

Wabtec Australia Human Rights Statement

Section 1: Introduction

This modern slavery statement has been prepared for Evand PTY LTD (**Evand**), a wholly-owned subsidiary of Wabtec Corporation. On a consolidated basis, Evand has total revenues of greater than \$100 million Australian dollars. For the purposes of this disclosure, we will refer to this reporting entity and its owned or controlled entities in Australia as “Wabtec Australia.”

Where in this statement we refer to “Wabtec”, “we”, “us” or “our”, it is a reference to the entire Wabtec corporate group. Where our statement is limited to Wabtec’s Australian operations, we have referred to “Wabtec Australia”.

Section 2: 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.

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 ESG efforts, including our commitment to human rights, in our Sustainability Report, which is available at:

<https://www.wabteccorp.com/sustainability-report>.

Our headquarters are located in Pittsburgh, Pennsylvania, U.S.A, and we have offices and facilities in over 50 countries around the globe. As of December 31, 2020, we have a global workforce of approximately 27,000 employees. Wabtec is listed on the New York Stock Exchange as Westinghouse Air Brake Technologies Corporation (WAB). Wabtec Australia is wholly owned by Wabtec.

Wabtec provides its products and services through two principal business segments, the Freight Segment and the Transit Segment. Freight accounts for 66% of Wabtec’s Portfolio: From the food on our tables to the products we purchase, freight rail is part of an integrated, efficient, and cost-effective network fueling the world’s economy. Today, more than 20 percent of the world’s freight is moved by a Wabtec locomotive.

Transit accounts for 34% of Wabtec’s Portfolio: At Wabtec, we provide 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. We offer an extensive array of products, from pneumatic, electronic, and hydraulic brake equipment, to HVAC and sanitation systems. Each of our products draws on our deep experience tailoring components to meet the specific needs of our customers and are manufactured using the latest technologies.

Wabtec Australia sources significant quantities of goods and services, including electronic components, metallic components, raw materials, and engineered systems. In 2020, we worked with 1,913 suppliers globally to support our Australian operations and facilities. These 1,913 suppliers cover many categories of services and products, the largest of which are raw materials, fabrications, machined parts, electronics, electricals, engineered systems, and metallic commodities. Of these, 70 suppliers are Wabtec Australia-related entities.

Evand's subsidiaries in Australia are Austbreck Pty Ltd., F.I.P. Pty Ltd, Faiveley Transport Australia Ltd, Industrea Mining Equipment Pty Ltd, Industrea Mining Technology Pty Ltd, Industrea Pty Ltd, Industrea Wadam Pty Ltd, Napier Turbochargers Australia Pty Ltd, Relay Monitoring Systems Pty Ltd, Wabtec Australia Pty Limited, Wabtec Control Systems Pty Ltd and Wabtec Transportation Group Holdings Pty Ltd. None of these Australian-based entities have a consolidated revenue in excess of \$100 million Australian dollars. These entities manufacture transit and freight products, as well as aftermarket and digital services for components and locomotives. Products produced include digital solutions, pantographs, locomotive remanufacturing, relays, and braking system components.

The following 11 Evand subsidiaries are based outside of Australia: Industrea Chile S.A (Chile); Industrea Hong Kong YL Limited (China); Hunan Times Wabtec Equipment Co. Ltd., (China); Shenyang CRRC Wabtec Air Brake Technology Company, Ltd., (China); Orion Engineering Ltd. Hong Kong (China); Beijing Wabtec Huaxia Technology Company Ltd. (China); ***GE (Shijiazhuang) Mining Equipment Co., Ltd., (China); Wabtec China Rail Products & Services Holding Limited Investment Co., (China); InTrans Engineering Limited (Operating Co) (India); Wabtec China Friction Holding Limited (Inv. Co.) (China); and, Wabtec Golden Bridge Transportation Technology (Hangzhou) Company Ltd., (China)***. Of these 11 entities, the latter five (in bold and italicized above) are in the process of being liquidated or have no operations.

The complexity of our products and supply chain around the world drives us to a very systematic approach to identifying and managing various risks associated with suppliers, including modern slavery.

