COMPANY PROFILE

Driving efficiency and sustainability

WEG
WEG is a global company and is 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.

— Eggon João da Silva

“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 of SUCCESS.”
WEG in Numbers

NET OPERATING REVENUES (R$ MILLION)
Consistent Growth

54.4% External Market
45.6% Domestic Market

CAGR 18%

- Made and sold in Brazil
- Made in Brazil and exported
- Manufactured and sold abroad

Made in Brazil and exported
Manufactured and sold abroad

54.4% External Market
45.6% Domestic Market

CAGR 18%

Largest manufacturing site for low voltage electric motors in the world
+1 million m²

Product portfolio with over 1200 product lines
56.4% of the revenues came from products released in the last 5 years

+38,000 employees worldwide

OVER 1400 Service Centers around the world

Distributors/agents in +120 countries

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

R$847 million of investments (CAPEX)

2.3% of the net operating revenues are invested in R&D

19 million motors produced per year

52 Manufacturing sites in 15 countries and Commercial operations in 37 countries

Sales to +135 countries
WEG Global Presence

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, solutions for digitalization and electric mobility business sectors, allowing the company consolidation not only as a manufacturer of electric motors, but also as a supplier of complete industrial systems.

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

**WEG starts exporting.**

**WEG shares are traded in the stock exchange.**

**WEG makes JV with Voltran, a transformer factory in Mexico.**

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

**WEG enters the Chinese market with the acquisition of WEIFU electric motor factory.**

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

**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.**

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

**WEG acquires Bluffton Motor Works, LCC., an electric motor factory in the USA. WEG greenfield manufacturing site in Rugao, China.**

**recently the company entered the wind power, solar, solutions for digitalization and electric 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.
**MISSION**

Continuous and sustainable growth while maintaining simplicity.

**VISION**

To be a global reference in motors, generators, transformers and electric controls with a wide integrated offer for electrification, automation and digitalization.

**PURPOSE**

To develop technologies and solutions contributing to a more efficient and sustainable world.

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**WEG Policies**

**Governance**

Through a structured governance system at all levels, we promote transparency, integrity, ethics and safety in everything we do, respecting the rights of all stakeholders.

**Team Management**

We work as a team within a friendly way allowing sharing of ideas. We get together and share knowledge and skills to continuously improve our decision-making process.

**Innovation and Flexibility**

We invest in research, development, innovation and quality, with focus on offering efficient solutions to the market. We are continuously being resilient in order to meet our customers’ needs.

**Leadership and Culture**

We offer developing opportunities to our employees allowing them to perform their job with excellence within the company’s strategy, as well as cultivating and promoting WEG’s background culture.

**People and Environment**

We value generation of professional and personal development opportunities, human rights, diversity and the environment. We invest in solutions for the reduction of carbon emissions and encourage our people to be engaged in social activities where we have our operations, with focus on health and education.

**Efficiency with Simplicity**

We encourage simplicity in our relationships and do our best to improve efficiency and competitiveness, turning our products and processes even better. We continually try to do more with less, with excellence while performing our activities.
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. Two 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 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 Towards 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 9001:2015
- ISO 14001:2015
- ISO 50001:2011
- ISO 45001:2018
- IATF 16949:2016
- NORSOK S-006:2003
- ISO 14064.1:2018
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 operations, 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.

**Industrial Electric Motors and Gearboxes**
Complete line of electric motors and gearboxes for the industry. Main products: Low and high voltage induction motors, Synchronous motors and Gearboxes.

**Commercial Electric Motors and Appliance**
Appliance products manufactured with quality and technology.

**Automation**
Complete range of low and medium voltage electric & electronic products and automation solutions for several segments. 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 & Systems**
Integrated systems of automation, electrification, safety, energy storage and electric mobility with engineering and manufacturing of equipment, solutions, software and connectivity for different segments.
Supply of solutions for Substations, Power and Distribution Transformers, Dry Transformers and Power Reactors.

Manufacturing of large Machines such as Turbo, Hydro and Wind Generators, Alternators and Hydro and Steam Turbines.

