration

**INVEST IN THE FUTURE**
Through M&A with strategic fit & accretive returns

- M&A as core competency
- Strategic markets... Bolt-ons, adjacencies
- Attractive assets / end markets that drive growth
- Valuations that are accretive to earnings and ROIC

**RETURN VALUE TO SHAREHOLDERS**
Through disciplined capital allocation

- Capital allocation priorities
- Increasing asset productivity
- Improving ROIC
- Robust cash generation and cash flow
**Invest in the future through strategic M&A**

### STRATEGIC MARKETS

- Bolt-ons/adjacencies focused on:
  - Highly engineered products
  - Rail & industrial services
  - Digital technologies & solutions
- Secular growth profile/sustainable end-markets
- Geographic reach
- High aftermarket & recurring revenue streams
- Complimentary customer base & technologies

### COMPELLING VALUATIONS

- Accretive earnings within 2 years
- ROIC enhancing (ROIC > WACC)
- Above-average synergies (% of revenue)
- Similar capital intensity / working capital requirements to core business

### ATTRACTIVE ASSETS

- Complements Wabtec’s strategic plan
- Revenue growth and/or margin enhancement
- Highly competitive market position
  - Product leadership
  - Technology & engineering leadership
  - Leading market shares
- Cash conversion strength and/or opportunities

**FOCUSED ON ACQUISITIONS THAT ARE A STRATEGIC FIT AND DRIVE ATTRACTIVE RETURNS**
Spotlight on acquisitions

01 \textbf{Significant levers to drive profitable growth}... adjacent MOW & railcar movers markets, international expansion with leading technology portfolio

02 \textbf{Large installed base}... mission critical products and services... 58% aftermarket revenues

03 \textbf{Sizeable cost synergy opportunity}... >$10M+ run-rate within 3-years with limited integration risk

04 \textbf{Compelling financial profile}... accretive to EBITDA % margin, EPS & cash flow in 2022

$400\text{M} \text{ TRANSACTION}$
Path to the future... maximize shareholder value

INVEST IN THE BUSINESS
Driving long-term profitable growth

- Deploy proven strategies / exploit growth drivers
- Execute on increasing backlog
- Mix headwinds driven by fleet renewal
- Invest in innovative technologies that drive profitable growth
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RETURN VALUE TO SHAREHOLDERS
Through disciplined capital allocation

- Capital allocation priorities
- Increasing asset productivity
- Improving ROIC
- Robust cash generation and cash flow
Return value to shareholders through disciplined capital allocation

**Priority #1**
Maintain strong balance sheet

**Priority #2**
Continue to invest in the business

**Priority #3**
Increase dividends

**Priority #4**
Supplement organic growth with M&A

**Priority #5**
Return excess cash through share repurchases
<table>
<thead>
<tr>
<th>PRIORITIES</th>
<th>OBJECTIVES</th>
<th>ACTIONS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maintain strong balance sheet to manage through economic cycles &amp; world crises</td>
<td>Adjusted net debt leverage ratio of 2.0 to 2.5x. Maintain investment-grade ratings</td>
<td>Current ratio at 2.5x... hold debt levels in 2022 as we grow EBITDA</td>
</tr>
<tr>
<td>Appropriately invest in the business for revenue &amp; profit growth</td>
<td>CAPEX ~2% of sales&lt;br&gt;Working capital ~20% of sales&lt;br&gt;Tech spend ~6-7% of sales</td>
<td>Execute 2022-2026 plan</td>
</tr>
<tr>
<td>Increase dividends</td>
<td>Target dividend payout ratio of 10-15% of adjusted net income&lt;br&gt;Grow dividends in-line with earnings over time</td>
<td>Increased Q1 ’22 dividend to $0.15/share... $0.60 annually</td>
</tr>
<tr>
<td>Supplement organic growth with M&amp;A</td>
<td>Optimize portfolio through bolt-ons and adjacencies, as well as divestitures</td>
<td>Execute accretive M&amp;A... manage pipeline of opportunities</td>
</tr>
<tr>
<td>Return excess FCF after dividends and M&amp;A through share repurchases</td>
<td>Offset incentive plan dilution and supplement EPS growth</td>
<td>Authorized $750M share repurchase program in Q1 ’22</td>
</tr>
</tbody>
</table>
Disciplined capital allocation highlighted by improving productivity

**DRIVERS**

Revenue growth

Growth capex = higher return, faster payback, low risk growth projects

Capacity utilization

Disciplined capex (capex \(\leq\) depreciation)