Section 3: Wabtec's Risk Assessment

Operational Risk

Wabtec Australia has approximately 760 employees in 5 states and more than 20 different work sites. Work conducted includes manufacturing of transit and freight products, as well as aftermarket and digital services for components and locomotives. To support these activities, employee roles and responsibilities may include manufacturing, warehousing, logistics, field services, and support functions (e.g. HR, commercial operations).

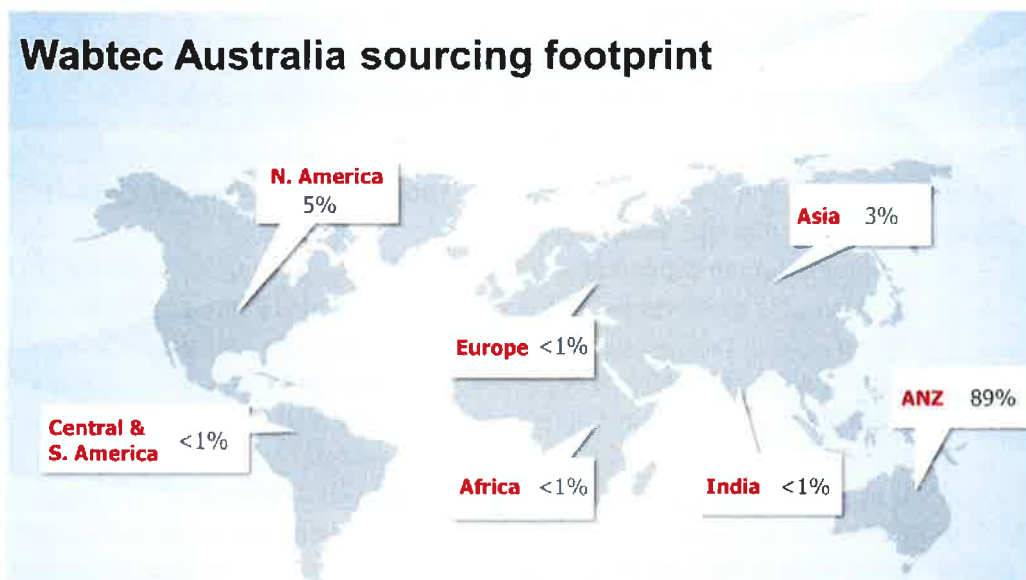
Each of these sites follows Wabtec's global standards and policies for recruitment and ongoing management of staff, including full-time staff and contingent workers, except where local legal requirements require deviation from those policies or standards. Additionally, Wabtec has taken steps to encourage a safe and compliant work environment, including providing routine employee training and maintaining an open reporting program for employees to raise concerns. These practices are further described below. Overall, we have concluded that there is a low risk of modern slavery in the operations of Wabtec Australia given the recruitment policies in place, contractual and statutory protections provided to employees, and the primary roles of staff employed by Wabtec Australia.

For the Evand subsidiaries that are domiciled outside of Australia, three produce freight and transit components in China and one, domiciled in Chile, provides transportation software. These entities employ approximately 400 employees and 50 contractors across nine sites. These businesses manufacture products similar to the products made and sold by Wabtec Australia, and therefore, have comparable risk factors. All the non-Australian Evand entities are subject to Wabtec’s global policies and procedures addressing human rights and modern slavery. Thus, we believe their supply chain and operations likely have a modern slavery risk profile similar to that of Wabtec Australia, subject to local suppliers having an inherent higher risk in jurisdictions that are more prone to modern slavery. We are expanding the scope of our risk assessment and risk mitigation efforts to include these entities and plan to provide more details in future modern slavery statements. Further, six entities are in the process of being liquidated or have no operations.

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 Australia includes its sister companies. These companies follow the processes and procedures described in this document for Wabtec. Therefore, we consider these suppliers’ operational risks and supply chain risks to be low.

Wabtec spends \$3.5B annually (FY2020) with direct and indirect suppliers. 2.1% of that amount is spent by Wabtec Australia with its Tier 1 suppliers, which totaled 1,913 suppliers who are domiciled all over the world, including Australia. In addition, Wabtec Australia’s suppliers have their own unique supply chains with many sub-suppliers of their own. Wabtec Australia often has limited visibility of these sub-suppliers and whether they expose Wabtec Australia to modern slavery risks.



