

Risk Factors Comparison 2025-02-12 to 2024-02-14 Form: 10-K

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RISKS RELATED TO OUR BUSINESS AND OPERATIONS We are dependent upon key customers. We rely on several key customers who represent a significant portion of our business. While we believe our relationships with our customers are generally good, our top customers could choose to reduce or terminate their relationships with Wabtec. In addition, many of our customers place orders for products on an as- needed basis and operate in cyclical industries. As a result, customer order levels have varied from period to period in the past and may vary significantly in the future. Such customer orders ~~are dependent upon their markets and customers and~~ **may be subject to delays and cancellations based on various market- and customer- specific conditions**. Furthermore, the average service life of certain products in our end markets has increased in recent years due to innovations in technologies and manufacturing processes, which has also allowed end users to replace parts less often. As a result of our dependence on our key customers, we could experience a material adverse effect on our business, results of operations and financial condition if we lost any one or more of our key customers or if there is a reduction in their demand for our products. Our business operates in a highly competitive industry. We operate in a global, competitive marketplace and face substantial competition from a limited number of established competitors, some of which may have greater financial resources than we do, may have a more extensive low- cost sourcing strategy and presence in low- cost regions than we do, or may receive significant governmental support. Price competition is strong and, coupled with the existence of a number of cost-conscious customers with significant negotiating power, has historically limited our ability to increase prices. In addition to price, competition is based on product performance and technological leadership, quality, reliability of delivery, and customer service and support. If our competitors invest heavily in innovation and develop products that are more efficient or effective than our products, we may not be able to compete effectively. There can be no assurance that competition in one or more of our markets will not adversely affect us and our results of operations. A failure to predict and react to customer demand could adversely affect our business. If we are unable to accurately forecast demand for our existing products or to react appropriately to changes in demand, we may experience delayed product shipments and customer dissatisfaction. If demand increases significantly from current levels, both we and our suppliers may have difficulty meeting such demand, particularly if such demand increases occur rapidly. Alternatively, we may carry excess inventory if demand for our products decreases below projected levels. Additionally, we have dedicated significant resources to the development, manufacturing and marketing of new products. Decisions to develop and market new transportation products are typically made without firm indications of customer acceptance. Moreover, by their nature, new products may require alteration of existing business methods or threaten to displace existing equipment in which our customers may have a substantial capital investment. There can be no assurance that any new products that we develop will gain widespread acceptance in the marketplace or that such products will be able to compete successfully with other new products or services that may be introduced by competitors. Furthermore, we may incur additional warranty or other costs as new products are tested and used by customers. Failure to accurately predict and react to customer demand could have a material adverse effect on our business, results of operations and financial condition. We may fail to respond adequately or in a timely manner to innovative changes in new technology. In recent years, the global transportation landscape has been characterized by rapid changes in technology, leading to innovative **developments in** transportation and logistics ~~concepts~~ that could change the way the railway industry does business. There may be additional innovations impacting the railway industry that we cannot yet foresee. Any failure by us to quickly adapt to and adopt new innovations in products and processes desired by our customers may result in a significant loss of demand for our product and service offerings. In addition, advances in technology may require us to increase investments in order to remain competitive, and our customers may not be willing to accept higher prices to cover the cost of these investments. Our revenues are subject to cyclical variations in the railway and passenger transit markets and changes in government spending. The railway industry historically has been subject to significant fluctuations due to overall economic conditions, the use of alternate methods of transportation and the levels of government spending on railway projects. In economic downturns, railroads have deferred, and may defer, certain expenditures in order to conserve cash in the short term. For example, the economic slowdown that was caused by **the COVID- 19 pandemic** impacted the timing of some orders, as customers deferred the delivery of some goods and services to future years. Reductions in freight traffic may reduce demand for our replacement products. The passenger transit railroad industry is also cyclical and is influenced by a variety of factors. New passenger transit car orders vary from year to year and are influenced by a variety of factors, including major replacement programs, the construction or expansion of transit systems by transit authorities and the quality and cost of alternative modes of transportation. To the extent that future funding for proposed public projects is curtailed or withdrawn altogether as a result of changes in political, economic, fiscal, or other conditions beyond our control, such projects may be delayed or canceled, resulting in a potential loss of business for us, including transit aftermarket and new transit car orders. There can be no assurance that economic conditions will be favorable or that there will not be significant fluctuations adversely affecting the industry as a whole and Wabtec. Our backlog is not necessarily indicative of the level of our future revenues. Our backlog represents future production and estimated potential revenue attributable to firm contracts with, or written orders from, our customers for delivery in various periods. Instability in the global economy, negative conditions in the global credit markets, volatility in the industries that our products serve, changes in legislative policy, adverse changes in the financial condition of our customers, adverse changes in the availability of raw materials and supplies, or un- remedied contract breaches could possibly lead to contract termination or cancellations of orders in our backlog or request for deferred deliveries of our backlog orders, each of which could adversely affect our cash flows and results of operations. For example, although the

