“WHEN YOU LACK MACHINES, YOU CAN BUY THEM; IF YOU DO NOT HAVE MONEY, YOU CAN BORROW IT, BUT YOU CANNOT BUY OR BORROW PEOPLE, AND PEOPLE WHO ARE MOTIVATED BY AN IDEA ARE THE BASIS FOR SUCCESS”

Eggon João da Silva

WEG is a global company regarded as one of the world’s leading manufacturers of energy efficient electric motors, automation, power transmission, renewable resource technologies, solar, biomass and wind power generation, distribution equipment and industrial coatings and varnishes.

Doing business in over 135 countries, WEG is one of the top global players with background expertise to provide full turnkey systems for a wide variety of industrial applications.
WEG in Numbers

NET OPERATING REVENUES
CONSISTENT GROWTH

A history of achieving CAGR of 17% over past 20 years through organic growth and accretive acquisitions.

Largest manufacturing site for LV electric motors in the world with +1 million m²

Over 1,200 product lines 50.1 % of the revenues came from products released in the last 5 years

Over 31,830 employees worldwide

Over 1,400 Service Centers around the world

Distributors in +135 countries

+12k hectares of reforestation, 50% of renewable resources and 50% of native forest

R$ 524,3 million of investments (CAPEX)

2.54 % of the net operating revenues are invested in R&D

70k motors produced per day

45 manufacturing sites in 12 countries and commercial operations in 36 countries

Sales to +135 countries
WEG Global Presence

MANUFACTURING SITES IN 12 COUNTRIES

- BRAZIL: 16 manufacturing sites
- COLOMBIA: 2 manufacturing sites
- CHINA: 4 manufacturing sites
- PORTUGAL: 2 manufacturing sites
- SPAIN: 1 manufacturing site
- PORTUGAL: 1 manufacturing site
- ARGENTINA: 3 manufacturing sites
- SOUTH AFRICA: 4 manufacturing sites
- USA: 6 manufacturing sites
- MEXICO: 2 manufacturing sites
- AUSTRIA: 1 manufacturing site
- GERMANY: 3 manufacturing sites
- SOUTH KOREA: 1 manufacturing site

COMMERCIAL OPERATIONS IN 36 COUNTRIES

- Algeria
- Argentina
- Australia
- Austria
- Belgium
- Brazil
- Chile
- China
- Colombia
- Denmark
- Ecuador
- France
- Germany
- Ghana
- India
- Italy
- Japan
- Kazakhstan
- Malaysia
- Mexico
- Netherlands
- Norway
- Peru
- Portugal
- Russia
- Sweden
- Singapore
- South Africa
- Spain
- Thailand
- United Arab Emirates
- UK
- Ukraine
- USA
- Venezuela

Note: Distributors/agents in 135 countries.

WEG GROUP AFFILIATED COMPANIES
WEG initially started to produce electric motors and in the 80's the company expanded its business activities with the manufacture of electric and electronic components, industrial automation technologies, power and distribution transformers, liquid and powder coatings and insulating varnishes. Recently the company entered the wind power, solar and mobility business sectors, allowing the company consolidation not only as a manufacturer of electric motors, but also as a supplier of complete industrial systems.

**Company Milestones**

- **1961**
  - Foundation of WEG.

- **1968**
  - The company produces the 1st motor in accordance with IEC Standards.

- **1970**
  - WEG starts exporting.

- **1988**
  - The WEG Group Trading Co. WEG Exportadora is created. Creation of WEG Automation.

- **1991**
  - Establishment of overseas Commercial Branches (1st is in the USA).

- **1992**
  - ISO9001 Certification is granted to WEG.

- **2004**
  - WEG enters the Chinese market with the acquisition of WEI FU electric motor factory.

- **2006**
  - JV with Voltran, a transformer factory in Mexico.

- **2007**
  - WEG shares make part of BM&F Bovespa’s Novo Mercado listing.

- **2010**
  - Greenfield of power transformers and substations in Mexico.

- **2014**
  - WEG acquires Württembergische Elektromotoren GmbH, a special motor and gearbox factory in Germany. Chinese business are expanded with the acquisition of SINYA and CMM Group. WEG is appointed as member of Dow Jones Sustainability Indices (DJSI). WEG acquires FTC, an electric panel company in Colombia. High speed motor factory AKH is acquired in Germany.

