COMPANY PROFILE
“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**

![Graph showing CAGR 18% over the last 17 years](image)

- **NET OPERATING REVENUES**
  - Largest manufacturing site for LV electric motors in the world with **+1 million m²**
  - Over **460** product lines
  - **43.7%** of the revenues came from products released in the last 5 years

- **WEG in Numbers**
  - **Over 31k** employees globally
  - **Over 40 manufacturing sites** in **12 countries** in the 4 continents
  - **+1 million m²** of investments (CAPEX)
  - **2.6%** of the net operating revenues are invested in R&D
  - **135** countries
  - **105** Service Centers around the world
  - **+12k** hectares of reforestation, 50% of renewable resources and 50% of native forest
  - **1,400** distributors in countries
WEG Global Presence

MANUFACTURING SITES IN 12 COUNTRIES

- **USA**: 6 manufacturing sites
- **Mexico**: 2 manufacturing sites
- **Colombia**: 2 manufacturing sites
- **Brazil**: 4 manufacturing sites
- **Portugal**: 2 manufacturing sites
- **Spain**: 1 manufacturing site
- **Germany**: 3 manufacturing sites
- **Austria**: 1 manufacturing site
- **China**: 3 manufacturing sites
- **South Africa**: 4 manufacturing sites
- **Argentina**: 3 manufacturing sites
- **India**: 1 manufacturing site

COMMERCIAL OPERATIONS IN 34 COUNTRIES

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

Note: Distributors/agents in 120 countries.

WEG GROUP AFFILIATED COMPANIES
Company Milestones

1961
Foundation of WEG.

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

1970
WEG starts exporting.

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.

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

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.

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.
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.

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.

- **1991**: Establishment of overseas Commercial Branches (1st is in the USA).
- **1992**: ISO9001 Certification is granted to WEG.
- **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.
- **2004**: WEG enters the Chinese market with the acquisition of WEIFU electric motor factory.
- **2013**: JV with Northern Power Systems for Wind Power Generation in Brazil.
- **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.
- **2017**: Acquires the brazilian turbines manufacturer TGM and the US transformers business of CG Power USA Inc.
**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 implementation of Corporate Governance practices reflects the example set by WEG founders and the respect for the partners who have joined the company along its history. The company is committed and engaged to promoting the same principles of transparency, fairness and accountability to shareholders and other stakeholders.

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
**Business**

**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.

**TRANSMISSION AND DISTRIBUTION**
Supply of solutions for Substations, Power and Distribution Transformers, Dry Transformers and Power Reactors.
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 strenght 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.
WEG has consistently followed its investment plan in new business, new technologies, its international expansion, as well as in the development of people.

With 42 factories in 12 countries and more than 31,000 employees worldwide, we achieved net sales of R$ 11.960 billion in 2018, of which approximately 3% were invested in research and innovation, R$ 307.6 million. Similar values were also directed to employees through training, investments in education and benefits such as medical and dental care, pension plan, and profit sharing, among others.

As a global manufacturer of electrical and electronic equipment, WEG excels in innovation by constantly developing solutions to meet major trends in energy efficiency, renewable energy, electric mobility and industry 4.0.

As for innovation, we are among the 1000 open share capital companies in the world that invest the most in innovation, and also the only one in Latin America related to Aon Hewit’s Global Top Companies for Leaders. In the Capital Market, the company composes the Dow Jones Sustainability Emerging Markets Index and the MSCI Global Sustainability Index Series, the most important international acknowledgments of our performance.

We are grateful to our employees, as well as to WEG’s customers, suppliers and shareholders for their trust in the company.

We will continue to identify opportunities and pursue our mission of continuous and sustainable growth while maintaining simplicity.