



### WEG PURPOSE

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

### Mission

Continuous and sustainable growth while maintaining simplicity.

### Vision

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

### Values

- People and Environment
- Team Management
- Governance
- Efficiency with Simplicity
- Innovation and Flexibility
- Leadership and Culture

Click here and learn more about WEG's Values and Policies.

GRI 2-23

2024

employees

47 thousand

55.1%

of revenue from products launched in the last five years

BRL 106 million

invested in training

More than

880

suppliers with due diligence completed in the first year of the WEG Sustainable Suppliers Program BRL 38 billion
Net Operating Revenue

28 2

absolute reduction in Greenhouse Gas (GHG) emissions (Base year 2021)

More than

607 thousand

people positively impacted by social projects supported by WEG in 2024

100%

of employees with access to the Whistleblower Channel 24/7 73.3%

Revenue from Sustainable Products

34.2%

Return on Invested Capital (ROIC)

More than

222 thousand

people positively impacted by volunteer projects promoted by WEG in 2024

### Launch of the

Diversity, Equity and Inclusion Policy

# Employee well-being

actions through the WEG Living Well Program





#### SUSTAINABILITY AT WEG

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# SUSTAINABILITY AT WEG

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# MESSAGE FROM THE PRESIDENT

GRI 2-22



It is with great enthusiasm that I present the 2024 Integrated Annual Report. This document not only marks the beginning of my tenure as President of WEG but also reflects our continuous progress on key topics for the sustainability of our business. Throughout its history, WEG has built a strong track record of commitment to innovation, efficiency, and socio-environmental responsibility. As I take on the leadership of the company, I feel deeply motivated to continue driving this mission forward.

The transition to a more sustainable future is not only a global necessity but a great opportunity for everyone. We are committed to creating long-term value for our stakeholders through innovative solutions that optimize energy use, reducing our environmental impact and promoting social well-being.

In 2024, we made progress on multiple fronts, and some key achievements deserve recognition: we achieved excellent results in key sustainability indices, such as the GOLD rating from EcoVadis and a low-risk classification from Sustainalytics, which highlight our commitment to climate risk management and responsible business practices.

Another important milestone was the evolution of our sustainability programs. In its first year, the Sustainable Suppliers Program had more than 90% of suppliers with due diligence completed, which reinforces our commitment to responsibility in the value chain. We also made progress in our Carbon Neutral Program, implementing solutions to reduce emissions and achieving a 28% absolute reduction in Greenhouse Gas (GHG) emissions compared to the 2021 baseline year.

These advances had a direct impact on our financial performance. In 2024, we achieved Net Operating Revenue of R\$38 billion, representing a growth of 17% compared to the previous year, and an EBITDA margin of 22.4%, the highest level in recent years. In the same year, we made the largest acquisition in WEG's history, with the purchase of the industrial

motors and generators businesses of the Marathon, Cemp and Rotor brands. We also acquired Volt Electric Motor in Turkey, a strategic and very important step that strengthens our presence in the region. As a result of this growth, our team also grew significantly, with the hiring of more than 3,500 new employees, in addition to the incorporation of another 2,800 professionals from the acquisitions. Today, we have more than 47,000 employees spread across the world, further strengthening our capacity for innovation and excellence.

Regarding the social aspect, we invested 37.6 million in programs that benefited more than 600 thousand people, contributing to social transformation and sustainable development.

With this report, we want to share the progress made and the opportunities and challenges that still await us.

We are committed to continuing to lead responsibly, working to generate sustainable value and contributing to a fairer and more balanced world. I thank everyone for their trust and invite you to explore the achievements and challenges that will guide our next steps.

Thank you all and good reading,

#### Alberto Kuba

President



### **STRATEGY**

WEG's long-term Strategic Planning focuses on continuous and sustainable growth through international expansion of operations, constant introduction of new products and continuity of the company's already mature businesses.

Exposed to different geographies and sectors, WEG continues to benefit from favorable conditions in multiple markets of operation. In addition to organic growth, acquisitions are also part of the company's growth strategy, contributing to greater market access and expansion of the portfolio and new technologies.

WEG seeks to be a leader in energy transition initiatives, offering products and services focused on energy and operational efficiency, renewable energy generation and electric mobility solutions. Such initiatives help accelerate its customer's decarbonization journey.

#### **ENERGY TRANSITION**

#### **AREAS OF IMPACT**

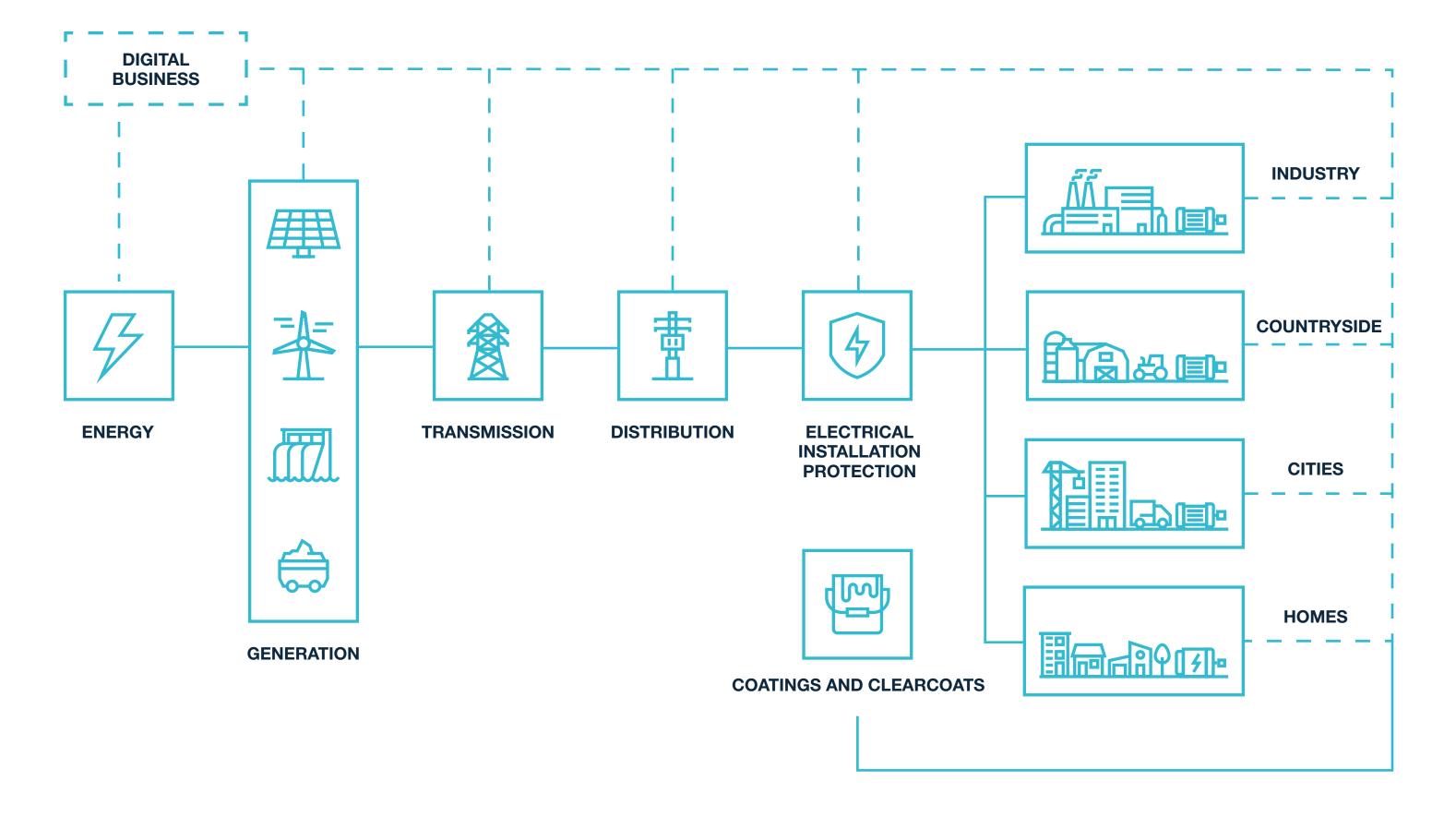
	1. ENERGY EFFICIENCY	2. OPERATING EFFICIEN	ICY 3. RENEWAB	LE ENERGY	4. ELECTRIC MOBILITY
Focus on	<ul><li>Energy management</li><li>Energy management, low energy consumption technologies</li></ul>	<ul><li>Process electrification</li><li>Automation</li><li>Digitalization</li></ul>	<ul><li>Solar</li><li>Wind</li><li>BESS</li><li>Hydro</li></ul>	<ul><li>Biomass</li><li>Hydrogen</li><li>Infrastructure for T&amp;D</li></ul>	<ul><li>Electrification of transportation</li></ul>
Value for the end customer	<ul> <li>Increased efficiency and autonomy in energy use</li> <li>Reduced waste and increased circularity</li> <li>Reduced emissions</li> </ul>		■ Increased in	roductivity and reliability dustrial competitiveness afety and improved work	3
SECTORS	GENERATION, TRANSMISSION AND DISTRIBUTION	INDUSTRY	TRANSPORTATION	INFRASTRUCT	TURE/BUILDINGS

#### **DECARBONIZATION**

# End-to-end solutions

The business model of WEG provides complete and efficient solutions ranging from generation to consumption, with innovation as one of their main characteristics.

These characteristics of the business model enable WEG to continue providing solutions in a competitive and flexible manner, integrating solutions, and generating positive impacts on industries, agriculture, cities and homes.





# Competitive edge

WEG's unique business model creates important competitive and defensive advantages.



#### **VERTICALIZATION**

Production flexibility that reduces costs and optimizes processes.



#### **MASS CUSTOMIZATION**

We understand the needs to meet objectives and thus develop customized solutions.



#### **MODULAR EXPANSION**

The production system dedicated to maximizing return on capital and minimizing demand risks.



#### **SCALE**

Production scale allows for competitiveness gains in the global market



#### **DIVERSIFICATION**

A varied mix of solutions that serve different markets and consolidate our global presence.



#### FINANCIAL FLEXIBILITY

It allows WEG to seek growth opportunities as they become available. These opportunities range from simple ones, such as purchasing raw materials under attractive conditions, to strategic ones, such as acquiring other companies.

# Value generation

The organization's value generation over time is manifested through transformations in capital driven by its activities and products. The capitals that undergo such transformation are: Financial, Manufactured, Natural, Human, Social and Relationship, and Intellectual. The figure below (IIRC framework reference) shows the transformation of these

capitals at WEG and their respective value generation, both for WEG and for society.



#### INPUT | RESOURCES

#### FINANCIAL CAPITAL

Distributors in over 120 countries / Expansion, maintenance, and modernization of production activities / BRL 1,08 billion of investments in RD&I.

#### MANUFACTURED CAPITAL

64 manufacturing plants in 17 countries / Commercial branches in 42 countries

#### **NATURAL CAPITAL**

Global effort in the WEG Carbon Neutral Program / Use and reuse of water in operations / Recycling of solid waste.

#### **HUMAN CAPITAL**

47 thousand employees / Employee development programs / QPCD Program (People with Disabilities).

#### SOCIAL AND RELATIONSHIP CAPITAL

BRL 37.6 million invested in social projects / Creation of WEG Sustainable Suppliers Program / 61 courses available at the Customer Training Center.

#### **INTELLECTUAL CAPITAL**

144 research laboratories in 12 countries / 32 innovation and customization centers / More than 2,650 RD&I employees in Brazil.

#### **VALUE GENERATION**

#### **BUSINESS MODEL**

#### **WEG PURPOSE**

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



#### **OUTPUT | RESULTS**

#### FINANCIAL CAPITAL

Sales to over 135 countries / Products present in five continents / BRL 38 Billion of Net Operating Revenue / 73,3% of revenue from Sustainable Products.

#### MANUFACTURED CAPITAL

More than 60 thousand motors produced per day / More than 76 thousand MVA in transformers produced annually / 2 million liters of coatings produced per month.

#### **NATURAL CAPITAL**

Reduction of 28,2% in the GHG emissions; 7.356 thousand m<sup>3</sup> of rainwater consumed / About 77% of solid waste recycled or reused.

#### **HUMAN CAPITAL**

Employees on all continents, bringing cultural diversity / Average of 113 training hours per employee / 21,8% increase in the people with disabilities workforce.

#### SOCIAL AND RELATIONSHIP CAPITAL

More than 607 thousand people benefited from social projects / 91% of suppliers in the WEG Sustainable Suppliers Program completed due diligence / Since 1998, more than 80 thousand customers have been trained.

#### INTELLECTUAL CAPITAL

55% Innovation Index / 791 valid patents globally (in progress, between granted and requested) / Portfolio with more than 1,500 product lines.



# Sustainability policy and strategy

and responsible manner.

This document establishes the responsibilities and Sustainability strategies, broken down into Axes, Topics and Strategic Objectives, so as to guide the structuring of programs, actions and commitments in the

The Sustainability Policy aims to reinforce and publicly affirm the WEG Group's commitment to sustainable development in a broad, transparent and responsible manner.

This document establishes the responsibilities and Sustainability

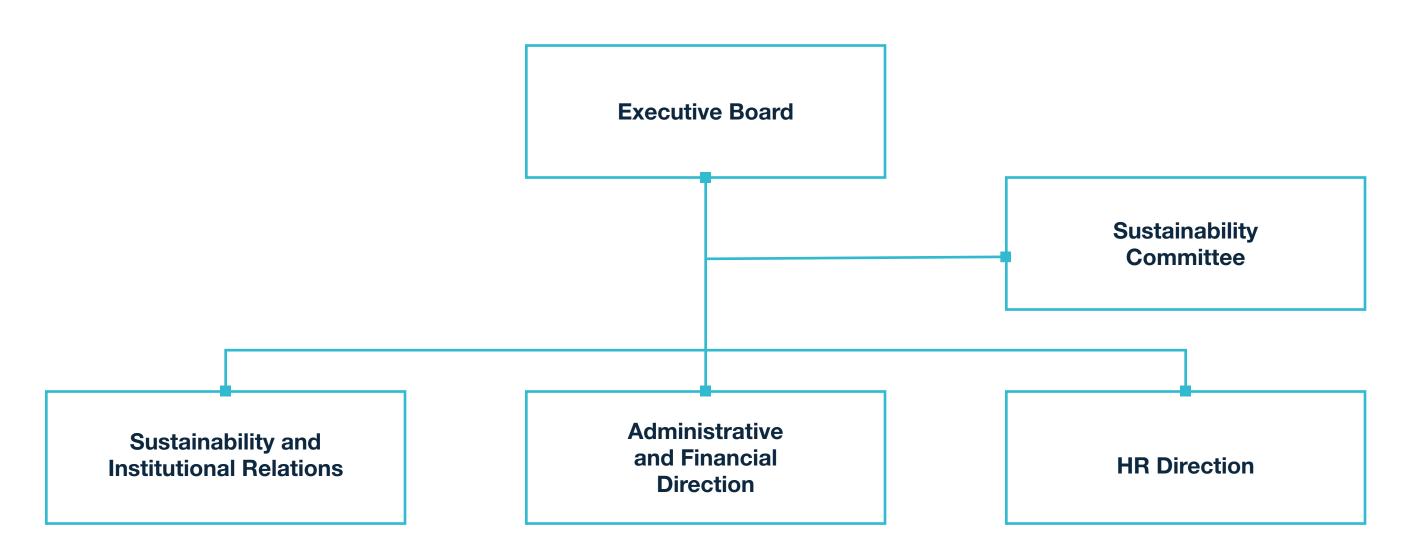
The Policy is highly relevant for improving the Company's strategy. Its formalization:

- Promotes understanding and engagement of the areas involved.
- Provides guidance on the implementation of the strategy in internal processes.
- Defines roles and responsibilities.
- Affirms publicly the WEG Group's commitment to sustainable development.

Sustainability governance

WEG has a governance structure to manage Sustainability challenges and opportunities.

Environmental, Social and Governance dimensions.





SUSTAINABLE PRODUCTS
AND SOLUTIONS

CIRCULAR AND EFFICIENT OPERATIONS

ENGAGED EMPLOYEES
AND COMMUNITIES

GOVERNANCE AND ETHICAL CONDUCT



The Executive Direction is responsible for approving sustainability guidelines, programs, commitments, and goals, as well as conducting the implementation and compliance of the Policy at a global level. In addition, the Direction demands updates to the Sustainability strategy, policies, and guidelines.

The Sustainability Committee is composed of representatives from the Board of Directors and Management of the business units and the corporate department. The Committee's responsibilities are related to demanding and monitoring the implementation of the Policy and providing support to the Executive Direction. In greater detail, the Committee requires the creation of programs, actions and targets related to the Policy's Axes, Topics and Strategic Objectives, while continuously monitoring the performance of the programs, actions and indicators.

In 2024, the Sustainability Committee met periodically to discuss and deliberate on topics such as monitoring the targets of the WEG Carbon Neutral and Sustainable Supplier Programs. It also approved the creation of the Global Sustainability Task Force, the Water Management Program and the Atmospheric Emissions Mitigation Program, in addition to deliberating on topics such as the second Sustainability Meeting, investment in decarbonization and environmental audit plans.

The Sustainability Committee Coordinator presents to the Board of Directors an annual overview of the progress of sustainability initiatives, as well as the achievement of targets and future challenges.

The Sustainability and Institutional Relations Department leads the governance of the topic, coordinating WEG's Sustainability Strategy. It monitors trends, stakeholder demands, and outcomes of local and global sustainability initiatives to identify risks and opportunities, report corporate performance on sustainability strategy, programs, and actions, and foster a sustainability-driven culture in collaboration with other departments.

The Human Resources and the Administrative-Financial Departments also have formalized responsibilities related to sustainability.

TO LEARN MORE ABOUT THE RESPONSIBILITIES OF EACH PARTICIPANT IN THE WEG SUSTAINABILITY GOVERNANCE STRUCTURE, ACCESS THE SUSTAINABILITY POLICY BY CLICKING HERE.

# Sustainability strategy outcomes

Four axes, eight topics and eighteen strategic objectives that guide the structuring of programs, actions and commitments across the Environmental, Social and Governance dimensions.



Sustainable products and solutions

- Technology

   and innovation
   for the energy
   transition and
   decarbonization.
- Responsible supply chain.



Circular and efficient operations

- Eco-efficiency and waste and emission management.
- Carbon neutral operations.



Engaged employees and communities

- Comprehensive well-being, diversity and inclusion.
- Sustainable growth of the communities.



Governance and ethical conduct

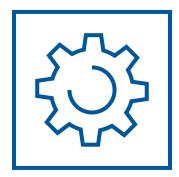
- Compliance and integrity.
- Engagement and transparent communication.



GRI 3-3 / 2-23



Sustainable products and solutions



Circular and efficient operations

## TECHNOLOGIES AND INNOVATIONS FOR ENERGY TRANSITION AND DECARBONIZATION

- To provide products and services with the best efficiency and the lowest carbon footprint, being the partner for our customers decarbonization journey.
- To improve the circular design, increasing the recyclability, dematerialization and durability of materials, products, and packaging.

#### **RESPONSIBLE SUPPLY CHAIN**

- To engage a supply chain with ethics in Human Rights, Labor Relations, and environmental preservation, assessing risks and providing opportunities for their development.
- To promote the traceability of restricted materials, observing the socio-environmental impacts of the business.

#### **ECO-EFFICIENCY AND WASTE AND EMISSION MANAGEMENT**

- To optimize eco-efficiency in the management of natural resources, reducing, conserving and/or regenerating them, taking into account the impacts on ecosystems.
- To reduce emissions and waste from industrial processes, ensuring proper treatment and disposal, in addition to promoting the recycling and reuse of materials in line with the principles of circularity.

#### **CARBON NEUTRAL OPERATIONS**

- To ensure the reduction of greenhouse gas emissions, promoting carbon neutral operations and contributing to medium and long-term global goals.
- To expand the use of renewable energy (acquired or self-produced) in addition to seeking excellence in operational efficiency in processes and business.



GRI 2-23 / 3-3



# Engaged employees and communities



Governance and ethical conduct

#### **INTEGRAL WELL-BEING, DIVERSITY AND INCLUSION**

- To guarantee safe working conditions, promote physical and mental health, trust in relationships, create innovative ways of working, generating a culture of quality of life.
- Tot build an inclusive, innovative and high-performance environment, valuing diversity and enhancing multiculturalism at all hierarchical levels of the company.
- To ensure human rights recognized in international agreements and promote a culture of respect for others.

#### SUSTAINABLE GROWTH OF THE COMMUNITIES

- To generate socioeconomic and environmental value in communities through education, health and well-being, generation of knowledge and expertise in low-carbon technologies.
- To strengthen the company's relationship with the communities, considering local demands.
- To seek to incorporate the preservation of biodiversity into current management practices.

#### **COMPLIANCE AND INTEGRITY**

- To strengthen WEG's culture of principles and values, ethics, integrity and anti-corruption.
- To reduce and mitigate risks, considering ESG criteria.

#### **ENGAGEMENT AND TRANSPARENT COMMUNICATION**

- To engage and develop leaders and employees so as to strengthen skills for the challenges of business sustainability.
- To communicate about products, services and the evolution of ESG issues with transparency, generating value for stakeholders.

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ESG maturity analysis carried out in Mexico.

WEG understands that, in addition to structuring a Sustainability Policy and Strategy, it is essential to implement concrete actions that ensure the practical application of these strategies in risk and opportunity management.

As a company with global operations, alignment and evolution are essential to our sustainability journey.

In this context, in 2024 WEG made important related advances, such as:

#### **PROGRAMS**

Approval and commencement of the development of global programs on topics outlined in the WEG Sustainability Policy and Strategy. Some of the criteria for defining the topics considered factors such as alignment with market sustainability requirements and material topics.

The programs approved by the Executive Direction in 2024 were: Water Management, whose initial focus will be on mapping water risk and establishing global guidelines for efficient water management, and Atmospheric Emissions, concerning volatile organic compounds, particulate matter, and other pollutants, both already in the implementation stage. In addition, other programs were approved as priorities for development, namely: Circular Design and Product Life Cycle, Risk Management in Human Rights and Biodiversity, which will be structured and deployed throughout 2025.

#### **GLOBAL SUSTAINABILITY TASK FORCE**

The creation of the Global Sustainability Task Force aims to map the sustainability demands of WEG's markets and operations, with the goal of mitigating risks and maximizing ESG opportunities. Furthermore, the group seeks to involve branches and expand discussions on sustainability, evaluating trends and needs of local markets.

The group holds regular meetings, and in this first year, alignments, information exchanges, and experience sharing took place on topics, challenges, and opportunities the company faces in different countries and markets.

This group currently has participants from thirteen countries: South Africa, Germany, Australia, Brazil, China, Colombia, United Arab Emirates (Middle East), Spain, USA, India, Mexico, Portugal and United Kingdom. In 2025, the group will continue to work on the synergy of global strategic sustainability actions and directions.

### MATURITY ANALYSIS IN THE SUSTAINABILITY STRATEGY IN THE WEG GROUP OPERATIONS

After the creation of the Sustainability Policy and Strategy in 2024, a maturity assessment framework was developed to evaluate sustainability issues for application across WEG's operations.

In this context, the largest operations were prioritized to begin analyses to identify challenges and opportunities, in addition to promoting the exchange of good practices among units. This entire assessment was in person and based on the items in WEG's Sustainability Policy.

The analyses were conducted in units in seven different countries and followed criteria to determine the maturity of each location, helping implement improvement actions and strengthening synergy among units and the corporate department.



# Strategic expansion with acquisition of new businesses

In addition to recording solid and sustainable organic growth, in 2024 WEG expanded its business through strategic acquisitions. In 2023, the company began the process of acquiring the industrial electric motors and generators businesses from the Regal Rexnord Corporation, a global manufacturer of electromechanical equipment. The integration of the Marathon, Cemp and Rotor brands was completed in 2024, adding approximately 2,800 employees to WEG's team across ten factories in seven countries (United States, Mexico, China, India, Italy, Netherlands and Canada), as well as commercial branches in 11 countries.

At the end of 2024, WEG also announced the acquisition of Volt, a Turkish manufacturer of industrial and commercial electric motors, with a 27,000 m² production facility and a team of 690 employees. These acquisitions aim to support WEG's growth in the global motor and generator markets, aligning with the WEG Group's strategy of continuous and sustainable growth, international expansion and diversification of industrial operations.

The acquisition of REIVAX S.A. and its subsidiaries by WEG was also announced at the end of 2024. The acquisition is part of the Company's strategy to grow its control systems business in the hydroelectric, photovoltaic, wind and cogeneration markets, allowing it to expand the Company's portfolio of solutions to integrate new technologies and improve customers' operational efficiency. REIVAX operates globally, being reputable in Latin America with a strong presence in North America, as well as consistent sales in regions such as India, Europe and Southeast Asia. With the acquisition, WEG will integrate a team of approximately 220 employees.

Throughout this report, the integration of data and indicators from acquired companies with the WEG Group's Environmental, Social and Governance indicators will be addressed.



Marathon factory in Wausau, USA.

### **MATERIALITY**

GRI 2-29, 3-1, 3-2

# **Process** of defining material topics

WEG understands that, for the management of positive and negative sustainability impacts to be consistent, it is essential to understand its priorities considering the perspective of its stakeholders. Therefore, the Materiality Process is periodically applied. WEG conducts its Materiality Process every two years, and as expected, a new cycle of this process will be applied in 2025.

The process of defining material topics in the 2023 review cycle maintained the methodological basis of the GRI and IIRC, considering double materiality and following the next steps.

#### STEP 1 — IDENTIFICATION

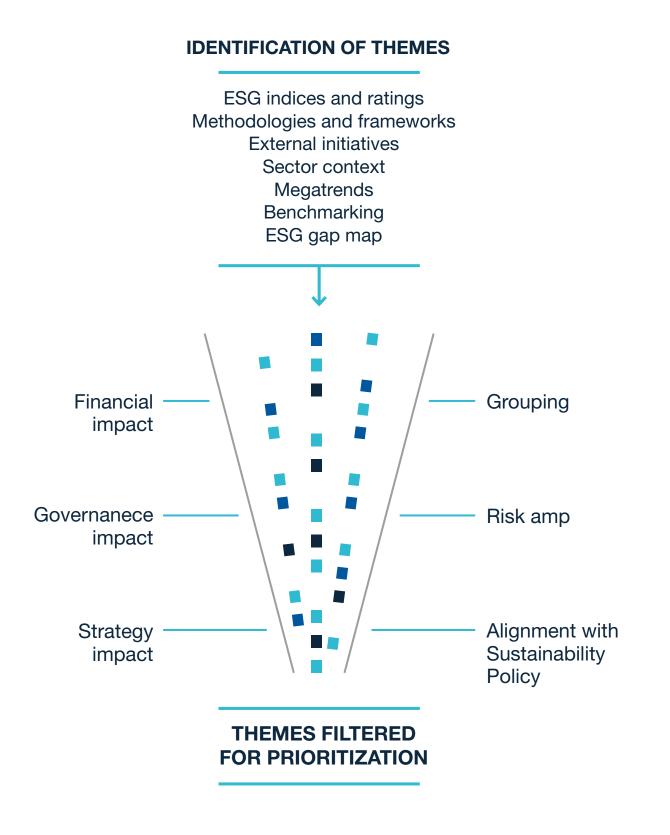
Mapping of the topics that must pass through the analysis filter to avoid any relevant topic not being considered in this initial list. To that end, an extensive analysis was conducted on ESG indices and ratings, reporting methodologies and frameworks, external initiatives such as the UN Global Compact and Sustainable Development Goals (SDGs), industry context, megatrends, peer benchmarking, and the mapping of WEG's ESG gaps. In total, 359 topics were raised.





#### STEP 2 — FILTER

The process of grouping similar topics based on the topics raised in the previous stage, as well as an analysis of the alignment of such topics with WEG's Sustainability Policy. As an important part of this stage, an impact analysis was carried out.



#### STEP 3 — PRIORITIZATION

After the filtering stage, which resulted in 20 topics, the prioritization stage began, during which a consultation was held with WEG's stakeholders. Stakeholders play a fundamental role in the Materiality Process, with their participation primarily aimed at identifying their perceptions and expectations. This helps legitimize the result of the materiality process, as they bring new perspectives and assist in a broader view of the Company's priorities.

The basis for defining the stakeholders participating in the process is established through an analysis that considers influence, power of impact, interests and expectations.

#### **STEP 4 - VALIDATION**

The validation of the prioritized topics with senior management took place through the Sustainability Committee at the Executive Direction meeting.

#### **APPROACH**

Considering that WEG is a Brazilian multinational company, with activities and stakeholder relationships in different parts of the world, an online approach was adopted. This format allows for gathering perceptions and expectations from a global and broad perspective while also facilitating stakeholder engagement and participation.

Throughout this report, the integration of data and indicators from the acquired companies with the WEG Group's Environmental, Social, and Governance indicators will be addressed.

#### **ENGAGED STAKEHOLDERS**

GRI 2-29

A total of 118 representatives from six stakeholder groups participated in the process:



#### **EMPLOYEES**

As a criterion for selecting employees, factors such as representation from different business units, various departments, and proportionality based on the number of employees in countries worldwide were considered.



#### Participation by gender:

60% Men

40% Women

#### Participação na pesquisa:

South Africa Colombia

Germany USA

ArgentinaBrazilIndiaMexico

China Portugal

#### **PRIORITY TOPICS - TOP 3**

- 1. Health, safety and well-being of employees.
- 2. Leadership and employee development.
- 3. Ethics, integrity and fighting corruption.



As a criterion, customers from all the Company's business units were considered, encompassing different sectors of activity.

#### Participation in the survey:

Global companies participated, covering 17 sectors of the economy.

#### **Priority topics - Top 3:**

- 1. Responsible supply chain.
- 2. Ethics, integrity and fight against corruption.
- 3. Employees' health, safety and well-being.



#### **SUPPLIERS**

Suppliers from all of the Company's business units were considered, encompassing different sectors of activity.

#### Participation in the survey:

Global companies participated, covering 20 sectors of the economy.

#### **Priority topics - Top 3:**

- 1. Responsible supply chain.
- 2. Decarbonization in operations.
- 3. Eco-efficiency in natural resource management.



#### **INVESTORS**

Investors from different markets were considered, prioritizing those that have a greater focus on sustainability.

#### Participation in the survey:

Investors from Brazil, Europe and the United States.

#### **Priority topics - Top 3:**

- 1. Ethics, integrity and fight against corruption.
- 2. Responsible supply chain.
- 3. Sustainable products and solutions.



#### LOCAL COMMUNITIES

Organized civil society entities from different social sectors (education, health, social inclusion and culture).

#### Participation in the survey:

Entities from sectors such as education, health, social inclusion and culture participated.

#### **Priority topics - Top 3:**

- 1. Generating value for communities.
- 2. Employees' health, safety and well-being.
- 3. Diversity and inclusion.



#### **TRADE ASSOCIATIONS**

Trade associations from different countries and areas were invited.

#### Participation in the survey:

Trade associations with different focuses from Brazil, Europe and Mexico participated.

#### **Priority topics - Top 3:**

- 1. Responsible supply chain.
- 2. Decarbonization in operations.
- 3. Sustainable products and solutions.



# Material Topics

GRI 3-2

After the prioritization and validation process, the following material topics were defined, in order of priority.