economic slowdown caused by **the COVID- 19 pandemic** did not result in any material cancellations of the Company' s backlog, it did impact the timing of some orders in backlog as, in certain cases, the delivery of goods and services were pushed out from their original timelines. Equipment failures, interruptions, delays in deliveries or extensive damage to our facilities, supply chains, distribution systems or information technology systems, could adversely affect our business. All of our facilities, equipment, supply chains, distribution systems and information technology systems are subject to the risk of catastrophic loss due to unanticipated events, such as cyber- attacks, disease outbreak, fires, earthquakes, explosions, floods, tornadoes, hurricanes or weather conditions. An interruption in our manufacturing capabilities, supply chains, distribution systems or information technology systems, whether as a result of such catastrophic loss or any other reason, could reduce, prevent or delay our production and shipment of our product offerings, result in defective products or services, damage customer relationships and our reputation and result in legal exposure and large repair or replacement expenses. This could result in the delay or termination of orders, the loss of future sales and a negative impact to our reputation with our customers. Third- party insurance coverage that we maintain with respect to such matters will vary from time to time in both type and amount depending on cost, availability and our decisions regarding risk retention, and may be unavailable or insufficient to protect us against losses. Any of these risks coming to fruition could materially adversely affect our business, results of operations and financial condition. Disruption of our supply chain could have an adverse impact on our business, financial condition, and results of operations. Our ability to make, move, and sell our products is critical to our success. Damage or disruption to our supply chain, including third- party manufacturing or transportation and distribution capabilities, could impair our ability to manufacture or sell our products. Failure to take adequate steps to mitigate the likelihood or potential impact of disruptions, or to effectively manage such events if they occur, particularly when a product is sourced from a single supplier or location, could adversely affect our business or financial results. **For example, In the aftermath of the disruptions caused by the COVID- 19 pandemic caused , various disruptive forces have continued to impact some of our supply chains, particularly in China, India, the U. S., and Europe. Supply chain disruptions , particularly with respect to channels in China, India, the U. S. and Europe,** and labor availability constraints **have caused that resulted in** component, raw material and chip shortages **resulting in an adverse effect on the timing of the Company' s revenue generation.** Additionally, **market factors, such as** broad- based inflation, escalation of **diesel, utilities, energy, metals and other** commodities costs, transportation and logistics costs, labor costs, and foreign currency exchange rate fluctuations **have persisted may exacerbate the impacts of such disruptions** . There can be no assurance that **there will not be further, or deeper, supply chain disruptions will not occur from time to time** , or that the steps we **take are taking** to mitigate such disruptions will be effective or achieve their desired results in a timely fashion. In addition, disputes with significant suppliers, including disputes regarding pricing or performance, could adversely affect our ability to supply products to our customers and could materially and adversely affect our product sales, financial condition, and results of operations. We intend to pursue acquisitions, joint ventures and alliances that involve a number of inherent risks, any of which may cause us not to realize anticipated benefits. One aspect of our business strategy is to selectively pursue acquisitions, joint ventures and alliances that we believe will improve our market position and provide opportunities to realize operating synergies. These transactions involve inherent risks and uncertainties, any one of which could have a material adverse effect on our business, results of operations and financial condition including: • difficulties in achieving identified financial and operating synergies, including the integration of operations, services and products; • diversion of management' s attention from other business concerns; • the assumption of unknown liabilities; and • unanticipated changes in the market conditions, business and economic factors affecting such an acquisition, joint venture or alliance. **In addition, We cannot assure that we may fail will be able to consummate any future acquisitions, joint ventures or other business combinations for a variety of reasons, including the failure to satisfy closing conditions, potential regulatory interventions, or the possibility of competing bidders presenting a superior offer** . If we are unable to identify or consummate suitable acquisitions **, or joint ventures or alliances**, we may be unable to fully implement our business strategy, and our business and results of operations may be adversely affected as a result. In addition, our ability to engage in such strategic transactions will be dependent on our ability to raise substantial capital, and we may not be able to raise the funds necessary to implement this strategy