Following our due diligence process, which is described below, we identified the following categories of suppliers that potentially expose Wabtec Australia 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 3rd 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 4: Wabtec's Actions to Assess and Address Risk

Globally, Wabtec has implemented numerous policies, procedures and practices that are leveraged to help identify and address modern slavery and human trafficking in our own business operations and supply chain.

This is Wabtec's first Australian Modern Slavery Statement, which outlines the steps we are taking to ensure modern slavery does not occur within Wabtec Australia's operations and supply chain. We recognize that modern slavery is a global risk, and we are committed to ongoing improvements in our policies and practices to appropriately address this risk.

Wabtec uses the following approach to help identify and address modern slavery risk.

- (1) **Policies:** Wabtec Australia's Modern Slavery Statement is supported by several policies and procedures, including our **Human Rights Policy, Supplier Code of Conduct, Code of Business Conduct and Ethics, Conflict Minerals Policy.**
 - a. 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 remedy through effective reporting mechanisms. The Wabtec Human Rights Policy can be found at: <https://ir.wabteccorp.com/static-files/c4d32f5a-d771-450e-8d41-196b8eb18b61>.
 - b. Each Wabtec business unit utilises standard terms and conditions, which incorporate by reference Wabtec's **Supplier Code of Conduct**. The **Supplier Code of Conduct** includes specific expectations regarding suppliers' compliance with laws and regulations addressing environmental, health, safety, labor, human rights, security and privacy. The Supplier Code of Conduct can be found at: <https://www.wabteccorp.com/supplier-code-of-conduct>.

- c. 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. The Code of Conduct can be found at: <https://ir.wabteccorp.com/static-files/fe76c10c-8311-4f5d-94d6-4ae16fbe98ff>.
 - d. 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 has guidelines that outline the procedure to implement and operationalize the **Conflict Minerals Policy**, including conducting Supply Chain Due Diligence. 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. The Wabtec Corporate Minerals policy can be found at: <https://ir.wabteccorp.com/static-files/eb2e79c0-1128-4ffd-9d1f-3425302bdc54>.
- (2) **Processes, Procedures and Standards:** Our policies are supported by procedures and standards to help prevent modern slavery from occurring within our supply chain.
- a. **Open Reporting Program** - Wabtec and its business units have an open reporting system – **Speak Up Wabtec!** – that allows employees and third parties to report concerns about policy violations, including concerns about modern slavery. Wabtec expects employees to promptly report misconduct and integrity concerns through any of our open reporting channels, including managers, HR, Legal, Compliance teams, or by emailing speakupwabtec@wabtec.com. Employees also can anonymously raise concerns by using the Speak Up Wabtec! e-tool, or calling the Speak Up Wabtec! hotline in the U.S. at 1-877-860-1054. All concerns are promptly, thoroughly, and fairly addressed. Wabtec does not tolerate any form of retaliation against employees, contractors or sub-contractors for reporting.
 - b. **Responsible Supplier Assessment Practices** – Based on business risk assessments, there are a variety of supplier assessment tools used by Wabtec 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.

- (3) **Governance:** Our strong governance framework guides decision-making around how we operate, innovate, and drive growth. This governance framework starts with Wabtec's Board of Directors and its committees who oversee the execution of the company's environmental, social, and governance (ESG) strategy as part of their oversight of Wabtec's overall business. As mentioned above, the details of Wabtec's 2020 Sustainability Report can be found at <https://www.wabteccorp.com/sustainability-report>. Moreover, the implementation of programs, policies, and procedures to assess and address ESG risks – such as modern slavery – is coordinated by a cross-functional team of regional and subject matter experts. Specifically, Wabtec's program to address modern slavery is coordinated by members of the Sourcing Compliance, Supplier Quality, Human Resources, and Legal teams.
- (4) **Terms and Conditions:** Each Wabtec business unit utilises standard terms and conditions, which incorporates by reference Wabtec's Supplier Code of Conduct. Suppliers are contractually obligated to adopt policies to address human rights (including modern slavery) risks, environmental, health and safety, labor, human rights, bribery, security, privacy, etc. Wherever possible, Wabtec seeks contractual rights to audit supplier's compliance and can terminate the relevant contract in the event of material non-compliance.
- (5) **Training:** Wabtec acknowledges that our ability to mitigate and combat modern slavery strongly depends on our employees' ability to identify, escalate and/or 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 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. Additionally, key stakeholders and management (including the Sourcing and HR teams) are routinely updated on human rights obligations in our global operations and supply chain.
- (6) **Restricted Party List (RPL) Screening:** Wabtec has screened its suppliers against an 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 (where necessary) be replaced with an alternate supplier. 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.