Maintain low-cost operating model

<table>
<thead>
<tr>
<th>YEAR</th>
<th>FIXED ASSET PRODUCTIVITY</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>4.9</td>
</tr>
<tr>
<td>2020</td>
<td>4.7</td>
</tr>
<tr>
<td>2021</td>
<td>5.3</td>
</tr>
</tbody>
</table>

**OBJECTIVE:** INCREASE REVENUE PER EVERY DOLLAR OF FIXED ASSETS INVESTED

Total net sales/property, plant, and equipment, net
Improving returns on invested capital

**Drivers**

- Revenue growth
- Margin expansion
- Cash efficiencies
- Working capital improvement
- Capital utilization
- Accretive M&A
- Return of cash to shareholders through dividends and share repurchases

**Objective:** Increase ROIC to double-digit returns
WABTEC

Spotlight on cash tax benefits ... $1.1 billion value

<table>
<thead>
<tr>
<th>AS OF FEBRUARY 2019</th>
<th>AS OF DECEMBER 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>~$150M</td>
<td>~$150M</td>
</tr>
<tr>
<td>AVG. CASH TAX BENEFIT OVER 15 YEARS</td>
<td>AVERAGE CASH TAX BENEFIT OVER 13 YEARS</td>
</tr>
<tr>
<td>~$470M</td>
<td>~$256M</td>
</tr>
<tr>
<td>INITIAL BENEFIT TO BE PAID TO GE</td>
<td>REMAINING BENEFIT TO BE PAID TO GE</td>
</tr>
<tr>
<td>~$1.1B</td>
<td>~$1.1B</td>
</tr>
<tr>
<td>NPV BENEFIT TO WABTEC</td>
<td>NPV BENEFIT TO WABTEC</td>
</tr>
</tbody>
</table>

Tax step-up associated with the GET transaction drives average annual cash tax benefit of ~$150M through 2034

First $470M of gross cash tax benefits to be paid to GE by Wabtec (expected to be realized during first 4-5 years)

Remaining cash tax benefits accrue to Wabtec

SIGNIFICANT VALUE CREATION
Strong returns are coupled with strong focus on cash generation

**CASH CONVERSION (1)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Conversion Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>140%</td>
</tr>
<tr>
<td>2020</td>
<td>89%</td>
</tr>
<tr>
<td>2021</td>
<td>102%</td>
</tr>
<tr>
<td>2022-2026</td>
<td>&gt;90%</td>
</tr>
</tbody>
</table>

(1) Cash from operations conversion % is defined as GAAP cash from operations divided by GAAP net income plus depreciation & amortization
# Future cash flows

**EXPECTED TO BE INVESTED IN THE BUSINESS, INVESTED IN THE FUTURE, AND RETURNED TO SHAREHOLDERS**

---

**ANNUAL CASH GENERATION**

<table>
<thead>
<tr>
<th>Year</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>2021</td>
<td>$1.07B</td>
</tr>
<tr>
<td>2026</td>
<td></td>
</tr>
</tbody>
</table>

---

**CAPITAL DEPLOYMENT PLAN (2022-2026)**

**Sources**

- Cash From Operations

**Uses**

- M&A and Share Repurchases
- CapEx
- Dividends
- Debt
- GE TMA

---

**ACCRETIVE EARNINGS → STRONG CASH FLOW CONVERSION → REINVEST & RETURN**
Closing comments
Attractive long-term financial profile

Resiliency tested and validated over past 5 years; proven track record of delivering growth

Attractive end markets... building momentum, renewal of locomotive fleets, strong and growing backlog

Leading market position and innovative, customer-focused solutions across major rail and industrial segments

Exceptional quality and reliability delivering leading market shares

Disciplined capital deployment generating strong returns

---

**5-YEAR OUTLOOK**

**MSD CORE ORGANIC GROWTH CAGR**

+ 

**250-300 BPS MARGIN EXPANSION**

+ 

**DISCIPLINED CAPITAL DEPLOYMENT**

= 

**DOUBLE-DIGIT EPS GROWTH WITH STRONG OPERATING CASH FLOW CONVERSION (90%+)**
Key takeaways

01 Portfolio positioned to drive long-term profitable growth

02 Innovative, sustainable technologies expanding Wabtec’s market size

03 Growth strategy driving strong cash flow and margin expansion

04 Strong long-term business fundamentals driving long-term value creation for shareholders
WABTEC 2022 INVESTOR CONFERENCE
Transit segment operating margin reconciliation

