



POLICY FOR PREVENTING AND COMBATING CORRUPTION AND OTHER HARMFUL ACTS.

1. INTRODUCTION

This Policy, applicable to WEG S/A and all its subsidiaries, summarizes the Company's guidelines, forming a set of internal mechanisms for integrity, auditing, prevention, and combating corruption.

Corruption is understood to be an unlawful act or effect with the objective of obtaining an advantage for one's own benefit or for others.

In addition to the standards expressed herein, this Policy also includes compliance with national and foreign legislation on integrity, prevention, and fighting corruption.

2. OBJECTIVE

This Policy aims to reinforce WEG's commitment to the existing good practices, through the expected conduct already defined in WEG's Code of Ethics, to prevent and fight corruption and other harmful acts, detect and remedy deviations, fraud, irregularities, and unlawful acts against the public administration, local or foreign, as well as encouraging the denouncement of non-compliance.

3. SCOPE

This Policy covers all directors, members of the Audit Committee, officers, managers, employees, suppliers, customers, sales representatives and other authorized third parties acting on behalf of WEG.

4. RELATED INSTRUMENTS

This Policy should be read and applied together with:

- a) WEG Code of Ethics and its whistleblowing channels;
- b) Code of Ethics for Suppliers;
- c) Integrity Program; and
- d) Procedures for Controlling Sales to Countries with Trade Embargoes.

5. HARMFUL ACTS TO THE PUBLIC ADMINISTRATION

The practice of any act harmful to the public administration is prohibited.

In summary for example, the law classifies the following as harmful acts:

- a) Promising, offering, giving or receiving, directly or indirectly, an undue advantage to a public or private agent, or a third person related to him;
- b) Financing, funding, sponsoring or in any way subsidizing the practice of illegal acts provided for by law;
- c) Frustrating, defrauding, preventing, or trying to impede the competitive nature of the bid, or to unlawfully remove a bidder from the bidding process;
- d) Manipulating or defrauding the economic and financial balance of contracts entered into with the government; and
- e) Harming or hindering any inspection or investigation by public agencies, entities, or agents at any level.

6. ACKNOWLEDGEMENT OF THIS POLICY

All directors, officers, managers, and other employees who have a relationship with government or public administration, whether local or foreign, must sign acknowledging this Policy.



7. BUSINESS RELATIONSHIP CONTRACTS

WEG will include in its contracts for the supply of goods and services with its customers, suppliers, financial institutions, sales representatives, technical assistants, or other applicable persons, an express clause stating that the business negotiations must be carried out within normal market conditions and practices, and the principles of good faith, not having any kind of personal advantage, bribery, extortion, donation or payment, among others.

The exclusion of such clause in a contract which does not allow for such provision, will not release WEG and the contracted party from their obligations for complying with this Policy.

8. CONSORTIUMS

In addition to the contractual clause mentioned in item 7 of this Policy, the respective consortium instruments for the supply of goods or services with customers and suppliers must include in an addendum stating that, if proven the practice of any wrongful act by any of the consortium members, their managers, employees, or agents, such member will be civilly and criminally liable to the other consortium members and any third parties harmed, for compensation of losses and damages, direct and indirect, lost profits, damage to image, among others.

9. BIDDING PROCESSES AND INTERACTION WITH THE PUBLIC ADMINISTRATION

Bidding processes and other contracts with the public administration or any government agency, national or foreign, or interaction with it, must occur in a transparent manner and comply with applicable laws.

10. CONTRACTING WITH THIRD PARTIES

When hiring third parties, whether suppliers of goods or services, the appropriate steps must be taken according to the complexity of each case to identify the practice of any act or omission that may cause damage to the national or foreign public administration, government or agency, as well as to identify the existence of any investigations or legal proceedings related to such practices or omissions.

11. MERGERS, ACQUISITIONS, JOINT VENTURES, CORPORATE RESTRUCTURING, AND SHAREHOLDERS' AGREEMENT

In the processes of mergers, acquisitions of companies, joint ventures, corporate restructurings, or shareholders' agreements, the appropriate steps must be taken according to the complexity of each case to identify the practice of any act or omission that may cause damage to the local or foreign public administration, as well as to identify the existence of inquiries or legal proceedings related to such practices or omissions.