on terms satisfactory to us, if at all. The integration of our recently completed acquisitions may not result in anticipated improvements in market position or the realization of anticipated operating synergies or may take longer to realize than expected. Although we believe that our recent acquisitions will improve our market position and realize positive operating results, including operating synergies, operating expense reductions and overhead cost savings, we cannot be assured that these improvements will be obtained or the timing of such improvements. The management and acquisition of businesses involves substantial risks, any of which may result in a material adverse effect on our business and results of operations, including: • the uncertainty that an acquired business will achieve anticipated operating results; • significant expenses to integrate; • diversion of management' s attention from business operations to integration matters; • departure of key personnel from the acquired business; • effectively managing entrepreneurial spirit and decision- making; • integration of different information systems; • unanticipated costs and exposure to unforeseen liabilities; and • impairment of assets. The effects of potential future public health crises, epidemics, pandemics or similar events on our business, operating results and cash flows are uncertain. We face a wide variety of risks related to health epidemics, pandemics and similar outbreaks. As was evidenced by the COVID- 19 pandemic, public health crises have the potential to dramatically impact the global health and economic environment and to trigger significant economic volatility and operational uncertainty. **While our operations have generally stabilized since the peak of the COVID- 19 pandemic, future Future** public health emergencies **, which could include a resurgence of COVID- 19**, and unpredictable responses by authorities around the world could negatively impact our global operations, customers and suppliers. Any future public health crises, epidemics, pandemics or similar events could result in disruptions to our operations, including higher rates of employee absenteeism and supply chain disruptions, decreased demand for our products, volatility in financial markets, and overall deterioration of national and global economic conditions. Given the tremendous uncertainties and variables associated with public health crises, we cannot predict

the impact of such events, but any one could have a material adverse impact on our business, financial position, results of operations and / or cash flows. **RISKS RELATED TO INTERNATIONAL OPERATIONS** A significant portion of our sales may be derived from our international operations, which exposes us to certain risks inherent in doing business on an international level. For the fiscal year ended December 31, **2023-2024**, approximately **55-53** % of our consolidated net sales were to customers outside of the United States. We intend to continue to expand our international operations, including in emerging markets, in the future. Our global headquarters for the Transit group is located in France, and we conduct other international operations through a variety of wholly and majority- owned subsidiaries and joint ventures, including in Australia, Austria, Brazil, Canada, China, Czech Republic, France, Germany, India, Italy, Kazakhstan / Commonwealth of Independent States (" CIS"), the Republic of North Macedonia, Mexico, the Netherlands, Poland, Spain, South Africa, Turkey, and the United Kingdom. As a result, we are subject to various risks, any one of which could have a material adverse effect on those operations and on our business as a whole, including: • lack of complete operating control; • lack of local business experience; • currency exchange fluctuations and devaluations; • restrictions on currency conversion or the transfer of funds or limitations on our ability to repatriate income or capital; • the complexities of operating within multiple tax jurisdictions; • foreign trade restrictions and exchange controls; • adverse impacts of international trade policies, such as import quotas, capital controls or tariffs; • difficulty enforcing agreements and intellectual property rights; • the challenges of complying with complex and changing laws, regulations, and policies of foreign governments; • the difficulties involved in staffing and managing widespread operations; • the potential for nationalization of enterprises; • economic, political and social instability; • potential reputational harm associated with doing business in certain countries; • possible local catastrophes, such as natural disasters and epidemics; and • possible terrorist attacks, conflicts and wars, including ~~those against~~ **actions targeting** American interests. Our exposure to the risks associated with international operations may intensify if our international operations expand in the future. We may incur increased costs or margin degradation due to fluctuations in interest rates and foreign currency exchange rates. In the ordinary course of business, we are exposed to increases in interest rates that may adversely affect funding costs associated with variable- rate debt and changes in foreign currency exchange rates. We are subject to currency exchange rate risk to the extent that our costs may be denominated in currencies other than those in which we earn and report revenues and vice versa. In addition, a decrease in the value of any of these currencies relative to the U. S. dollar could reduce our profits from non- U. S. operations and the translated value of the net assets of our non- U. S. operations when reported in U. S. dollars in our consolidated financial statements. We may seek to minimize these risks through the use of interest rate swap contracts and currency hedging agreements. There can be no assurance that any of these measures will be effective. Material changes in interest or exchange rates could result in material losses to us. We have substantial operations located in emerging markets, and are subject to regulatory, economic, social and political uncertainties in such markets. We have substantial operations located in emerging markets, such as Brazil, India, and Kazakhstan. Operations in such emerging markets are inherently risky due to a number of regulatory, economic, social and political uncertainties. These risks