1. Responsible supply chain.



2. Employees' health, safety and well-being.



3. Ethics, integrity and fight against corruption.



4. Carbon neutral in operations.



5. Leadership and employee development.



6. Sustainable products.



7. Diversity and inclusion.



8. Sustainable growth of communities.

### CHANGES IN THE RESULT OF MATERIAL TOPICS COMPARED TO THE LAST CYCLE

Because the process is updated every two years, changes occur in the process outcome with each cycle update.

In the 2023 cycle, the topics that were not previously considered material and that are now considered material for this new cycle were: ethics, integrity and fight against corruption, and leadership and employee development. The inclusion of only two topics and the maintenance of the same basis for the other six topics indicate a consistent view of the priority topics from the perspective of stakeholders and the Company.

The details of the impacts, policies and other aspects related to the management of each material topic are described on the pages related to the content of each topic. Click on the images to access the content of each topic.



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# Risks, opportunities and impacts related to material topics

GRI 3-3

ALIGNMENT				
MATERIAL TOPIC	RISKS, OPPORTUNITIES AND IMPACTS	POLICIES	COMMITMENTS	IIRC CAPITALS
Responsible supply chain	Positive impact The long-term relationship with socially and environmentally responsible suppliers is very important in WEG's selection strategy, as it enables a stable partnership in the long term with gains in cost savings and economies of scale. Suppliers are encouraged to adopt a responsible sourcing journey, directly impacting their business, especially medium and small-sized companies or local enterprises.  Risks and opportunities The process of evaluating suppliers based on fiscal, technical, environmental and social aspects is in place and continuously evolving within the Company. However, any supply disruptions caused by price fluctuations and shortages of inputs, raw materials or services may adversely affect the Company's operational results.	<ul> <li>Sustainability Policy.</li> <li>Code of Ethics for Suppliers.</li> <li>Restricted Substances and Conflict Minerals Policy.</li> <li>General Supply Conditions.</li> <li>General Purchasing Conditions for Suppliers.</li> </ul>	Global Compact 01, 02, 03, 04, 05, 06, 07, 08, 09, 10.	<ul><li>Manufactured Capital.</li><li>Human Capital.</li><li>Social and</li></ul>
			Sustainable Development Goals (SDGs) 8, 17.	Relationship Capital  Natural Capital.
Employees' health, safety	Positive impact WEG works tirelessly to provide employees with a healthy and safe environment, both socially and environmentally. We are	<ul><li>Sustainability Policy.</li><li>Occupational Health and</li></ul>	Global Compact 01, 02, 03, 04.	<ul><li>Manufactured</li><li>Capital.</li></ul>
and well-being	recognized for our positive work environment and organizational climate, which is evident in the strong engagement of all employees with the Company's goals and strategic planning. These points represent a major competitive advantage for WEG, reflected in our productivity and the quality of our products and services.  Risks and opportunities  The well-being and integrity of employees are top priority for the WEG group. However, WEG's industrial operations and processes involve accident risks, which can have serious consequences or even fatalities, affecting both direct employees and third parties. WEG constantly invests in improving risk perception and awareness, but when dealing with an industrial environment, it is always a present issue.	Safety Policy.  WEG Code of Ethics.	Sustainable Development Goals (SDGs) 3, 8.	■ Human Capital.



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SUSTAINABLE PRODUCTS AND SOLUTIONS

CIRCULAR AND EFFICIENT OPERATIONS

ENGAGED EMPLOYEES
AND COMMUNITIES

GOVERNANCE AND ETHICAL CONDUCT

ADDITIONAL INFORMATION



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GRI 3-3

	ALIGNMENT			
MATERIAL TOPIC	RISKS, OPPORTUNITIES AND IMPACTS	POLICIES	COMMITMENTS	IIRC CAPITALS
Ethics, integrity and fight against corruption	Positive impact WEG is recognized in the market for its ethical, professional and honest conduct in all its initiatives, enabling a strong and long-term relationship with its stakeholders. To strengthen this relationship, WEG has an established integrity program and provides an independent reporting channel, ensuring complete anonymity for whistleblowers.  Risks and opportunities Since its foundation, WEG has maintained the highest standard of corporate governance, guided by the values upheld by its founders, such as honesty, transparency and ethical conduct. Even so, despite the training provided on the Code of Ethics, the Company may be subject to integrity violations, relying on mature and impartial mechanisms for their proper handling.	<ul> <li>Sustainability Policy.</li> <li>Code of Ethics for Suppliers.</li> <li>WEG Code of Ethics.</li> <li>Policy of Prevention and Fight Against Corruption and Other Detrimental Acts.</li> </ul>	Global Compact 10.  Sustainable Development Goals (SDGs) 16.	<ul> <li>Human Capital.</li> <li>Social and Relationship Capital</li> <li>Financial Capital.</li> </ul>
Carbon neutral in operations	Positive impact Our product portfolio is strongly aligned with the objectives of greater energy efficiency, renewable energy generation and reduction of greenhouse gas emissions. By pursuing carbon-neutral goals in operations, companies and society will increase the demand for more efficient products, creating many business opportunities.  Risks and opportunities WEG have a formal commitment related to carbon reduction targets in line with the Paris Agreement, which could lead to an acceleration in the replacement of assets aimed at decarbonization and greater energy efficiency.	<ul> <li>Sustainability Policy.</li> <li>Environmental Policy.</li> <li>Energy Efficiency Policy.</li> </ul>	Global Compact 07,08,09.  Sustainable Development Goals (SDGs) 7, 9, 12, 13.	<ul><li>Manufactured Capital.</li><li>Natural Capital.</li></ul>
Leadership and employee development	Positive impact Historically, WEG has implemented various actions aimed at developing and training employees at all levels. It is worth mentioning initiatives such as the technical school for young apprentices and the different courses constantly offered to train employees to achieve the Company's objectives. It is also important to mention the leadership preparation program that identifies and trains people to take on different leadership positions in Brazil and abroad, while promoting the Company's culture and values.  Risks and opportunities  WEG's long-term growth and success are strongly linked to its ability to attract, develop and retain qualified employees and managers. With an increasingly globalized market, job opportunities in other countries emerge as strong competition for its professionals. It may be necessary to seek and develop people for these roles who may not be ready in time or may represent an increase in costs for the Company, which could impact our business strategy.	<ul> <li>WEG Code of Ethics.</li> <li>Sustainability Policy.</li> <li>Social Responsibility Policy.</li> </ul>	Global Compac 07, 10. Sustainable Development Goals (SDGs) 4.	<ul> <li>Human Capital.</li> <li>Intellectual Capital</li> </ul>



	ALIGNMENT			
MATERIAL TOPIC	RISKS, OPPORTUNITIES AND IMPACTS	POLICIES	COMMITMENTS	IIRC CAPITALS
Sustainable products	Positive impact WEG makes significant investments in research, development, and innovation of new products, always focusing on energy efficiency and sustainability. This can be seen in WEG's large portfolio of products that are considered sustainable based on the FTSE methodology. These products represent a great competitive advantage, as they can help our customers and society on their journey towards a more sustainable world.  Risks and opportunities The portfolio of products developed by WEG has a strong appeal for energy efficiency, renewable energy generation and sustainability.  However, competitors may develop technologies or products that make WEG products obsolete, less competitive or less efficient. Increased competition, including from foreign companies, could adversely affect WEG.	<ul> <li>Sustainability Policy - Quality Policy.</li> <li>Environmental Policy - Energy Efficiency Policy.</li> <li>Occupational Health and Safety Policy.</li> <li>Restricted Substances and Conflict Minerals Policy.</li> </ul>	Global Compact 07, 08, 09.  Sustainable Development Goals (SDGs) 7, 8, 9, 11, 13, 17.	<ul> <li>Manufactured Capital.</li> <li>Human Capital.</li> <li>Intellectual Capital.</li> <li>Social and Relationship Capital.</li> <li>Natural Capital.</li> </ul>
Diversity and inclusion	Positive impact Creation of the QPcD program; increase of 21.8% of the PcD workforce; 2.781 global leaders trained in Diversity and Inclusion by the WEG Leadership Academy. Risks and opportunities WEG is very concerned about diversity in its recruitment, selection, social responsibility, and other internal policies. We do not tolerate discrimination of any kind in the workplace. However, WEG may be subject to obligations related to diversity and inclusion within its workforce and management structure. It faces the risk of failing to take timely initiatives to promote these topics, which could eventually harm the Company's operating results and reputation.	<ul> <li>Sustainability Policy.</li> <li>Social Responsibility Polic.</li> <li>WEG Code of Ethics.</li> <li>Marketing Policy.</li> </ul>	Global Compact 01, 02, 06.  Sustainable Development Goals (SDGs) 5, 8, 10.	<ul><li>Human Capital.</li><li>Social and Relationship Capital.</li></ul>
Sustainable growth of the communities	Positive impact Being aligned with the positive growth of the communities where it operates allows the Company to strengthen the engagement of its employees and their families. Through programs such as volunteer actions by its employees, the Company further reinforces its sense of belonging and purpose in building a more sustainable and prosperous future.  Risks and opportunities  WEG has historically had a great relationship with the communities in the places where it operates. The Company reinforces this bond by organizing and supporting various courses and meetings. However, due to the activities conducted by the Company, we may be subject to complaints due to disruptions caused to communities adjacent to industrial parks.	<ul> <li>Social Investment Policy.</li> <li>Sustainability Policy.</li> <li>Social Responsibility Policy.</li> <li>WEG Code of Ethics.</li> <li>Marketing Policy.</li> </ul>	Global Compact 01, 02.  Sustainable Development Goals (SDGs) 17.	<ul> <li>Social and Relationship Capital.</li> </ul>



## ECONOMIC-FINANCIAL PERFORMANCE

2024 began with uncertainties in some markets due to the slower demand growth and ongoing geopolitical events. Throughout the year, we observed an improvement in industrial activity in Brazil, along with positive performance in most regions where WEG is present.

WEG continues to benefit from favorable conditions in some markets, particularly due to strong demand for long-cycle equipment, especially in the Power Generation, Transmission and Distribution (GTD) sector. Notably, transmission & distribution (T&D) projects are being driven by the energy transition and investment in electrical infrastructure in the markets where WEG operates. The demand also proved positive for short-cycle equipment, such as low-voltage electric motors, gearboxes and serial automation equipment, strengthening the development of the motion drive strategy globally. It is important to note that the acquisitions completed in 2024 made a positive contribution to the year's revenue, with the beginning of the consolidation of the Marathon, Cemp and Rotor businesses in May, and Volt Electric Motor in December.



Net Operating Revenue (NOR) in 2024

Growth of 169% compared to 2023

# Performance indicators

#### DOMESTIC MARKET

The Net Operating Revenue (NOR) in the domestic market reached BRL 16.3 billion, representing 43.0% of the total NOR—a growth of 6.7% in relation to the previous year.

Industrial Electrical and Electronic Equipment

4 % Appliance and Commercial Motor

Power Generation,
Transmission and
Distribution

3 % Coatings and Clearcoats

#### **EXTERNAL MARKET**

The Net Operating Revenue (NOR) in the external market reached BRL 21.6 billion, representing 57.0% of the total NOR—a growth of 25.9% in relation to the previous year.

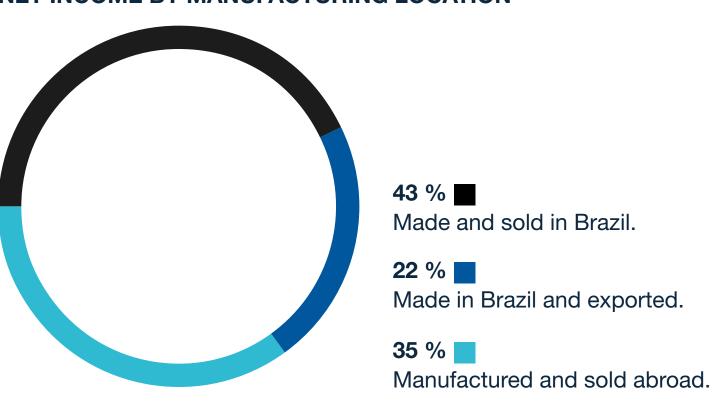
Industrial Electrical and Electronic Equipment

4 % Appliance and Commercial Motor

Power Generation,
Transmission and
Distribution

% Coatings and Clearcoats





#### **MAIN FINANCIAL INDICATORS**

	<b>NOR</b> (Values in BRL Billions)	<b>EBITDA</b> <sup>1</sup> (Values in BRL Billions)	EBITDA <sup>1</sup> MARGIN	ROIC <sup>2</sup>
2022	29.9	5.6	18.8%	29.4%
2023	32.5	7.0	21.8%	39.2%
2024	37.9	8.5	22.4%	34.2%

1) EBITDA: Earnings Before Interest, Taxes, Depreciation and Amortization.

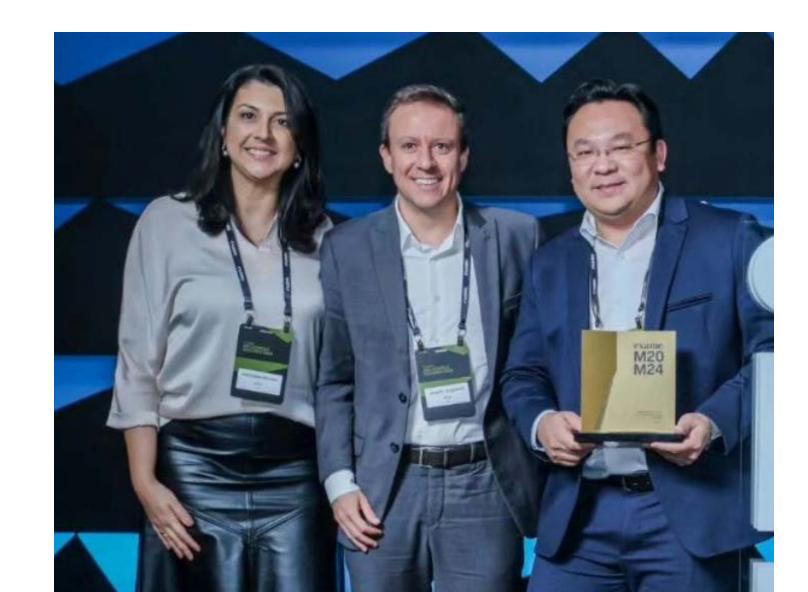
2) ROIC: Return on Invested Capital

# HIGHLIGHTS AND RECOGNITIONS

The sustainable development of the best ESG practices is an ongoing journey with constant challenges for companies, given the dynamism and complexity of the issues.

WEG has been continuously working to evolve and improve its processes, reduce potential risks and add opportunities to its business model. As a result, it has received significant recognition, indicating that it is on the right path on this journey. However, it remains aware that there are many challenges to be addressed to ensure continuous progress.

Andressa Pereira (Institutional Communication), Daniel Godinho (Director of Sustainability and Institutional Relations) e Alberto Kuba (President).





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	MAIN HIGHLIGHTS IN 2	024
Ecovadis	WEG won the GOLD seal again in 2024, placing it among the 5% of the best-rated companies.	Global sustainability rating agency that assesses companies' commitments, practices, indicators, and progress on ESG issues.
Sustainalytics	WEG was classified within the "low risk" category.	Rating that conducts ESG risk analysis and classification.
SE-B3	WEG has been part of the portfolio consecutively since 2012.	Index that analyzes the best performing companies listed on B3 in terms of corporate sustainability.
CO <sub>2</sub> -B3	WEG has been part of the portfolio consecutively since 2016.	Index that measures the efficiency of companies' emissions compared to their revenue
FTSE4Good	WEG has been part of FTSE4Good consecutively since 2016.	Index that measures the performance of global companies in ESG.
Merco Responsabilidade ESG	In 2024, WEG was recognized as the most responsible company in the Capital Goods category in Merco Responsabilidade ESG.	Ranking that evaluates the reputation of companies.
Época negócios 360	WEG was the standout in the Mechanics and Metallurgy sector and in the Financial Performance challenge.	The award evaluates financial performance, corporate governance, socio-environmenta performance, innovation, and vision of the future and people.
Broadcast empresas	WEG ranked first among the more than 200 companies with shares traded on B3 that generated the most value for shareholders. In addition, the company was also awarded in the special categories "Sustainability" and "New Market".	The Ranking reflects a set of seven indicators widely used by investors and financial market professionals.
Exame: Best of ESG	WEG was recognized in the Capital Goods and Electronics category.	The award recognizes companies with the best environmental, social and governance practices.
Biggest and best	WEG was the standout of the Capital Goods sector.	Award based on financial data and grounded on three essential pillars: accounting resugrowth within their respective segments and ESG.



	MAIN HIGHLIGHTS IN 20	024
Valor innovation	For the tenth consecutive time, WEG ranked among the top 10 in the ranking, securing eighth place overall and reaching first place in the electronics sector.	Ranking granted by Valor Econômico and Strategy & PwC's strategic consultancy to the country's most innovative companies.
100 Most Influential People in Energy in 2024	WEG's CEO Alberto Kuba was recognized as one of the 100 Most Influential People in Energy in 2024.	Award granted by Grupo Mídia through the Full Energy Ecosystem.
Brazilian Association of Electrical Materials Dealers and Distributors (ABREME)	For the fourth consecutive time, WEG was elected Supplier of the Year by ABREME.	The survey is conducted annually with the main dealers and distributors of electrical materials throughout Brazil.
Super Companies Expansion	The WEG Mexico S.A. de C.V. unit has been awarded consecutively since 2013.	The Ranking is conducted in Mexico and focuses on "the place where everyone wants to work", relating to organizational climate and culture.
Sustainable Company - Green Seal (Itajubá City Hall)	The Balteau Electrical Products unit, in Itajubá (Brazil), was recognized as an environmentally sustainable company through environmental management and shared work with the local government.	Recognition promoted by the city of Itajubá.
Sustainability Award - Farol do Bem	WEG (Linhares Unit – Brazil) was recognized with 1st place in the Environment category for the Green School project, which aims to raise environmental awareness in children through an organic garden cultivated by WEG students and volunteers.	Promoted by the Union of Metallurgical and Electrical Material Industries of the State o Espírito Santo (Brazil).



**AND SOLUTIONS** 







At WEG, we believe that innovation is the key to developing sustainable solutions and gaining a competitive edge in business. We continually invest in energy efficiency, focusing on reducing environmental impact and dematerialization, creating products that not only meet current needs but also contribute to a more responsible, conscious and increasingly connected future.

**Rodrigo Fumo** Managing Director of Industrial Motors



# TECHNOLOGIES AND INNOVATIONS FOR ENERGY TRANSITION AND DECARBONIZATION

WEG has stood out by integrating innovation in clean technologies as a fundamental part of its business strategy, especially in the context of energy transition and decarbonization. The company's Sustainability Policy clearly reflects this commitment, with strategic objectives aimed at reducing its carbon footprint and promoting more sustainable practices, both in its products and processes.

WEG's approach of applying a robust process of innovation and continuous improvement reflects a solid strategy to not only meet but also anticipate the needs of society. This approach involves everything from product design to life cycle management, which is essential to ensure that sustainability is truly integrated throughout the entire process.

Next, learn more details about WEG's sustainable products, which range from innovation to the end of the product life.





### Innovation

**GRI 3-3** 

Innovation is one of the key features of WEG's business model, which always seeks to anticipate the future needs of its customers and society. This commitment to the future drives the Company, aligning its innovation guidelines with its strategic purpose. WEG's innovation focus is therefore directed towards:

#### **WEG PURPOSE**

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



- Electric Mobility
- Renewable Energy
- Digital Solutions and Connectivity
- Energy and Industrial Efficiency
- Technological Materials
- Sustainable Solutions

Technological innovation at WEG focuses mainly on the development of new technologies, new products, materials, and tests that aim to increase efficiency, reduce costs, improve quality and optimize the use of raw materials. Thus, the company becomes more competitive, conquers new markets and aligns with its strategic objectives, contributing to people's development and quality of life.

In this regard, WEG has been transforming energy into innovative solutions for the national and international markets by adopting a mixed innovation model (both open and closed), with the goal of increasing investment in clean technologies.

However, innovation does not happen by chance. A structure and method are necessary so that all employees, with the support of the company's leadership and the involvement of external partners, can develop innovative solutions.





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# Innovation in numbers

+2,600 employees in RD&I in Brazil

BRL billion

investment in RD&I in 2024

approximately 2.8% of Net Operating Revenue 144

research/testing laboratories distributed across 12 countries:

To support RD&I activities, verify the compliance of materials and components used in products and processes, develop new materials, and evaluate the performance and quality of its products. 55.1%

of revenue from products launched in the last 5 years

32

innovation and customization centers:
Mainly focused on improving solutions aimed at local markets.

### Open Innovation

In open innovation, the process involves collaboration with external players, such as customers, suppliers, startups and universities.

Open innovation has been practiced at WEG for a long time. However, more recently, the company has sought to position itself as the epicenter of a global innovation ecosystem. Currently, WEG connects a wide network of partners, including startups, science and technology institutions, medium and large companies and other institutions that interact with WEG worldwide for research and development.



### Partnerships

GRI 3-3

#### **STARTUPS**

In 2024, startups aligned with priority demands within the topics below were prospected:



**ELECTRIC MOBILITY** 



**ENERGY AND INDUSTRIAL EFFICIENCY** 



**RENEWABLE ENERGY** 



**TECHNOLOGICAL MATERIALS** 



**DIGITAL SOLUTIONS AND** CONNECTIVITY



**SUSTAINABLE SOLUTIONS** 

Universities and institutes in Brazil and abroad

In 2024, 123 universities and research institutes aligned with priority demands were prospected.

Countries with which WEG maintains contact with universities and R&D centers:

Germany

Portugal

Brazil

**UK** 

China

**Switzerland** 



# Management

#### Committee

With the goal of advancing even further in RD&I, WEG recently implemented two committees to improve governance on the topic, coordinate efforts, and drive a culture of innovation within its corporate structure. They are:

Scientific and Technological Committee: Composed of directors and managers from all business units, as well as two external members, this committee's main responsibility is to propose research and projects on strategic topics, guiding WEG's long-term innovative efforts to ensure the continuity of the business.

Innovation Management Committee: Also formed by directors and managers from all business units, this committee focuses on proposing and monitoring cross-cutting subjects of interest to all business units, such as indicators and projects within WEG's strategic innovation topics.

WEG Innovation System – WINS: WINS is WEG's innovation management system and was developed to be an integrated system that seeks excellence, acceleration, and visibility of innovation processes. All ideas that enter the WINS framework are evaluated as potential innovations, and any WEG employee can act as a protagonist of innovation, opening an opportunity for them to be an agent of idea generation and promoter of innovation.

Technological development program

Aligned with WEG's Strategic Planning, the Technological Planning guides innovation activities for each department of the company. It is structured through the goals of the WEG Quality and Productivity Program (PWQP), specifically within its technological subprogram, the PDT – Technological Development Program, which encompasses Research, Development & Innovation (RD&I) projects focused on products, processes, systems, and services within each business unit.

In the Strategic Technological Planning and in the preliminary definition of the portfolio of RD&I projects, WEG seeks to align internal and external scientific and technological opportunities with RD&I activities already implanted. Annually, all RD&I projects are analyzed and approved by the direction within the scope of the WQPP so that they are aligned with the company's strategic objectives.

In addition, the PWQP provides a motivational plan for employees that consists of distributing up to 12.5% of the WEG Group's net profit, considering the performance evaluation of each company's unit, each department and each employee.

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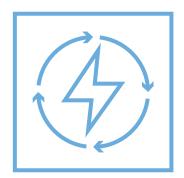
# Highlights of sustainable products and solutions in our business units

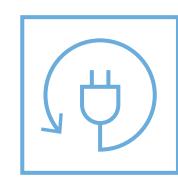
The climate emergency is a global reality that has been widely scientifically proven. In this context, companies committed to sustainable development have been actively working to reduce its impacts, especially about Greenhouse Gas (GHG) emissions. The industry, playing a fundamental role in this scenario, has the responsibility of promoting technologies and innovations in products and solutions that favor the energy transition and decarbonization. This effort is essential to improve the current global scenario and mitigate future climate impacts.

WEG's purpose, model and business strategy are directly aligned with this need, having a clear focus on developing technologies and innovations that favor the energy transition and the reduction of carbon emissions. Therefore, all its business units are committed to offering products and solutions within this context, creating a robust portfolio focused on sustainability.

This approach positions WEG as a strategic partner not only for its customers but also for society on the journey towards energy transition and decarbonization. The company offers solutions that cater to industry, agriculture, cities, and homes, focusing on more efficient products and technologies aligned with a low-carbon economy. Examples of this include renewable energies (such as solar and wind), electric mobility, energy efficiency, among others.

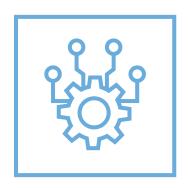
All these solutions follow WEG's innovation guidelines, which guide the creation and improvement of more sustainable products. Below are some product highlights for 2024, reflecting the variety of innovative solutions offered by the company to the market.



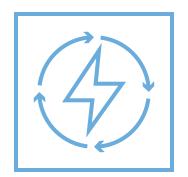












Renewable energy and clean technologies

#### **SOLAR POWER**

WEG has been in the solar market for over 10 years, establishing itself in solar generation and providing comprehensive solutions for both distributed and centralized generation, standing out today as a leader in the sector. With a robust portfolio and cutting-edge technology, WEG's solar energy business meets market demands with excellence, offering efficient and sustainable solutions for consumers and companies seeking to optimize their energy mix.

Furthermore, WEG's solar energy business is in synergy with other areas of the energy transition, such as electric mobility and charging stations for these vehicles, home automation and energy storage, reinforcing its commitment to sustainability and innovation in the sector. This integration strengthens WEG's ability to offer a complete ecosystem of energy solutions, promoting a cleaner and smarter future.

With a trajectory marked by innovation and reliability, WEG continues to drive the growth of solar energy in Brazil and around the world, delivering efficiency, quality and technology to its customers.

#### **GREEN HYDROGEN**

Green hydrogen is a promising alternative to reduce carbon emissions and mitigate the impacts of climate change, especially for sectors that are difficult to decarbonize. In Brazil, WEG positions itself as a provider of complete solutions for green hydrogen production plants, focusing on research and development projects and pilot plants.

WEG is providing a complete solution for a 2 MW green hydrogen generation plant with a 2.5 MWp photovoltaic power plant located in Rio Grande do Norte, Brazil. The project was implemented through a bidding process by Petrobras.

In addition, through the Brazilian government's Funding Agency for Studies and Projects (FINEP), it is developing a pilot project that will be conducted at Manufacturing Plant II, in Jaraguá do Sul (Brazil), reinforcing the company's commitment to sustainable progress.





## SOLUTIONS FOR HYDROELECTRIC POWER PLANTS - STEP-UP TRANSFORMERS FOR THE PAULO AFONSO IV HYDROELECTRIC POWER PLANT

WEG develops innovative solutions for the hydroelectric sector, including generators, turbines, transformers, and automation systems. With technologies focused on modernizing power plants and optimizing energy generation, these solutions promote greater energy efficiency and reduce losses.

In 2024, WEG participated in the modernization of the Paulo Afonso IV Hydroelectric Power Plant, located in the state of Bahia. The plant has a production capacity of 2,462 megawatts of energy, enough to supply a city with more than 2 million inhabitants.

WEG was responsible for supplying and installing the new step-up transformers and for removing and properly disposing of the old equipment.

#### **STEAM POWER GENERATION SYSTEM**

WEG offers a complete solution for steam power generation from biomass, using a high-efficiency and operationally reliable turbogenerator set. This technology converts the thermal energy of steam into renewable electricity, promoting sustainability and meeting the needs of industries and communities.

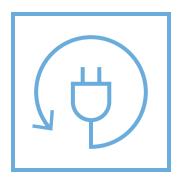
Currently, energy generation in the state of Amazonas depends mainly on diesel oil. In addition to the high cost to communities, burning this fuel contributes significantly to carbon emissions into the atmosphere. To change this scenario, an innovative solution is being implemented in the region: the use of açaí residues, previously considered an environmental liability, to generate steam in high-pressure boilers. This system

allows the production of more than 9,400 kWh of electric energy through a WEG turbogenerator set.

In this project, WEG was selected to supply the entire power generation system, including the steam turbine, gearbox, 11.7 MVA turbogenerator, condensation system, control and protection of the set, as well as installation supervision and commissioning services.

This initiative reinforces the commitment to sustainability by transforming waste into an efficient source of renewable energy, contributing to the reduction of the environmental impact and sustainable development in the region.

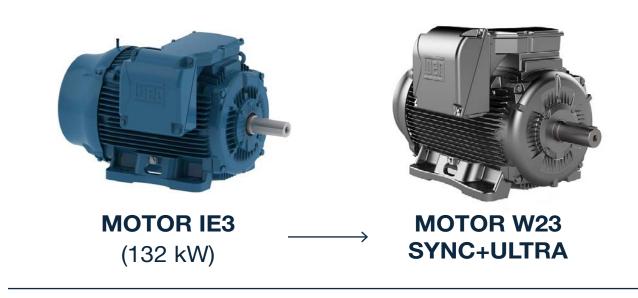




Energy and industrial efficiency

#### W23 SYNC+ULTRA

WEG recently launched the W23 Sync+Ultra line, the widest range of high-efficiency synchronous electric motors in the world, taking another step towards a more sustainable and economically viable future. These motors reach IE6¹ efficiency levels), achieving exceptional energy efficiency standards.