12. CORPORATE GIFTS

- a) It is allowed to give or receive corporate gifts to promote the brand represented by one who is offering them, without the connotation of exercise of influence in the judgment or decisions of the one who received them, provided the gifts can be publicly revealed without causing discomfort and embarrassment to WEG or to the one who received them.
- b) Any gift cannot affect the impartiality of the relationship between the parties, and must be linked to institutional marketing actions, in accordance with WEG's Code of Ethics, the Code of Ethics for Suppliers and other Corporate Governance practices and applicable legislation.



- c) Any gift that, due to its habitualness, characteristics, or circumstances, can be interpreted by an objective observer as being made with the intention of affecting the impartial criteria of the receiver, must be refused and brought to the attention of WEG's Internal Audit Department in Brazil.

13. SPONSORSHIPS, CONTRIBUTIONS, AND DONATIONS

- a) Sponsorships, contributions and donations are allowed.
- b) Sponsorships, contributions and donations must be made in accordance with the WEG Code of Ethics, the Code of Ethics for Suppliers, Social Investment Policy, Corporate Governance practices and applicable legislation in the country where such events take place.
- c) Sponsorships, contributions and donations made on behalf of WEG must be formally approved by the Social Investment Group, the Marketing Commission and/or Board of Directors.
- d) Sponsorships, contributions and donations must not influence decision-making processes, give room for such interpretation, or be practiced in exchange or in anticipation of any favor.
- e) Sponsorships, contributions and donations must not be accepted or received personally nor on behalf of WEG, without the prior knowledge and approval of the applicable Business Unit Directors or the Executive Committee in Brazil.

14. RECEIVING AND GRANTING BENEFITS

- a) Other benefits (trips, lodging, meals, entertainment, among others) may be given or received as long as in compliance with WEG's Code of Ethics, the Code of Ethics for Suppliers, Corporate Governance practices and applicable legislation, and that can be publicly disclosed without causing embarrassment to WEG or to those who received the benefit.
- b) Any benefit that for its habitualness, its characteristics (gratuities, favors, discounts in transactions of personal character, business, or leisure trips), or under circumstances that can be interpreted by an objective observer as being made with the intention of affecting the impartiality of the recipient, must be refused and brought to the attention of WEG's Internal Audit Department in Brazil.

15. DONATIONS TO CANDIDATES OR POLITICAL PARTIES

Donations made by any WEG Group company to candidates or political parties must strictly comply with the conditions and limits prescribed by law, be jointly authorized by the Chief Executive Officer and the Chairman of the Board of Directors of WEG S/A, and registered in a specific accounting account.

16. IMPEDIMENTS

Administrators, managers, and employees are prohibited from participation in negotiations with representatives of the public administration, national or foreign, with whom they are related up to the 3rd degree of kinship and the like.

17. CONFLICT OF INTERESTS

Administrators, managers, and employees must abstain from participating in negotiations that involve a conflict of interest capable of influencing the impartiality of the decision to be made.



18. INSPECTIONS

Compliance with inspections shall be conducted transparently, impersonally, legitimately and in accordance with Corporate Governance practices and applicable legislation.

19. ACCOUNTING AND FINANCIAL RECORDS

All accounting, financial, or any asset transaction must be registered in a timely, accurate, and transparent manner.

20. DISCLOSURE AND TRAINING

WEG will disclose and keep this Policy available to everyone and will periodically train the persons covered by it.

21. CONTROLS AND MONITORING

WEG shall maintain constant controls and monitoring to prevent and avoid illegal acts in its business activities.

22. INTERNAL AUDIT

The verification of the application and observance of this policy will be performed by the WEG's Internal Audit Department in Brazil, which is fully independent to carry out its work.

23. TREATMENT OF NON-CONFORMITIES AND SANCTIONS

The Internal Audit Department will take appropriate actions for the immediate cessation of any act or omission which is contrary to this Policy as soon as such non-conformity is identified and confirmed.

24. COMPLAINTS

Anyone who observes or becomes aware of violations of this Policy may report such situations using the reporting channels made available by WEG, and there will be no retaliation of any kind to the whistleblower.

Any and all information provided and received will be kept confidential, except in situations where WEG has a legal obligation to inform government agencies and authorities.

25. QUESTIONS AND OTHER SITUATIONS

Questions regarding this Policy may be made through the channels made available by WEG. The occurrence of any situation not foreseen in this Policy will be handled by a collegiate to be named by the Chief Executive Officer of WEG S/A.

26. PERIODIC REVIEW

This document will be reviewed every two years or at any time when there are reasons that justify its revision sooner, by the WEG's Code of Ethics Management Committee in Brazil, with approval by WEG's Executive Directors, *ad referendum* the Board of Directors of WEG S/A.

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