include economies that may be dependent on only a few products and are therefore subject to significant fluctuations, weak legal systems which may affect our ability to enforce contractual rights, possible exchange controls, unstable governments, nationalization or privatization actions or other government actions affecting the flow of goods and currency. Significant changes in economic and regulatory policy in emerging countries as well as social or political uncertainties could significantly harm business and economic conditions in these markets generally and could disproportionately impact the rail industry, which could adversely affect our business and prospects in these markets. In addition, physical and financial infrastructure may be less developed in some emerging countries than that of many developed nations. Any disruptions with respect to banking and financial infrastructure, communication systems or any public facility, including transportation infrastructure, could disrupt our normal business activity. Such disruptions could interrupt our business operations and significantly harm our results of operations, financial condition and cash flows. Regional and international conflicts ~~, such as the ongoing conflict between Russia and Ukraine and turmoil in the Mideast Region,~~ may adversely affect our business and results of operations. Given the nature of our business and our global operations, political, economic, and other conditions in foreign countries and regions, may adversely affect our business and results of operations. Regional and international conflicts could have a wide range of negative consequences, including causing damage or disruption to international commerce, disruptions to transportation and distribution routes, volatility in commodity markets, supply chain disruptions, business disruptions (including labor shortages), foreign currency dislocations or broader regional instability. For example, the ~~current~~ **current continuing** conflict between Russia and Ukraine ~~has~~ **affected**, and may continue to adversely affect our business and results of operations. The broader consequences of this conflict, which may include ~~further~~ **sanctions, embargoes, regional instability, and geopolitical shifts; disruptions to transportation and distribution routes, or strategic decisions to alter certain routes; potential retaliatory action by the Russian government against companies, including us, including nationalization of foreign businesses and / or assets in Russia; increased tensions between the United States and countries in which we operate; and the extent of the conflict's effect on our business and results of operations as well as the global economy, cannot be predicted.** Additionally, Wabtec has operations in Kazakhstan that have continued operating but have incurred supply, distribution and currency impacts as an indirect result from the Russian invasion of Ukraine. To date, the operations in Kazakhstan have not been significantly impacted by the ongoing conflict outside of the overall unfavorable impact to economic conditions; however, the future impact to these operations cannot be predicted. To the extent a regional or international conflict adversely affects our business, particularly in Russia and Kazakhstan, it may also have the effect of heightening many other risks disclosed in this Annual Report, any of which could materially and adversely affect our business and results of operations. Such risks include, but are not limited to, adverse effects on macroeconomic conditions, including inflation and business spending; disruptions to our global technology infrastructure, including through cyberattack, ransom attack, or cyber- intrusion; adverse changes in international trade policies and relations; our ability to maintain or increase our prices, our ability to implement and execute our business strategy, disruptions in global supply chains, our exposure to foreign

currency fluctuations, and constraints, volatility, or disruption in the capital markets, difficulty staffing and managing impacted operations, and the recoverability of assets in the region. RISKS RELATED TO MACRO- ECONOMIC CONDITIONS AND POLICIES Prolonged unfavorable economic and market conditions could adversely affect our business. Unfavorable general economic and market conditions in the United States and internationally, particularly in our key end markets, could have a negative impact on our sales and operations. To the extent that these factors result in continued instability of capital markets, shortages of raw materials or component parts, longer sales cycles, deferral or delay of customer orders or an inability to market our products effectively, our business and results of operations could be materially adversely affected. We may be exposed to raw material shortages, supply shortages, fluctuations in raw material, energy and commodity prices, and inflationary pressure. We purchase energy, steel, aluminum, copper, rubber and rubber- based materials, chemicals, polymers and other key manufacturing inputs from outside sources, and traditionally have not had long- term pricing contracts with our pure raw material suppliers. The costs of these raw materials have been volatile historically and are influenced by factors that are outside our control, including inflationary pressure. If we are unable to pass increases in the costs of our raw materials on to our customers, experience a lag in our ability to pass increases to our customers, or operational efficiencies are not achieved, our operating margins and results of operations may be materially adversely affected. Our businesses compete globally for key production inputs. In addition, we rely upon third- party suppliers, including certain single- sourced suppliers, for various components for our products. In the event of a shortage or discontinuation of certain raw materials or key inputs, we may experience challenges sourcing certain of our components to meet our production requirements and may not be able to arrange for alternative sources of certain raw materials or key inputs. Any such shortage may materially adversely affect our competitive position versus companies that are able to better or more cheaply source such raw materials or key inputs. Changes to international trade policies, including tariffs and foreign trade restrictions, could adversely affect