#### **REDUCTION OF**

(operating at 3,000 hours per year)

9,772 kW energy consumption

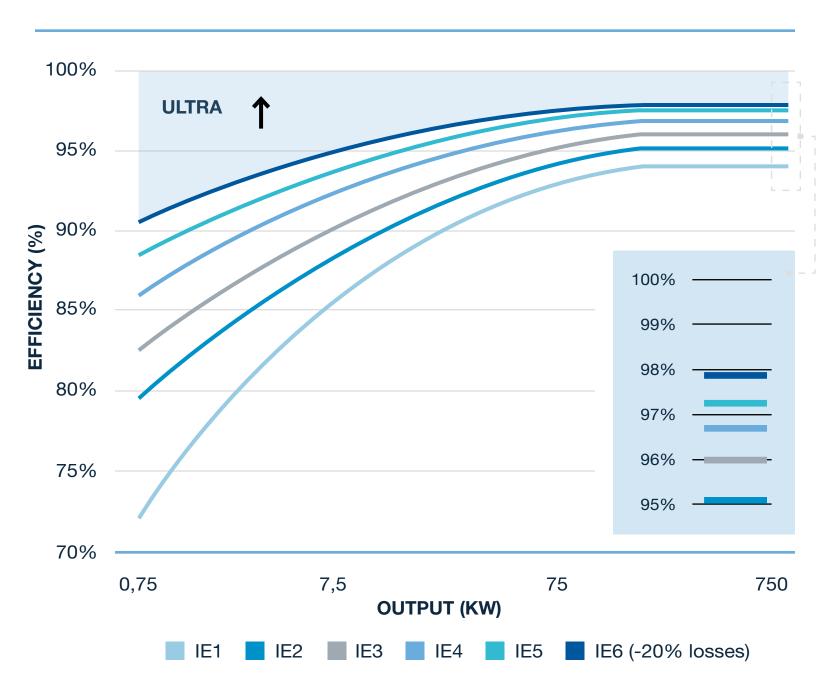
**24,580** kg of CO<sub>2</sub>e<sup>2</sup>

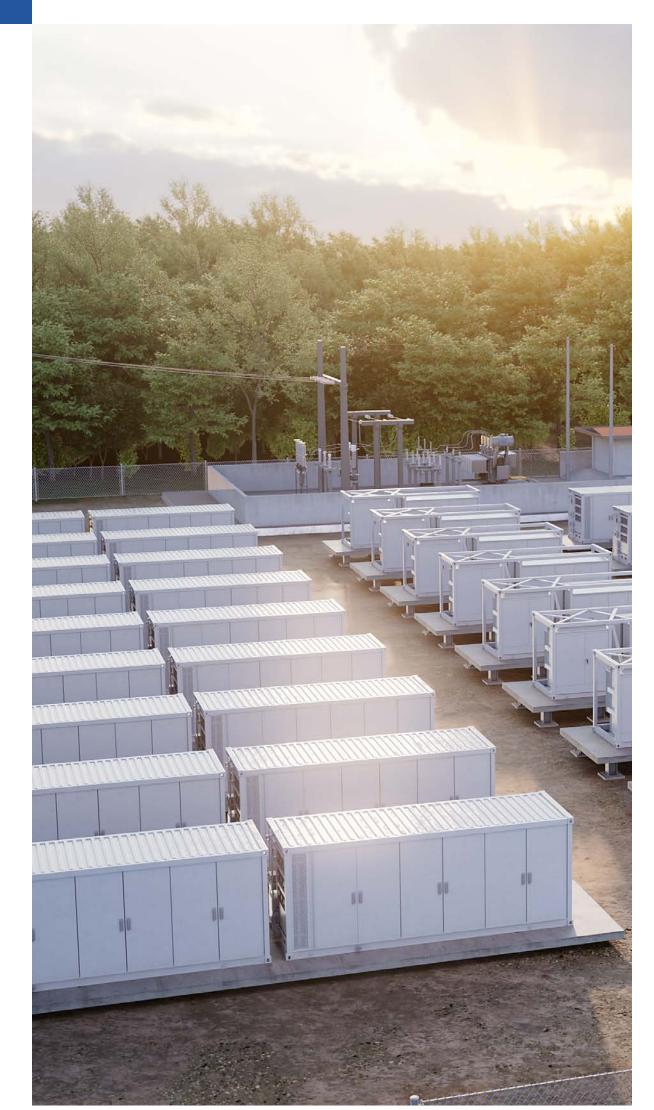
If the use of a frequency inverter is considered, this gain is even greater. The graph below shows the differences between the performance levels and the superior efficiency of the W23 Sync+Ultra.

- 1) The IE6 efficiency level is not established by the IEC 60034-30-2 standard. It is an internal definition used by WEG, referring to the 20% lower losses achieved by the W23 Sync+Ultra motors compared to IE5 motors.
- 2) The calculation of avoided emissions was carried out based on the IEA usage regime and the condition of 100% load.

#### **EFFICIENCY CLASSES**

IEC TS 60034-30-2 - 1201 - 1800RPM





The Battery Energy Storage System (BESS)

#### **WEG MOTORS AND INVERTERS**

W23 Sync+Ultra motors, combined with WEG inverters, provide high operational efficiency and energy savings. This solution ensures the motor will operate at maximum efficiency across varying speeds and loads, providing superior energy savings and reduced operating costs.

#### **W30 SMART EC**

WEG's electronically commutated motor (ECM) family now has a wider power range and is available up to 7.5kW. This motor, developed to solve various types of motor fan applications, combines permanent magnet synchronous motor technology (IE6 efficiency level¹) with built-in drive, meeting the highest energy saving requirements. Available in single-phase and three-phase versions, it delivers lower noise levels and automatic air speed control, ensuring efficiency and comfort in the application.

1) The IE6 efficiency level is not established by the IEC 60034-30-2 standard. It is an internal definition used by WEG, referring to the 20% lower losses achieved by the W23 Sync+Ultra motors compared to IE5 motors.

#### **BESS**

The Battery Energy Storage System (BESS) is a complete and efficient solution to stabilize the electrical system in the presence of intermittent sources, provide ancillary services and optimize energy management. It stores energy from the electrical grid and renewable sources for strategic use, ensuring backup, cost reduction and generation integration.



# Eletric mobility

#### **WEMOB**

The WEMOB Green+ line of charging stations, which includes the EASY, WALL and PARKING models, reflects WEG's commitment to sustainability. Made with 50% recycled plastic and consuming less energy, these solutions reduce environmental impact without compromising efficiency. Additionally, the AC models, both from the Green+ line and those produced with traditional materials, were the first on the market to receive the Inmetro certification, reaffirming WEG's high standards of safety, efficiency and environmental responsibility.

#### **VEHICLE TRACTION SYSTEMS**

WEG develops and supplies electrification systems for the automotive segment, including motors and inverters for traction and ancillary systems, as well as battery packs and generator systems for hybrid vehicles. These solutions contribute to reducing CO<sub>2</sub>e emissions and other gases that are harmful to health, reinforcing WEG's commitment to innovation and sustainable mobility.







## Digital solutions

#### WEG MOTION FLEET MANAGEMENT

WEG Motion Fleet Management, WEG's asset management solution, promotes sustainability by increasing the service life of industrial equipment and avoiding unexpected machinery replacements. It can also estimate the total emissions of motors and drives over a period using its Energy Management and Emissions Control module, reinforcing WEG's commitment to efficiency and environmental responsibility.

#### **WEG MOBILE ROBOT**

The WEG Mobile Robot (WMR) is an autonomous mobile robot (AMR) that enhances production flow by preventing bottlenecks and optimizing the transportation of materials between workstations, storage area and shipping. It also enables inspections in hazardous locations, among other applications. Thus, it minimizes product damage, enhances personnel safety and enables smarter, more sustainable logistics management. Furthermore, its electrical operation with rechargeable batteries eliminates the need for fossil fuel-powered equipment, reducing emissions from these activities to zero.

#### **VISION SYSTEM**

The Computer Vision System uses Artificial Intelligence to automate various operations in production processes, logistics activities and actions related to productivity and safety. Its applications include quality inspections, object counting, code reading, measurements, PPE checking and workstation inspections, among countless other possibilities. As a result, operations require less manual intervention, allowing for the intelligent use of resources and facilitating the separation of materials for reuse. This promotes the circular economy, contributes to sustainability, and guarantees human safety by reducing exposure to risks.

#### **WEG ENERGY MANAGEMENT**

WEG Energy Management (WEM) is a digital solution based on cloud computing dedicated to the efficient management and optimization of the consumption of energy resources, such as electricity, water, gas and compressed air. Using Artificial Intelligence, it identifies anomalies and predicts consumption patterns, providing greater autonomy in assessments. In addition, it has the functionality of accounting for carbon equivalent emissions (CO<sub>2</sub>e).

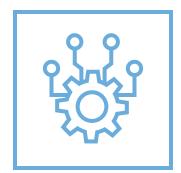
#### WEG DIGITAL SUBSTATION SOLUTION

The Digital Substation solution uses Merging Unit (MU) hardware installed close to the yard equipment to digitize its signals and make them available to the fiber optic communication network, so that any device in the system can use them for protection, control, and monitoring functions. The solution brings more functionality to the system, speeds up the work and drastically reduces the number of concrete channels and copper cables.

#### **WEGSCAN**

WEGscan is WEG's smart sensor platform. The WEGscan 100 periodically monitors electric motor data, such as vibration, temperature and running time, detecting occasional failures. Information is collected and sent to the cloud via smartphone or gateway. Stored data can be analyzed, even with Artificial Intelligence, using WEG Motion Fleet Management, our software platform for monitoring equipment health and performance.





# Technological materials

#### **BREESY - SUSTAINABILITY IN WIRE ENAMELING**

Developed to increase safety and efficiency in the enameling of copper and aluminum wires, Breesy is a varnish in a cresylic acid-free solution that is a pioneer in the world, ensuring a healthier and more sustainable work environment. With application up to 15% faster, it reduces process time without compromising quality and durability. Its high thermal resistance of up to 200 °C and UL certification ensure reliability for various industrial applications.





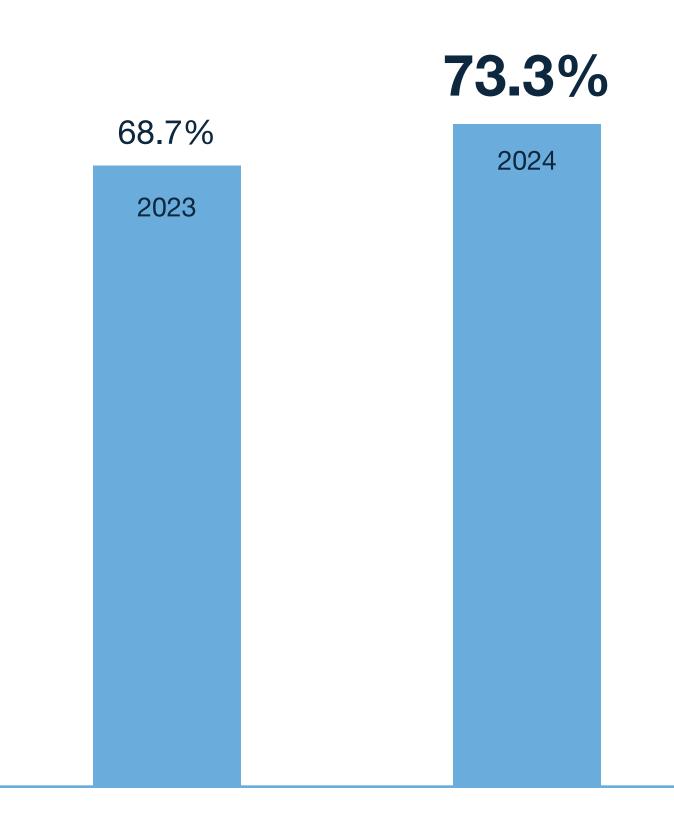
# Sustainable product indicators

WEG has a wide range of products and solutions for energy transition so that its customers can generate less environmental impact in their activities. However, to better understand the scale of positive impact it has in this context, WEG has a sustainable product indicator that measures the proportion of sustainable products in the company's revenue. An indicator that is also a commitment to transparency with its stakeholders, reinforcing its position as one of the leading companies in providing sustainable solutions for industry, cities, homes, and agriculture.

The criteria established in the Financial Times Stock Exchange (FTSE) methodology were used, which classifies products as sustainable, ensuring clarity and accuracy of the data.

WEG's wide range of products that adhere to the FTSE methodological reference for sustainable products include high-efficiency motors, transformers, digital businesses, hydrogenerators, wind turbines, turbogenerators (biomass), solar energy, among others.

#### **WEG SUSTAINABLE PRODUCTS REVENUE IN 2024**





SUSTAINABLE PRODUCT INDICATORS				
FTSE SECTOR	WEG PRODUCTS	PRODUCT CHARACTERISTICS ACCORDING TO THE FTSE CRITERIA	WEG SUSTAIN- ABLE REVENUE 2024 (BILLION BRL)	% IN RELATION TO WEG NOR
Sector: Energy Efficiency and Management  Subsectors:  Industrial Processes (General)  Smart & Efficient Grids (General)  Energy Storage (Battery)	High efficiency motors and gearmotors	Products or systems that reduce the use of energy and other resources in the processes.	20.2	53.2%
	Transformers / Reactors / Mobile Substations / Switch-Disconnectors	Transmission and distribution technologies.		
	Controls / LV & MV Drivers	Key products and components that improve energy profiles and products or systems that reduce the use of energy and other resources in the processes.		
	Critical Power/Bess	Manufacturing, installation or operation of products that store energy in the grid or in the building.		
	Digital Business / Edge Devices / Smart Meters and Grid	Equipment and services that improve the operating efficiency of the electrical power grid.		
	Engineered products	Key products and components that improve energy profiles and products or systems that reduce the use of energy and other resources in the processes.		
Sector: Energy Equipment Subsectors: Hydro Solar Wind	Hydrogenerators/Turbo gearboxes/ Turbines/Transformers	Equipment and plants dedicated to providing power generation that harnesses the energy produced by the flow of fresh water.	7.6	20.1%
	Wind turbines/Transformers	Production and distribution of equipment and facilities dedicated to providing energy generation that harnesses the force of air movements or currents.		
	Turbogenerators (biomass) /Transformers	Equipment for energy generation where the primary source is based on biomass.		
	Solar/Transformers	Photovoltaic or concentrated solar systems.		



# Main features of our products

In addition to the fact that most products are considered clean technology due to their lower environmental impact on customer applications, other sustainability aspects also deserve to be highlighted, including the reduction of production process impacts and an extended operating cycle.

# Product safety

WEG takes a rigorous approach to the safety of its products, from design to customer training. Aspects such as noise, exposure to explosive atmospheres and environmental safety are considered in product development.

For products in the automotive sector, for example, it is necessary to appoint a Product Safety Officer, who is linked to the Executive and Management levels. WEG replicates this same practice in its automotive supply chain. WEG takes a rigorous approach to the safety of its products, from design to customer training. Aspects such as noise, exposure to explosive atmospheres and environmental safety are considered in product development.

Considering all these specificities of different products, WEG also provides product safety training at its Customer Training Center (CTC), reinforcing the seriousness with which WEG treats the safety of its products.





# Product design

The improvement of circular design, the expansion of recyclability, dematerialization, and the durability of materials, products, and packaging are strategic objectives of WEG. Something on which the Company continually works to improve and make its products increasingly sustainable.

WEG demonstrates a high level of commitment to the optimized use of resources and waste reduction, aligned with the guidelines of the WEG Management System (WMS), where process efficiency is evaluated based on waste reduction. WEG is also constantly improving and evolving the energy efficiency of its products and retrofit solutions to extend the service life of some product lines. In addition, it has monitoring products that bring more convenience and flexibility to the operation, maintenance and management of industrial plants and extend their service life. Another important aspect of the process is having a robust restricted substances control process, which ensures that components cause less environmental damage at the end of their life.

Product design practices that follow the company's strategic objectives are widely applied in the company's development activities, with some examples highlighted below:

- Reuse of silicon steel sheets.
- Dematerialization in motor design, using plastic frames that do not require screws.
- Reuse of aluminum parts in products.
- Scrap recovery using a briquetting machine.
- Reinsertion of process waste as raw material, such as steel scrap for the manufacture of castings.
- Adoption of material recovery programs at the end of the product life cycle through reverse logistics and replacement plans.
- Investments in waste recovery, enabling its return to the production chain and not to landfills.
- Acquisition of equipment for separating copper from insulating plastics in wires, allowing the complete recycling of a difficult-toseparate component.



Environmental
Product
Declarations (EPD)
and Life Cycle
Assessment (LCA)

The Environmental Product Declaration (EPD) is a standardized document that describes the environmental performance of a product based on a Life Cycle Assessment (LCA). It provides transparent and comparable information about the product's environmental characteristics throughout its life cycle, allowing companies and consumers to make more informed decisions aligned with their sustainable development goals and GHG reduction targets.

WEG currently has EPD certification for the W22 motor line, frame size 200, and it is in the process of certifying three more lines: W51HD, W23 Sync+ and other frames from the W22 line.

#### **Environmental Product Assessment System**

It is an internal WEG environmental information system for electric motors that acts as a centralizing channel between the technical area and the sales area, speeding up the provision of responses to customers. Currently, it has three main modules: Carbon Footprint, Avoided Emissions and Environmental Product Declaration (EPD), the latter being certified by a third party.

By 2025, the system will be expanded with new features, including calculating the recyclability of products and packaging, reinforcing our commitment to the circular economy and sustainability.

In previous studies, following international protocols recognized in the market, the average recyclability rate of motors is approximately 98%.

# Replacement plan

For over 20 years, WEG has been working on its Replacement Plan Program in Brazil, which encourages the replacement of used, old, damaged or low-performance motors, generating incentives for the purchase of a new, high-efficiency WEG motor.

The program provides economic benefits in the acquisition of new equipment and contributes to improving industrial efficiency. By promoting the use of more efficient products, WEG contributes to making its customers' industrial plants more sustainable and profitable, reducing energy consumption and operating costs, and consequently the environmental and climate impacts of energy consumption.

WEG accepts motors in working condition or with burnt winding, as long as they are complete (rotor with complete winding, stator, frame, endshields). All products returned in this process are sent to recyclers, who reintroduce these materials into the production chain.

#### Main advantages

- Reduction in electricity consumption in the customers' operations;
- Reduction of CO<sub>2</sub>e emissions;
- Improved reliability in the operational plant;
- Reduction in operating costs due to greater energy efficiency;
- Factory warranty;
- Environmentally appropriate disposal and recovery of solid waste through reverse logistics of returned equipment.

WEG also offers the Parts, Pieces and Components Replacement Plan, where the returned parts and pieces are melted and reintroduced in the manufacturing process of new products, in line with the principles of the circular economy.



# Packaging and recycling instructions

WEG manufactures part of its wooden packaging, which is used in several product lines. To that end, WEG has a dedicated unit - RF Reflorestadora

- based in Brazil. The unit has its own sustainable management areas, entirely from reforestation, with no impact on native vegetation. This practice highlights WEG's commitment to the responsible use of natural resources in its production chain.

Considering the product life cycle and WEG's commitment to the proper disposal of products and packaging, we publicly provide on our website a recycling guide for products and packaging, offering application examples, aligned with the principles of the circular economy.

The implementation of reverse logistics for packaging is a fundamental practice applied by the company in the pursuit of reducing environmental impacts throughout the entire process. Reverse packaging logistics allows the materials used in products to be collected, recycled or reused appropriately, preventing the accumulation of waste and promoting the circular economy and the preservation of natural resources.

Better management of product packaging is explored at WEG in different ways, as shown in the following examples:

- Replacement of expanded polymer packaging with plastic.
- Reverse logistics application for plastic, cardboard, foam, and aluminum plate packaging.
- Recycling of plastic tapes used in packaging.
   Use of computer simulation to optimize packaging designs, reducing
- wood consumption without compromising packaging performance and product integrity.



# Sustainable products

#### HIGHLIGHTS AND ADVANCES ON THE TOPIC IN 2024

73.3%

of WEG's revenue comes from sustainable products

55.1%

revenue from products launched in the last 5 years

BRL billion

investment in RD&I in 2024 approximately 2.8% of Net Operating Revenue

# Highlights of sustainable products and solutions in the areas of:

Renewable energy and clean technology,
Electric mobility,
Energy and industrial efficiency,
Digital solutions,
Technological materials.





## RESPONSIBLE SUPPLY CHAIN

The supply chain is a strategic part of the business that requires a robust partnership process for development and joint growth. For WEG, sustainability management in the supply chain is a constant priority matter in the Sustainability Policy and was identified as a key material topic in the last materiality cycle.

Aware of this relevance and the context surrounding the supply chain, WEG has been continuously working to advance this agenda. In 2024, it took important steps to strengthen its sustainability management within its supply chain. The evolution of the WEG Sustainable Supplier Program was a highlight. With global reach in its first year of implementation, it delivered significant results.

WEG is committed to working with suppliers who meet requirements and operate in a way that does not harm the health and safety of their employees or the environment. They must practice efficient resource and waste management while complying with the laws and regulations in the country where the products or services offered to WEG are manufactured or marketed.

Check out WEG's features and strategy to continuously improve its risk and opportunity management with its supply chain.

# WEG sustainable supplier program

Created in 2023, the WEG Sustainable Supplier Program is an important step to ensure continuous evolution in the relationship with the company's suppliers, as well as its management of risks and opportunities. The guidance provided through this Program will help WEG become a strong partner in the sustainable development journey of its suppliers.

WEG expects its suppliers to understand its sustainability strategy and feel part of it, sharing this responsibility. In 2024, different actions were taken, leading to significant results for this process, as shown below:





SUSTAINABLE PRODUCTS AND SOLUTIONS

CIRCULAR AND
EFFICIENT OPERATIONS

ENGAGED EMPLOYEES
AND COMMUNITIES

GOVERNANCE AND ETHICAL CONDUCT



### Training GRI 2-23 / 3-3

#### **TRAINING**

Aiming to engage its supply chain in sustainability, in 2024, WEG developed and launched an online, asynchronous sustainability training program.

The training is available to all of the company's strategic suppliers, covering topics such as:

- Sustainability Concept
- WEG Sustainability Policy
- Responsible supply chain
- GHG inventory and climate change
- Atmospheric emissions and waste management
- Circular Economy
- Sustainable products
- Restricted substances
- Governance and ethical conduct
- UN Global Compact
- Sustainable growth of communities

#### **SUPPLIER DAY**

Maintaining close and aligned contact with the supply chain is essential to ensure that WEG's strategic guidelines are effectively applied. The Supplier Day represented an important step in this process. During these in-person events, held in Brazil and China, WEG presented to its suppliers the context and relevance of sustainability for the business, the company's strategic direction, its practices and processes, as well as the expectations related to its supply chain. The WEG Sustainable Suppliers Program was also detailed, with information and alignments that reinforce the role of suppliers as essential partners in WEG's sustainability journey.





# Supplier assessment with sustainability criteria

GRI 308-1 / 414-1 / 2-23 / 3-3

As a fundamental part of the sustainability management process in the supply chain, the assessment of suppliers using sustainability criteria has been applied for many years at WEG.

At WEG, all new suppliers are evaluated and selected based on social, environmental and governance criteria. Strategic suppliers who respond to this assessment are verified for compliance with sustainability requirements, and if necessary, an improvement plan is requested to align with the criteria established by WEG. This assessment generates indicators that help monitor suppliers' performance in relation to ESG issues. The treatment of actions taken to manage the environmental, social and governance impacts of suppliers is based on the assessment process. If the supplier is not aligned with the established requirements, WEG develops a partnership to develop them, mitigating possible risks. Noncompliance situations are constantly monitored by the Company through its areas of Compliance and Supplier Qualification, with supervision by senior management.

In 2024, the sustainability evaluation questionnaire for suppliers was updated, becoming automated, with updates on the questions related to environmental management, labor practices, human rights, ethics, and integrity:

More than 880 suppliers were evaluated in 2024



#### **ENVIRONMENTAL**

- Environmental Management
- Waste
- Water
- Energy
- GHG Emissions
- Biodiversity
- Restricted Materials



#### **SOCIAL**

- Health and Safety
- Conflict Minerals
- Diversity and Inclusion
- Human and Labor Rights



#### GOVERNANCE

- Governance and Business Ethics
- Integrity and Transparency
- Supply Chain Management

GRI 2-23 / 3-3



# On-site verification of good ESG practices

Suppliers classified as strategic underwent an in-person verification of their good ESG practices, based on the sustainability questionnaire applied by WEG. Throughout 2024, on-site visits were conducted with strategic suppliers, and new visits are already planned for 2025.

## Program goals for 2024

#### **META 2024**

- On-site verification of good ESG practices in strategic suppliers.
- Involvement of 100% of strategic ESG suppliers in training programs.

#### **STATUS**

- Visits conducted as planned, achieving the target.
- 100% of the suppliers covered by the program were engaged, achieving the target.

# Actions planned in 2025

- New cycle of selection and evaluation of strategic suppliers.
- Expansion of the categories of suppliers evaluated, in addition to direct production materials.



# Sustainability risk management in the supply chain

GRI 2-23 / 3-3

WEG's risk management processes follow the Corporate Risk Management Policy, which includes a broad analysis of corporate risk categories and classifications. WEG continuously assesses and monitors its supply chain, with the Corporate Risk Management Policy as one of its foundations.

#### ACCESS THE WEG CORPORATE RISK MANAGEMENT POLICY HERE

In addition to this process, WEG has another front for assessing risks in its supply chain:

# Sustainability risk analysis

Parallel to the corporate risk management process, WEG conducts a specific sustainability risk analysis review, which will serve as the basis for the prioritization criteria of the WEG Sustainable Suppliers Program.

#### METHODOLOGY FOR RISK ANALYSIS

Environmental, social and governance criteria were considered to conduct the sustainability risk analysis at WEG suppliers.

The analysis was based on the total pool of suppliers, classified according to their relevance to the company, and assessed for sustainability risks using lists from recognized external entities.

# STRATEGIC SUPPLIERS ENVIRONMENTAL AND SOCIAL CRITERIA GOVERNANCE CRITERIA

GRI 2-23 / 3-3



#### Due diligence

In parallel with the corporate risk management process, WEG carries out a specific risk analysis in sustainability, which will be used as a basis for prioritization criteria for the WEG Sustainable Supplier Program.

#### **SUPPLIERS**

**LEVEL** 

A

application of supplier assessment with sustainability criteria.

**LEVEL** 

B

application of supplier assessment with sustainability criteria and request for evidence.

**LEVEL** 

C

Application of supplier assessment with sustainability criteria, request for evidence and on-site verification of good ESG practices.

Embargoes and economic sanctions

Compliance with the rules on embargoes and economic sanctions applicable to our businesses is a basic condition for WEG's global operations. WEG has internal policies and procedures that ensure the proper analysis and management of our supplies concerning embargo and economic sanctions regulations. The company has a dedicated team working in an integrated manner, supported by world-class monitoring resources. This same commitment is required from our supply chain.



# Human rights in the supply chain

GRI 3-3 / 2-23

Monitoring related to Human Rights must be constant in any sphere in which the company is involved, either directly or indirectly. In the supply chain, due diligence on human rights is a structural part of the supplier relationship process. Compliance with Human Rights is a fundamental issue for WEG, formalized in its Code of Ethics for Suppliers, corporate policies, and procedures.

This process occurs through the application of the sustainability assessment, on-site supplier verifications and training courses that cover the topic. Additionally, WEG's expectations regarding Human Rights are clearly communicated to its suppliers through the WEG Code of Ethics for Suppliers, as well as in the general supply conditions and

contracts, which include clauses on environmental, labor, and Human Rights requirements.

The supervisory governance is related to the areas in direct contact with the supplier, the relevant committee, and subsequently, the Executive Direction meeting, which approves the committee's agendas. Therefore, a situation that is registered with the Audit Committee will be reported to the Executive Direction.

# Restricted substances

WEG has a Restricted Substances Policy and a list of Restricted Substances to reduce the use of restricted substances in its processes and products. The list undergoes periodic updates and is in line with the main national and international regulations.

This list is applied at different stages of WEG's processes, such as in the manufacturing of products and packaging, the development of new materials, and, primarily, with suppliers of raw materials, components, and inputs. WEG requests the traceability of suppliers to ensure compliance with the requirements and needs related to Human Rights and environmental issues in the supply chain. The list of restricted substances is present in the WEG Code of Ethics for Suppliers and in the Supply Agreements with the supply chain. WEG is committed and dedicated to ensuring that its products are free from conflict minerals and, consequently, do not finance armed conflicts.

The internal management related to the conflict minerals process involves many areas and forums at WEG, such as the supply and sustainability departments, as well as the supervision of the Executive Direction in analyzing the issues forwarded by the committees when there is any movement related to it. The understanding of the importance, responsibility, and expectations regarding restricted substances is highly relevant, and WEG has established related policies that are public and available to all suppliers and other stakeholders of WEG.

ACCESS THE RESTRICTED SUBSTANCES AND CONFLICT MINERALS POLICY HERE



#### WEG supplier chain characteristic

GRI 2-6 / 2-23 / 3-3

WEG's has a diversified business model that requires many suppliers to meet our development needs. WEG currently has partnerships with approximately 14,000 direct and indirect suppliers worldwide, including 7,500 suppliers of direct production materials. Most of the relationships is long-term, with regular supply through a contract or purchase orders, but suppliers are also hired exclusively for a project due to the complexity and availability of the materials supplied or requested by the customer.

Due to the diversification of its business, WEG maintains relationships with a wide range of suppliers, including those providing production materials, raw materials, packaging, finished and semi-finished products, among others. Examples include copper or aluminum conductors, coils and steel sheets, steel bars, insulating materials, pigments, solvents, mineral fillers, and catalysts.

# Code of Ethics for suppliers

WEG Code of Ethics for Suppliers outlines the expected conduct for suppliers, as well as WEG employees, managers, and administrators in their interactions and execution of their activities.

In the Code, WEG reaffirms its respect for the laws and cultures of each country in which it is present, for the Universal Declaration of Human Rights of the United Nations and for the Declaration on Fundamental Principles and Rights at Work of the International Labor Organization (ILO). It also reaffirms its commitment to responsible management, sustainable growth and adoption of best practices and ethical behavior to be followed by its entire supply chain.

WEG encourages the dissemination of its Code of Ethics for Suppliers directives in all the scopes of decision and operation of the suppliers and in their respective supply chains.

#### **CHANNEL FOR QUESTIONS AND REPORTS**

A communication channel is available for WEG Suppliers to make any reports and/or questions about the Code of Ethics.

#### CLICK HERE TO ACCESS THE CHANNELS TO MAKE A REPORT

#### **GOVERNANCE**

Responsibility of the Board of Directors and Executive Direction:

- Board of Directors: Responsible for managing the Code of Ethics.
- Direction of each WEG Group company: Responsible for enforcing the Code.

CLICK HERE TO LEARN ABOUT WEG'S CODE OF ETHICS FOR SUPPLIERS



# Responsible supply chain

#### HIGHLIGHTS AND ADVANCES ON THE TOPIC IN 2024

#### WEG SUSTAINABLE SUPPLIER PROGRAM



## More than 880 suppliers

with due diligence completed in the first year of the WEG Sustainable Suppliers Program.



## New suppliers

already evaluated according to the new due diligence criteria.



#### **Supplier Day**

conducted in Brazil and China.



## **Sustainability training**

available to 100% of strategic suppliers.



2024 Program targets achieved





SUSTAINABLE PRODUCTS AND SOLUTIONS

**CIRCULAR AND EFFICIENT OPERATIONS** 





We are making consistent progress in our actions and programs under the Circular and Efficient Operations pillar. I would like to highlight the WEG Carbon Neutral Program, which has been achieving important results. In 2024, over 260 greenhouse gas (GHG) emission reduction projects were approved globally. We are continuing this journey by advancing new environmental programs, including initiatives in water resource management and atmospheric pollutant control.

**Daniel Marteleto Godinho** Sustainability and Institutional **Relations Direction** 







# ECOEFFICIENCY AND WASTE AND EMISSIONS MANAGEMENT

The ongoing effort to optimize eco-efficiency in natural resource management, along with the mitigation and reduction of pollutant emissions and industrial process waste, is an integral part of WEG's strategic sustainability goals.

WEG dedicates all necessary efforts to the conservation and regeneration of natural resources, ensuring proper waste treatment, as well as the recycling and reuse of materials within production processes.

This chapter addresses environmental management related to the topics of Water and Effluents, Solid Waste, and Atmospheric Emissions, presenting the main practices, programs, indicators and results. The absolute indicators presented in this chapter already incorporate data from the new operations acquired in 2024.

#### Water and effluents

WEG understands that efficient and sustainable water management reduces environmental impacts while promoting operational resilience. To this end, WEG adopts initiatives and operational controls focused on reducing water consumption and effluent generation through consumption monitoring, implementation of operational controls, and improvement projects, such as those established under the KaizenWEG program and the WEG Management System (WMS).

Effluents generated in operations are properly treated and continuously monitored to ensure the minimization of the impacts and compliance with applicable regulations. A portion of the treated effluents is reused in internal processes, with some effluent treatment plants enabling up to 100% reuse of the treated water.

