



WEG SUSTAINABLE
SUPPLIERS
Program

PARTNERSHIPS THAT DRIVE US.

GLOSSARY OF TERMS



Driving efficiency and sustainability



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Adequate working hours	Period during which the employee is at the disposal of the employer, and labor legislation must be respected.
Administrative sanctions	Penalties applied by the State.
Audited by third party	Audit of the information contained in the annual integrated/sustainability report carried out by independent auditors.
Bids	Process that allows the contracting of services and the acquisition of goods by the Public Administration.
Bribery	Offering, giving or promising something of value or an advantage to someone, so that they perform some act or omit something in an improper or illicit way.
Child labor	Work that deprives children of their childhood, harming their physical and mental development.
Collective bargaining	Negotiations between employee unions and companies or directly with companies, resulting in CCTs or ACTs, documents that establish working conditions different from those provided for by law.
Commitments related to biodiversity	Initiatives and/or actions adopted to promote the conservation or protection of biodiversity in its operations and/or value chain.
Competition standards	These are laws and regulations issued by governments and regulatory bodies, aiming to defend and protect competition.
Conflict Minerals	Minerals originating from areas of armed conflict and illicitly traded to finance armed groups, encouraging forced labor and other rights violations.
Corruption	It is an illicit and harmful practice, which covers various forms, such as bribery, blackmail, embezzlement of public resources, money laundering, fraud, among other illicit activities defined by applicable legislation.
Dematerialization	Strategy that seeks to reduce the amount of materials used to manufacture a product, maintaining and/or improving its performance, often replacing it through a virtual offering.
Discrimination	Any distinction, exclusion or restriction of preference, which is based on any basis such as culture, ethnic origin, nationality, sexual orientation, religion, physical disability or other characteristics that are not relevant to the matter in question.
Due diligence	Process of detailed assessment of suppliers and their operations, to identify risks of fraud, corruption, human rights violations, among other irregularities in their business.
Embargoes and economic sanctions	Restrictions imposed by governments and international organizations on people, companies or groups of people, for example, embargoes and sanctions issued: (i) by the United States, through the Office of Foreign Assets Control - OFAC ; (ii) by the European Union, through the European Council; (iii) by the United Nations, through the United Nations Security Council; (iv) by the United Kingdom, through the Office of Financial Sanctions Implementation – OFSI; or by any other government or organization.

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Environmental permits and/or licenses	Documents approved by competent environmental bodies (municipal, state or federal) that authorize the activities carried out by the company.
Forced labour	Work required of anyone under threat, for which the person did not apply, or which is done without due payment.
Fraud	An intentional act or omission designed to deceive others, resulting in the victim suffering a loss and/or the perpetrator making a gain.
Freedom of association	Employees are free to join their respective unions, aiming to freely defend the interests and rights of workers.
GHG	Greenhouse Gases (GHG) are the main contributors to the greenhouse effect and global warming, causing significant impacts on the climate and environment. They are released mainly by human activity (e.g. burning fossil fuels).
GHG reduction targets	Goals that aim to reduce greenhouse gas emissions from a company's operations, as well as its value chain.
Health and Quality of Life	Actions that seek to promote benefits for the lives of employees.
Human rights	These are rights inherent to all human beings, regardless of their race, sex, nationality, ethnicity, language, religion or any other condition. Human rights include the right to life and liberty, freedom of opinion and expression, the right to work and education, among others. Everyone is entitled to these rights, without discrimination.
Human trafficking	This involves the recruitment, transport, transfer, accommodation or reception of people, using the threat or use of force or other forms of coercion.
Internal reuse of materials	Reintroduce materials and inputs that would otherwise be destined as waste into production processes, reducing the exploitation of new natural resources.
Internationally recognized methodologies	Guidelines and procedures developed by organizations that provide guidance on how to identify, calculate and report greenhouse gas emissions, such as the GHG Protocol.
Labor practices	Respect labor legislation, especially the working conditions of employees.
Mechanisms	Structured processes with the aim of monitoring, preventing and/or adapting to a specific need.
Minimum wage	Amount stipulated by the federal or state government as the minimum to be paid to workers.
Diverse Supplier	Companies run by teams made up of people of different genders, ethnicities, backgrounds, ages, experiences and visions, promoting greater equality, creativity and innovation.
Money laundry	Financial scheme that aims to hide the origin of values.
Moral harassment	Exposing a person to humiliating and embarrassing situations, capable of causing offense to personality, dignity or psychological or physical integrity.

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Product carbon footprint	Represents the amount of greenhouse gases emitted due to the manufacture and use of a product.
REACH	Registration, Evaluation, Authorization and Restriction of Chemicals (REACH) is a regulation to control chemical products manufactured and imported into member states of the European Union, with the aim of ensuring a high level of protection for human health and the environment.
Renewable energy with guarantee of origin	Energy from renewable sources (solar, wind, hydroelectric, etc.) with certification/contract that guarantees its sustainable origin (bilateral contract (PPA), I-REC, CEL, etc.).
RoHS	Restriction of Hazardous Substances (RoHS) directive adopted by the European Union and other countries that prohibits the use of certain hazardous substances in the composition of electrical and electronic equipment.
SBTi	Science Based Targets (SBTi) is an initiative that defines science-based guidelines and approves greenhouse gas emission reduction targets for companies, organizations, entities, etc.
Secondary materials	Recycled inputs and materials that are reused throughout the production process and in the design of the final product.
Securities standards	These are the laws and regulations that protect and determine the functioning of securities trading on stock exchanges.
Sexual harassment	Embarrassing, through words, gestures or actions, with the aim of obtaining sexual advantage or favor.
Social and labor documentation	Demonstrates and ensures compliance with applicable labor legislation (for example: work card, individual identification document, etc.).
Some of its members	Its controlled companies, its controlling companies, its affiliates, its partners, administrators, directors and final beneficiaries.
Tax documentation	Negative debt certificates and/or certificates of good standing with administrative bodies, as applicable.
UN Global Compact	UN (United Nations) voluntary adherence initiative that is based on commitments made by the CEOs of participating companies to implement universal sustainability principles and take measures that support the achievement of the Sustainable Development Goals (SDGs).