WEG SELECTIVE COLLECTION

PROGRAM

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The implementation of a selective collection program is essential to promote corporate sustainability, reduce operating costs and improve the institutional image.

WEG has a selective collection program in place, demonstrating its commitment to sustainability and environmental responsibility. This program involves the identification, classification and separation of waste by employees, in addition to proper storage both internally and externally. WEG also has qualified recycling partners, ensuring that recyclable materials are disposed of correctly and efficiently. With this initiative, the company not only reduces its environmental impact, but also promotes awareness among its employees and contributes to the preservation of the environment and the improvement of the quality of life in society.

IMPORTANCE OF SELECTIVE COLLECTION

FOR THE ENVIRONMENT

- Pollution reduction: decreases the amount of waste sent to landfills reducing soil, water, and air pollution.
- Conservation of natural resources: recycling saves natural resources such as minerals, wood, and water.
- Energy saving: Producing new products from recycled materials consumes less energy than manufacturing from virgin raw materials.

TO SOCIETY

- Job creation: creates job opportunities in the collection, sorting and recycling chains.
- Environmental education: encourages environmental awareness and education among employees and the community.
- Quality of life: reduces negative environmental impacts, contributing to a healthier environment.

MAIN STAGES OF THE WEG SELECTIVE COLLECTION PROGRAM

1 IDENTIFICATION OF WASTE

- Waste mapping: identify the types of waste generated in the different processes and areas (office, production, cafeteria, etc.).
- Quantity analysis: quantify the waste generated to better understand the demand and frequency of collection.

2 CLASSIFICATION OF WASTE

- Classification by type: classify waste according to its hazardousness (hazardous and non-hazardous) and categories, such as paper, plastic, glass, metal and organic.
- Standardization: follow the technical and legal standards for the classification of waste.

3 SEPARATION OF WASTE BY EMPLOYEES

- Adequate infrastructure: provide adequate collectors for each type of waste, properly identified and in strategic locations, facilitating the separation of waste.
- Internal procedures: establish clear procedures for guiding employees to separate waste, encouraging the active participation of all employees.

4 QUALIFICATION OF RECYCLERS

- Qualification of recyclers: evaluate and qualify recyclers to ensure that they have the necessary licenses, follow the Supplier Code of Ethics and WEG environmental standards and requirements.
- Partnerships with recyclers: establish contracts with recycling companies to ensure the correct disposal of recyclable materials.

5 PROPER ENVIRONMENTAL DISPOSAL

- Disposal of recyclable waste: dispose of the waste generated in the process to environmentally appropriate recyclers.
- Disposal of non-recyclable waste: dispose of waste generated in the processes and that cannot be sent for recycling to duly licensed industrial landfills.

It is important to emphasize that part of the waste generated in the operations is recycled by WEG itself, thus returning to the process and becoming part of its products. All waste is sent to environmentally responsible companies, selected and developed by WEG's environmental management team.

RESPONSIBILITIES OF THE SELECTIVE COLLECTION PROGRAM

RESPONSABLE	RESPONSIBILITIES
Environmental Technician / Analyst	- Detect, evaluate residue characteristics. - Define the appropriate destination for the waste, observing the legislation. - Define the necessary storage and transportation for the waste. - Establish documents for transportation and destination. - Evaluate and qualify companies for recycling and environmentally appropriate final disposal of waste. - Train facilitators on selective collection.
Employees	- Carry out the separation of waste according to the guidelines of selective collection. - Identify and propose improvements to reduce waste.
Facilitators / Responsible for training	- Train employees on selective collection, waste separation and proper environmental disposal.
Managers	- Approve waste reduction projects. - Approve and monitor waste reduction targets of their Departments.
Commissions	- Approve waste reduction projects and submit for approval by the General Management/CEO.