Industrial liquid and powder coatings and insulating varnishes for industrial, marine, anticorrosion and automotive applications.
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. WEG is one the world’s largest supplier of electric motors used by OEM’s in the manufacturing of pumps, compressors, fans, among others.

We also can use this production competitiveness and flexibility and our wide product portfolio to integrate those products into 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.
Competitive Advantages

A UNIQUE BUSINESS MODEL CREATES IMPORTANT COMPETITIVE AND DEFENSIVE ADVANTAGES

Vertical Integration
Production flexibility that reduces costs and optimizes processes.

Wide Portfolio
Varied mix of solutions that meets several markets and consolidates our global presence.

Modular Expansion
Our production system is dedicated to maximize return on capital and minimize risks of demand.

Mass Customization
We understand needs in order to meet objectives and thus develop customized solutions.

Simple and Committed
We keep the commitment and the simplicity in our relationship with the stakeholders.

Financial Flexibility
Financial flexibility allows WEG to pursue growth opportunities as they become available. These opportunities range from raw materials procurement at attractive conditions to acquisitions of new business.
Main Segments Covered by WEG

From a stand alone motor for farming application to solutions that meet several industrial segments, WEG is present providing complete and integrated systems.
In 2021, WEG celebrated its 60th foundation anniversary, which is a milestone for the company’s history. The journey started in 1961 by the founders Mr. Werner R. Voigt, Mr. Eggon J. da Silva and Mr. Geraldo Werninghaus. WEG has gone through decades of tough challenges, hard work, and continuous resilience to get where we are today.

Among many achievements, we reached 60 years as one of the world’s largest manufacturers of electrical and electronic equipment, with sales to over 135 countries and 56% of our revenues coming from the overseas markets. We currently count on a wide product portfolio, a team of more than 37,000 employees globally, and we are recognized as a reference company in management and high performance.

We have many reasons to celebrate. However, we started the year 2021 cautiously due to all uncertainties regarding COVID-19 pandemic and the world economic scenario.

We postponed social events, but we always believed in better days to come and have valued the environment where we live. With the support of hundreds of employees, we planted more than 4000 tree seedlings to leave this significant legacy for future generations, who will have the mission of taking care, watering, and protecting them with the same principles and teamwork that brought WEG this far.

With hard work and focused on meeting our goals, we went through the year overcoming many challenges, achieving significant revenue growth in the range of R$ 23.56 billion. An increase of 34.9% over the year 2020.

Our positive performance was recognized both by investors and finance specialists as well as by the main media press in the country. Within the capital market, we achieved a profitability of 1.281% in the last 10 years and in 2021 we were ranked 6th in the Most Valued Companies from Brazil’s stock exchange, with a market value of about R$ 150 billion. In 2021 we were also elected the Best Company on the Stock Exchange by InfoMoney, proving WEG’s trust and credibility relationship with the market, in addition to keeping our continuous and sustainable growth rate.

In terms of sustainability, our commitment to this initiative was recognized by the main international index Institutions such as ISE, MSCI, ICO2B3 and FTSE4GOOD. The company has also been featured in important ESG awards, such as Exame Magazine’s Sustainability Guide. As far as innovation is concerned, we are one of the most innovative companies in Brazil.

Despite the positive results, everyone in the company has been paying attention to the future and to the market needs and opportunities on the horizon. Therefore, we have recently proposed a special challenge: redesign our business strategies to allow WEG to continue achieving positive results, investing in new technologies, and giving people and the communities development opportunities. As a result of that, we created WEG’s Strategic Plan for the period 2022-2026.

While reviewing this document, we maintained our mission which is stated as “continuous and sustainable growth”, and have added the Purpose of “developing technologies and solutions to contribute for the construction of a more efficient and sustainable world”.

Since our beginnings, we have been a company driven by energy. We avoid waste and do our best efforts to seek innovative solutions. From small systems to large projects in any country, we have the expertise to provide solutions for electric motors, generators, transformers, electric drives and products and systems for electrification, automation and digitalization.

Analyzing global trends and different scenarios, we noticed that several opportunities will come ranging from energy efficiency to Industry 4.0, from renewable energy sources to electric mobility.

We are confident that we are on the right path and that each WEG employee has an important role in the future of the planet.

Thank you!