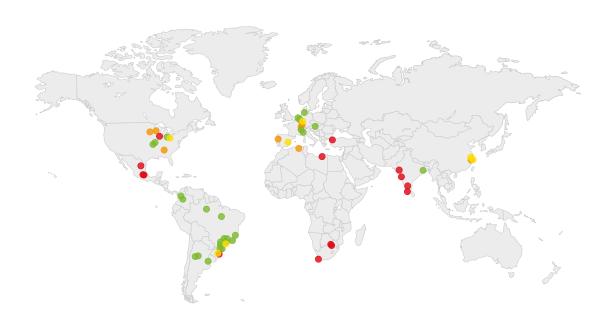
## Water risk assessment

Currently, 29% of WEG's facilities are located in regions that may experience water scarcity, representing 18% of the Company's net operating revenue.

Areas exposed to risk

of water scarcity:

- Low (<10%)</p>
- Low-Medium (10 to 20%)
- Medium-High (20% to 40%)
- High (40 to 80%)
- Extremely High (> 80%)



Source: Aqueduct Water Risk Atlas - World Resources Institute (WRI)

# Efficient Water and Effluent Management

To mitigate water scarcity and preserve water quality, WEG has implemented a series of effective water and effluent management initiatives. Notable examples include the following processes:

PROCESS / PRACTICE	OBJECTIVE	LOCATION
Rainwater harvesting	■ Rainwater collection for gardening.	■ Hosur / India ■ Huehuetoca / Mexico
	■ Rainwater collection for irrigation of school gardens (community outreach program).	■ Linhares / Brazil
	■ Rainwater collection for parts washing, cooling towers, and other industrial processes.	Jaraguá do Sul / Brazil
Reuse of water and effluer	nts ■ Treated sanitary effluent reused in fertigation area.	■ Linhares / Brazil
	■ Reuse of water from parts washing processes.	■ Hosur / India
	■ Reuse of water for gardening.	■ Hosur / India ■ Linhares / Brazil
	■ Parts washer with water reuse system.	■ Huehuetoca / Mexico
	■ Water recirculation system in painting booths.	<ul><li>Changzhou, Nvantong, Rugao / China</li><li>Huehuetoca / Mexico</li></ul>
		<ul><li>Changzhou, Nantong, Rugao / China</li><li>Jaraguá do Sul / Brazil</li></ul>
Water efficiency	■ Implementation of water consumption reduction goals.	■ Hosur / India
	■ Reduction goal for industrial effluent generation per motor produced.	■ Linhares / Brazil
	■ Installation of faucet aerators and pushbuttons systems to reduce water consumption.	<ul><li>■ Hosur / India</li><li>■ Jaraguá do Sul / Brazil</li><li>■ Huehuetoca / Mexico</li></ul>
	■ Cooling towers equipped with water treatment systems, enabling closed-loop reuse with minimal or no water discharge.	<ul><li>■ Jaraguá do Sul / Brazil</li><li>■ Linhares / Brazil</li><li>■ Huehuetoca / Mexico</li></ul>
	■ Redistribution of cooling towers to reduce evaporation.	■ Huehuetoca / Mexico



Dry painting booth in Changzhou, Nantong and Rugao - China.



Rainwater harvesting for gardening in Huehuetoca, Mexico.



#### Indicators

The indicators represent all of WEG's global operations, including commercial units.

#### Water consumption – Absolute (m³)

2022 1,160,5522023 1,217,2262024 1,517,504

Water consumption – Absolute / Net Operating Revenue (m³ / BRL thousand)

2022 38.82023 37.42024 39.9

#### Effluent emission – Absolute (m³)

2022890,6342023686,4762024772,633

Effluent emissions – Absolute / Net Operating Revenue (m³ / BRL thousand)

2022 29.72023 21.12024 20.3

WATER CONSUMPTION - BY SOURCE (%)	2022	2023	2024
Public utility company	57.5	56.2	59.0
Well	22.4	24.4	24.6
Rivers/lakes	18.5	16.7	11.5
Reuse water	1.5	2.6	4.4
Rain water	0.1	0.1	0.5

EFFLUENTS - BY TYPE OF DISPOSAL (%)	2022	2023	2024
Surface water (after treatment)	29.1	15.2	19.9
Groundwater (after treatment)	6.2	4,8	1.8
Sea water (after treatment)	0.0	0.0	0.0
Third party treatment	64.7	80.0	78.3



# WEG Water Management Program

In addition to the processes and operational controls already in place, WEG has prioritized the development of the WEG Water Management Program, recognizing the importance of this natural resource for its operations and the challenges posed by climate change.

Due to global warming, extreme weather events such as droughts and floods have become more frequent and intense, affecting both the availability and quality of water resources.

This scenario reinforces the importance of continuously improving water management through a global corporate program.

#### The program aims to:

- Strengthen water resilience across operations.
- Reduce vulnerability associated with water-related risks, such as the availability and quality of water needed for processes.
- Expand strategies to reduce water consumption.
- Promote responsible and sustainable use of water.
- Ensure the continuity of water management and monitoring processes.
- Systematize and apply a risk and opportunity assessment methodology in water management.

The water risk assessment methodology, developed with support from an external consultancy specialized in climate change, leverages historical climate data, including variables such as maximum daily temperature, average daily temperature and accumulated daily precipitation. WEG operational data are also integrated into the process, such as: Volumes of water collected and discharged (effluents), records of extreme events encountered and their potential impacts on production and management activities.

To that end, WEG also uses the Aqueduct Water Risk Atlas tool, developed by the World Resources Institute (WRI) to support the global analysis and management of water risks. This tool, which WEG had already been using to assess water stress, now complements the new risk assessment methodology, providing a more in-depth perspective.





#### Solid waste

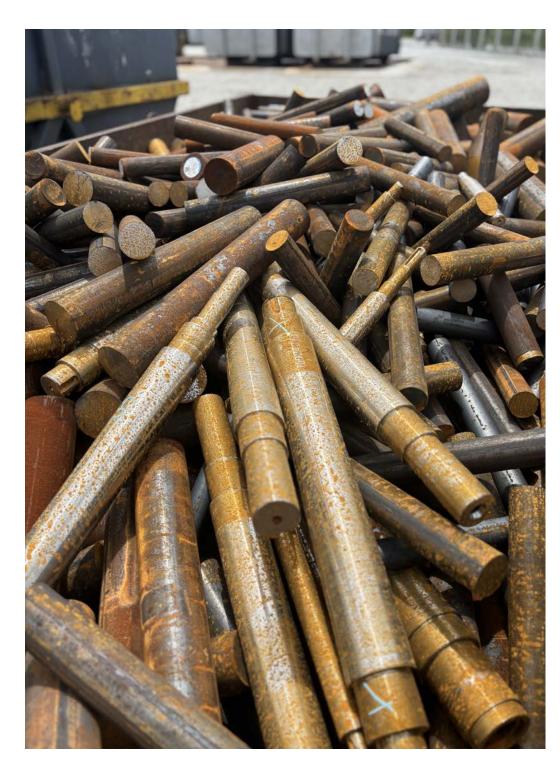
WEG continuously works on processes that reduce environmental impacts, guiding its activities through the adoption of preventive environmental protection measures, such as those related to waste generation management. Waste management across WEG's operations is structured through continuous improvement programs.

As a result, in addition to reducing negative environmental impacts—such as soil and water pollution—this management approach generates economic benefits, including the recovery of recyclable materials and energy production from organic waste.

WEG is committed to reducing waste generation and ensuring its proper environmental disposal. To this end, WEG's operations maintain structured waste management systems aimed at defining procedures for handling, containment and appropriate disposal of waste generated from operational activities. The primary goal of waste management is to protect public health, promote environmental quality and encourage the adoption of sustainable production and consumption practices, while ensuring compliance with applicable legislation.



# Advancing Circularity in Operations



Metal waste being sent for recycling.

The circular economy seeks to transform the traditional linear model of production and consumption into a closed-loop system, in which waste is continuously reintegrated into the production chain. Circularity in processes delivers benefits such as:

- Reduced volume of waste sent to landfills.
- Less extraction of natural resources.
- Reduced greenhouse gas (GHG) emissions.
- Creation of new economic opportunities through innovation and efficiency.

Recognizing the relevance of circularity to its operations, WEG is engaged in multiple initiatives, including:

#### **SOLVENT RECOVERY**

WEG has adopted the practice of treating and recovering solvents used in its painting processes. Solvents applied for cleaning equipment such as spray guns, pipelines, and hangers are sent to a distillation unit—responsible for recycling the solvent—instead of being discarded. Once treated and recovered, these solvents are reintroduced into the production process. In Jaraguá do Sul, Brazil, over 37,000 liters of solvent were recovered in 2024 alone, preventing their disposal as waste.

The recovery and recycling of solvents—which are often classified as hazardous due to their environmental impact and risks to human health—play a critical role in waste reduction and environmental damage mitigation.

This process is essential not only for minimizing air, soil, and water pollution caused by improper disposal of solvents, but also for conserving natural resources and reducing the need for manufacturing new chemical products.

By recovering and recycling solvents, the contamination of sensitive ecosystems and community exposure to toxic substances is avoided. Furthermore, it is a cost-effective approach, reducing the need to purchase new materials and the costs associated with waste treatment, while fostering practices aligned with circular economy principles.

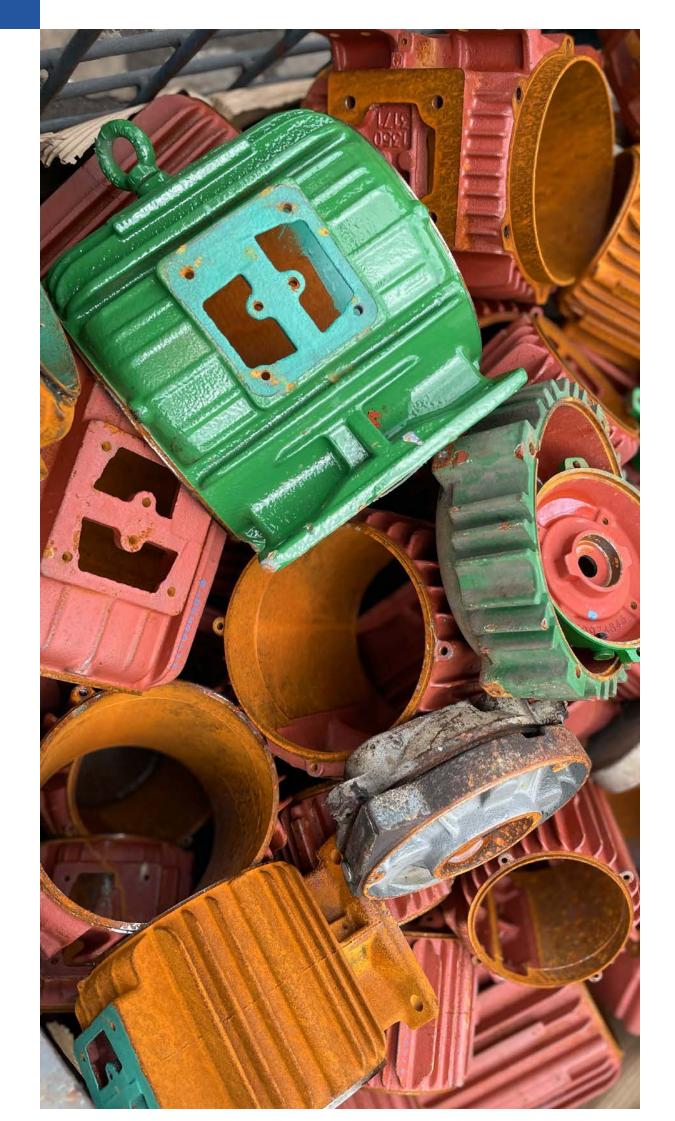
#### **HEAT RECOVERY – ENAMELING PROCESS**

The enameling ovens are equipped with catalytic plates that treat gases generated during the wire drawing process, producing heat that is reused in the same process. The reuse of this residual heat plays a key role in improving energy efficiency across industrial operations. This smart utilization reduces energy consumption and minimizes both greenhouse gas (GHG) emissions and the environmental impact of industrial activities.

#### HEAT RECOVERY – WIRE DRAWING OVENS (STEAM GENERATION)

With investments in the installation of heat exchangers, it became possible to recover residual heat from wire drawing ovens to generate steam used in industrial processes. This initiative eliminated the need for steam-generating boilers, resulting in a significant reduction in energy consumption.

These ovens are also equipped with catalytic combustion systems to reduce Volatile Organic Compounds (VOCs), and the heat generated in the combustion process is reused to reheat the oven itself. This heat recovery contributes to lower energy consumption and reduced GHG emissions.



Scrap metal recycling conducted in Jaraguá do Sul, Brazil.

#### **HEAT RECOVERY - STAMPING PROCESS**

In the Stamping Department, the surface treatment and painting process for electric motor frames includes a heat recovery system. The heat used to warm the cleaning tanks (pre-treatment stage) is reused in the drying ovens for the motor frames (drying stage).

#### **METAL SCRAP RECYCLING**

WEG reuses metal scraps generated from various areas of the company—such as stamping, post-consumer products, and machining—and sends them to the casting process for the production of motor endshields and frames. As a result, 100% of the motor frames and endshields manufactured in Brazil and Mexico are made from recycled material, eliminating the need to extract raw materials from the environment.

#### **MACHINING CHIP REUSE**

To reuse the metal chips generated from the machining processes of shafts and cast components—previously sold as scrap—WEG developed a process involving the shredding, mixing and briquetting of these materials. After four years of research, this development led to the implementation of a chip processing line—the first in the world to operate in this manner—processing approximately 5,846 tons of scrap per year and enabling its reuse as a raw material source in WEG's foundry operations. In addition to the reuse of these residues, the process recovers around 28,645 liters of oil per year, which would otherwise be discarded along with the chips. This innovation expands the use of secondary materials in WEG products, contributing to the reduction of the product's carbon footprint.

#### REVERSE LOGISTICS OF PRODUCTS AND COMPONENTS

Through the Equipment Replacement Program in Brazil, WEG promotes reverse logistics for products and components by offering customers discounts on new equipment and parts when returning old units to WEG.

#### **Product reverse logistics:**

After disassembly, frames with stators and rotors are sent to recyclers. Endshields, terminal boxes, and cast iron parts are reintegrated into WEG's own foundry process.

#### Parts and components reverse logistics:

Parts and components are returned to WEG and reintroduced into the casting process to generate new components.

In 2024, during the 2nd WEG Sustainability Meeting, three Authorized Technical Service Providers participating in the program were recognized. Together, these companies returned approximately 65,000 kg of scrap parts and components to WEG over the last 12 months.









# Waste Valorization

#### **WASTE VALORIZATION CENTER**

In 2024, WEG invested in the Waste Valorization Center located at its largest manufacturing plant, in Jaraguá do Sul, Brazil.

The initiative included the acquisition of adjacent land, construction of a new facility for the center, purchase of an electric forklift, and the hiring of dedicated personnel.

The Waste Valorization Center is equipped with infrastructure such as baling presses for paper, plastic, and cardboard, as well as shredding equipment. This structure enables the Center to process various materials, including: motors received through reverse logistics, nonferrous materials, insulated cables, paper and cardboard, fiberglass, polyester waste, and nonwoven fabric.

As a result, more than 35,000 tons of waste were reintroduced into the production chain in 2024 alone.

#### **WASTE VALORIZATION CENTER NUMBERS IN 2024**

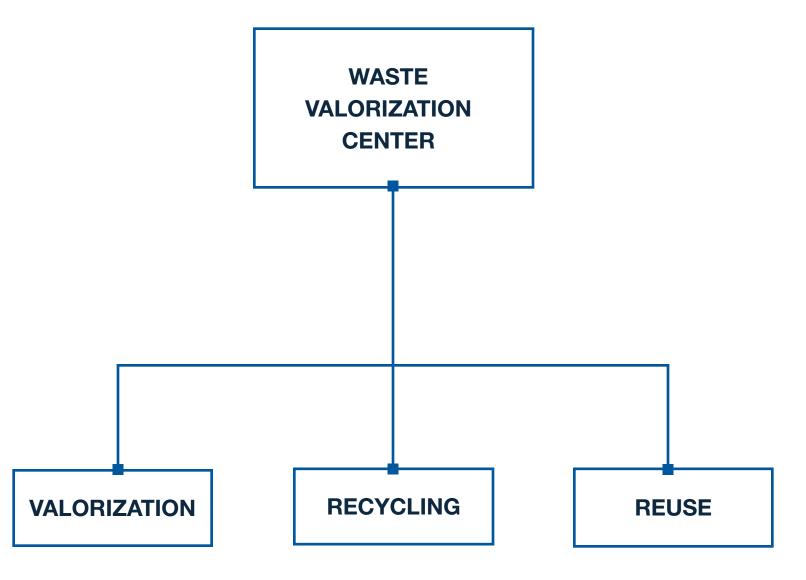
**32,000** ton STEEL

**1,700** ton

480 ton

**270** ton
MISCELLANEOUS
ALLOYS

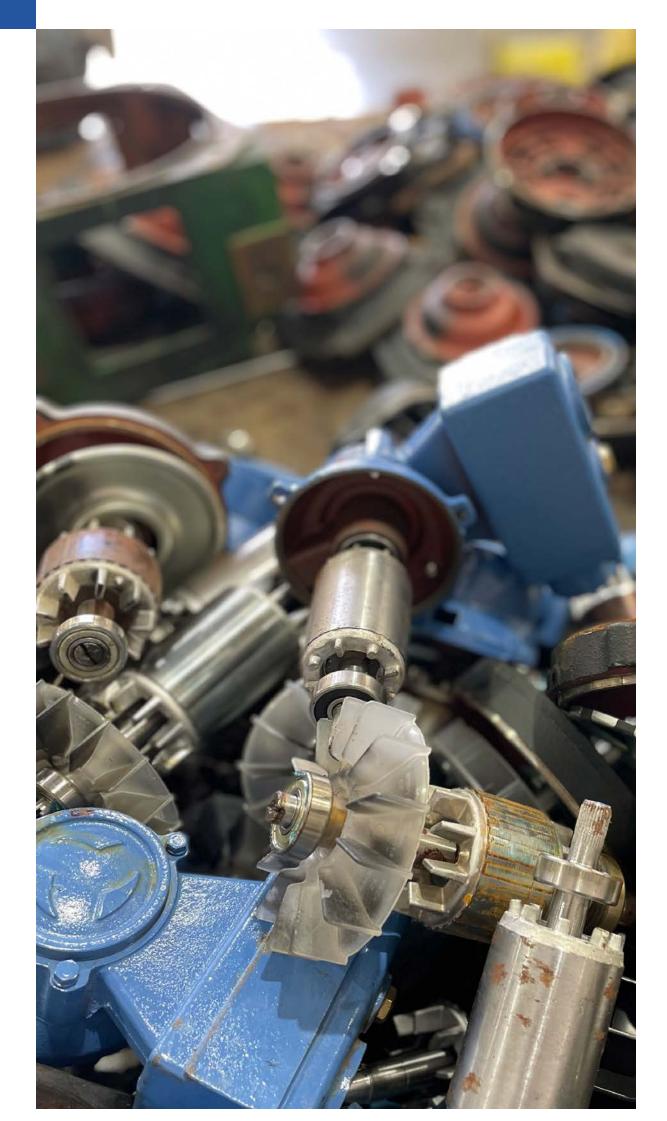
855 ton
MISCELLANEOUS
(liquid solvent/wood spools, paint slurries etc.)



Exemple: Machining chips are shredded, mixed and briquetted, allowing them to be used as input in melting furnaces for the production of cast iron frames and endshields.

Example: Metallic
waste not reintroduced into the
process—such as
chips, sheets, scraps
and components—
is sent to recyclers,
where it retains its
value by returning to
the production chain.

Example: Waste that was previously sent to landfills is now valorized through improvements in the separation process and the development of partnerships with companies that reuse these materials, turning them into raw materials for the manufacturing of new products.



Recycling of metal scrap carried out in Jaraguá do Sul in Brazil.

#### ACTIONS FOR WASTE VALORIZATION AND REDUCTION OF LANDFILL DISPOSAL

**Cable scrap recovery:** WEG applies waste valorization practices to cable scrap generated from its own processes and the dismantling of obsolete equipment. Specialized machinery is used to separate the polymeric insulation from the copper conductors. Both the insulation and the conductor are shredded, producing plastic and copper residues that are sent to recyclers, thereby reintroducing these raw materials into new production cycles.

**Equipment dismantling:** Industrial equipment at the end of its service life is dismantled across WEG operations, enabling waste valorization through the separation of components with higher added value, such as non-ferrous metals. Functional parts—such as circuit breakers, hoses and connectors—are reused internally for maintenance activities.

**Polyester and fiberglass waste:** Polyester and fiberglass waste is often sent to landfill with no reuse. WEG directs this material to a specialized partner, who uses it to produce signage and traffic-related materials. This initiative prevented the landfilling of 83 tons of waste in 2024.

**Coating sludge:** Coating sludge—generated from overspray during painting processes and considered hazardous or flammable—is typically associated with high disposal costs and landfilling. WEG sends this material to a partner capable of recycling it.

**Steel shot waste recycling:** Steel shot waste generated in manufacturing operations is collected, segregated and sent back to WEG's suppliers for recycling and reintegration into the steel production process.

**Retrofit, repair, and repowering:** WEG provides retrofit, repair and repowering services for long-lifecycle equipment such as power transformers, generators, medium- and large-sized motors, gearboxes and steam turbines.

These services restore operational performance, improve efficiency and safety and can be conducted either at the factory—through partial disassembly and transportation—or on-site. By offering these services, WEG enables the restoration of equipment to its original operating condition.



Reuse of cardboard: Cardboard is often immediately discarded, quickly becoming waste. At WEG facilities in Kerpen, Germany, and Markt Piesting, Austria, cardboard from incoming material packaging is reused as filler for outgoing product packaging, thereby extending the lifecycle of the material.



Reuse of cardboard in Kerpen, Germany.



Reuse of cardboard in Markt Piesting, Austria.

Recycling of plastic strapping: Plastic strapping used in product packaging typically has no further use after its initial application. At WEG units located in Jaraguá do Sul, Brazil, and Saint-Quentin-Fallavier, France, plastic strapping is collected and recycled, reinforcing WEG's commitment to the valorization of different waste streams.



Plastic strapping recycling in Saint-Quentin-Fallavier, France.



# WEG Selective Waste Collection Program

WEG operates a Selective Waste Collection Program that involves the identification, classification, and segregation of waste by employees, along with appropriate storage practices. The program is supported by qualified recycling partners to ensure that recyclable materials are correctly and efficiently processed. Selective collection generates a range of benefits: environmental advantages, such as pollution reduction,

conservation of natural resources and energy savings; and social impacts, including job creation and improved quality of life. Employees are trained to participate in the Selective Waste Collection Program with training based on specific departmental procedures to account for operational differences.

#### Indicators

To ensure effective management, WEG monitors key indicators that allow for tracking of waste types and their respective disposal methods. The indicators represent all of WEG's global operations, including commercial units.

#### **Solid Waste Generation – Absolute (ton)**

2022 283,0592023 258,4442024 304,381

#### Solid Waste Generation – Absolute / Net Operating Income (ton / BRL thousand)

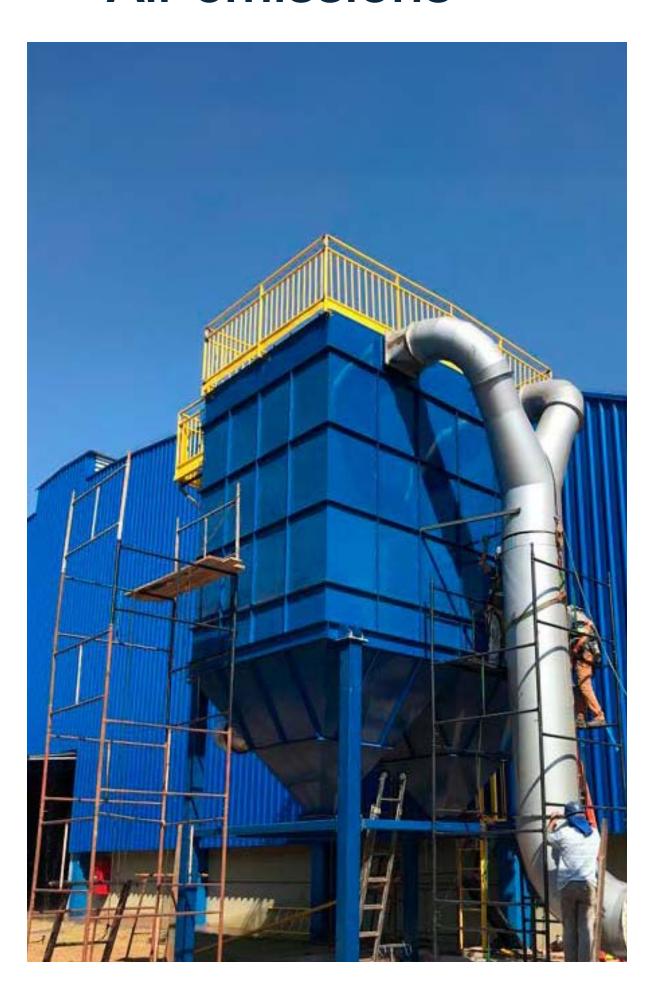
2022 9.42023 7.92024 8.0

GENERATION BY TYPE (%)	2022	2023	2024
Recyclable / non-hazardous	72.2 <sup>1</sup>	71.1	74.3
Recyclable / hazardous		1.2	1.9
Non-recyclable / non-hazardous	25.5	25.4	21.9
Non-recyclable / hazardous	2.3	2.3	1.9

Note: 1) Information on recyclable waste generation, without breakdown by non-hazardous and hazardous categories.

TYPE OF DISPOSAL (%)	2022	2023	2024
Reuse	31.0	28.7	26.1
Recycling	41.9	43.7	51.1
Landfill	25.1	25.3	22.0
Co-processing/incineration	2.0	2.3	0.8

#### Air emissions



The emission of air pollutants affects air quality, human health, and ecosystems. Among these pollutants, Volatile Organic Compounds (VOCs)—mainly originating from industrial processes, solvents and fuels—and Particulate Matter (PM)—resulting from biomass burning, vehicular emissions and industrial activities—are particularly relevant.

Aware of the importance of this topic, WEG has implemented advanced operational controls to reduce air pollutant emissions in its operations. These include bag filters, cyclones, gas scrubbers, among others, which enable the capture and reduction of harmful particles and compounds in the atmosphere. These systems ensure a significant reduction in pollutant emissions, aligning with best environmental practices.

#### **AIR POLLUTANT EMISSION MITIGATION PROGRAM**

Reducing emissions from industrial processes through proper treatment and disposal is a key element of WEG's sustainability strategy. In 2024, a significant step forward was taken with the launch of the WEG Air Emission Mitigation Program. This is a global initiative encompassing all Business Units, with the main objectives of standardizing emissions monitoring methodologies and facilitating the sharing of best practices and emission control technologies across the company's industrial sites. The program also enables the continuous optimization of operational controls, aiming to further reduce emissions and strengthen sustainable practices throughout all operational units.

One of the program's initial steps was to conduct a global training session for employees responsible for monitoring related indicators. The training aimed at reinforcing technical concepts and criteria and preparing teams for future program-related challenges.

Additionally, WEG established an international Working Group with representatives from all Business Units to lead the initiative.

WEG's commitment to reducing atmospheric emissions reflects not only its compliance with regulatory requirements but also its broader responsibility to society and the environment. The company believes that innovation and continuous improvement are essential to minimizing environmental impacts and contributing to a more sustainable future.



Air Pollutant Emission Training.



# Environmental management system

The implementation of a management system and the achievement of ISO 14001 certification represent important pillars for operational excellence and environmental responsibility.

ISO 14001 is a globally recognized standard for environmental management, reinforcing the company's commitment to sustainability by establishing guidelines for identifying and mitigating negative environmental impacts, ensuring regulatory compliance, and promoting awareness and stakeholder engagement.

#### **NUMBER OF ISO 14001 CERTIFIED SITES**

WEG Group's Business Units have implemented Environmental Management Systems, and certification of Manufacturing Plants to ISO 14001 is conducted in accordance with the company's internal strategy. Annual compliance audits are conducted for the Environmental Management Systems at the company's main operations.

WEG holds ISO 14001 certification across its major Manufacturing Plants, covering 70.8% of the company's workforce. In terms of facility coverage, this corresponds to 35.7% of sites certified under the standard.

#### **COMMITMENT FROM SENIOR MANAGEMENT**

Senior Management, Committees, Commissions and Managers are responsible for ensuring the integrity of the Environmental Management System during the planning and execution of any changes in business processes or activities that may affect the system.

The appointed Senior Management Representative is responsible for ensuring compliance with standard requirements and for reporting the Environmental Management System's performance to Senior Management.





#### LEGAL COMPLIANCE

**GRI 2-27** 

WEG's Manufacturing Plants periodically monitor new and existing environmental legislation and ensure compliance through preventive and corrective measures. In 2024, no significant fines (as defined by the WEG Group's Risk Management Policy) were reported in relation to noncompliance with legal requirements.

#### **TRAINING**

Training employees with specific knowledge of environmental practices, regulations and internal procedures fosters a corporate culture centered on environmental awareness and responsibility. WEG offers training programs that enable employees to identify potential environmental impacts, adopt preventive and corrective actions and implement best practices in environmental management in their daily activities. Employees receive training in line with their duties, with more robust training provided for roles involving more significant environmental aspects.

#### **ENVIRONMENTAL MANAGEMENT SYSTEM AUDITS**

Internal audits play an essential role in the Environmental Management System, serving as a key tool for assessing the effectiveness and compliance of implemented practices. WEG has established a triennial cycle of environmental audits covering all industrial operations. These audits, alongside annual ISO certification audits, ensure full compliance with environmental regulations across all manufacturing plants.

#### **ENVIRONMENTAL INVESTMENTS AND EXPENSES**

WEG's environmental investments and expenses comprise the following categories:

- Environmental control: Related to treatment and disposal of waste, treatment of atmospheric and liquid emissions, environmental liability insurances, depreciation of equipment and costs with materials and maintenance.
- Equipment: Related to the acquisition of environmental control equipment.
- Management: Related to the remuneration for training personnel who act in environmental management, research and development, and certification of environmental management systems.

In 2024, WEG's total environmental investments and expenses amounted to BRL 44.7 million.

Note: Data coverage is 89.1%.



#### Ecoefficiency and waste and emissions management

#### HIGHLIGHTS AND ADVANCEMENTS ON THE TOPIC IN 2024



### Launch of the WEG

Water Management Program.



### Launch of the WEG

Air Emission Mitigation Program.



### 77% of solid waste

recycled or reused.



#### 74,876 m<sup>3</sup>

of rainwater and reclaimed water consumed.