WASTE COLLECTORS

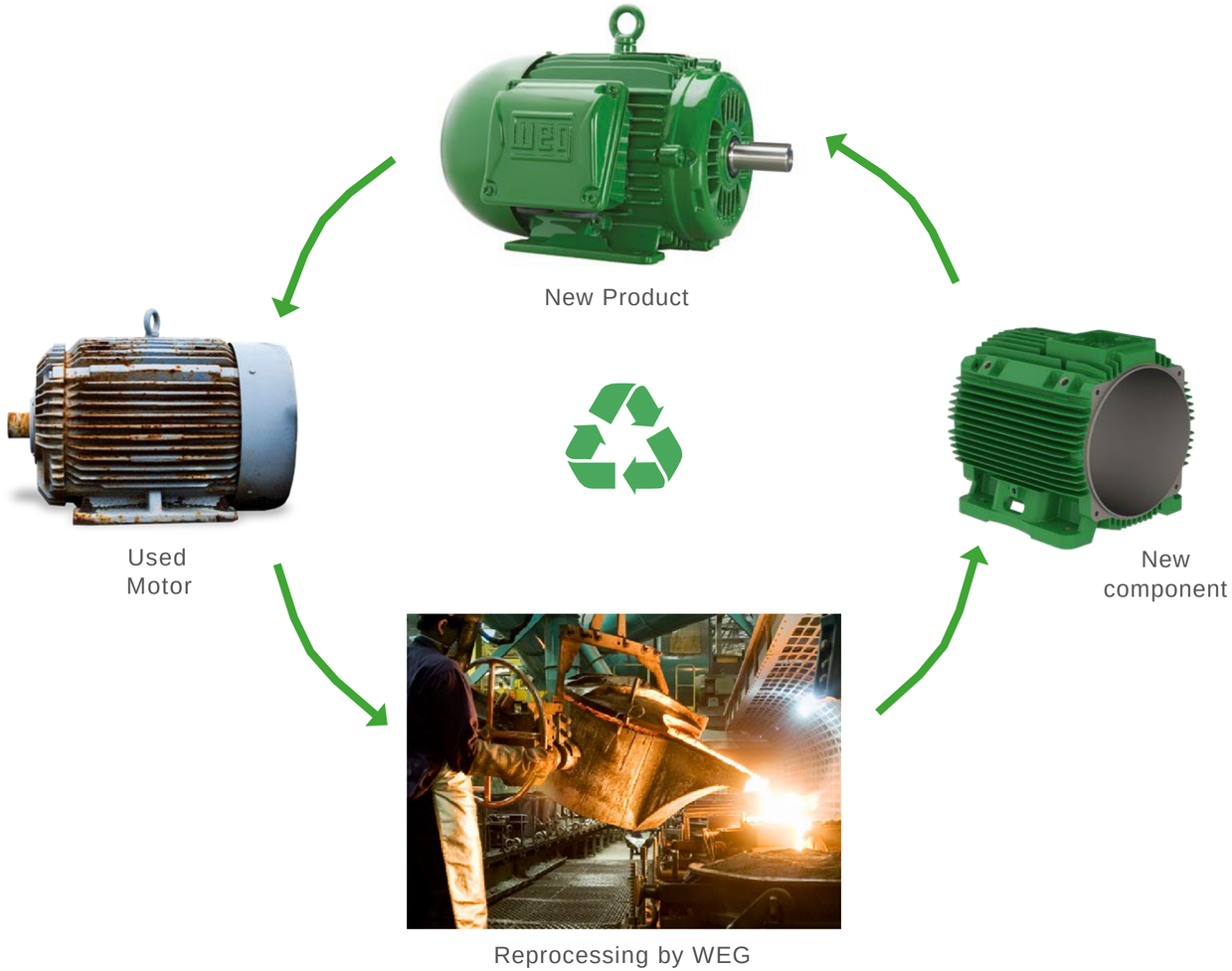
The waste is separated in the production processes so that it can later be sent for recycling. To do this, we use a system of colored collectors to facilitate correct separation, which is carried out by our employees. These colors may vary according to each country of application, as there may be specific legislation on the subject.

USE OF SECONDARY MATERIALS / WASTE REUSE

Waste reuse is critical for environmental sustainability, as it decreases the amount of waste that goes to landfills and reduces the extraction of natural resources. This practice is one of the pillars of the circular economy, which seeks to transform the linear model of production and consumption into a closed cycle where waste is continuously reintegrated into the production chain. By reusing materials, we save resources, decrease greenhouse gas emissions, and create new economic opportunities through innovation and efficiency.

METAL SCRAP

WEG reuses metal scrap from various sectors of the company, Stamping, Post-Consumer Products and Machining, which are destined for the casting process of caps and casings. This practice makes it possible for 100% of the motors casings and covers produced in Jaraguá do Sul to be manufactured from the reuse of material and without the need to exploit the environment in search of raw material. With this practice, we increase our percentage of secondary material used in internal processes.