- **2015**
  - TSS transformer factory in South Africa. Electric panel factory Autrial S.L. in Spain. Suntec - Colombian Transformer Manufacturer are acquired.

- **2016**
  - WEG acquires Bluffton Motor Works, LCC., an electric motor factory in the USA. WEG greenfield manufacturing site in Rugao, China.
The track record of the organization, built-up by Werner, Eggon and Geraldo, is marked by success. The set of values, beliefs and ideals supported by the founders is deeply rooted in the organization and establishes the winner paths the company has followed along its history.

1971
WEG shares are traded in the stock exchange.

1981
Product Portfolio is expanded with the creation of WEG Energy, WEG Controls and WEG Transformers.

1983
Creation of WEG Coatings.

1985
WEG Group and WEG SA Holding are created.

1993
WEG makes JV with Argentina’s largest electric motor manufacturer in Córdoba.

2000
WEG acquires ABB’s LV electric motor factory in Mexico.

2001
WEG receives ISO14001 Certification.

2002
The company acquires Efacec electric motor factory in Portugal.

2011
Greenfield large motor and generator factory is built in India.
WEG acquires the large motor and generator manufacturer Electric Machinery (EM) from GE-Converteam in the US.
Watt Drive, a gearbox factory is acquired in Austria.
WEG enters the Critical Power Market in Brazil.

2012
WEG receives ISO50001 Certification.
WEG enters the Plugs and Sockets Market with the acquisition of Injetel in Brazil.

2013
JV with Northern Power Systems for Wind Power Generation in Brazil.

2017
Acquires the brazilian turbines manufacturer TGM and the US transformers business of CG Power USA Inc.

2019
Enters in the business of solutions for industry 4.0 with the creation of a specific department for digital businesses and the acquisition of 51% of the share capital of PPI-Multitask and V2COM.

2020
Acquire control of two startups: BirmiD, a technology company active in the Artificial Intelligence market applied to Industrial Analytics and MVISIA, which is specialized in artificial intelligence solutions applied to computer vision for the industry.
## WEG Policies

### QUALITY

- Provide products and services with true quality, that is, meet the needs of our customers at the lowest possible cost.

### ENERGY CONSERVATION

- Ensure the development, production and trade of products and services with greater efficiency and continuous improvement of our business processes, meeting legal requirements and allowing reduction of energy consumption.

### ENVIRONMENT

- Ensure the lowest environmental impact of its products and production processes, focusing on:
  - Compliance with applicable environmental legislation;
  - Continuous improvement by establishing environmental goals and objectives;
  - Operation in a preventive way, aiming at protecting the environment;
  - Development of eco-efficient processes and products, while preserving the natural resources.

### HEALTH AND SAFETY

- Value the health and safety of people while performing their activities, products and services, and it is committed to:
  - Adopting preventive approaches in all hierarchical levels;
  - Identifying, eliminating and/or minimizing significant risks to the health and safety of its employees, contractors and the public in general;
  - Identifying and complying with legal requirements applicable to occupational health and safety related to its processes, products and services;
  - Setting objectives and goals, aiming at continuously improving the performance of the management system.

### SOCIAL RESPONSIBILITY

- Conduct the business for continuous and sustainable growth, valuing and respecting stakeholders, maintaining transparency and ethics in the relationships and committing itself to:
  - Complying with labor and tax legislation, applicable to all company activities and the place where it operates;
  - Ensuring the eradication of child labor and forced or compulsory labor in all company activities;
  - Ensuring fight against sexual abuse of children and adolescents in all company activities;
  - Not hiring people under 18, except upon apprenticeship program;
  - Encouraging and providing conditions for the development of employees, aiming at improving competences and personal and professional growth;
  - Valuing diversity and multicultural initiatives protecting from any act of discrimination by race, gender, sexual orientation, physical condition, religion, age, social class, political party and nationality;
  - Rejecting any practices of moral and sexual harassment in work place that compromise the person’s integrity;
  - Respecting the right of employees to join trade unions, negotiate collectively and ensure no retaliations in the work place;
  - Supporting the communities which directly interact with WEG, strengthening economic and social development;
  - Code of Ethics.
Corporate Governance

The company’s commitment is to keep working within the same principles of transparency, fairness and accountability to shareholders and other stakeholders. In this context, WEG joined the B3 New Market listing segment. The administration of the WEG Group is exercised by the:

- Board of Directors, with deliberative functions;
- Executive Direction, with representative and executive functions;
- Audit Committee.