Wabtec Australia-Specific Supplier Risk Assessment and Mitigation Actions

In preparing this initial Modern Slavery Statement, we conducted a risk-based segmentation and assessment of Wabtec Australia's external suppliers based on geographic risk and sector/product risk across the 1,913 suppliers identified in Section 3 above.

As part of this initial segmentation, we identified 59 suppliers producing materials in higher risk countries. We also identified an additional 75 suppliers who operate in higher-risk industries.

Wabtec audited 18 suppliers of the higher risk population of direct material suppliers to Wabtec Australia with onsite factory audits. These audits seek to ensure that that the human rights, labour 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 in within Wabtec Australia have required actions to exit the relationship with a supplier.

Based on the risk-based segmentation conducted, Wabtec Australia issued a self-assessment questionnaire to a population of 1,553 suppliers, including the high-risk country suppliers, starting 2 April 2021. To date, we have received initial results from 77 suppliers. Our assessment of these results is ongoing. Based on the results received to date, 29% (or 22) of the suppliers surveyed confirmed implementation of modern slavery and/or human rights policies. For suppliers where we identified policy or other programmatic gaps, we sent follow up letters requesting that those suppliers implement a corrective action plan and provide us documentation to demonstrate that the findings are closed.

Going forward, we will develop a plan to expand the scope of the survey to cover all suppliers of Wabtec Australia identified above within the next two years. As part of that process, we will continue to follow up suppliers that have not responded to date.

Section 5: Assessing the Effectiveness of Wabtec's Actions

As the first Modern Slavery Statement for Wabtec Australia, there is limited data to evaluate the effectiveness of Wabtec Australia's program. However, Wabtec Australia continues to implement ways 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 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 and supplier corrective actions and suppliers exited due to continued non-compliance with Wabtec's Human Rights Policy.

Section 6: Remediation

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

- (1) **Prompt and Thorough Investigation of Concerns Raised:** Wabtec employees and external stakeholders are encouraged to raise any concerns and have multiple channels to do so, including our above-referenced 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.
- (2) **Training and Awareness:** Training and awareness are key controls in remediating modern slavery and human trafficking red flags. We recognize the need to build the capability of our

employees, particularly, our Sourcing team and front-line managers, to not only identify potential red flags of modern slavery and human trafficking, but also to take the required actions to respond appropriately. In addition, we are exploring a training initiative to have all our Sourcing employees 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.

- (3) We will continue to evaluate all remaining supplier responses as they are received. In addition, we will be expanding the scope of suppliers that are surveyed over the next two years to all Wabtec Australia suppliers. At a minimum, we will:
- a. Engage with those suppliers who have been highlighted as a potential risk. Wabtec will provide them with feedback on our expectations of their policies, procedures, controls, and gaps observed based on their responses or Wabtec's assessments.
 - b. If a significant risk is identified, we will work with the supplier to develop a remediation plan which may include a site audit. If the supplier is unwilling to change in order to mitigate risk or any actual impacts/findings, or best endeavors to mitigate the risks fail, then Wabtec will seek alternative suppliers and terminate our relationship with the supplier.

Section 7: Process of Consultation

All Wabtec entities operate under a common set of governance policies and programs. This includes the programs through which modern slavery risks in our operations and our supply chains are assessed and addressed by Wabtec. A process of consultation across Wabtec and its reporting entities helped to guide the drafting of this statement. This included engagement with the following functions (which each have global responsibility, including Wabtec Australia): Compliance, Legal, Human Resources, Sourcing; as well as Wabtec Australia General Managers and Executive Leadership Team members.

This statement was approved by the board of Evand on 29 June 2021 at Wetherill Park NSW 2164.

Signed



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Chris Katakouzinou

Director

29 June 2021