INTEGRATED ANNUAL REPORT 2024

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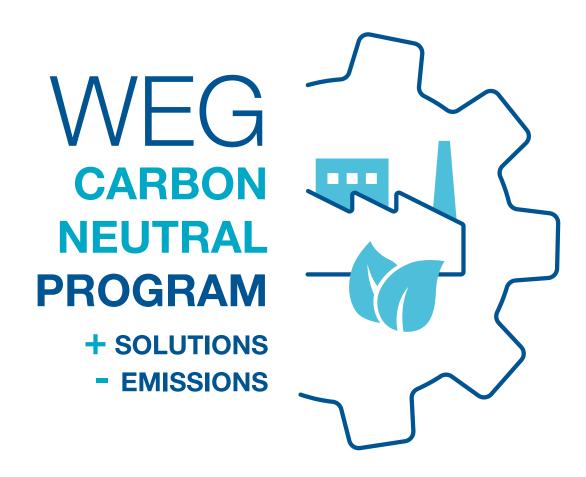


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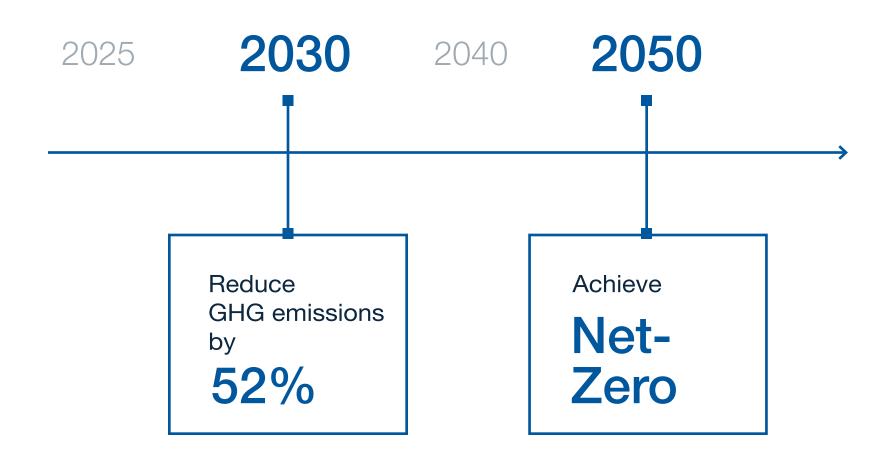
### CARBON NEUTRAL IN OPERATIONS

GRI 3-3

Achieving carbon neutrality in operations is a core commitment by WEG in addressing climate change and aligning its activities with the urgency of the current climate context. By reducing its greenhouse gas emissions and offsetting residual emissions, WEG contributes to environmental preservation, strengthens its social responsibility and enhances its global market competitiveness. Additionally, carbon neutrality efforts can lead to lower operational costs, greater energy efficiency and innovation in processes and products. A long-term strategy is essential to achieving meaningful results in this context.



#### **GOALS**





#### WEG Carbon Neutral Program

Launched in 2022, the WEG Carbon Neutral Program aims to mobilize efforts to achieve the Group's GHG emission reduction targets. WEG's targets are aligned with global climate ambitions to limit the rise in average global temperatures to 1.5°C.

Alignment with Paris agreement

In light of the current climate emergency, WEG continues to expand its engagement in the low-carbon economy across various sectors. This includes participation in various public policy forums, and initiatives supporting the implementation of the Paris Agreement.

In 2024, WEG attended COP 29, contributing to and staying aligned with the international climate agenda.



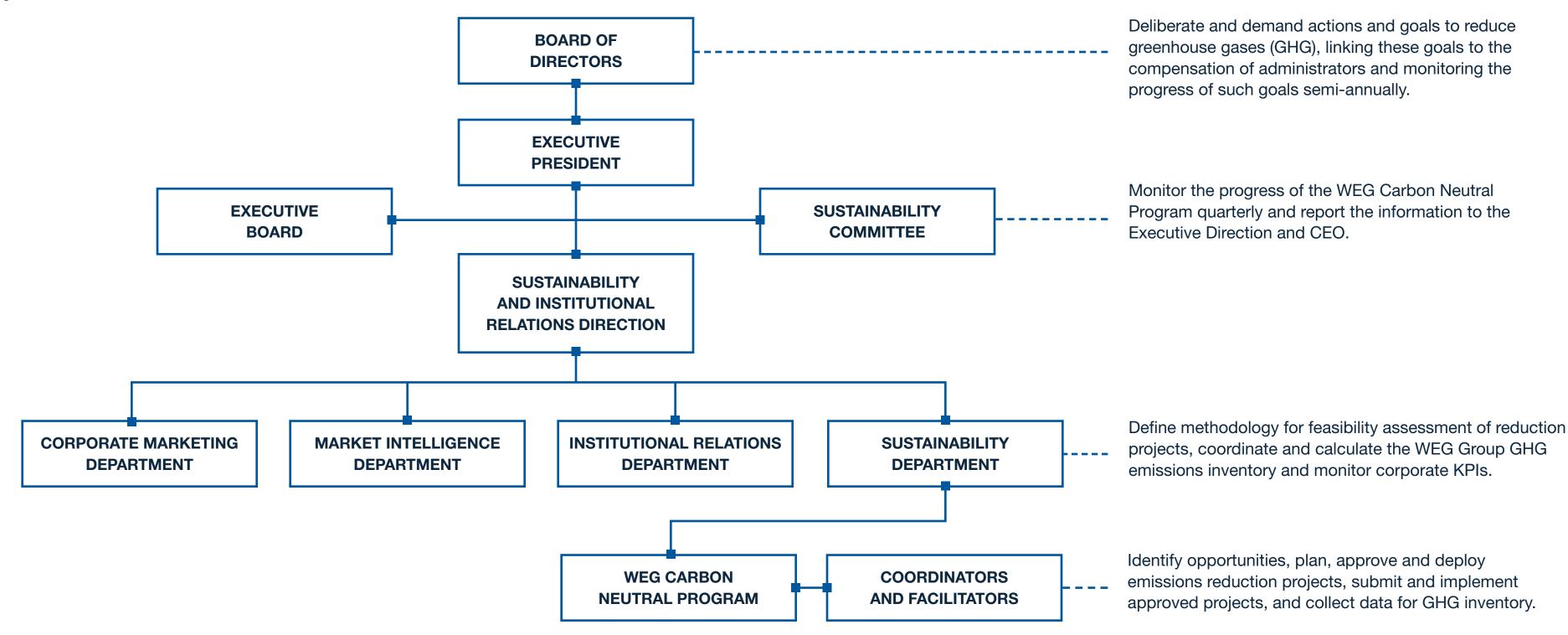


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# Governance of the WEG Carbon Neutral Program

**GRI 3-3** 

A well-structured governance system is a key element in the effective implementation of a long-term greenhouse gas emissions reduction strategy. WEG's robust governance framework defines clear policies and targets, assigns responsibilities, and ensures transparency in the monitoring and communication of performance.



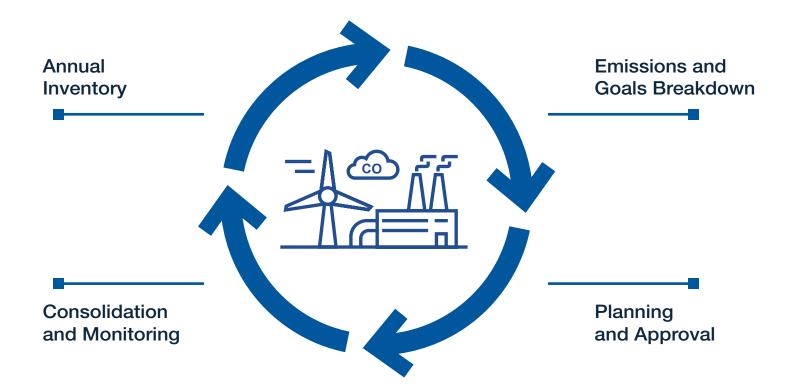


### WEG Carbon Neutral Program Cycle

**GRI 3-3** 

The Program is structured into annual cycles, containing 4 main steps.

- 1. Annual Inventory of GHG Emissions.
- 2. Emissions and Goals Breakdown.
- 3. Planning and Approval of Action Plans.
- 4. Consolidation and Monitoring of the Actions.



Telationship of GEE reduction goals with variable compensation

Given the magnitude of this challenge, the responsibility for achieving the greenhouse gas (GHG) emission reduction goals is shared across the entire company and addressed at strategic, tactical and operational levels. The emission reduction goals are annually cascaded to the Business Units based on the result of the previous year's inventory. The reduction goals are part of the WEG Quality and Productivity Program (PWQP), internal goal program that impacts employees' variable compensation. Additionally, they are included in the executives' performance program, who have specific goals related to GHG emission reduction.



# Decarbonization strategy for operations

GRI 3-3

The WEG Carbon Neutral Program implements several actions to decarbonize its operations and achieve GHG emission reduction goals. Key initiatives for Scopes 1 and 2 include the use of renewable energy, process electrification, process improvements, use of biofuels and gas replacement.

To support decision-making and project prioritization, WEG uses methodologies such as the Marginal Abatement Cost Curve (MACC) and return on investment (ROI) analysis. The company is committed to progressively phasing out investments in carbon-intensive assets.

### Reduction projects

In 2024, the program achieved significant results, with over 260 GHG emission reduction projects approved worldwide, reinforcing the company's commitment to its goals and advancing consistently on its decarbonization journey.

To encourage and recognize the areas involved in the WEG Carbon Neutral Program, the company hosted an award ceremony for the best projects of 2024 during the 2nd WEG Sustainability Meeting. The award-winning projects were:

- Replacement of SF6 with nitrogen gas in power transformers up to
   15 kV (Brazil)
- Reduction in natural gas consumption in the paint oven through the replacement of stage burners with modular burners (Brazil)
- Gas Saver ECO-GAS 4.0 (Brazil)
- Reduction of refrigerant gas emissions through improved accounting processes (USA)
- Acquisition of Compact Oven: Time Optimization and LPG Savings (Brazil)

- Optimization of Natural Gas Consumption in Aluminum Injection (Brazil)
- Partial Replacement of Gasoline with Ethanol Sales and Technical Assistance (Brazil)
- Replacement of a 5-ton diesel forklift with an electric model at WEG Nantong (China)
- Replacing diesel forklifts with electric models (Mexico)
- Development of a cover system for molten aluminum maintenance furnaces (Argentina)



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## Generation of renewable energy

As a key part of WEG's decarbonization strategy across its operations, self-generation of renewable energy has seen significant progress in recent years. Through renewable energy self-generation partnerships established in 2023 with Alupar and 2W Ecobank, 67% of the WEG Group's global energy consumption in 2024 was supplied by renewable sources. In Brazil, approximately 86% of the electricity demand across operations was covered.

WEG has been investing in the expansion of renewable energy generation and consumption across its operations in various countries. In 2024, the company increased its solar energy self-generation capacity at its manufacturing plants in Mexico and commercial facilities in Germany and Austria, adding to the existing self-generation infrastructure in Brazil, Argentina, Portugal and Belgium. In addition to self-generation, WEG also sources renewable energy through Power Purchase Agreements (PPAs) and International Renewable Energy Certificates (I-RECs) in China, India, the Netherlands, and Australia, as illustrated in WEG's renewable energy overview map.

With a focus on technology and innovation, WEG continues to move forward in its decarbonization journey and is well-positioned to support other companies on their journeys.



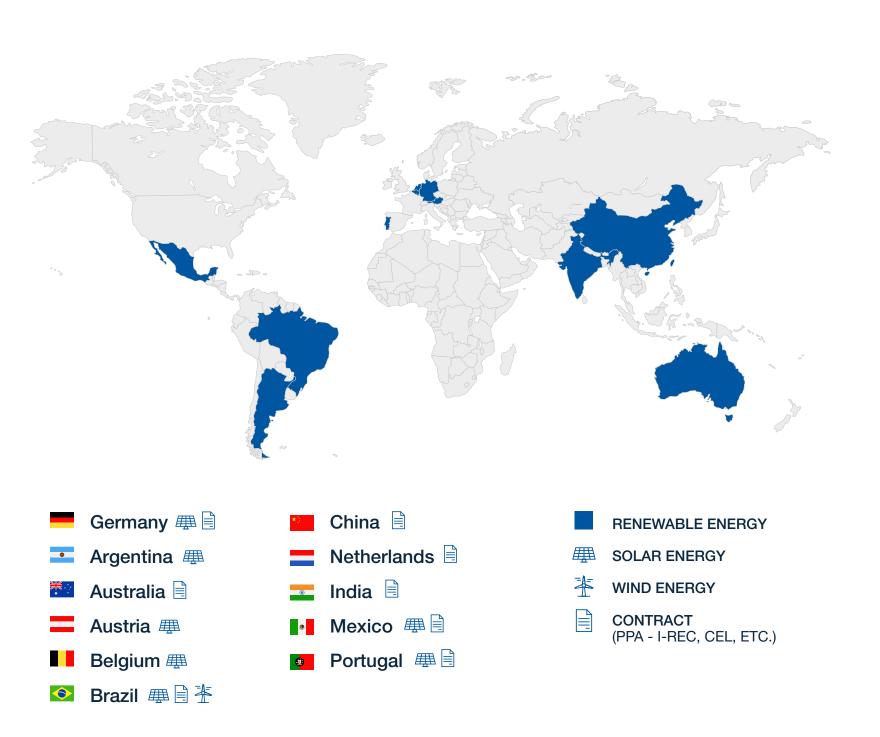




Brazil

#### WEG RENEWABLE ENERGY USAGE MAP

### APPROXIMATELY 67% RENEWABLE ENERGY (ELECTRICITY)





# Revision of base year emissions

**GRI 2-4** 

**GRI 3-3** 

The acquisitions of Marathon, Cemp, Rotor, and Volt required a reassessment of WEG's historical greenhouse gas (GHG) emissions data. In accordance with the GHG Protocol guidelines, a base year revision is necessary whenever there are significant structural changes, ensuring data consistency and enabling an accurate evaluation of the company's performance over time.

This revision will enable proper monitoring of WEG's progress in reducing emissions.

The procedure to recalculate emissions includes: identifying significant changes in the organization's operational or corporate control, gathering historical data, recalculating emissions to align with current data and updating documentation so as to ensure transparency and compliance with international standards.

Updated base year: Following the completion and approval of the emissions recalculation, a new WEG base year value was established:

EMISSIONS OF BASE YEAR 2021		RECALCULATION OF EMISSIONS FOR BASE YEAR 2021		
Scope 1 and Scope 2	Scope 3	Scope 1 and Scope 2	Scope 3	
151,275 (tCO <sub>2</sub> e)	26,872,637 (tCO <sub>2</sub> e)	177,891 (tCO <sub>2</sub> e)	29,652,468 (tCO <sub>2</sub> e)	

#### Greenhouse Gas (GHG) Emissions Inventory

The indicators represent all of WEG's global operations, including commercial units. As a result of the acquisition process conducted in 2024, and in accordance with the GHG Protocol guidelines, the indicators for 2021, 2022 and 2023 were recalculated to properly reflect the impact of the company's expansion and to ensure the monitoring of progress in emission reductions.



SUSTAINABLE PRODUCTS AND SOLUTIONS

CIRCULAR AND EFFICIENT OPERATIONS



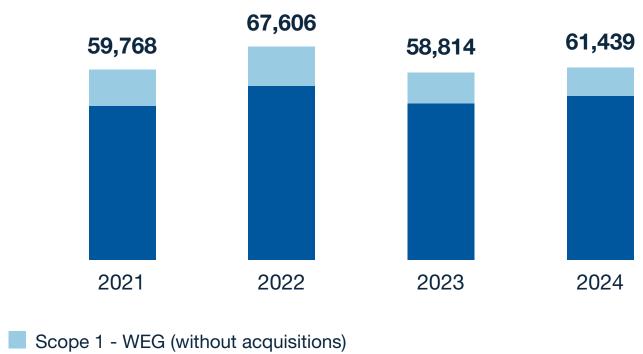
Scope 1
GRI 305-1

Scope 1 refers to direct GHG emissions from production processes, such as the use of fossil fuels.

#### SCOPE 1 EMISSIONS (tCO<sub>2</sub>e)

CATEGORIES	OPERATION	AL		
	2021	2022	2023	2024
TOTAL SCOPE 1	59,768	67,606	58,814	61,439

#### SCOPE 1 EMISSIONS (tCO<sub>2</sub>e)



Scope 1 - WEG (without acquisitions)

Scope 1 - Acquisitions (2021 - 2024)

#### SCOPE 1 EMISSIONS BY CATEGORY (tCO<sub>2</sub>e)

OATEOODIEO	EMISSIONS BASED ON OPE	EMISSIONS BASED ON OPERATIONAL CONTROL				
CATEGORIES	2021	2022	2023	2024		
Stationary combustion	43,144	49,643	44,376	47,043		
Mobile combustion	7,137	7,650	9,852	9,740		
Fugitive emissions	7,680	9,527	4,031	3,886		
Industrial processes	412	448	431	487		
Agricultural activities	13.9	0.7	0.6	0.7		
Waste and Effluents	1,378	335	121	280		
TOTAL SCOPE 1	59,768	67,606	58,814	61,439		



SUSTAINABLE PRODUCTS AND SOLUTIONS

CIRCULAR AND EFFICIENT OPERATIONS

ENGAGED EMPLOYEES
AND COMMUNITIES

GOVERNANCE AND ETHICAL CONDUCT



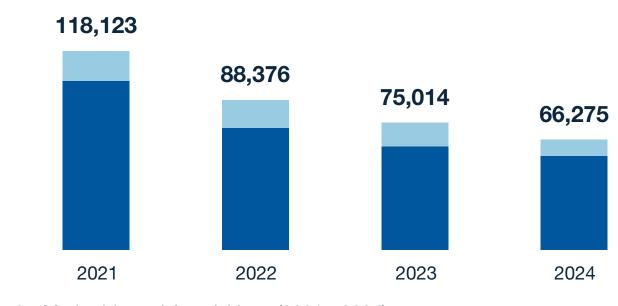
### Scope 2

Scope 2 refers to indirect greenhouse gas emissions from energy consumption.

#### SCOPE 2 EMISSIONS (tCO<sub>2</sub>e)

INFORMATION	2021	2022	2023	2024
Scope 2 – Market-Based (tCO <sub>2</sub> e)	118,123	88,377	75,014	66,275

#### SCOPE 2 EMISSIONS (tCO<sub>2</sub>e)



Scope 2 - Marked-based Acquisitions (2021 - 2024)

Scope 2 - WEG marked-based (without acquisitions)

#### **INTERNAL EMISSIONS FACTOR - SCOPE 2**

Considering WEG'S energy consumption mix, bilateral agreements and the purchase of I-RECs, the increase in the share of renewable energy can be observed by means of the reduction in the indicator below, which shows a 18.7% reduction in comparison to 2023.

INFORMATION	2021	2022	2023	2024
WEG Emission Factor - Purchase choice (tCO <sub>2</sub> e/MWh)	0.199	0.148	0.128	0.104

#### ABSOLUTE ELECTRIC ENERGY CONSUMPTION (MWh)

INFORMATION	2021	2022	2023	2024
Electric energy consumption (MWh) - Total	593,400	599,014	583,904	639,511
Electric energy consumption (MWh) - Renewable	57,801	88,904	129,202	427,398
Electric energy consumption (MWh) - Non-renewable	535,599	510,110	454,702	212,113

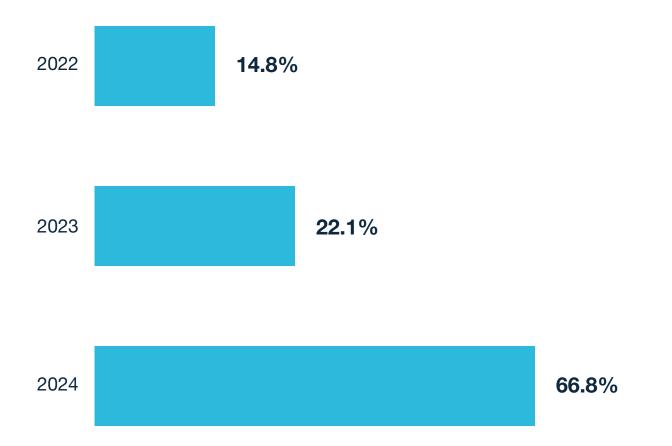


# % use of renewable energy

The strategy to buy renewable electricity is a key element of WEG's Carbon Neutral Program, which encompasses all operations of the WEG Group. The use of 100% renewable energy with certified origin in WEG operations is part of the program's strategy to achieve greenhouse gas (GHG) reduction goals.

The use of renewable energy is implemented through various mechanisms, the main ones being Self-generation, Power Purchase Agreements (PPAs), and Renewable Energy Certificates.

Percentage of energy consumption coming from renewable energy sources with certified origin:



#### **EMISSION INTENSITY**

DATA	2021	2022	2023	2024
Indicator tCO <sub>2</sub> e/Mi BRL	6.2	4.5	3.6	3.1

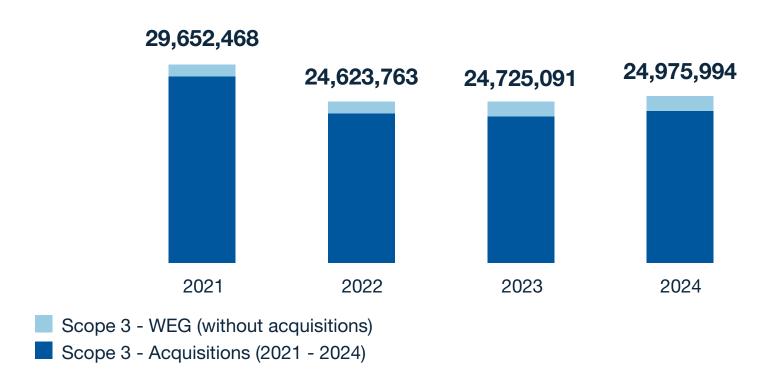




### Scope 3 GRI 305-3

Scope 3 refers to indirect GHG emissions originating from the value chain. For the calculation of Scope 3 emissions, all categories relevant to WEG were considered—8 out of the 15 defined by the standard. Since 2021, WEG has been calculating emissions from its value chain. The results indicate that the most representative Scope 3 categories for WEG are "Use of sold products" and "Purchased goods and services". Actions to reduce emissions in these categories focus on improving the efficiency of products that support customers in their decarbonization efforts, through investments in research and innovation, as well as by engaging WEG's supplier network in the commitment to fighting climate change.

#### SCOPE 3 EMISSIONS (tCO<sub>2</sub>e)



#### SCOPE 3 EMISSIONS (tCO<sub>2</sub>e)

CATEGORY	2021	2022	2023	2024
Use of sold products	29,206,508	22,906,370	23,179,594	23,141,716
Purchased materials and services	327,802	1,266,246	1,113,751	1,364,427
Capital goods	53,424	56,526	92,169	90,707
Commuting from home to work	23,809	23,542	24,724	27,053
Upstream Transportation	21,979	342,200	278,220	308,104
Waste and effluents	7,441	7,486	8,140	8,010
Business trips	7,003	14,619	21,350	28,589
Fuel production	4,503	6,774	7,142	7,388
TOTAL	29,652,468	24,623,763	24,725,091	24,975,994



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#### MARKET-BASED EMISSIONS (tCO<sub>2</sub>e)

#### 2024

CONTINENT	OPERATIONAL CONTROL	OPERATIONAL CONTROL		
CONTINENT	SCOPE 1	SCOPE 2		
North America	31,599	39,591		55.7
South And Central America	22,124	5,594		21.7
Asia and Pacific	4,314	16,123		16.0
Africa	632	3,264		3.1
Europe	2,770	1,703		3.5
TOTAL	61,439	66,275		100

Note: calculated according to the Market-based method.



### Biogenic emissions and removal

To calculate CO<sub>2</sub> removals, WEG considers areas that maintained managed forests in 2024, covering 4,711 hectares out of a total of 6,018 hectares of managed land. These removals are directly associated with pine and eucalyptus plantations, which are managed with the purpose of supplying wood for the packaging of WEG products.

In addition to other benefits, these planted forests provide the ecosystem service of carbon sequestration from the atmosphere during the growth of woody species through photosynthesis. In 2024, the 4,711 hectares of managed forests removed 72,715 tCO<sub>2</sub> according to the

GHG Protocol method¹ and 121,022.20 tCO₂ according to the IPCC (Intergovernmental Panel on Climate Change) methodology². WEG's Greenhouse Gas Emissions Inventory calculates and reports removals and biogenic emissions separately. These figures are not included in the net emissions balance.

Notes: 1) GHG Protocol, Technical Note: Greenhouse gas protocol calculation tool for forestry in Brazil. WRI Brasil, Jan 2020. 2) Intergovernmental Panel on Climate Change, IPCC (2006) / Good Practice. 2) Guidance for Land Use, Land-Use Change and Forestry, GPG LULUCF (2003).

#### BIOGENIC EMISSIONS (tCO<sub>2</sub>e)

	2021	2022	2023	2024
GENERAL TOTAL	14,020	17,424	8,332	26,241

Note: Are considered scope 1 and 3 emissions.

CO <sub>2</sub> removals (tCO <sub>2</sub> ) <sup>1</sup>	2021	2022	2023	2024
GHG Protocol Methodology	85,824	80,325	78,490	72,715
IPCC Methodology	143,360	133,967	130,759	121,022

Note: For the calculation of removals, areas where harvesting or planting occurred in the corresponding year are excluded.

#### External validation

The validation process enhances the reliability of the reported figures and supports the Company in continuously assessing and improving its greenhouse gas (GHG) emissions management. WEG's 2024 Greenhouse Gas Emissions Inventory follows the GHG Protocol and ISO 14064 methodologies and is audited by an independent third party.

ACCESS THE EXTERNAL VALIDATION LETTER HERE



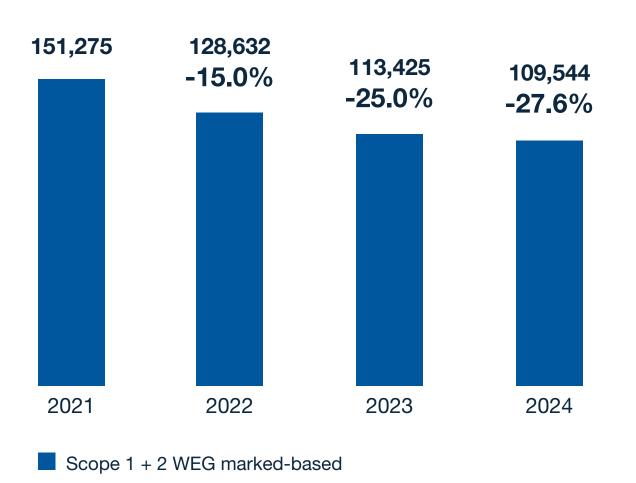
### Goal monitoring - WEG Group

**GRI 3-3** 

#### GOAL MONITORING – WEG GROUP (WITHOUT BASE YEAR REVISION)

SCOPE 1 AND 2 EMISSIONS (tCO<sub>2</sub>e)

Reduction target monitoring 52% S1 + S2 (tCO<sub>2</sub>e)



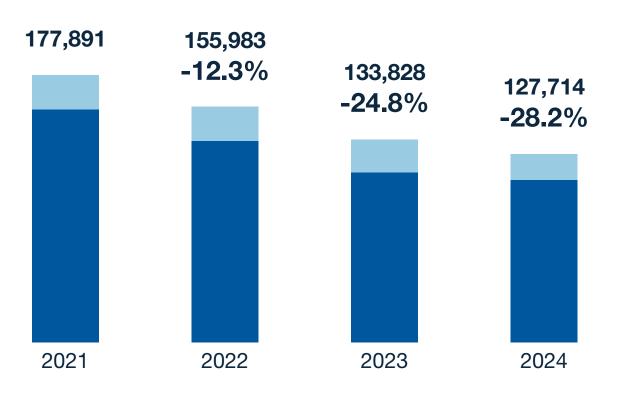
WEG reduced 27.6% of its emissions in 2024 compared to the base year 2021.

Comparing 2024 with 2023, the reduction was 3.4%.

#### GOAL MONITORING – WEG GROUP (AFTER BASE YEAR REVISION)

SCOPE 1 AND 2 EMISSIONS (tCO<sub>2</sub>e)

Reduction target monitoring 52% S1 + S2 (tCO<sub>2</sub>e)



Scope 1 + 2 WEG marked-based (without acquisitions)

Scope 1 + 2 WEG marked-based Acquisitions (2021- 2024)

WEG reduced 28.2% of its emissions in 2024 compared to the base year 2021.

Comparing 2024 with 2023, the reduction was 4.9%.



# Reduction of GHG emissions in companies acquired in 2024

The integration of new companies into the WEG Group presents an additional challenge in the decarbonization journey: managing greenhouse gas (GHG) emissions from these new operations.

The acquisitions resulted in an approximate 17% increase in Scope 1 and 2 emissions for the WEG Group. To ensure the continued success of our decarbonization efforts, we have already begun structuring projects within the new operations.

#### **EXAMPLES OF GHG REDUCTION INITIATIVES AT MARATHON OPERATIONS:**

#### **WAUSAU - USA:**

- Modernization of the foundry heating system, replacing it with a more efficient model.
- Replacement of the factory air exchange systems with lower energy-consuming alternatives.
- Optimization of foundry production processes to reduce natural gas consumption.
- Implementation of corrective maintenance in buildings to improve the efficiency of heating systems.

#### **MONTERREY - MEXICO:**

- Automation of temperature control in casting furnaces during weekends.
- Installation of programmable thermostats in heating units to improve energy efficiency.
- Upgrades to burners, valves and furnace doors to increase thermal efficiency.
- Studies to replace furnace insulation systems, optimizing heat retention.
- Consolidation of volumes to optimize furnace use and reduce energy waste.

These initiatives are fundamental to ensuring that the WEG Group's growth continues in a sustainable manner, reinforcing its commitment to reducing GHG emissions.

### **Emissions** offsetting

- By 2030, WEG will focus on CO<sub>2</sub> emissions reduction projects, investing in the mitigation of their impacts before undertaking any emission offset efforts.
- After 2030, if necessary, WEG will begin emissions neutralization, potentially including offsetting through the development of carbon credit projects and investments in permanent carbon removal.



#### **Biodiversity**

For WEG, ecosystems and forests are of utmost importance. Therefore, the Company seeks to incorporate the preservation of biodiversity into its management practices in accordance with the guidelines of the WEG Sustainability Policy. WEG recognizes the importance of forest protection and understands that this is a shared responsibility. As such, practices aimed at the preservation of biodiversity and native forests are continually improved.

WEG maintains both managed forest areas and natural conservation areas (including native forests, Permanent Preservation Areas, and Legal Reserves), totaling approximately 11,616 hectares.

Management areas	6,018 ha
Natural forests <sup>1</sup>	2,302 ha
Permanent Preservation Area (PPA)	847 ha
Legal Reserve	2,449 ha
TOTAL	11,616 ha

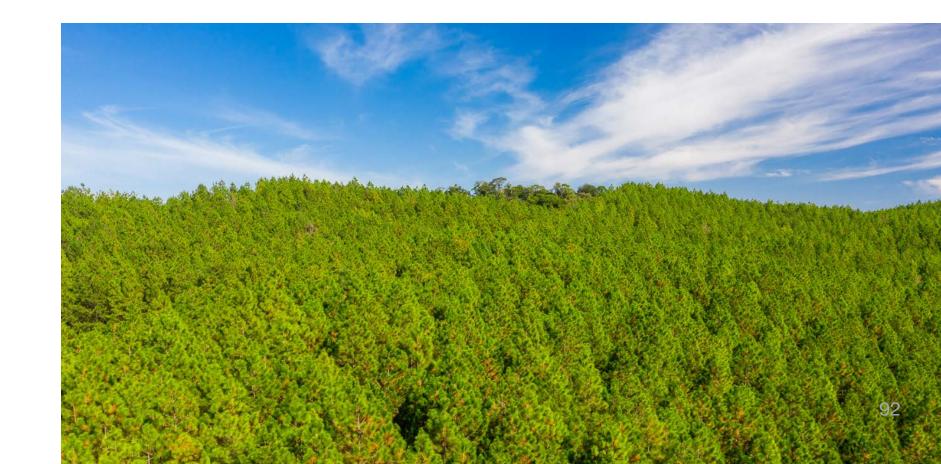
Note: 1) Permanent Preservation Areas and Legal Reserves are not considered.