our business. As a global transportation company, we generate export sales from our U. S. operations and also derive international sales through our foreign subsidiaries, licensees and joint ventures. We also do business with industry suppliers located in various international markets. A protectionist trade environment in either the United States or those foreign countries in which we do business, such as a change in the current tariff structures, export compliance or other trade policies, may adversely affect our business. In particular, such policies may impact or delay our customers' investments in our products, reduce the competitiveness of our products in certain markets, and inhibit our ability to cost- effectively purchase necessary inputs from certain suppliers. In addition, to the extent developments in international trade relations result in reduced global trade or slower growth in global trade, it is likely that this would result in reductions in investment in freight and transit rail. International trade policies are affected by a diverse array of factors, including global and national economic and political conditions, which make it impossible for us to predict future developments regarding tariffs and other trade restrictions. Although we actively monitor developments in international trade and proactively engage in efforts to mitigate the effect of trade policies, there can be no guarantee that these efforts will be successful. LEGAL AND REGULATORY RISKS We are subject to a variety of laws and regulations, including anti- corruption laws, in various jurisdictions. We are subject to various laws, rules and regulations administered by authorities in jurisdictions in which we do business, such as the anti- corruption laws of the U. S. Foreign Corrupt Practices Act, the French Law n ° 2016- 1691 (Sapin II) and the U. K. Bribery Act, relating to our business and our employees. We are also subject to other laws and regulations governing our international operations, including regulations administered by the U. S. Department of Commerce' s Bureau of Industry and Security, the U. S. Department of Treasury' s Office of Foreign Assets Control, and various non- U. S. government entities, including applicable export control regulations, economic sanctions on countries and persons, customs requirements, currency exchange regulations, and transfer pricing regulations. Despite our policies, procedures and compliance programs, our internal controls and compliance systems may not be able to protect us from prohibited acts willfully committed by our employees, agents or business partners that would violate such applicable laws and regulations. Any such improper acts could damage our reputation, subject us to civil or criminal judgments, fines or penalties, and could otherwise disrupt our business, and as a result, could materially adversely impact our business, results of operations and financial condition. In addition, our manufacturing operations and products are subject to safety, operations, maintenance and mechanical standards, rules and regulations enforced by various federal and state agencies and industry organizations both domestically and internationally. Our business may be adversely impacted by new rules and regulations or changes to existing rules or regulations, which could require additional maintenance or substantial modification or refurbishment of certain of our products or could make such products obsolete or require them to be phased out prior to their useful lives. We are unable to predict what impact these or other regulatory changes may have, if any, on our business or the industry as a whole. We cannot assure that costs incurred to comply with any new standards or regulations will not be material to our business, results of operations and financial condition. We are subject to a variety of environmental laws and regulations. We are subject to a variety of increasingly stringent environmental laws and regulations governing air emissions, discharges into water, chemical substances in products, the use, handling, storage, and disposal of hazardous substances or waste materials, as well as the remediation of contamination associated with releases of hazardous substances. We have incurred, and will continue to incur, both operating and capital costs to comply with environmental laws and regulations, including costs associated with the clean- up and investigation of some of our current and former properties and offsite disposal locations. We believe our operations currently comply in all material respects with all of the various environmental laws and regulations applicable to our business; however, there can be no assurance that environmental requirements will not change in the future or that we will not incur significant costs to comply with such requirements. Failure to comply with environmental laws and regulations could have significant consequences on our business and results of operations, including the imposition of substantial fines and sanctions for violations, injunctive relief (including requirements that we limit or cease operations at affected facilities), and reputational risk. In addition, certain of our products are subject to extensive, and increasingly stringent, statutory and regulatory requirements governing attributes, such as emissions and noise, including standards imposed by the U. S. Environmental

Protection Agency, the European Union and other regulatory agencies around the world. We have made, and will continue to make, significant capital and research expenditures relating to compliance with these standards. The successful development and introduction of new and enhanced products in order to comply with new regulatory requirements are subject to other risks, such as delays in product development, cost over-runs and unanticipated technical and manufacturing difficulties. In addition to these risks, the nature and timing of government implementation and enforcement of these standards- particularly in emerging markets- are unpredictable and subject to change. Future climate change regulation could result in increased operating costs, affect the demand for our products or affect the ability of our critical suppliers to meet our needs. **Potential regulation addressing** Management believes it is reasonably likely that the scientific and political attention to issues concerning the