SAND RECOVERY

In the casting process, sand is used to manufacture the motor molds. After using this sand, WEG recovers the input, using a documented procedure, making it possible to reintroduce the sand into the casting process. This action causes the input to be recovered and reintroduced into the process, avoiding disposal and alteration of soil and water characteristics, in addition to the extraction of new natural resources. Currently, we are able to reuse more than 90% of the foundry sand that enters metallurgical workers and this practice is present in all WEG Group Metallurgical Workers.

SOLVENT RECOVERY

WEG's practice is the treatment and recovery of solvents generated in the production process. The solvents that are used in production, instead of being discarded, are sent to a distiller, where they are treated, recovered and returned to the production process.

Solvent
used

Solvent
Distiller

Recovered solvent
returning to the process

SOLVENTS RECOVERED AND REINSERTED INTO THE PROCESS:

2021

More than

35 tho liters

2022

More than

50 tho liters

2023

More than

64 mil liters

MACHINING CHIP REUSE

To reuse the chip generated by the machining processes of shafts and cast components, previously sold as scrap, a process of grinding, mixing and briquetting these materials was developed.

Now this material is used in fuser furnaces for the manufacture of cast iron housings and covers.

In addition to the use of this waste, this process recovers about 13,700 liters of oil per year.

This process expands the use of secondary materials in WEG products, impacting the reduction of the product's carbon footprint.

TRAINING SELECTIVE COLLECTION

Training in selective collection plays a key role in promoting sustainability and preserving the environment. By empowering individuals and communities on the correct separation and disposal of waste, this type of training creates a solid foundation for environmentally responsible practices.

Through the knowledge gained, people can reduce waste, recycle valuable materials, save natural resources, and decrease pollution. In addition, training in selective collection fosters a culture of environmental awareness, encouraging citizen participation and engagement in actions that have positive impacts both locally and globally. Therefore, investing in training in selective collection is a crucial step to build a more sustainable future and ensure the preservation of our planet for future generations.

At WEG, employees are trained in the Selective Collection Program so that they are able to practice it. For this, specific standards of the production departments are used, as each one has its particularities. All training is recorded according to WEG internal procedures.

IMPROVEMENT PROJECTS FOR WASTE REDUCTION

WEG Kaizen is a powerful tool for reducing waste generation at WEG. By encouraging the active participation of all employees in the identification and elimination of waste, Kaizen promotes a culture of efficiency and environmental responsibility. Through small, incremental improvements, businesses can optimize their processes, reduce resource utilization, and minimize waste generation. This approach not only contributes to sustainability but also improves productivity and product quality, resulting in a positive impact on both the environment and the company's competitiveness in the market.

At Kaizen WEG, employees are constantly encouraged to identify opportunities for waste reduction, including reducing the generation of waste from processes. Every day, new opportunities are registered and addressed at Kaizen WEG, and in the last three years, more than 300 projects have been implemented to address the waste issue.

WASTE REDUCTION TARGETS

Targets related to waste reduction and management are recorded in the WEG Productivity Quality Program (PWQP). The targets are annual, defined at the level of the Production Department and controlled monthly by managers.

In the last three years, more than 90 departmental targets related to waste management have been registered, some of which are highlighted below:

- Reduce the generation of hazardous waste sent for co-processing to 1.77 (kg waste to landfill/production in kg).
- Reduce the generation of hazardous waste sent for co-processing to 1.79 (kg waste to landfill/production in kg).
- Reduce waste generation at the Electroinsulators Factory to 1,270%.
- Reduce 1% of the amount of waste sent to the industrial landfill by(kg/ton of finished part in Sector Fusion and Molding III).

HIGHLIGHTS TARGETS 2024

Reduce **8%** the volume of waste destined for the industrial landfill (kg/ton of finished part in molding)