#### Management areas

The managed forest areas cover 6,018 hectares located across seven cities in the state of Santa Catarina, Brazil. These areas are managed by the RF Reflorestadora unit, which is responsible for overseeing reforestation activities with Pinus and Eucalyptus species. These plantations play a crucial role in supplying renewable wood used in the production of wooden packaging for WEG products.

The entire process is conducted in accordance with the best management practices, with a strong focus on the conservation of natural resources. One example is the adoption of minimum tillage techniques: after harvesting, plant residues such as leaves and branches are left in the field. This not only protects the soil but also contributes to nutrient cycling. Minimal soil disturbance is a key measure to preserve soil integrity. Another positive impact is the use of genetically improved seedlings,

which has resulted in productivity gains without the need to expand land use. These actions reflect WEG's commitment to the conservation of natural resources and biodiversity.





### Wooden packaging

A portion of WEG's product packaging is made from wood, a renewable and biodegradable raw material. Part of this wood originates from WEG-managed forest areas, reinforcing the Company's commitment to the responsible use of natural resources throughout its value chain. In the production of wooden packaging in Brazil, WEG follows strict

guidelines and employs tools aimed at optimizing efficiency in wood

usage. Additionally, improvements have been introduced to the wood processing stage, with the objective of maximizing resource utilization. Examples of such improvements include:

#### **INSTALLATION OF NEW WOOD PROCESSING LINE**

With the technological upgrade of the equipment and optimization of log cutting through the new processing line, there was an increase from 34% to 40% in the use of raw material (logs).



Control room - wood processing.

#### OPTIMIZATION OF WOOD SLAT CUTTING EQUIPMENT

Through the installation of new equipment featuring wood scanning and artificial vision systems, waste was significantly reduced by removing only the portions of wood with defects beyond acceptable thresholds. As a result, the yield of sawn wood increased from 60% to 77%.



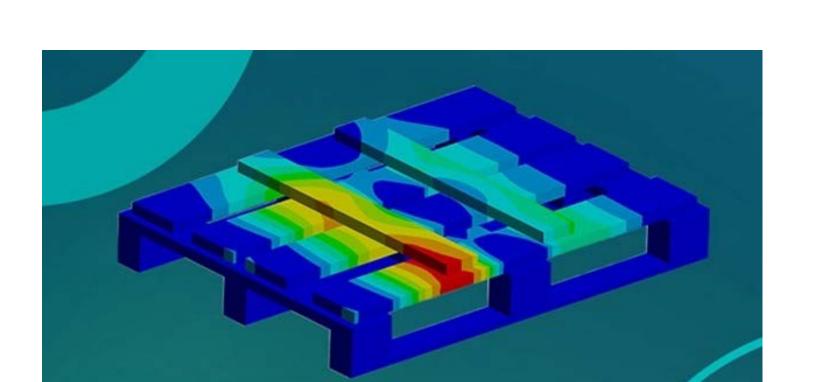
New line for slat cutting.



Scanner and vision system screen.



WEG has a dedicated Packaging Engineering division that employs technologies and processes to develop optimized packaging solutions, aiming to minimize resource use and waste. One example is the use of computer simulation to evaluate and validate packaging designs, ensuring resource efficiency without compromising product integrity.



Example of computer simulation in packaging projects.

In addition to initiatives focused on reducing resource consumption, WEG carries out reverse logistics for its wooden packaging between its units in Jaraguá do Sul and Linhares, Brazil, reintegrating approximately 4,340 packaging units into the process in 2024. WEG is currently assessing the possibility of expanding this practice to other facilities, reinforcing its ongoing commitment to packaging reverse logistics.





Returnable packaging used in processes.

# Permanent preservation area and legal reserve

Legal Reserve and Permanent Preservation Areas are protected zones designated for the conservation of natural resources and biodiversity. These areas mitigate the effects of human activity on environmental balance, contributing to the protection and conservation of water resources, geological stability, the restoration of ecological processes, among other ecological functions.

In addition to natural forests, WEG maintains 847 hectares of Permanent Preservation Areas (APP) and 2,449 hectares of Legal Reserve (RL). These areas are under full preservation, without human interference, ensuring the protection of natural resources and biodiversity.

#### Natural forests

The Atlantic Forest is recognized as one of the most biodiverse biomes on the planet, characterized by its vast array of plant species.

WEG demonstrates its commitment to forest and biodiversity conservation by preserving 2,302 hectares of natural forest within the Atlantic Forest biome in Brazil. These areas are maintained in a high state of conservation and play a crucial role in delivering ecosystem services such as water supply, nutrient cycling, biodiversity preservation, and genetic heritage protection. The ecological importance of these preserved areas is evidenced by the observation of various fauna species, including Paraguayan marmoset (mouse opossum), Cerdocyon thous (crab-eating fox), Puma concolor (cougar), Asio clamor (striped owl), Stymphalornis acutirostris (marsh antwren), Hemitriccus kaempferi (kaempfer's tody-tyrant).

In addition to their contribution to ecosystem services, WEG's forests also function as ecological corridors, facilitating wildlife movement and providing shelter between different forest fragments in the region. In doing so, WEG reinforces its commitment to forest and biodiversity conservation by voluntarily preserving an area that is 69% larger than what is required under Brazilian environmental legislation.













Species mapped in WEG conserved areas.

#### PARTICIPATION IN FOREST CONSERVATION INITIATIVES

WEG Colombia has entered into a partnership with the local government as part of a strategy to increase native vegetation cover. In the city of Tenjo, Cundinamarca, the "WEG Forest" was established on a plot of municipal land, where WEG donated and planted—together with WEG volunteers—600 native tree species. In addition to planting, WEG is also responsible for the maintenance and monitoring of the newly planted trees.

Through this partnership, WEG demonstrates its commitment to societal well-being and the conservation of forests and biodiversity by promoting the restoration of ecologically significant areas with native species, in collaboration with local authorities.



Location of the WEG forest on the map.













WEG forest, located in Colombia.



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### Carbon neutral in operations

#### HIGHLIGHTS AND ADVANCEMENTS ON THE TOPIC IN 2024



### 28.2% absolute reduction

in GHG emissions (Scope 1 + 2 base year 2021).



### More than 260 GHG reduction

projects approved in 2024.



### Increase from 129 to 427 GWh

of renewable electricity with guarantee of origin from 2023 to 2024.





SUSTAINABLE PRODUCTS AND SOLUTIONS

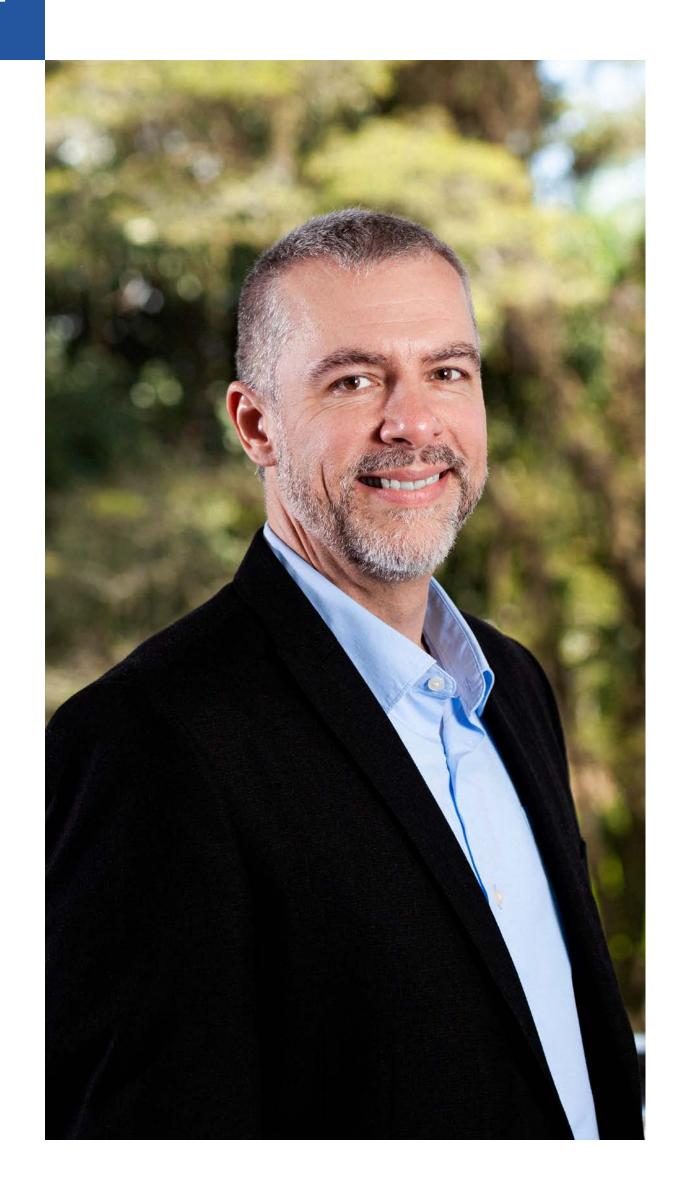
CIRCULAR AND **EFFICIENT OPERATIONS** 





**ADDITIONAL INFORMATION** 







We believe that building a sustainable future involves valuing our employees and the communities in which we operate. That is why we continue to make progress in diversity and inclusion, while consistently investing in health, safety, and well-being—fostering an increasingly engaged, balanced and committed environment for all.

**Juliano Vargas Human Resources Director** 







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#### INTEGRAL WELL-BEING, DIVERSITY AND INCLUSION

Since its foundation, WEG has been committed to valuing its employees, recognizing that an engaged workforce is essential to facing challenges and seizing opportunities. This chapter highlights the Company's fundamental and strategic practices, aligned with the guidelines for ensuring safe working conditions, promoting physical and mental health, improving quality of life and building an inclusive environment that embraces diversity and fosters multiculturalism across all hierarchical levels.

# Employee health, safety and well-being

GRI 3-3

WEG's commitment to promoting a safe and healthy work environment drives the continuous enhancement of its policies, with the implementation of programs and processes that strengthen awareness, engagement and a culture of prevention. In doing so, the Company reaffirms its commitment to human value and safety across all activities, in line with the principles of its Health and Safety Policy:

- To adopt preventive approaches at all hierarchical levels.
- To identify, eliminate and/or minimize the risks to the safety and health of its employees, contractors and the public in general.
- To identify and comply with requirements, legislation and other applicable occupational health and safety regulations related to its processes, products and services.
- To establish objectives and goals to continuously improve the management system performance.
- To Promote the participation of workers and their representatives.



#### Governance

GRI 403-1/403-4/3-3

#### **HEALTH AND SAFETY COMMITTEE**

#### Responsibilities

- To evaluate and approve improvement projects related to safety and ergonomics in work environments, and to define global strategies and guidelines on the topic.
- To analyze results of performance indicators, annual goals and objectives, ensuring adequate support for investments that establish an effective prevention standard.

#### Composition

The Committee comprises nine members:

- HR Director (Coordinator).
- 1 Executive Managing Director.
- 6 Industrial/Production Directors.
- Corporate Health and Safety Manager.

#### **MANAGEMENT**

GRI 403-8

All WEG units follow the Group's corporate policies, strategies, and guidelines, with the autonomy to adapt corporate standards to local specificities and regulations. These guidelines also apply to WEG's approach to health and safety for contractors performing activities at the Company. WEG holds occupational health and safety management certifications in various countries, aligned with respective laws and local realities.

WEG's Occupational Hygiene, Health, Safety and Ergonomics practices include:

- a) Identifying, mitigating and/or eliminating risks that may compromise the occupational health and safety of employees, contractors and the general public;
- b) Annually setting objectives and targets to continuously improve the work environment, procedures and practices;
- c) Training and encouraging the active participation of employees and their representatives in Health and Safety matters.

Through systems such as the WMS (WEG Management System), WEG aims to enhance safety and health by standardizing methods and tools for more efficient and structured management.

#### STRUCTURE OF OCCUPATIONAL HEALTH AND SAFETY PROFESSIONALS

WEG has a team of Health and Safety specialists who are structurally distributed and integrated into the company's projects and environments, playing an essential role in the design and improvement of solutions and processes.

This multidisciplinary team is composed of professionals from various fields, including ergonomics, occupational hygiene, safety engineering, occupational medicine, clinical medicine, speech therapy, social assistance and psychology. This broad and integrated approach ensures the promotion of health and safety in the corporate environment, contributing to employee well-being and operational excellence.



#### WMS (WEG Management System)

GRI 403-2 / 3-3

The Continuous Improvement System (WMS), implemented in 2016 at the Company, is a management system that drives the application of methodologies to reduce undesirable events and continuously improve results, based on the World Class Manufacturing (WCM) methodology. The WMS is structured around three pillars: basic stability, to maintain process stability; loss reduction, to continuously optimize resources; and pillar methodologies, focused on transforming internal processes and ensuring the system's ongoing development.

The program includes routine management, carried out by department heads, involving targeted actions and follow-ups in factories and support areas, so as to redirect activities to ensure high-quality, on-time deliveries. WEG focuses on the Safety Pillar, integrated with the other pillars, ensuring the development of practices and policies to provide safe working environments and prevent accidents, fostering a safety-first culture at all levels of the organization.

The WMS organizes its methodologies and practices in seven steps, requiring advancement to the next step only after a compliance audit is completed.

The Safety Pillar is structured as follows:

**Objective:** To disseminate a safety-first culture across all organizational levels, aiming for zero accidents.

Step 0: To establish baseline conditions and define the model area.

**Step 1:** To analyze incidents and their causes.

Step 2: To develop an expansion plan and verify its effectiveness.

Step 3: To define initial safety standards (procedures).

Step 4: To conduct audits, inspections and preventive action plans.

**Step 5:** To implement safety notes.

**Step 6:** To implement continuous improvement and create autonomous standards.

**Step 7:** To establish a safety management system, focusing on behavioral and occupational.

All current programs and tools are reviewed and updated based on the structure of the Continuous Improvement Management System, which aims to enhance safety, quality, productivity, asset maintenance and internal/external logistics through a structured set of methods and tools. Employees are trained to take responsibility at each level, as defined by the system's implementation. This responsibility is reinforced through tools such as the Safety Note Card and SAF (Safety) Tag, Daily Safety Dialogues (DDS) and Event Root Cause Analysis (APS), which allow the reporting of risk situations and behaviors in the workplace.

Employees can contribute information about their working conditions through monthly meetings held by team leaders. Daily dialogues are used to discuss safety issues related to the tasks to be performed during the workday. The goal is to encourage employee participation in problem-solving and continuous improvement activities that generate positive results across all processes. These are moments that foster greater interaction between employees and managers, as seen in Brazil with the KaizenWEG initiative.

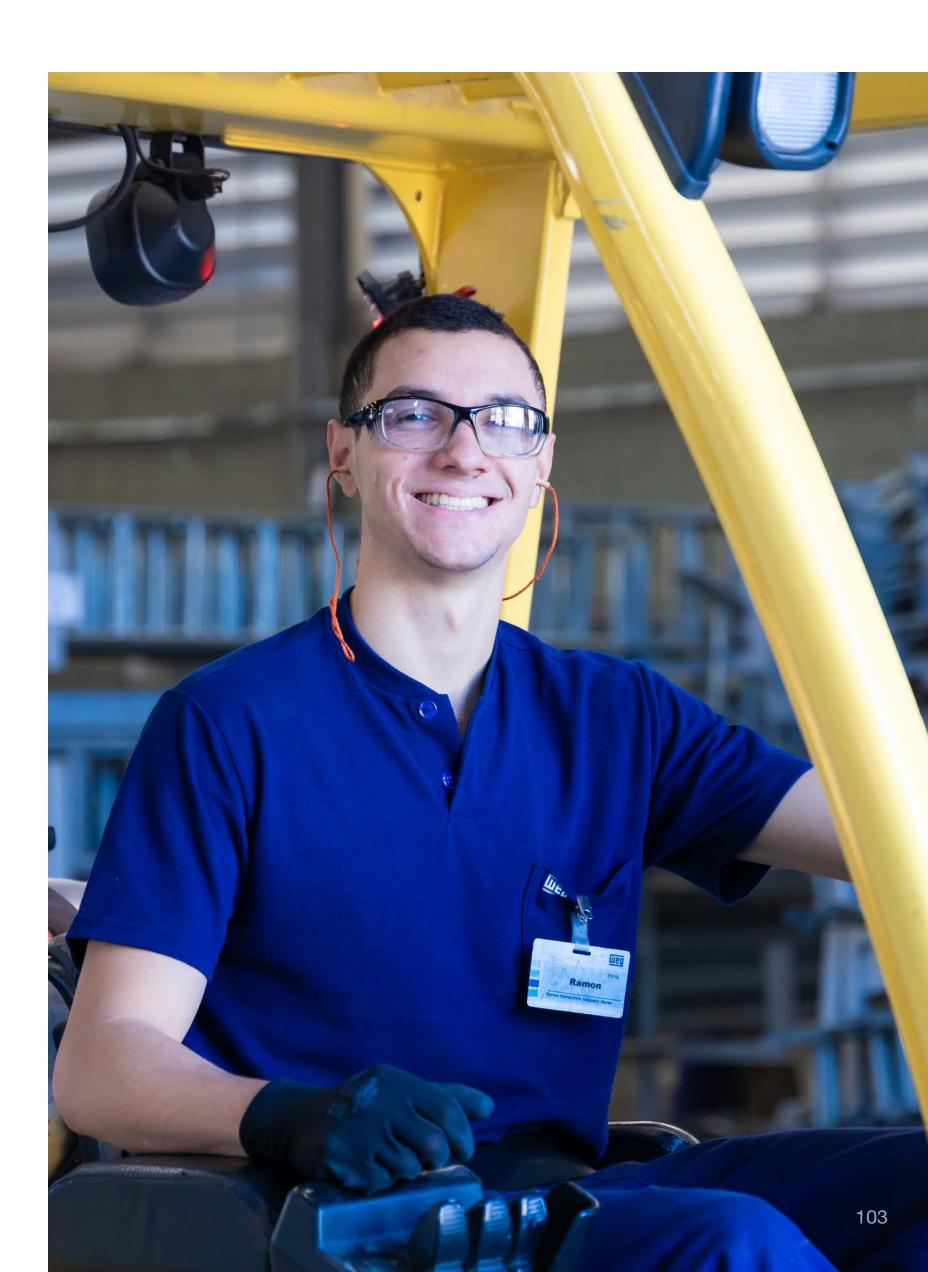


# Employee training in health and safety

GRI 403-2 / 403-5 / 3-3

To ensure that employees perform safely and consciously on a daily basis—while remaining aligned with the Company's guidelines and objectives—WEG promotes various awareness and training initiatives in safety.

Among these initiatives, Daily Safety Dialogues (DDS) and specific Training Paths are noteworthy, as they are structured according to each employee's area of operation, ensuring targeted and effective learning. In addition, WEG develops a series of programs and actions aimed at risk identification and continuous improvement in the work environment. Some of these initiatives include: Hazard and Risk Mapping Routines for Safety and Ergonomics, Preventive Task Analysis, Safety Audits, Internal Commission for Accident Prevention, Machine and Equipment Assessment Program and Emergency Response Plans.





#### Training initiatives

GRI 403-2 / 3-3

Throughout the year, WEG offers a wide range of training courses to its employees, going beyond mandatory programs such as Emergency Brigade and Internal Commission for Accident Prevention training. These initiatives reflect the company's commitment to the continuous development and qualification of its workforce.

#### **INITIAL TRAINING**

- Onboarding training, covering general rules and workplace orientation.
- On-the-job Training, with specific safety and health rules based on operational standards.
- Risk perception training, focusing on safe behavior.
- Induction Training for contractors and visitors; Safety and Health Rules for stakeholders.
- Specific training, such as for members of the Internal Commission for Accident Prevention or Emergency Brigades.

#### **PERIODIC TRAINING**

- On-the-job Training on sequential operational standards, as the employee's knowledge evolve.
- Refresher training for initial courses, as required by legislation.
- Emergency Response Plan, including drill exercises.

#### **OCCASIONAL TRAINING**

- Training in specific events such as new control measures and use of PPE.
- Training during campaigns such as SIPAT (Internal Week for the Prevention of Workplace Accidents), aligned with the annual work plan.

Mandatory training is linked to the job position, ensuring that individuals who are to assume specific roles receive the appropriate training, thereby ensuring proper safety preparedness for the role. In 2024, more than 123,000 hours of mandatory training were delivered.

The training path defined within the on-the-job training is specific. The content is maintained by each operational area, based on local operational and occupational safety standards. In 2024, more than 8,700 employees across the WEG Group business units received training in occupational health and safety standards.

WEG also offers online courses on Health and Safety through a digital platform, covering topics such as healthy eating, chronic diseases, defensive driving, ergonomics, workplace safety and hearing protection.

In 2024, more than

31 thousand

WEG employees were trained and/or certified in Health and Safety



# Cultural transformation plan

GRI 403-2 / 3-3

#### Impact management

GRI 403-2/403-7

WEG seeks to evolve and innovate in safety by fostering a collaborative environment where everyone feels safe to share concerns and ideas, thereby strengthening collective responsibility. Aiming to achieve operational excellence through behavior-oriented safety practices, the cultural transformation plan is designed to establish strategies that enhance the perception, implementation and integration of safety in daily organizational routines. The initiative promotes environments conducive to the development of safe behaviors, combining training programs, observation tools, adult learning techniques (andragogy) and leadership workshops. It also involves all hierarchical levels in addressing the human aspects of safety.

In 2024, more than 20,000 hours of training were dedicated to the plan, engaging leaders at various levels as well as employees from operational and technical support areas.

At WEG, control measures follow the hierarchy below:

**ELIMINATION:** To seek solutions that can eliminate hazards and risks from the workplace.

**REDUCTION:** To work on solutions to reduce risks to an acceptable level.

**ENGINEERING:** To develop projects that help control risks.

**ADMINISTRATIVE:** To manage risks.

**PERSONAL PROTECTIVE EQUIPMENT:** Used as a last resort, when other measures are not feasible or are still under development or implementation.





SUSTAINABLE PRODUCTS AND SOLUTIONS

CIRCULAR AND **EFFICIENT OPERATIONS**  **ENGAGED EMPLOYEES AND COMMUNITIES** 

**GOVERNANCE AND** ETHICAL CONDUCT **ADDITIONAL INFORMATION** 



#### Monitoring of control measures

GRI 403-2 / 403-4 / 3-3

The monitoring of control measures occurs as follows:

- Daily, through routine management, where the Action Plans indicator is presented.
- Monthly, during the WEG Safety and Ergonomics Program (PWSE) meeting, where responsible parties report the progress of proposed solutions.

Action plans follow a predefined automatic workflow within WEG's internal registration and control system. This workflow is triggered whenever a new plan is created or updated, according to its status, and it is forwarded for information of managers and other responsible parties.

All lessons learned are recorded and shared across new projects to expand the reach and effectiveness of actions throughout the WEG Group. Shared topics are included in the PWSE meeting agenda for follow-up.

#### **MACHINERY AND EQUIPMENT**

To assess risks and determine the need for control measures, machinery and equipment are evaluated in accordance with applicable standards and regulations. For this purpose, the Machinery and Equipment Evaluation Program (PAME) manages changes related to resources and serves as a platform to include lessons learned. Under this program, all processes involving the acquisition or improvement of machinery and equipment undergo evaluation by the Occupational Safety team, ensuring all safety and ergonomics aspects are considered. After installation,

the equipment is inspected to confirm that the safety items recommended in the assessments before the purchase or internal manufacturing have been addressed, or whether additional measures are required. WEG has been heavily investing in the enhancement of robotic processes, which significantly reduce the risk of injury by minimizing human-machine interaction and replacing or eliminating manual and repetitive tasks.

#### LAYOUT CHANGES AND NEW CONSTRUCTIONS

To ensure that layout changes, new constructions and equipment relocations will be carried out in compliance with safety and health standards, WEG has established dedicated committees to assess these changes.

These groups perform thorough reviews of safety and health items, with active involvement from the Occupational Safety and Ergonomics teams, as well as employees.

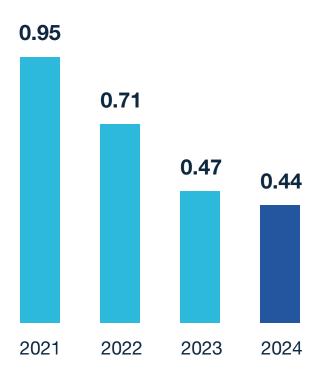
This ensures that all safety and health aspects are addressed and that operations are conducted in safe working conditions.

#### Indicators

GRI 403-9 / 3-3

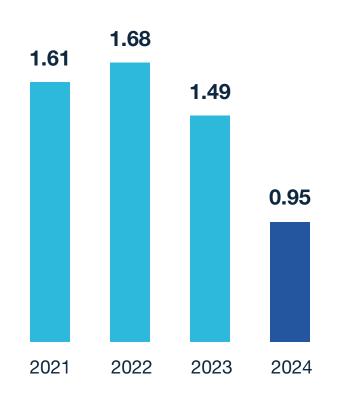
WEG has developed indicators to assess its health and safety performance and sets targets through the Health and Safety Program (PSS), which defines departmental goals related to this topic. Among the performance indicators, the most relevant is the LTIFR (Lost Time Injury Frequency Rate).

#### LOST TIME INJURY FREQUENCY RATE (LTIFR)



Note: calculations are based on 200,000 hours worked.

#### RECORDABLE INCIDENT RATE



**ENGAGED EMPLOYEES** 

**AND COMMUNITIES** 

Note: calculations are based on 200,000 hours worked

In 92 % of operational sites, employee health and safety risk assessments were conducted.

80% of the total workforce was represented by formal and joint health and safety committees.

#### TOTAL FATALITIES

2022	0
2023	1
2024	1

#### FATALITIES INVOLVING TEMPORARY AND THIRD PARTIES WORKERS

2022	0
2023	1
2024	0

#### **FATALITIES INVOLVING WEG EMPLOYEES**

2022	0
2023	0
2024	1

Note: The fatality resulted from a traffic accident during the employee's commute to the company. WEG continues to work on continuously improving its policies, implementing programs and processes that reinforce awareness, engagement and a strong prevention culture.



# Promotion of health, well-being and quality of life

GRI 403-3 / 403-6

WEG Living
Well Program

WEG is committed to transforming the quality of life and well-being of its employees through innovative programs and initiatives. With an integrated approach that combines Occupational Health, Occupational Hygiene, Safety, Ergonomics and Nutrition, WEG ensures continuous and effective monitoring of employee health. Key highlights include:

Developed over 20 years ago in Brazil, this program aims to promote healthy and safe habits and behaviors, enabling everyone to live with a higher quality of life. WEG is committed to ensuring that employees are well cared for and live well, both inside and outside the company.

**Objective of the Program:** To identify employees with non-communicable chronic diseases and/or health issues through epidemiological profiling, mitigate the risks associated with such conditions and plan effective health promotion actions.

**Approach:** The initiative is structured around three main pillars—body, mind, and spirit—ensuring an integrated focus on employee health.

**Specific Actions:** WEG implements a variety of health awareness initiatives, including:

- Educational Lectures: Talks with healthcare professionals on topics such as disease prevention, the importance of physical activity and mental health care.
- Awareness Campaigns: Campaigns addressing specific topics such as cancer prevention, cardiovascular health, oral hygiene and personal care.
- Distribution of Informative Materials: Creation and distribution of brochures, posters, and emails with health tips, disease symptom alerts and healthy lifestyle guidance.

- Educational Videos: Production and display of educational videos.
- Nutritional Consultations: WEG offers personalized consultations to guide employees toward healthy eating habits.

**Support Groups:** Groups are formed to support employees in quitting smoking, losing weight, or managing chronic health conditions.

**Social Service:** Includes the monitoring of people with disabilities (PwD), as well as guidance on access to services, rights and benefits—integrating health, social assistance, education, and work. In 2024, a total of 1,217 services were provided in Brazil, including social monitoring and support for PwDs.

**Psychosocial Support:** Psychological and social service professionals provide guidance and support to employees with mental health concerns or in vulnerable situations. The goal is to offer appropriate assistance and support to leaders as well.



## Workplace exercise program

WEG offers psychophysiological recovery breaks through guided physical activities led by professional instructors, aiming to improve physical and mental health and overall quality of life. These activities promote relaxation, prepare and activate the muscles used during work and help prevent occupational diseases.

Currently, more than 500 classes are held daily and over 10,700 per month, benefiting approximately 30,000 employees.

Occupational health medical control program

WEG strictly complies with all applicable regulations and is committed to maintaining a safe and healthy work environment.

The Occupational Health Medical Control Program plays a vital role in preserving employee health by identifying potential health and safety risks and promoting biological monitoring, when applicable, to mitigate any potential harm. The program includes medical examinations (preemployment, periodic, return-to-work, risk change and termination), along with health promotion and disease prevention actions.





# Hearing conservation program

WEG standardizes preventive measures to promote and maintain the hearing health of employees exposed to occupational noise and ototoxic agents. Such measures include the appropriate use of hearing protection equipment based on exposure levels, regular hearing assessments, awareness initiatives about noise risks and implementation of noise reduction solutions in the workplace.

## Daily balanced meals

WEG provides all employees with complete, balanced and nutritionally adequate meals. Menus are designed by nutritionists, prioritizing ingredient quality, food diversity and the specific energy needs of each role. The company also promotes continuous nutritional education and encourages healthy habits, offering individual consultations for employees requiring personalized dietary guidance.

To combat food waste, WEG maintains an active program that applies best practices across all the stages of food preparation and consumption.



#### Medical assistance

Recognizing the importance of both physical and emotional medical care, WEG offers on-site medical and nursing services in its own clinics, providing initial assistance and referrals. The company provides emergency and urgent care to both employees and third parties present at its facilities. WEG's internal clinics are fully equipped and staffed by a multidisciplinary healthcare team.

As a complementary strategy, WEG also maintains a network of accredited health plans, including 20 medical and 10 dental providers, offering

coverage to over 38,000 individuals, including employees and dependents.

The company also analyzes epidemiological data to better understand employee health profiles and guide the development of targeted health promotion strategie.

#### Mental health

In 2024, mental health was prioritized at WEG's manufacturing units in Brazil. More than 1,500 individual consultations were conducted by a multidisciplinary team composed of physicians, nurses, nursing technicians, psychologists and social workers, working in an integrated and qualified manner.

WEG provides psychosocial support with direct advisory services for clinics and leadership, focusing on comprehensive care, monitoring, and promoting workplace well-being. In addition to individual support, themed mental health campaigns and awareness activities were held. Employees and their families received educational materials and guides, helping promote open and accessible conversations around mental health.

Given its importance, mental health is addressed in various ways across the company. For example, in the Huehuetoca unit in Mexico, employees benefit from laughter therapy sessions, psychological support and a specially designed relaxation room with aromatherapy for those experiencing anxiety crises.

#### Indicators

GRI 403-10 / 3-3

#### \*OCCUPATIONAL DISEASES - BRAZIL

GRI 403-10

- Number of deaths resulting from occupational diseases in 2024: 0.
- Number of reportable cases of occupational diseases in 2024: 2.