existence and extent of climate change **may**, and the role of human activity in it, will continue, with the potential for further regulation that affects **affect** the company **Company**'s operations and products **in certain jurisdictions**. The potential challenges posed by evolving climate change policy and prospective **legislation-regulation** are heavily dependent on the nature and degree of such legislation, **the consistency (or lack of consistency) of legislation across jurisdictions in which we operate**, and the extent to which **such regulation and legislation** applies to our industry. Although uncertain, these developments could increase costs or reduce the demand for the products the company sells. ~~The Company's manufacturing and service operations typically result in emissions of greenhouse gases. Likewise, emissions arise from midstream and downstream operations, including operations of our locomotives and other products. Finally, although beyond the control of the company, the use of fuels and related products by operators also results in greenhouse gas emissions that may be regulated.~~ International agreements, domestic legislation and regulatory measures to limit greenhouse gas emissions are currently in various phases of discussion or implementation. While we are carefully monitoring developments, at this time, we cannot predict the ultimate impact of climate change and climate change **legislation-regulation** on our operations. Any laws or regulations that may be adopted to restrict or reduce emissions of greenhouse gas could require us to incur increased operating costs and could have an adverse effect on demand for our products. In addition, the price and availability of certain of the raw materials that we use could vary in the future as a result of environmental laws and regulations affecting our suppliers. An increase in the price of our raw materials or a decline in their availability could adversely affect our operating margins or result in reduced demand for our products. The occurrence of litigation in which we are, or could be, named as a defendant is unpredictable. From time to time, we are subject, directly or through our subsidiaries, to litigation or other commercial disputes and other legal and regulatory proceedings with respect to our business, customers, suppliers, creditors, stockholders, product liability (including ~~asbestos~~ claims), intellectual property infringement, competition and antitrust claims, warranty claims or environmental- related matters. Due to the inherent uncertainties of any litigation, commercial disputes or other legal or regulatory proceedings, we cannot accurately predict their ultimate outcome, including the outcome of any related appeals. We may incur significant expense to defend or otherwise address current or future claims. Although we maintain insurance policies for certain risks, we cannot make assurances that this insurance will be adequate to protect us from all material judgments and expenses related to potential future claims or that these levels of insurance will be available in the future at economical prices or at all. In addition, although in some cases we may be indemnified by non- affiliated entities that retain liabilities in connection with specific matters, there can be no assurance that these indemnitors will remain financially viable and capable of satisfying their obligations. Any litigation, even a claim without merit, could result in substantial costs and diversion of resources and could have a material adverse effect on our business and results of operations. Our manufacturer' s warranties or product liability may expose us to potentially significant claims. We warrant the workmanship and materials of many of our products. Accordingly, we are subject to a risk of product liability or warranty claims in the event that the failure of any of our products results in personal injury or death or does not conform to our customers' specifications. In addition, in recent years, we have introduced a number of new products for which we do not have a history of warranty experience. Although we currently maintain liability insurance coverage, we cannot assure that product liability claims, if made, would not exceed our insurance coverage limits or that insurance will continue to be available on commercially acceptable terms, if at all. The possibility exists for these types of warranty claims to result in costly product recalls, significant repair costs and damage to our reputation. Expectations relating to environmental, social and governance considerations expose us to potential liabilities, increased costs, reputational harm, and other adverse effects on our business. Many governments, regulators, investors, employees, customers and other stakeholders are **increasingly** focused on environmental, social and governance considerations relating to businesses, including climate action and greenhouse gas emissions, supply chain due diligence, human capital management, and diversity **initiatives**, ~~equity and inclusion~~. We make statements about our ESG goals and initiatives through information provided in reports that we file or furnish with the Securities and Exchange Commission, on our website, in press statements, and in other communications, including through our Sustainability Reports. Our response to these ESG considerations and the implementation of these goals and initiatives involves risks and uncertainties, including those described under " Forward-Looking Statements, " and such response may be impacted by factors that are outside our control. In addition, some stakeholders may disagree with our goals and initiatives and the focus of stakeholders may change and evolve over time. Stakeholders also may have different views on the relative prioritization of the Company' s ESG focus, including differing views of regulators in various jurisdictions in which we operate. Any failure, or perceived failure, by us to achieve our goals, further our initiatives, adhere to our public statements, comply with federal, state or international environmental, social and governance laws and regulations, or meet evolving and varied stakeholder expectations and standards could result in legal and regulatory proceedings against us and materially adversely affect our business, reputation, results of operations, financial condition, and stock price.