The Board of Directors consists of seven members, including a president and a vice-president. Three board members are considered “independent” in accordance with the provisions of the Listing Rules of B3 New Market.

The Board of Directors is responsible for formally assessing the performance of the company, of the Board itself, of the Direction and, individually, of the members of each of these corporate bodies. In order to do so, the Board of Directors meets whenever necessary, at least quarterly, convened by its President.

Stepping Forwards on Sustainability

Aware that renewable sources of energy will cover a much larger share of the global energy demands WEG has been doing major efforts to meet world’s sustainability requirements. The outlines of a sustainable energy system are already becoming apparent at WEG since the company set itself ambitious goals for a clean energy supply from renewable resources and high efficiency electric products.

To make this possible, WEG keeps encouraging major technological advances and innovations onto its business strategy with the design, manufacturing and provision of energy efficient and eco-friendly solutions for a sustainable planet.

Management System Certifications

ISO 9001
ISO 14001
ISO 50001
ISO TS 16949

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ELECTRIC MOTORS & GEARBOXES
Complete line of electric motors and gearboxes meeting and exceeding efficiency levels. Main products: Low and high voltage induction motors, Synchronous motors, DC motors and Gearboxes.

AUTOMATION TECHNOLOGIES
Complete range of low voltage and medium voltage electric & electronic products and systems enhancing productivity. Manufacturing of automation solutions to meet the demand of several industrial and building segments such as Drives, Controls, Electrical panels, Automation systems, Machine safety, Building technologies, etc.

DIGITAL SOLUTIONS FOR INDUSTRY 4.0
WEG Digital Solutions is an ecosystem that connects and integrates equipment and sensors, capable of collecting and storing data and transforming it into information that makes it possible to monitor, control and automate operations, carrying out analyzes in real time. It is WEG’s expertise applied in the development of more efficient technologies for the continuous growth of Industry 4.0.
WEG is regarded as one of the world’s largest manufacturers of commercial and industrial electric motors, gearboxes, automation technologies, control and protection systems, power generation equipment and industrial coatings and varnishes. Besides the already-established global network of manufacturing sites, commercial branches, distributors and service centers, the acquisition of new brands and joint ventures established along the years have expanded the product and service portfolio and made the company business even more solid and competitive.
WEG’s strategic vision is to provide complete and efficient solutions with a complete line of electrical machines, from the generation all the way to the consumption.

This means we intend to continue being a competitive supplier of electrical equipment for typical applications. For example, WEG is one the world’s largest supplier of industrial electric motors used by OEM’s in the manufacturing of pumps, compressors, industrial fans, among others. We also can use this production competitiveness and flexibility and our broad product line to integrate those products into a complete solutions.

We can combine electric motors of several types and sizes with the drives and controls to build industry automation systems, or provide complete solutions for electricity generation from renewable resources; even complete power substations for just about any use. Important to note that these systems basically consist of WEG manufactured products.

This integrated approach based on competitive manufacturing capabilities has been the basis of our market presence and the way we present ourselves to our customers and to the market.
Clear Competitive Advantages

WEG has implemented along the years an unique business model that creates important and defensible competitive advantages.

VERTICAL INTEGRATION
Vertical integration allows production flexibility to competitively supply small batches of highly customized products that match with perfectly our customers needs. We do mass customization, not necessarily mass production.

DIVERSIFICATION
Our production flexibility allows us to target the markets (geographies, segments and products) to offer the best growth perspectives. It also allows us to target markets based on returns, not on our needs to occupy specialized production capacity.

FINANCIAL STRENGTH
Financial strength allows WEG to pursue growth opportunities as they become available. These opportunities range from trivial, such as raw materials procurement at attractive conditions to strategic, such as acquisitions of new business.