Main types of occupational diseases: The reported cases were related to musculoskeletal disorders—specifically, two cases of Carpal Tunnel Syndrome.

\*Occupational disease: Refers to health impairment, including diseases, illnesses and disorders. The terms "illness" and "disorder" are generally used interchangeably and refer to health conditions with specific symptoms and diagnoses. (Source: GRI)



## Diversity and inclusion

GRI 3-3

WEG promotes respect for diversity and inclusion through its Code of Ethics, Diversity, Equity and Inclusion Policy, Social Responsibility Policy, Recruitment and Selection Policy and internal regulations. Its guidelines are based on respect for differences, with zero tolerance for any form of discrimination in the workplace, whether based on ethnicity, race, religion, culture, gender, political beliefs, nationality, region of origin, marital status, sexual orientation, physical or intellectual condition, among others. WEG monitors and implements preventive actions against moral harassment, sexual harassment, racism, homophobia, transphobia,

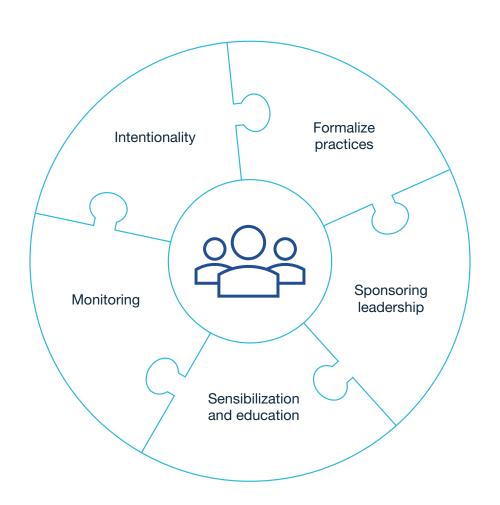
and other forms of prejudice against minority groups, including both employees and third-party workers.

To manage this topic, WEG relies on specific policies and guidelines, as well as communication processes, awareness and engagement initiatives, and leadership training. The company continues to evolve in the ongoing improvement of this agenda.

## Diversity, equity and inclusion Policy

Developed in 2024 and approved in January 2025, the Global Diversity, Equity and Inclusion (DEI) Policy aims to reinforce and publicly affirm WEG's culture of respect for diversity. The policy plays a cross-cutting role in people management and organizational processes, with the objective of fostering an environment of appreciation, respect, and psychological safety, enabling employees to contribute their best, thereby driving innovation and continuous improvement.

With a global scope, the Policy demonstrates WEG's commitment to reflecting the diversity of the communities in which it operates within its workforce and to generating a positive impact for all stakeholders. Aligned with the Code of Ethics, the Sustainability Policy, the Strategic Planning and WEG's organizational culture, the Policy seeks to recognize the contribution of each individual, respect their unique attributes and reinforce the value of participative management. The drivers are:



CLICK HERE AND LEARN ABOUT WEG'S
DIVERSITY, EQUITY AND INCLUSION POLICY



## Diversity, equity and inclusion committee

#### **RESPONSIBILITIES**

- Define guidelines, evaluate and validate policy proposals, programs and initiatives that promote diversity, equity and inclusion at WEG, adjusting strategies based on feedback, organizational changes and the evolution of best practices;
- Evaluate and guide the creation of specific working groups dedicated to diversity, equity and inclusion topic;
- Promote awareness and engagement on diversity, equity and inclusion through events, lectures, internal communication campaigns, and training for employees and managers;
- Advise the organization's leadership on issues related to diversity, equity and inclusion by reviewing existing policies and practices, identifying areas for improvement and proposing solutions to related challenges;
- Evaluate and monitor diversity, equity and inclusion topics across WEG's operations by establishing key performance indicators (KPIs), and guiding surveys and reporting.

#### COMPOSITION

The Committee is composed of members, namely:

- HR Director (Coordinator)
- 3 Industrial/Production/Corporate Directors
- 2 Corporate HR Managers
- Head of Communications, Organizational Climate and DEI





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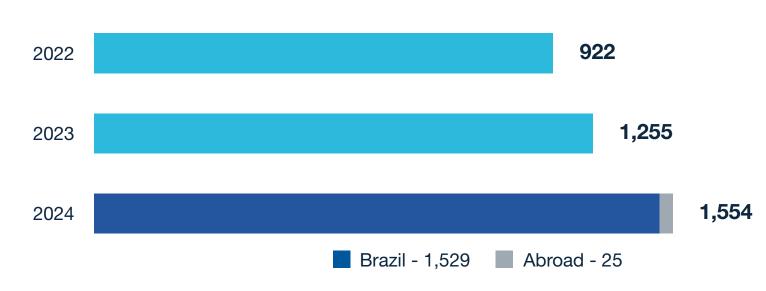
## Person with disabilities (PwD)

**GRI 3-3** 

Under the oversight of the Diversity, Equity and Inclusion Committee—composed of corporate directors, managers, and business unit representatives—and the dedicated Working Group on PwD, which includes employees from various hierarchical levels, WEG has continued to advance in the hiring and inclusion of persons with disabilities across multiple areas of the company.

In recent years, WEG has also made progress in implementing key processes in this context, aimed at continuously improving its inclusive culture and investing in actions related to the topic. In 2024, when considering data from Brazil, the company recorded a 21.8% increase in its workforce of employees with disabilities.

#### PERSON WITH DISABILITIES (PwD)



Note: Until 2023, the indicator covered operations in Brazil. In 2024, its coverage was extended to 73.1%. The 2024 value for the Brazil scope is 1,529.

# Qualification program for people with disabilities (QPwD)

The Qualification Program for Persons with Disabilities (QPwD) aims to train individuals with disabilities from local communities in WEG processes, preparing them for inclusion in the Company.

The program is structured with a curriculum consisting of both technical and administrative content. The curriculum includes 200 hours of technical courses covering specific knowledge areas related to the Automation, Motors and Energy business units, as well as 40 hours of administrative and behavioral content.

To ensure appropriate qualification, WEG developed tailored materials and implemented adaptations considering the four main types of disabilities that may affect the learning process (visual, auditory, physical

and intellectual). The teaching methodology was revised to accommodate individual learning characteristics and to foster each participant's potential. Teachers, support staff and managers received specific training and guidance to effectively engage with the new students/employees. Through this preparation, participants had the opportunity learn technical and theoretical content, do exercises, experience practical workplace situations, use computer labs and participate in group dynamics. At the end of the training program, all participants were hired into administrative and industrial roles across the Automation, Motors and Energy units.



## Brazilian sign language (LIBRAS)

To promote increasingly accessible communication, WEG implemented the following initiatives:

#### SIGN LANGUAGE (LIBRAS) COURSE FOR HEARING PEOPLE

To support communication between hearing and deaf employees, an in-company basic sign language course (LIBRAS) was offered, involving both employees and managers, with a total of 91 participants.

#### SIGN LANGUAGE INTERPRETER

In 2024, WEG expanded the use of LIBRAS interpreter services, totaling more than 1,500 hours of services provided by professionals specialized in sign language, to work in person, online and in video interpretation in situations that require precision, cultural sensitivity and contextual adaptation, such as: selection interviews, integration of new employees, medical evaluation, support for managers, training, corporate videos, dismissals and other specific interpretations.

## PwD working group

The Working Group for Persons with Disabilities was established in 2021 with the purpose of increasing the hiring of persons with disabilities. In October 2024, the group was restructured to focus on monitoring key indicators related to this population and on proposing initiatives aimed at engagement and retention.

The group includes representatives from the Human Resources departments of the Company's Business Units in Brazil, promoting the exchange of best practices and expanding the reach of actions targeting persons with disabilities. It comprises permanent members, who attend all meetings, and guest participants who are involved as needed.

#### Gender

WEG is committed to fostering an environment that promotes development and values high performance for all employees. Accordingly, the development of talent through key entry programs, such as apprenticeships and internships, has been a major focus for the Company. Currently, 45% of apprentices are women, and the number of female engineering interns increased by 50% compared to the previous year.

In talent development and career acceleration programs, a balanced 50/50 participation rate between men and women is pursued to expand the pool of talent with leadership potential and readiness. This intentional approach has been essential to fostering an increasingly inclusive and equitable work environment.

In 2024, there was a 46% increase in the number of women appointed to leadership positions compared to 2023.

## Management practices seminars

Since 2011, WEG has held Management Practices Seminars with the objective of sharing people management practices with leaders to encourage internal benchmarking. These monthly meetings are conducted in person and/or synchronously and cover pre-established topics based on organizational climate indicators, results from managerial competency assessments and the dissemination of trends in people management.

## Leadership academy platform

A global platform was launched in 2023 to serve as a source for development, consultation and updates, connecting all levels of leadership at WEG worldwide. This channel fosters continuous learning, knowledge exchange and access to management-related information, while strengthening the role of leadership in driving an increasingly efficient and sustainable company.

#### Leadership academy

#### **DEI MODULE - Diversity, Equity and Inclusion**

The WEG Leadership Academy is part of the Leadership Development Program (targeting supervisors, managers and directors) and aims to immerse newly appointed leaders in WEG's culture while emphasizing their key role in people management processes.

Over the past four years, more than 1,800 leaders have participated in global Leadership Academy modules covering Diversity and Inclusion. These sessions addressed the following topics:



- What diversity and inclusion mean.
- Understanding diversity in the workplace and how it extends beyond race and gender.
- Learning how to recognize, include, value and collaborate more effectively with diverse individuals, and the benefits this brings to both the individual and the organization.
- Taking practical steps to promote diversity and inclusion.

Recognizing the critical role of leadership in advancing diversity and inclusion in the workplace, WEG offers a dedicated training module within the Leadership Academy that fosters synergy among the diverse profiles present in teams.



#### Diversity course

This training module prepares managers to understand the concept of diversity, its challenges and opportunities, and how to mitigate risks stemming from bias and discrimination. It also reinforces the manager's role as a promoter of team synergy, equipped to handle the complexities and adversities of daily business and to make decisions that foster inclusion.

The course covers the following topics:

- What diversity means.
- Types of diversity (gender, disability, race/ethnicity, nationality, place of origin, sexual orientation, age/generations, among others).
- The contribution of diversity to team performance.
- Developing teams that respect diversity.
- Diversity and the WEG Code of Ethics.
- The benefits of diversity for WEG's global management approach.

Participants: Over the past four years, approximately 400 managers have completed the Diversity module.



Training - prevention and response to moral harassment, sexual harassment and other forms of workplace violence The training course on Prevention and Response to Moral Harassment, Sexual Harassment and Other Forms of Workplace Violence is offered online to all WEG employees in Brazil. Conducted annually, this training equips employees to identify, prevent and respond to various forms of violence in the workplace, fostering a culture of respect and safety.

The training content includes:

- 1. Introduction to the topica.
- 2. Moral harassment.
- 3. Sexual harassment.
- 4. Other forms of violence.
- 5. What to do in a situation of Moral or Sexual Harassment

## Workforce indicators

GRI 2-7 / 405-1

#### **NEW HIRES IN 2024**

In 2024, in addition to organic growth in its workforce, WEG expanded its team through strategic acquisitions. The integration process for these new employees has been conducted in a structured manner to align them with the Company's business structure, governance practices, culture, mission, vision and other key topics.





GRI 3-3

#### WORKFORCE

EMPOLYEES BY REGION			LL-TIME AND PART-TIME IPLOYEES BY REGION				NON-GUARANTEED HOURS EMPLOYEES BY REGION	
	2023	2024	FULL-TIME	PART-TIME	PERMANENT	TEMPORARY		
North America	5,746	7,691	7,684	7	7,647	0		124
South America	29,336	31,755	31,755	0	31,755	44		0
Europe	2,314	2,665	2,650	15	2,645	20		0
Africa	666	885	876	9	875	10		0
Asia	2,731	4,533	4,533	0	4,519	14		133
TOTAL BY CATEGORY			47,498	31	47,441	88		257
TOTAL NUMBER OF EMPLOYEES					47,529			

EMPLOYEES BY GENDER	_	L-TIME AND PART-TIME PLOYEES BY GENDER		MANENT AND TEMPORARY LOYEES BY GENDER	NON-GUARANTEED HOURS EMPLOYEES BY GENDER		
		FULL-TIME	PART-TIME	PERMANENT	TEMPORARY		
Men	36,408	36,390	18	36,352	56	6	189
Women	10,766	10,753	13	10,734	32	2	68
TOTAL BY CATEGORY		47,143	31	47,086	88	3	257
TOTAL NUMBER OF EMPLOYEES				47,174			



GRI 3-3

#### **WORKFORCE - GENDER BY POSITION**

EMPOLYEES BY GENDER 2022	% OF EMPLOYEES		% OF	GOVERNANCE BODIES	
	TOTAL (%)	IN SUPERVISORY POSITIONS	IN MANAGEMENT POSITIONS	IN EXECUTIVE POSITIONS	ON THE BOARD OF DIRECTORS
Men	78.7	80.4	90.7	99.2	85.7
Women	21.3	19.6	9.3	0.8	14.3

EMPOLYEES BY GENDER	% OF EMPLOYEES		% OF GO	OVERNANCE BODIES	
2023	TOTAL (%)	IN SUPERVISORY POSITIONSR	IN MANAGEMENT POSITIONS	IN EXECUTIVE POSITIONS	ON THE BOARD OF DIRECTORS
Men	77.4	87.0	92.3	98.4	85.7
Women	22.6	13.0	7.7	1.6	14.3

EMPOLYEES BY CENDED	% OF EMPLOYEES		% OF GO	OVERNANCE BODIES	
<b>2024</b>	TOTAL (%)	IN SUPERVISORY POSITIONS	IN MANAGEMENT POSITIONS	IN EXECUTIVE POSITIONS	ON THE BOARD OF DIRECTORS
Men	77.2	86.3	87.6	95.7	85.7
Women	22.8	13.7	12.4	4.3	14.3

<sup>1)</sup> Regarding the specific breakdown between operational and administrative employees, we do not report this segmentation, as these groups are already included in the "total" category. 2) The 2024 gender data represents 99.2% of all employees.



GRI 3-3

#### **WORKFORCE - AGE RANGE**

WORKFORGE - AGE RANGE					
EMPOLYEES  BY ACE CROUP	% OF EMPLOY	EES		% OF GO	VERNANCE BODIES
BY AGE GROUP 2022	TOTAL (%)	IN SUPERVISORY POSITIONS	IN MANAGEMENT POSITIONS	IN EXECUTIVE POSITIONS	ON THE BOARD OF DIRECTORS
Under 18 (apprentices)	0.7	0.0	0.0	0.0	0.0
Under 30	33.4	3.3	0.3	0.7	0.0
Between 30 and 50	55.3	82.3	67.8	40.0	0.0
Over 50	10.6	14.4	31.9	59.3	100
EMPOLYEES BY AGE GROUP	% OF EMPLOY	EES		% OF GC	VERNANCE BODIES
2023	TOTAL (%)	IN SUPERVISORY POSITIONS	IN MANAGEMENT POSITIONS	IN EXECUTIVE POSITIONS	ON THE BOARD OF DIRECTORS
Under 18 (apprentices)	1.6	0.0	0.0	0.0	0.0
Under 30	34.3	2.7	0.0	0.0	0.0
Between 30 and 50	53.2	78.9	56.5	32.0	0.0
Over 50	10.9	18.3	43.5	68.0	100
EMPOLYEES  BY ACE CROUP	% OF EMPLOY	EES		% OF GO	VERNANCE BODIES
BY AGE GROUP  2024	TOTAL (%)	IN SUPERVISORY POSITIONS	IN MANAGEMENT POSITIONS	IN EXECUTIVE POSITIONS	ON THE BOARD OF DIRECTORS
Under 18 (apprentices)	1.2	0.0	0.0	0.0	0.0
Under 30	33.5	5.0	1.2	0.0	0.0
Between 30 and 50	52.7	76.0	58.8	37.7	0.0
Over 50	12.6	19.0	40.0	62.3	100

Note: 1) Regarding the specific breakdown between operational and administrative employees, we do not report this segmentation, as these groups are already included in the "total" category. 2) The 2024 age group data represents 98.6% of all employees.



GRI 3-3

#### **WORKFORCE - RACE**

EMPOLYEES BY RACE	YELLOW	WHITE	BLACK	BROWN	INDIGENOUS	PREFER NOT TO DISCLOSE
Leadership	75	1,170	26	103	0	30
Non-leadership	735	19,701	1,949	9,370	55	0
Total	810	20,871	1,975	9,473	55	30

Note: The data represents 69.8% of all employees.

**DEI TRAINING:** Percentage of employees who received training on diversity, equity and inclusion: 47.9%.



#### Integral Wellbeing, Diversity and Inclusion

#### HIGHLIGHTS AND ADVANCEMENTS ON THE TOPIC IN 2024



Over

52 thousand

safety dialogues held.



More than

13 thousand

safety-related Kaizen projects completed.



Over

1,400

preventive safety inspections conducted, excluding those related to legal requirements.



More than

1,300

behavioral observations and approaches conducted.



Over

38 thousand

tags and 36 thousand observation cards issue.



More than

123 thousand

hours of occupational safety training provided.



Diversity, Equity and Inclusion Policy



21.8%

increase in the number of employees with disabilities (Brazil)



8.5%

reduction in the Lost Time Injury Frequency Rate (LTIFR) compared to 2023.



36.9%

reduction in the recordable incident rate.

#### SUSTAINABLE COMMUNITY DEVELOPMENT

GRI 413-1

#### Governance

**GRI 3-3** 

Maintaining strong relationships with local communities has always been part of WEG's history. This process continues to evolve, supported by a highly structured approach that fosters meaningful engagement. Currently, this relationship is cultivated through the support of social projects, the offering of courses and events, with a focus on Health, Education, Social Inclusion and Culture. Ongoing interaction ensures a deeper understanding of local needs, enabling targeted and effective suppor.

The compliance process for the management of social investments is guided by the Group's Social Investment Policy, which is directly aligned with the principles of the Global Compact, of which WEG is a signatory. Project management is structured around the following groups:

#### SOCIAL INVESTMENT ANALYSIS GROUP - GAIS

Responsible for evaluating projects submitted to WEG in accordance with the Social Investment Policy and making recommendations for fundin.

#### **SOCIAL INVESTMENT GROUP - GIS**

Reviews GAIS recommendations and makes final decisions regarding the disbursement of funds. In certain cases, decisions require approval from the Executive Board.

Approved projects are monitored by GAIS Focal Points, who represent WEG on social matters in the territories where the company operates. Business units outside Brazil follow the WEG Social Investment Policy and submit project proposals according to their local governance processes, also assigning local Focal Points for representation.

In addition to these groups, the governance structure includes the Social Development Section, responsible for managing the processes and flow of social investments, the Volunteering Program and the WEG Museum of Science and Technology.





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# WEG social investment policy

The Social Investment Policy prioritizes the sustainable development of Social Organizations:

- Social investments will only be made to non-profit Entities, Associations, or Private Organizations with a recognized track record and compliant with their fiscal obligations.
- Funding for social projects from government agencies and faith-based organizations is permitted, provided that it is not allocated to infrastructure and/or equipment (e.g., construction, renovations, computers, furniture, utensils, etc.).
- Funds must be directed to social projects and not to operational expenses (e.g., payroll, rent), and projects must have a defined start and end date.

- Supported organizations must demonstrate the technical and structural capacity to implement the proposed projects, which must align with the principles of WEG's Code of Ethics and its Policy for the Prevention and Combat of Corruption and Other Harmful Acts.
- Support will not be granted to projects with political-partisan purposes, those that may harm the environment, or those that could in any way damage WEG's reputation.
- Regardless of the entity, no funding is provided for promotional materials (e.g., brochures, t-shirts, advertisements, banners, etc.)

#### **Project monitoring**

Each year, WEG selects specific projects for detailed monitoring. This process not only verifies whether the project execution complies with the proposal initially presented by the organization but also evaluates adherence to WEG's requirements and the impact on beneficiaries' lives. Additionally, the monitoring phase is viewed as a valuable opportunity for experience sharing and encouragement, enabling the organization to reach its full potential.

#### **METHODOLOGY USED**

- Risk level identification for project outcomes
- Document compliance analysis of the organization
- Theory of Change and Contextualization
- Social Return on Investment (SROI) evaluation

#### **GOALS**

#### FOLLOW-UP ON GOALS REPORTED IN THE PREVIOUS WEG INTEGRATED ANNUAL REPORT

#### **GOAL 2024**

Expand the Social Investment Policy globally through partnerships with internationally recognized organizations.
Result: GOAL ACHIEVED.

#### **GOAL 2025**

■ Implement the social investment expansion plan, executing at least one social project in eight countries where WEG has industrial operations.



# Community committees with WEG participation

**GRI 3-3** 

In order to stay close to the community, build agendas and assess potential and needs, WEG takes part in various committees, including:

- Penitentiary Community Council (Jaraguá do Sul Brazil)
- Social Responsibility Committee (Jaraguá do Sul Brazil)
- Corporate Volunteering Center (Jaraguá do Sul Brazil)
- Healthier Jaraguá (Jaraguá do Sul Brazil)

#### Colabora WEG

For the past 13 years, WEG has promoted Colabora WEG, an initiative aimed at maintaining close relationships with social organizations and supporting improvements in management processes.

In previous editions, WEG shared knowledge on various topics, including:

- How to structure a project; Volunteering Transformative Best Practices
- Indicators for project management
- Presentation of new tax incentive laws
- Standardization and process in organizations
- Energy efficiency in organizations
- Importance of accountability
- Assembling a project team
- The importance of Compliance for Social Organizations, among others.

In 2024, Colabora WEG trained 141 social organizations, engaging 262 participants from various Brazilian cities. The initiative aimed to enhance fundraising strategies, strengthen governance, disseminate information on tax incentive laws and open dialogue with local communities to assess their potential and development opportunities.

#### CONTACTS

- Project communication and registration: CLICK HERE
- Communication for complaints and/or reports: CLICK HERE
- Another contact channel for communication:
  - comunidade@weg.net
  - +55 47 9223-2896
  - voluntario@weg.net
  - +55 47 99223-2896



# Examples of supported projects

#### **EDUCATION**

#### FabLab - Brasil

FabLab was established within the Ramacrisna educational project in Minas Gerais. It is an innovation hub designed to digitally empower and include children, youth and adults. Equipped with cutting-edge technology such as 3D printers, virtual reality headsets and a CNC laser cutting router, the lab fosters creativity and hands-on learning, transforming ideas into reality.





#### **Academic Excellence - Mexico**

A program that recognizes the academic achievements of children of WEG employees enrolled in primary and secondary education. Students who achieved excellent academic performance during the school year receive recognition and a reward.

#### **Benches for education - Argentina**

Donation of a didactic workbench to the National University of Rosario.

#### **CULTURE**

#### **Amazon Theater Festival - Brazil**

The Amazon Theater Festival is held in Manaus, the capital of the state of Amazonas. The 15-day festival reaches over 8,000 spectators and features more than 500 artists, providing the local population with free access to over 20 performances.

#### **Guri Project - Brazil**

Guri Project is an after-school program and a benchmark in music education that fosters the cultural and human development of children and youth across the state of São Paulo. With more than 100,000 free spots offered annually, the program operates in over 400 educational centers, serving children and adolescents from various regions.





#### **HEALTH**

#### **UNICEF Waters - Brazil**

This initiative aims to provide access to water, sanitation and hygiene for vulnerable children and adolescents in the Antônio Aleixo district and the Tupé Sustainable Development Reserve (RDS) in Manaus, Amazonas. The project benefits schools through improvements to restroom facilities, access to water and sanitation services, provision of hygiene supplies, training for professionals and school administrators. To promote innovative and sustainable solutions, a school-based contest was also held, engaging students, educators, and community members. Selected projects addressing water, sanitation and hygiene issues were implemented as part of the initiative.

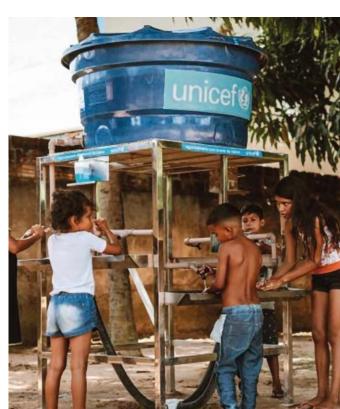
#### **Support to Firefighters – Chile**

Financial support to assist firefighters in combating wildfire in Chile.

#### **Equipment Donation - Portugal**

WEG donated more than 90 pieces of equipment to seven institutions located in Santo Tirso. The donations included more than 50 fans and 40 heater.







#### **SOCIAL INCLUSION**

#### TAA (Animal-Assisted Therapy) - Brazil

The project uses Animal-Assisted Therapy (AAT) at APAE in the city of Garibaldi, Rio Grande do Sul State, benefiting children, adolescents and adults with intellectual and multiple disabilities, as well as ASD (Autism Spectrum Disorder). Widely recognized for its benefits, AAT aims to enhance physical, social, emotional and cognitive functions, positively impacting psychomotor and sensory development. It contributes to the treatment of physical, mental, and emotional disorders by promoting socialization, restoring self-esteem, reducing stress and increasing wellbeing.

#### **Charity Run - Portugal**

Charity run to raise funds for an association supporting people with disabilities.

#### Senior Ball - Colombia

Financial and volunteer support for the organization of a ball for vulnerable elderly individuals from the institution Las Hermanitas de los Pobres.

#### **Adventure Bags - USA**

A project focused on children who are displaced from their homes due to reasons such as fire, legal situations or accidents. The aim is to ensure that every affected child receives an Adventure Bag. The bag contains essential items for the night and comfort items to help children feel safe and protected during uncertain times in a new environment.







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#### **Indicators**

Check out the WEG group's global social investment indicators:

More than 607,000 people were positively impacted by projects supported by WEG in 2024, representing a 71% increase compared to 2023.

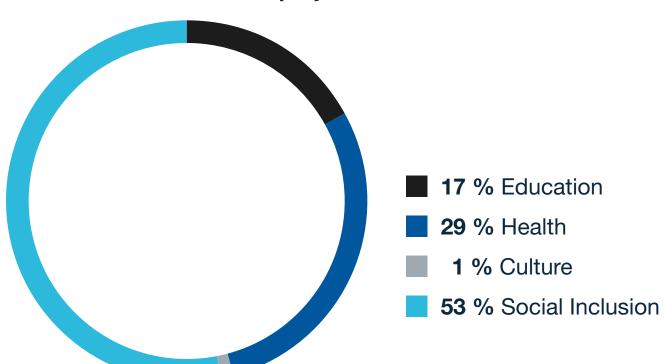
SOCIAL INVESTMENTS (IN BRL MILLIONS):		
2022	11.3	
2023	18.8	
2024	37.6	

The amount invested in social projects in 2024 was double that of 2023. Compared to 2022, the increase in investment in 2024 was over 232%. This investment history demonstrates the consistency and progress WEG has achieved in social project investments and in the resulting potential for positive impact on the lives of the people involved. In 2024, 71% of the investments were made using tax-incentivized funds, while 29% came from WEG's own resources.

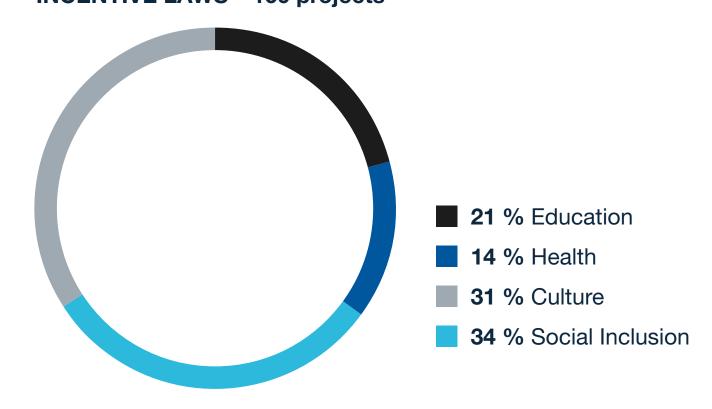
SUPPORTED PROJECTS	
2022	258
2023	189
2024	301

#### PERCENTAGE OF PROJECTS SUPPORTED BY CATEGORY:





#### **INCENTIVE LAWS – 160 projects**





#### Volunteering

GRI 3-3

In 2024, the WEG Heart Volunteer Program reached a total of 7,800 registered volunteers, who dedicate their time and attention to contributing in various ways to community projects. To align the program with community demands and needs, WEG maintains a dedicated communication channel via its website and telephone contact. Additionally, WEG announces the volunteer program at meetings with the community and organizations.

The demands received are analyzed by the Volunteer Group, which has representatives in all WEG units in Brazil, Portugal and India. Once approved, the actions are disclosed to employees registered in the volunteer database.

The demands received are analyzed by the Volunteer Group, which has representatives in all WEG units in Brazil, Portugal and India. Once approved, the actions are disclosed to employees registered in the volunteer database.

CLICK HERE TO ACCESS THE CHANNEL AND REQUEST SUPPORT FROM WEG VOLUNTEERS

#### AREAS OF OPERATION IN 2024 – WEG VOLUNTEER HEART PROGRAM



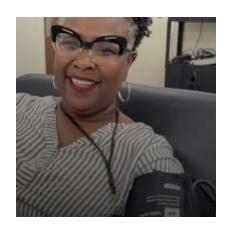






**Elderly** 

**Technology** 







Health

**Campaigns** 

**Environment** 







Social inclusion

Animal cause

**Donations** 



## Examples of volunteering actions

#### Gincana Social - Brazil

Known as a "Social Gincana", this is a task-based challenge designed to identify the needs of local entities and encourage employee engagement through strategic missions. In addition to the positive impact on the community, this experience also contributes to the participants' personal development, promoting learning, teamwork and motivation both inside and outside the workplace. In 2024, with 350 registered participants, the initiative achieved the following results:

- New bone marrow donors: 13
- Blood donation: 219
- Donation of aluminum pull tabs and bottle caps: 401Kg
- Blanket donation: 742 units
- Food donation: 944 kg
- Toy donation: 2,376 units
- Books/school supplies collected: 5,565 units
- Winter clothing donations = 5,848 units



#### **Sweep the Hooch - USA**

Sweep the Hooch is an annual service day focused on the Chattahoochee River watershed. Volunteers on foot or in kayaks/canoes help remove trash from various watershed locations. In 2024, approximately 1,400 volunteers took part, removing a total of 32 tons of trash from the watershed.

#### **Solidarity Kilometers - Portugal**

The Solidarity Kilometers program allows each employee to choose a physical activity and track their distance. The total kilometers covered by all participants are converted into food donations for local organizations in need.

#### **Blood Drive - EUA**

WEG sponsors blood donation campaigns in partnership with the American Red Cross. In 2024, 32 people volunteered to donate blood, including 12 first-time donors.

#### **Tapitas Foundation - Mexico**

A campaign to collect plastic caps to support cancer treatment for children. The collection of 400,000 caps provides complete cancer treatment for children. The project also includes hair donations to produce wigs for children with cancer, and the collection of food staples for donation to their families.



#### Indicators

# WEG museum of science and technology

- 3,867 employees participated in at least one volunteer activity in 2024
- 294 volunteering actions carried out
- More than 222 thousand people positively impacted by WEG's volunteer actions.

The WEG Museum of Science and Technology offers visitors immersive experience in the company's history through its exhibits, while also providing access to a broad understanding of electrical phenomena through education, interactivity, and free accessibility.