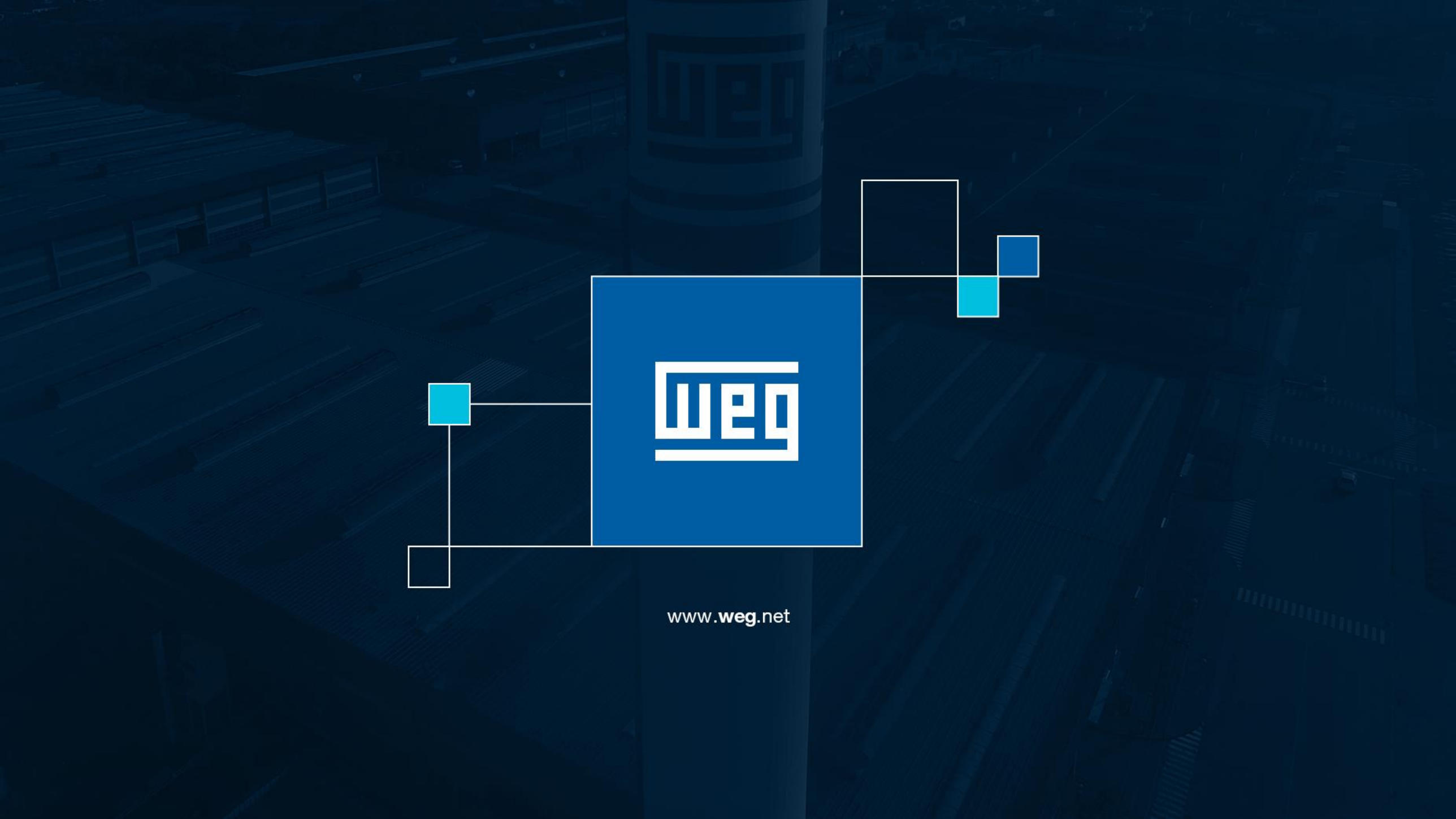
Reduce waste generation at the Eletroinsulating Factory for **1,15%**

Conduct monthly internal audits and have at most **3** Non-conformities

KEY PERFORMANCE INDICATORS

Item	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023
Total waste recycled/reused	175.468	197.482	206.350	187.114
Total waste disposed	47.489	63.283	76.709	71.331
- Waste landfilled	43.922	58.938	71.048	65.387
- Waste incinerated with energy recovery	0	0	0	0
- Waste incinerated without energy recovery	3.567	4.345	5.661	5.944
- Waste otherwise disposed, please specify:	0	0	0	0
- Waste with unknown disposal method	0	0	0	0
Data coverage (as % of denominator)	100	100	100	100

Item	Unit	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023
Total hazardous waste recycled/reused	Metric Tons	0	0	0	0	3
Total hazardous waste disposed	Metric Tons	5,822	5	5,484	6,511	6
Hazardous waste landfilled	Metric Tons	1	1.338	1.138	850	0
Hazardous waste incinerated with energy recovery	Metric Tons	0	0	0	0	0
Hazardous waste incinerated without energy recovery	Metric Tons	4,556	4	4	5,661	6
Hazardous waste with unknown disposal method	Metric Tons	0	0	0	0	0
Data Coverage (as % of denominator)	% employees	100	100	100	100	100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