RISKS RELATED TO DATA SECURITY AND INTELLECTUAL PROPERTY If we are not able to protect our intellectual property and other proprietary rights, we may be adversely affected. Our success can be impacted by our ability to protect our intellectual property and other proprietary rights. We rely primarily on patents, trademarks, copyrights, trade secrets and unfair competition laws, as well as license agreements and other contractual provisions, to protect our intellectual property and other

proprietary rights. However, filing, prosecuting and defending patents on our products in all countries and jurisdictions throughout the world would be prohibitively expensive. Moreover, existing U. S. legal standards relating to the validity, enforceability and scope of protection of intellectual property rights offer only limited protection, may not provide us with any competitive advantages and may be challenged by third parties. The laws of countries other than the United States may be even less protective of intellectual property rights. As a result, a significant portion of our technology is not patented, and we may be unable or may not seek to obtain patent protection for this technology. Further, although we routinely conduct anti-counterfeiting activities in multiple jurisdictions, we have encountered counterfeit reproductions of our products or products that otherwise infringe on our intellectual property rights. Counterfeit components of low quality may negatively impact our brand value. Accordingly, despite our efforts, we may be unable to prevent third parties from infringing upon, counterfeiting or misappropriating our intellectual property or otherwise gaining access to our technology. If we fail to protect our intellectual property and other proprietary rights, then our business, results of operations and financial condition could be negatively impacted. In addition, we operate in industries in which there are many third- party owners of intellectual property rights. Owners of intellectual property that we need to conduct our business as it evolves may be unwilling to license such intellectual property rights to us on terms we consider reasonable. Third party intellectual property owners may assert infringement claims against us based on their intellectual property portfolios. If we are sued for intellectual property infringement, we may incur significant expenses investigating and defending such claims, even if we prevail. We face cyber- security and data protection risks relating to cyber- attacks and information technology failures that could cause loss of confidential information and other business disruptions. We rely extensively on the security, stability, and availability of technology systems in our business. We also collect, process, and retain sensitive and confidential customer information, including proprietary business information, personal data and other information that may be subject to privacy and security laws, regulations and / or customer- imposed data protection controls. Our business may be adversely impacted by unintentional technology disruptions, including those resulting from programming errors, employee operational errors, software defects, and product vulnerabilities. We also provide technological products integral to train operation. Accordingly, our business may be adversely impacted by disruptions to our own or third- party information technology infrastructure, which could result from cybersecurity incidents, including, but not limited to, unauthorized access to the Company' s information technology systems, data access or acquisition, and / or encryption of the Company' s environment. For instance, ~~during 2021, one of our vendors publicly disclosed we have experienced cyber- security incidents that have impacted the Company' s network. We have also been indirectly affected by vulnerabilities in its operating third- party system systems that we use used~~ for certain Wabtec products. ~~In each instance~~ Additionally, ~~during 2022~~, the Company ~~has detected a cyber- security incident which impacted the Company' s network. The Company promptly activated incident response protocols and completed a thorough investigation. The Such incidents did have~~ not ~~have had~~ a material impact on our business, operations or financial results. ~~A However, a~~ successful exploitation of our own or our vendors' information technology infrastructure could result in service interruptions, safety hazards, misappropriation of confidential information, process failures, security breaches or other operational difficulties. Such an event could result in decreased revenues and increased capital, insurance or operating costs, including the increased costs of security to protect the Company' s infrastructure, among other results. Insurance maintained by the Company to protect against loss of business and other related consequences resulting from cyber incidents may not be sufficient to cover all damages. A disruption or compromise of the Company' s technology systems, even for short periods of time, could have a material adverse effect. RISKS RELATED TO HUMAN CAPITAL Labor shortages and labor disputes may have a material adverse effect on our operations and profitability. We depend on skilled labor in our manufacturing and other businesses. Due to the competitive nature of the labor markets in which we operate, we may not be able to retain, recruit and train