MODULAR EXPANSION
Our production system is also based on modular expansion, avoiding idle capacity build up, maximizing returns on capital and lowering demand risks.

GLOBAL PRESENCE
The diversity of our product offering also allows us to expand internationally, leveraging the expertise we have developed into new markets and being a premium partner for our global customers.
Main Segments Covered by WEG

From a stand alone motor for farming application to solutions that meet several segments of the industry, WEG is present there providing complete and integrated systems.
Corporate Profile

<table>
<thead>
<tr>
<th>Company Name</th>
<th>WEG S.A.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Date of Establishment</td>
<td>September 16, 1961</td>
</tr>
<tr>
<td>Headquarters</td>
<td>Av. Prefeito Waldemar Grubba, 3000 Jaraguá do Sul / SC, Brazil Phone +55 47 3276 4000 <a href="http://www.weg.net">www.weg.net</a></td>
</tr>
<tr>
<td>Yearly Turnover</td>
<td>R$ 13,347 million</td>
</tr>
<tr>
<td>Number of Employees</td>
<td>Over 31,830</td>
</tr>
<tr>
<td>Business</td>
<td>Electric Motors &amp; Gearboxes; Automation Technologies; Transmission and Distribution; Power Generation; Industrial Coatings and Varnishes.</td>
</tr>
<tr>
<td>Manufacturing Sites</td>
<td>46 Manufacturing Sites in 12 Countries</td>
</tr>
<tr>
<td>Subsidiaries</td>
<td>Commercial operations in 36 Countries</td>
</tr>
<tr>
<td>Ticker</td>
<td>WEGE3 (B3) / WEGZY (OTC – ADR Level 1)</td>
</tr>
<tr>
<td>Market Value</td>
<td>R$ 72,7 billion (On Dec 30, 2019)</td>
</tr>
<tr>
<td>Share Price</td>
<td>R$ 34,66 (On Dec 30, 2019)</td>
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<tr>
<td>Stock Information</td>
<td>Number of shares issued: 2,098,658,999 Number of shares in treasury: 1,084,853 Number of shares ex-treasury: 2,097,574,146</td>
</tr>
</tbody>
</table>

MESSAGE FROM THE PRESIDENT

Aware of the market demands, thus offering increasingly efficient, sustainable and smart solutions, WEG has increased its product portfolio for the renewable energy, energy efficiency, electrical mobility and Industry 4.0 sectors.

Considered one of the most innovative companies in Brazil, leader on the market of transformers for renewable energies in Brazil and USA – with more than 196 MW of solar power plants and 650 MW of wind farms installed in the country, and developer of electrical solutions for buses, trucks and even aircrafts – the Company is now boosting its efforts to develop products, processes and services for industry 4.0.

In addition to creating a new digital business structure and acquiring two companies in 2019 – PPI-Multitask, specialized in the execution of Internet of Things and manufacturing systems, and V2Com, specialized in IoT and full telemetering solutions for electricity systems and smart grid – WEG continues to invest in the development of software solutions for the company’s traditional products and keeps working to position itself as a supplier of data management software for the industry.

The constant search for new technologies is a sine qua non at the Company, and the company evidences such strategy by means of its Technological Innovation Index, which reached 50.1% in 2019, that is, half of the company’s revenue is the result of sales of products launched in the last five years.

Constantly innovating in all areas and adding new products and new businesses to its portfolio every year, WEG is growing, developing and offering concrete opportunities for the market, with a high environmental, economic and social impact.

This growth, when aligned with ethical and sustainable concepts, involving the development of all stakeholders, generates important impacts on the Sustainable Development Goals (SDGs), an extremely important agenda that has been closely monitored by the company. With ethics, integrity and transparency, it has been possible to establish a harmonic environment favorable to the development not only of the company, but also of all employees, suppliers, customers and investors. That is what the company believes in, and that is what it works for.

We will keep identifying opportunities, investing in people and communities where we operate and following our mission of continuous and sustainable growth while maintaining simplicity.

Thank you all and good reading!

Harry Schmelzer Jr. President and CEO WEG Group
For WEG’s worldwide operations visit our website

www.weg.net

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