WESTINGHOUSE AIR BRAKE TECHNOLOGIES CORPORATION
RECONCILIATION OF REPORTED RESULTS TO ADJUSTED RESULTS - TRANSIT SEGMENT
(UNAUDITED)

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reported Income from Operations</td>
<td>$214</td>
<td>$230</td>
<td>$238</td>
</tr>
<tr>
<td>Reported Margin</td>
<td>7.8%</td>
<td>9.3%</td>
<td>9.2%</td>
</tr>
<tr>
<td>Restructuring &amp; Transaction costs</td>
<td>48</td>
<td>27</td>
<td>59</td>
</tr>
<tr>
<td>Non-cash Amortization expense</td>
<td>19</td>
<td>20</td>
<td>20</td>
</tr>
<tr>
<td>Adjusted Income from Operations</td>
<td>$281</td>
<td>$277</td>
<td>$317</td>
</tr>
<tr>
<td>Adjusted Margin</td>
<td>9.2%</td>
<td>11.2%</td>
<td>12.3%</td>
</tr>
</tbody>
</table>
Set forth below is the calculation of the non-GAAP performance measures included in this press release. We believe that these measures provide useful supplemental information to assess our operating performance and to evaluate period-to-period comparisons. Non-GAAP financial measures should be viewed in addition to, and not as an alternative for, Wabtec’s reported results prepared in accordance with GAAP.

### Wabtec Corporation
#### 2021 Cash Conversion Calculation
(in millions)

<table>
<thead>
<tr>
<th>Reported Cash from Operations</th>
<th>(Net Income)</th>
<th>Depreciation &amp; Amortization</th>
<th>Cash Conversion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consolidated Results</td>
<td>$1,073</td>
<td>$565</td>
<td>$491</td>
</tr>
</tbody>
</table>

#### 2020 Cash Conversion Calculation
(in millions)

<table>
<thead>
<tr>
<th>Reported Cash from Operations</th>
<th>(Net Income)</th>
<th>Depreciation &amp; Amortization</th>
<th>Cash Conversion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consolidated Results</td>
<td>$784</td>
<td>$412</td>
<td>$473</td>
</tr>
</tbody>
</table>

#### 2019 Cash Conversion Calculation
(in millions)

<table>
<thead>
<tr>
<th>Reported Cash from Operations</th>
<th>(Net Income)</th>
<th>Depreciation &amp; Amortization</th>
<th>Cash Conversion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consolidated Results</td>
<td>$1,016</td>
<td>$327</td>
<td>$401</td>
</tr>
</tbody>
</table>
Return on invested capital reconciliation

Set forth below is the calculation of the non-GAAP performance measures included in this press release. We believe that these measures provide useful supplemental information to assess our operating performance and to evaluate period-to-period comparisons. Non-GAAP financial measures should be viewed in addition to, and not as an alternative for, Wabtec's reported results prepared in accordance with GAAP.

Wabtec Corporation
Return on invested capital calculation
(in millions)

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income from operations</td>
<td>$663</td>
<td>$745</td>
<td>$876</td>
</tr>
<tr>
<td>Annual effective tax rate</td>
<td>26.9%</td>
<td>26.0%</td>
<td>23.2%</td>
</tr>
<tr>
<td>Net operating profit after tax</td>
<td>$485</td>
<td>$551</td>
<td>$673</td>
</tr>
<tr>
<td>Total Debt</td>
<td>$4,429</td>
<td>$4,239</td>
<td>$4,058</td>
</tr>
<tr>
<td>Operating lease liability</td>
<td>273</td>
<td>295</td>
<td>318</td>
</tr>
<tr>
<td>Wabtec Equity</td>
<td>9,957</td>
<td>10,123</td>
<td>10,201</td>
</tr>
<tr>
<td>Noncontrolling interest</td>
<td>37</td>
<td>30</td>
<td>38</td>
</tr>
<tr>
<td>Allowance for doubtful accounts</td>
<td>20</td>
<td>37</td>
<td>32</td>
</tr>
<tr>
<td>Net pension liabilities</td>
<td>84</td>
<td>87</td>
<td>48</td>
</tr>
<tr>
<td>Total Invested Capital</td>
<td>$14,800</td>
<td>$14,811</td>
<td>$14,695</td>
</tr>
</tbody>
</table>

Return on Invested Capital 3.3% 3.7% 4.6%