the personnel we require, particularly when the economy expands, production rates are high or competition for such skilled labor increases. We collectively bargain with labor unions at some of our operations throughout the world. Failure to reach an agreement could result in strikes or other labor protests which could disrupt our operations. Furthermore, non- union employees in certain countries have the right to strike. If we were to experience a strike or work stoppage, it ~~would could~~ be difficult for us to find a sufficient number of employees with the necessary skills to replace these employees. We cannot assure that we will reach any such agreement or that we will not encounter strikes or other types of conflicts with the labor unions of our personnel. Any such labor shortages or labor disputes could have an adverse effect on our business, results of operations and financial condition, could cause us to lose revenues and customers and might have permanent effects on our business. We rely on our management team and other key personnel. We depend on the skills, working relationships, and continued services of key personnel, including our experienced management team, and other key employees. In addition, our ability to achieve our operating goals depends on our ability to identify, hire, train, and retain qualified individuals. We compete with other companies both within and outside of our industry for talented personnel, and we may lose key personnel or fail to attract, train, and retain other talented personnel. Any such loss or failure could adversely affect our product sales, financial condition, and operating results. If we lose key personnel, because they terminate their employment or retire, or as a result of illness, disability or death, or if an insufficient number of employees is retained to maintain effective operations, our business activities may be adversely affected and our management team' s attention may be diverted. In addition, we may not be able to locate suitable replacements for any key personnel that we lose, or we may not be able to hire potential replacements on reasonable terms, all of which could adversely affect our product sales, financial condition, and operating results. RISKS RELATED TO OUR INDEBTEDNESS Our indebtedness could adversely affect our financial health. At December 31, ~~2023-2024~~, we had total debt of \$ 4. ~~1-0~~ billion, primarily related to Senior Notes, ~~and the 2022 and 2024 Credit Agreements (" Credit Agreements")~~. Being indebted could have important consequences to us. For example, our indebtedness could: • increase our vulnerability to general adverse economic and industry conditions; • require us to dedicate a substantial portion of our cash flow from operations to payments on our indebtedness, thereby reducing the availability of our cash flow to fund working capital, capital expenditures, acquisitions, and other general corporate purposes; •

limit our flexibility in planning for, or reacting to, changes in our business and the industries in which we operate; • place us at a disadvantage compared to competitors that have less debt; • limit our ability to borrow additional funds; and, • result in higher borrowing costs impacting our financial results upon refinancing any of our maturing debt. Moreover, our ~~Restated Credit Agreement~~ **Agreements** and the indentures governing our Senior Notes permit us to incur substantial additional indebtedness, which may further contribute to, or exacerbate the impact of, the foregoing impacts. The indentures for our outstanding Senior Notes and our ~~Restated 2022 and 2024 Credit Agreement~~ **Agreements** contain various covenants that limit our management's discretion in the operation of our businesses. Our ~~Restated Credit Agreement~~ **Agreements** ~~subjects~~ **subject** us to customary (i) affirmative covenants, including requirements with respect to certain reporting obligations on us and our subsidiaries, and (ii) negative covenants, including limitations on: indebtedness; liens; restricted payments; fundamental changes (including certain changes in control); business activities; transactions with affiliates; restrictive agreements; changes in fiscal year; and use of proceeds. In addition, we are required to maintain (i) **an a ratio of EBITDA to interest Interest expense Coverage Ratio** of at least 3.00 to 1.00 ~~over each period of~~ **, calculated using an earning metric as defined in the agreement compared to Interest Expense for the** four consecutive fiscal quarters ending on the ~~then ended last day of a fiscal quarter~~ and (ii) a Leverage Ratio, calculated by ~~Net net Debt debt (total debt, net of up to \$ 300 million of unrestricted cash)~~ **as of the last day of such fiscal quarter to EBITDA the defined earnings metric** for the four quarters then ended, of 3.5 or less. All terms are as defined in the ~~Restated Credit Agreement~~ **Agreements**. The indentures under which our Senior Notes were issued contain covenants and restrictions which limit, subject to certain exceptions, certain sale and leaseback transactions with respect to principal properties, the incurrence of secured debt without equally and ratably securing the senior notes and certain merger and consolidation transactions. In addition, the indentures require that we offer to repurchase our outstanding Senior Notes upon the occurrence of certain change of control triggering events.