With a strong educational focus, the WEG Museum conducts various workshops and hands-on activities. The topics covered include relevant issues, such as sustainability, energy generation and transformation, photovoltaic solar energy and raising awareness about the importance of water conservation.

Committed to accessibility, the museum is equipped with features such as wheelchair access, elevator, adapted flooring, Brazilian Sign Language (LIBRAS) interpretation, braille captions, and tactile objects. These resources ensure that all visitors can fully enjoy the experience. Additionally, the museum offers inclusive educational activities for people with disabilities, promoting social inclusion and learning.

CLICK HERE TO TAKE A VIRTUAL TOUR OF THE WEG MUSEUM





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# Sustainable community development

#### HIGHLIGHTS AND ADVANCEMENTS ON THE TOPIC IN 2024



141

social organizations participated in the "Community Meeting" event promoted by WEG in 2024.



Over

222 thousand

people positively impacted by WEG's volunteer initiatives in 2024.



Over

607 thousand

people positively impacted by projects supported by WEG in 2024.



A total of

301

social projects supported in 2024





SUSTAINABLE PRODUCTS AND SOLUTIONS

CIRCULAR AND **EFFICIENT OPERATIONS** 







Ourgovernanceisguidedbystrongprinciples of integrity and transparency, based on a Code of Ethics that underpins all our actions. We value participative management and shared responsibility, ensuring outcomes that reflect our commitment to ethics and sustainability across all areas of the company.

**André Luis Rodrigues** CFO



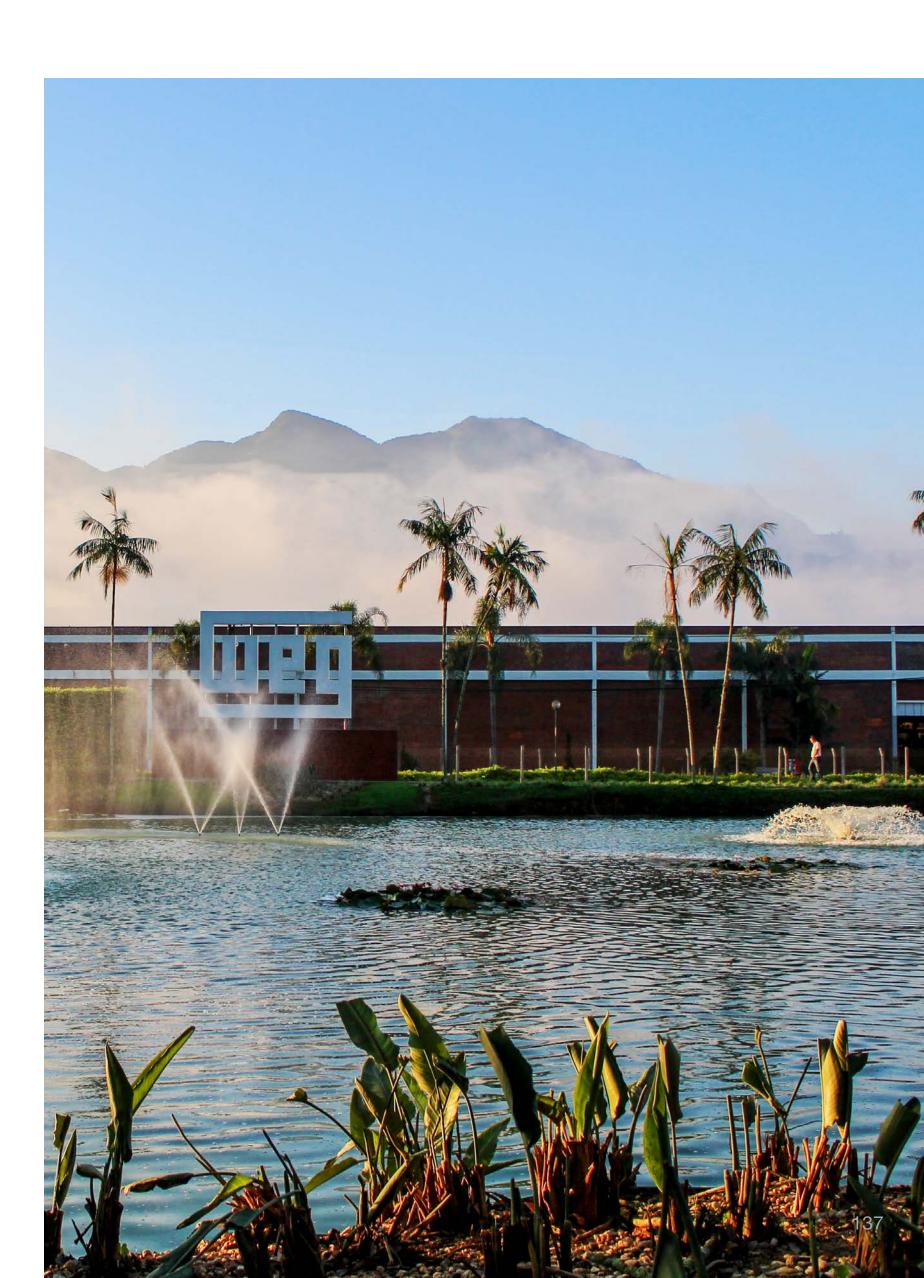




#### COMPLIANCE AND INTEGRITY

## Corporate governance

At WEG, corporate governance is guided by the principles of transparency, fairness and accountability to shareholders and other stakeholders. The adoption of special corporate governance practices reflects the example set by WEG's founders. In this context, WEG is listed on the Novo Mercado segment of B3, a special listing segment that represents the highest level of corporate governance in the Brazilian capital market. This segment establishes governance standards, procedures and protections for minority shareholders. WEG also adheres to the Brazilian Corporate Governance Code issued by the IBGC (Brazilian Institute of Corporate Governance). These corporate governance principles, applied throughout the group and in its relationships with stakeholders, are among the foundations of the Company's long-standing success.







#### Composition of WEG group's management

GRI 2-9

#### Board of directors

The mission of WEG's Board of Directors is to safeguard and enhance the Company's assets while maximizing shareholder returns in alignment with the Company's values, purpose and beliefs.

To this end, the Board establishes and provides general guidance for WEG's business activities and makes decisions on strategic matters, in accordance with the responsibilities defined by applicable legislation and WEG's Bylaws. These responsibilities are further governed by the Internal Regulations of the Board of Directors of WEG S.A.

The Board is composed of seven members, including one Chair and one Vice Chair. Two board members are considered independent in accordance with the provisions of the Listing Rules of B3 Novo Mercado

#### **Board Meetings**

Board meetings are held with the presence of at least two-thirds of its members.

In 2024, 12 board meetings were held, with 100% attendance from all members at each meeting.

#### **Nomination and Selection**

GRI 2-10 / 2-15 / 2-18

The nomination and selection of candidates for inclusion in the slate to be submitted for election at the General Shareholders' Meeting must follow specific criteria outlined in the Policy for the Nomination of Members to the Board of Directors, Executive Direction and Advisory Committees.



#### **CRITERIA**

- Creation of an environment that allows for the free expression of board members, seeking diversity in experiences, qualifications and behavioral styles, so that the body possesses the necessary competencies to perform its duties.
- To strive to gather in the Board of Directors individuals with competencies such as diverse experiences and specific knowledge.
- Individually, candidates should possess relevant skills to perform their duties and align with the organization's values.
- A board member must also be free from fundamental conflicts of interest (non-manageable, non-temporary or situational, expected to be permanent) and must remain attentive to the organization's matters. Furthermore, they must understand that their duties and responsibilities are broad and not limited to Board meetings.

Decisions made collectively by multidisciplinary teams that complement one another is a principle that has always guided WEG. This principle is evident in the workgroups, committees, commissions and especially in the Company's Board of Directors. Thus, the Board members, whether independent or not, form a group with experience in various world-class companies across finance, strategy, products, market, people and sustainability, capable of understanding, planning and guiding the sustainable growth of the Company in a high-governance environment.

The Board of Directors was elected at the General Assembly held on April 23, 2024, for a two-year term. Below are the members of the Board, along with a summary of their profiles based on the year 2024.

GRI 2-9 / 2-11





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#### GRI 2-11

Décio da Silva	He is the Chairman of the Board of Directors of the Company. He was President of WEG from 1989 to 2007, having held various positions since 1979, when he started working at the Company after graduating from the first class of the WEG Training Center. He is also the Chairman of the Board of Directors of Oxford Porcelanas S.A. and of the Board of WPA Participações e Serviços S/A.
Nildemar Secches	He has been a member of the Board of Directors since 1997 and is currently the Vice-President, having also served as Chairman of the Board in the past. In addition, he serves as a member of the Board of Directors of lochpe-Maxion, Suzano Papel e Celulose and Vibra Energia.
Tânia Conte Cosentino	She has been a member of the Board of Directors since 2022. She has a solid background as an electrical engineer with several specializations in finance and corporate governance. Her professional journey includes experience at Rockwell Automation, Siemens and Schneider Electric. She is currently the President of Microsoft in Brazil.
Dan loschpe	He has been a member of the Board of Directors since 2012. He has also been a member of the Company's audit committee since 2022. He serves as a member of the Board of Directors of lochpe-Maxion, Embraer and Marcopolo.
Harry Schmelzer Jr.	He has been a member of the Board of Directors since April 2024. He began his career at WEG in 1981, where he accumulated more than 43 years of experience, serving as Commercial Director of WEG Acionamentos, Superintendent Director of WEG Motors and Regional Director for Europe, until becoming the CEO of the WEG Group in 2008, a position he held until the first quarter of 2024. He is a member of the Board of Directors of DEXCO S.A.
Martin Werninghaus	He has been a member of the Board of Directors since 2006. He holds a degree in economics and has extensive experience with the Company, having worked at WEG from 1984 to 2006, when he concluded his activities at the Company as the then Superintendent Director of WEG Química. He is a member of the Board of Directors of WPA Participações e Serviços S.A.
Sérgio Luiz Silva Schwartz	He has been a member of the Board of Directors since 2015. The executive gained extensive experience at WEG from 1996 to 2015, when he concluded his executive career at the Company as Vice-President and CFO. He is a member of the Board of Directors of WPA Participações e Serviços S.A., lochpe-Maxion and Oxford Porcelanas.

CLICK HERE TO FIND OUT MORE DETAILS ABOUT THE BOARD OF DIRECTORS



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#### CHARACTERISTICS OF THE BOARD OF DIRECTORS OF WEG S.A. **DÉCIO DA SILVA NILDEMAR** TÂNIA CONTE DAN IOSCHPE **HARRY MARTIN SÉRGIO LUIZ SECCHES** COSENTINO **SILVA SCHWARTZ** SCHMELZER JR. **WERNINGHAUS** Experience Experience serving on other Boards of Directors X X X X X X X Experience as a senior executive X X X X X X X X X X X Experience in change management and crisis management X X X Experience in risk identification and control X X X X X X X X X X X Experience in people management X X X Experience in managing Industrial Electrical and Electronic X X X X X X Equipment businesses Experience in managing Power Generation, Transmission X X X X X X and Distribution businesses Experience in managing Commercial and Appliance Motors X X X X business Experience in managing Coatings and Clearcoats X X X X X businesses Experience in managing Digital businesses X X X X X Skills Finance knowledge X X X X X X X Accounting knowledge X X X X X X X Legal knowledge X X X X X X X Risk management knowledge X X X X X X Knowledge of the international markets X X X X X X X X X Knowledge of the domestic markets X X X X **Characteristics Executive members** Independent members X X Number of seats on other boards 3 3 2 1 3

#### SUSTAINABILITY TOPICS REVIEWED BY THE BOARD OF DIRECTORS IN 2024

GRI 2-17

Evaluation of Internal Audit activities and the Code of Ethics

- Internal Controls
- Risk Mapping and Management
- Review of the Internal Audit Policy
- Corporate Governance Report
- Performance evaluation of the Board of Directors
- Continuation of the Administration's ESG-related initiatives

#### **COMMUNICATION OF CRITICAL CONCERNS**

GRI 2-16

Reports on Internal Audit activities and Code of Ethics events are presented to the Board, as documented in the minutes of the Board of Directors meetings. Additionally, the Risk Management Policy establishes an operational and administrative risk management and business continuity program, which is also assessed by the Board of Directors.

#### **ROLE IN OVERSEEING IMPACT MANAGEMENT**

GRI 2-12 / 2-13

The WEG Board of Directors plays a key role in overseeing impact management, as it sets the general direction of the Company's business and makes strategic decisions, in accordance with the powers established by current legislation and the Company's Bylaws. It is responsible for monitoring the performance of the Executive Board, people management, and risk management, within an organizational structure based on prudence and effective control. It must also safeguard the Company's longevity from a long-term and sustainability-oriented perspective, incorporating economic, social, environmental and sound

corporate governance aspects into business and operational planning. The Board of Directors receives regular updates on the progress of sustainability initiatives and goals, as well as future challenges. When necessary, it deliberates on actions related to the management of sustainability impacts.



#### Fiscal council

The WEG Fiscal Council is a collegiate body of the Company's governance structure, governed by its own internal rules and composed of three members. It is responsible for overseeing the management of the Company's business and financial accounts, as established by the Brazilian Corporation Law. For example, it monitors risk and contingency management related to tax, fiscal and administrative matters. The issues discussed by the Fiscal Council are reported to and monitored by the Board of Directors.

#### **LUCIA MARIA MARTINS CASASANTA**

Full Member

#### PATRICIA VALENTE STIERLI

**Full Member** 

#### **VANDERLEI DOMINGUEZ DA ROSA**

Full Member (President)

#### Election date

April 23, 2024

Term

1 year

Meetings in 2024: 4 meetings, with 100% member attendance at all meetings.

CLICK HERE TO FIND OUT MORE DETAILS
ABOUT THE FISCAL COUNCIL

#### Audit committee

The WEG Audit Committee is a non-statutory advisory body directly linked to the Board of Directors. It is responsible for monitoring the activities of the Company's internal audit and internal controls areas. Its internal charter defines and regulates its operations and responsibilities. The committee is composed of three independent members appointed by the Board of Directors, who may serve for a maximum of 10 consecutive years, with at least one member selected from among the Independent Directors of the Company's Board of Directors.

#### **DAN IOSCHPE**

Full Member (Coordinator)

#### **DOUGLAS CONRADO STANGE**

Full Member

#### **ESTELA MARIS VIEIRA DE SOUZA**

Full Member

#### **Election date**

April 30, 2024

Term

2 years

Meetings in 2024: 7 meetings, with 100% member attendance at all meetings.

CLICK HERE TO FIND OUT MORE DETAILS
ABOUT THE AUDIT COMMITTEE

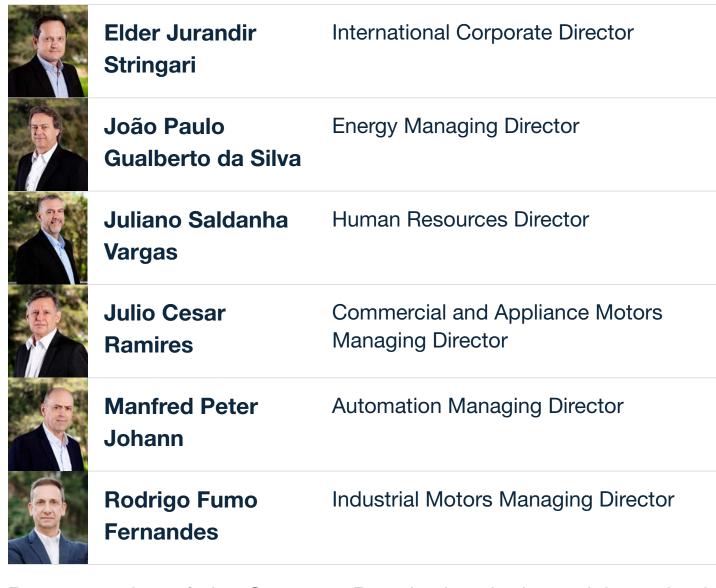


### WEG S.A. executive board

GRI 2-11

The Executive Board is composed of 13 members. All members of the Direction will be elected and may be dismissed at any time by the Board of Directors. Each term of office is two years, with the possibility of reelection. Within the limits established by the Bylaws, the Executive Board holds broad and general management powers to perform all acts necessary for the regular operation of the Company, in pursuit of its corporate objectives. The legal representation of the Company, both in and out of court, as well as the execution of any legal acts that create, modify or extinguish any rights and obligations, must be carried out jointly by two Executive Officers, one of whom must be either the Chief Executive Officer, the Administrative and Financial Executive Officer or the Investor Relations Officer:

Alberto Yoshikazu Kuba	CEO
André Luís Rodrigues	CFO
Carlos Diether Prinz	Transmission and Distribution Managing Director
Carlos José Bastos Grillo	Digital and Systems Managing Director
Daniel Marteleto Godinho	Sustainability and Corporate Affairs Director
Eduardo de Nóbrega	Managing Director WEG China
	Kuba  André Luís Rodrigues  Carlos Diether Prinz  Carlos José Bastos Grillo  Daniel Marteleto Godinho  Eduardo de



Representative of the Statutory Board who don't participate in the Executive Committee:



THE EXECUTIVE BOARD

RELÁTÓRIO ANUAL INTEGRADO 2024



### Remuneration

**GRI-2-20** 

#### **POLICY**

WEG's remuneration policy for its managers aims at attracting and retaining qualified professionals, with competence and a profile suitable for the characteristics and needs of the business. The policy defines the structure and responsibilities for determining fixed and variable compensation for the Board of Directors, the Fiscal Council and the Statutory Executive Board.

Fixed remuneration for the Board of Directors, the Fiscal Council and the Statutory Executive Officers is determined based on up-to-date salary surveys conducted by highly reputable consulting firms, selected among the most respected in the market, with extensive databases and global reach. The targeted compensation positioning in these surveys is defined according to the business sector, executive role, functional scope and other specific criteria aligned with the applicable profile, thus ensuring alignment between defined compensation and market practices.

The Company's remuneration policy must be reviewed by the Board of Directors at least every three years.

	FIXED REMUNERATION	VARIABLE REMUNERATION	LONG-TERM INCENTIVE PLAN
Board of Directors	X	X	
Executive Board	X	X	X
Audit Committee	X		
Fiscal council	X		

#### **Board of Directors and Executive Board**

Compensation is intended to reward each member for their contribution to the continuity and development of the Company's business under their responsibility, as well as for the results and performance achieved by the Company.

#### **Audit Committee**

Compensation is intended to provide fees to members for their contribution and responsibilities inherent to their positions, taking into account their duties. There is no variable compensation for the Audit Committee.

#### **Fiscal Council**

Compensation is intended to remunerate each member for the performance of their legal and statutory duties. There is no variable compensation for the Fiscal Council. The compensation of officers is approved annually at the Annual General Meeting.

CLICK HERE TO VIEW THE VOTING RESULTS
IN THE DETAILED FINAL VOTING MAP



#### **FIXED COMPENSATION**

Fixed compensation, as well as the benefits offered by the Company, follow market practices and take into consideration individual performance and other factors such as executive potential, specific skills, experience in the role and retention risks. The individual amount paid monthly is based on responsibilities, time dedicated to duties, competence, professional reputation and the market benchmark value for such services. The compensation also takes into account market researches and strategic alignment with the Organization. Periodically, the Company conducts compensation surveys through specialized consulting firms, selecting peer companies with similar size, industry, market presence and compensation philosophy.

Members of the Board of Directors and the Executive Board receive fixed compensation within the parameters approved by the General Meeting, established in accordance with applicable legislation, statutory provisions and market standards.

Compensation for members of the Fiscal Council is set in accordance with paragraph 3 of Article 162 of Law No. 6.404/1976 and is fixed by the General Meeting that elects them, based on a proposal from the Board of Directors.

The members of the Audit Committee receive fixed compensation, that is, monthly fees fixed at a meeting of the Board of Directors, in order to ensure the compatibility of the role with the compensation paid.

#### **VARIABLE COMPENSATION**

This refers to performance-based bonuses linked to the achievement of annual targets established by the Board of Directors.

The validation of plans and amounts to be distributed is carried out by the Board of Directors, within the limits approved by the Shareholders' Meeting. Also, within these approved limits, the Board of Directors may defer part of the amount due to officers in a given fiscal year for payment in cash in future years, with the deferred portion being subject to the positive or negative variation in the Company's share price over the period, aiming to better align the interests of executives and shareholders. Deferred amounts from the officer's term will be calculated and paid upon their termination, regardless of the reason. This deferral is not to be confused with the Company's Long-Term Incentive Plan (LTIP), as it constitutes an acquired right.

Members of the Board of Directors and the Statutory Executive Board receive variable compensation linked to the achievement of targets and performance indicators.

The performance bonus is calculated based on net income, with a cap of 2.5%, provided that minimum operational performance targets are met. The main performance targets include:

- Return on Invested Capital and EBITDA growth
- Goals related to occupational health and safety performance indicators
- Reduction of Greenhouse Gas (GHG) emissions.



#### LONG-TERM INCENTIVE PLAN (LTIP)

GRI - 2-19

Company officers also receive share-based compensation under the Long-Term Incentive Plan (LTIP), contingent on the achievement of specific targets. This form of compensation encourages officers to become long-term shareholders, aligning their interests with those of the Company's other shareholders.

Share-based compensation is provided for in the Bylaws, Article 5, Paragraph 2. The maximum number of shares that may be granted under such plans is limited to 2% of the Company's total outstanding shares.

**70%** of the shares granted to officers or managers are delivered initially but divided into three installments: one-third is delivered in the second year, one-third in the third year and one-third in the fourth year.



The remaining 30% of the granted shares are delivered but can only be sold under the following conditions:

- When the officer or manager reaches 55 years of age, 50% of the vested shares become available for sale
- The remaining 50% become available upon a special termination event, as defined in item 14 of the LTIP. If such an event occurs before the age of 55, all shares become available.

Variable compensation and the share-based LTIP are tied to the achievement of performance targets and indicators, promoting the alignment of executive interests with those of the Company, supporting value creation and in line with best practices in management and corporate governance.



### Goals program

The PWQP (WEG Quality and Productivity Program) is one of the WEG Group's initiatives that sets objectives and targets to engage employees in the pursuit of continuous improvement and sustainable growth. The program's guiding principle is to "Achieve International Standards of Quality and Productivity," making WEG's products and services competitive worldwide. It consists of the following subprograms:

- Environmental Program
- WEG Health and Safety Program
- Technological Development Program
- Continuous Improvement Program
- Specific Goal Program
- Annual Standardization Program

#### FINANCIAL AND NON-FINANCIAL GOALS

Targets are classified as either financial or non-financial, according to the definitions provided by each department and subject to approval by senior management, as follows:

**Financial goals:** Departmental goals under the employee Profit Sharing Program (PSP) are assessed through a scoring system, the weighted average of which determines the profit amount to be distributed to each department. Financial goals are approved by the Managing Director of the respective business unit.

**Non-financial goals:** These refer to the monitoring of proposed improvements and do not factor in the weighted average used for profit distribution. Non-financial targets are approved by the Directors of the respective unit.

#### **ESG GOALS**

Within the scope of PWQP Brazil, each department is required to establish environmental and/or social and/or governance-related goals. To support departments in setting these goals, the Company provides sample ESG goals aligned with each of the six subprograms. In 2024, the program achieved the following results:

#### **ENVIRONMENTAL GOALS**

377 goals achieved.

#### **SOCIAL GOALS**

385 goals achieved.

#### **GOVERNANCE GOALS**

2,533 goals achieved.



### Risk management

GRI 2-13

The Company's risk management process is aligned with strategic objectives and seeks to collaborate with the best assessment of scenarios and decision-making. It is based on the WEG Risk Management Policy, revised in 2024. This document outlines the processes of risk identification, analysis and mitigation, as well as the roles and responsibilities that make up the governance structure of the process.

The risk governance model at WEG is based on the lines of defense framework, designed to ensure a more robust and efficient process, in alignment with international standards such as ISO 31000 and COSO ERM 2017.

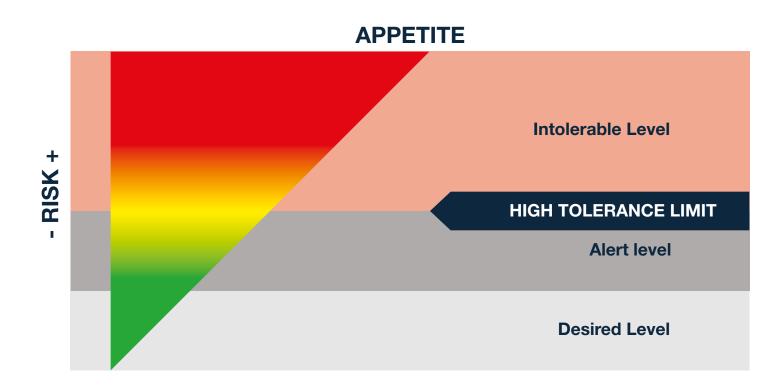
Risk assessment is conducted with the involvement of all Company executives, who analyze and classify risks into six categories:

- 1) External: Risks arising from external processes or actions, beyond WEG's control, which may cause direct or indirect impacts..
- 2) Strategic: Risks related to WEG's ability to anticipate, respond to, or adapt to changes that may affect the Company's strategic direction.
- **3) Financial:** Risks affecting WEG's ability to raise or preserve financial resources.
- **4) People:** Risks related to WEG's ability to attract, develop and retain human capital, as well as those linked to employee health and safety.
- **5) Compliance & Governance:** Risks associated with WEG's ability to conduct its operations in accordance with policies, internal controls, laws and regulations, and to protect itself against fraud.
- **6) Operational:** Risks related to the effective and efficient use of resources, ensuring the proper functioning of the operational chain and IT systems and infrastructure.

This scope also includes emerging risks, which take into account the Company's exposure to potentially significant future risks. The resulting risk matrix, along with the prioritization of the most critical risks, is monitored by the Executive Board and the Board of Directors. This process fosters ongoing discussion of key risks and contributes to strengthening the Company's risk prevention culture, in alignment with its long-term strategic goals.

#### Risk appetite

The Risk Appetite defines the level of risk the Company is willing to accept in pursuit of its objectives. Structured into three levels—Desirable, Alert, and Intolerable—the risk appetite framework establishes the boundaries within which the Board expects Management to operate and serves as a basis for prioritization and decision-making regarding appropriate risk treatment.





SUSTAINABLE PRODUCTS AND SOLUTIONS

CIRCULAR AND EFFICIENT OPERATIONS

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#### **RISK GOVERNANCE**

Risk management at WEG engages strategic, managerial and operational levels, with the following key roles and responsibilities: the Board of Directors, Audit Committee, Executive Board, Insurance and Risk Department, and Risk Owners.

The Board of Directors is responsible for approving the Risk Management Policy, defining the Company's risk appetite and establishing the guidelines to be followed. It also periodically reviews the main risks to which WEG is exposed, as well as the mitigation action plans proposed. The governance structure of risk management is based on the three lines of defense, defined as follows:

**1st Line of Defense:** Responsible for identifying, assessing, establishing internal controls and addressing risks. These are the business areas whose managers act as Risk Owners, being accountable for monitoring and executing the approved action plans.

**2st Line of Defense:** Responsible for developing and implementing the policy, risk assessment and mapping methodologies, supporting business areas in implementing action plans—always aligned with the strategic plan—promoting a risk management culture within the Company, and monitoring compliance with WEG's internal policies and procedures.

**3st Line of Defense:** This role is performed by the Internal Audit, which provides independent and objective assessment and advisory services regarding the adequacy and effectiveness of risk governance and management processess.

CLICK HERE TO ACCESS WEG'S RISK MANAGEMENT POLICY

#### INDICATION OF THE FIVE MAIN RISK FACTORS

The five main risk factors identified by WEG are:

- Business activities, operations and results may be adversely affected by events beyond the Company's control.
- Current operations and the expansion of international subsidiaries involve specific challenges that the Company may not be able to overcome. Failure to address these challenges could negatively impact WEG.
- Price fluctuations and shortages of supplies, raw materials and services may affect the Company's operations.
- Risks associated with the use of products.
- Potential occurrence of cyber risks and unavailability of technology services and systems.

CLICK HERE TO VIEW FURTHER INFORMATION ON WEG'S RISK FACTORS



### **Ethics and integrity**

GRI 2-23 / 3-3

Ethics and integrity have been part of WEG's culture since its foundation, representing a core value embedded in its governance and in the respect for the rights of all stakeholders.

These are essential elements for establishing a harmonious environment that promotes employee growth and, consequently, significantly contributes to performance, value generation for stakeholders and longterm sustainable development. However, WEG is aware that challenges are ongoing, particularly given the global nature of its operations, which are subject to different legal systems and political and socioeconomic contexts. This scenario highlights the need for a well-developed management system.

To that end, WEG establishes policies and continuously works on processes and practices to maintain and enhance a robust and efficient management system.

## Integrity program

WEG maintains ongoing control and monitoring activities to prevent and deter unlawful acts within its operations and business practices.

The Company also adopts a proactive stance on compliance by promoting a permanent ethics and integrity training and awareness program.

## Anti-corruption and compliance

The Policy of Prevention and Fight against Corruption Anti-Corruption and Prevention of Other Harmful Acts reinforces WEG's commitment to good practices through the conduct expectations already defined in its Code of Ethics. The policy aims to prevent and combat corruption and other harmful acts, detect and remedy misconduct, fraud, irregularities and unlawful practices—whether against the public administration, suppliers, clients or other stakeholders—and to encourage reporting in cases of noncompliance.

#### SCOPE

- Applies to all WEG Group officers, non-statutory directors, Fiscal Council members, members of independent advisory bodies, managers, employees, suppliers, clients, sales representatives, distributors, agents and other third parties acting on behalf of or for the benefit of WEG.
- Encompasses WEG S.A. and all its subsidiaries, consolidating the Company's guidelines into a set of internal mechanisms for integrity, auditing and anti-corruption efforts.



GRI 2-23 /3-3

#### MONITORING RESPONSIBILITY

The Internal Audit Department and the Corporate Legal and Compliance Department are responsible for monitoring the Anti-Corruption Policy at WEG, implementing various initiatives to ensure its effectiveness. The Internal Audit Department—operating with full independence—is in charge of investigating reports and/or suspicions of policy violations. The activities of both departments are overseen by the Audit Committee, an advisory body to the Board of Directors.

#### **CLICK HERE TO ACCESS THE FULL POLICY**

#### **CORRUPTION RISK ASSESSMENT**

WEG continuously works on its integrity risk matrix to strengthen internal controls and mitigate corruption risks in its business operations.

In 2023, the Company conducted a global survey to identify risks related to integrity. Based on the results, action plans were developed and monitored throughout 2024.

Additionally, training initiatives and regular communications on integrityrelated topics are provided to all employees, at all hierarchical levels, as part of WEG's corruption risk mitigation efforts.

#### **INTEGRITY CLAUSES IN CONTRACTS**

Contracts with clients, suppliers, financial institutions, commercial representatives, technical assistants, consultants and any other business partners—including consortium agreements for the supply of goods or services—must include an integrity clause. This clause declares that all commercial negotiations must be conducted in accordance with standard market practices and the principles of good faith, and must not involve any form of personal advantage, bribery, extortion, or

improper donations. The clause also obliges all parties to comply with the applicable anti-corruption laws and regulations.

Moreover, the contracts must stipulate that if any party—through its officers, employees, or agents—is proven to have committed any act contrary to the integrity clause, it will be held civilly and criminally liable, including liability for direct and indirect damages, lost profits, reputational harm and other losses.

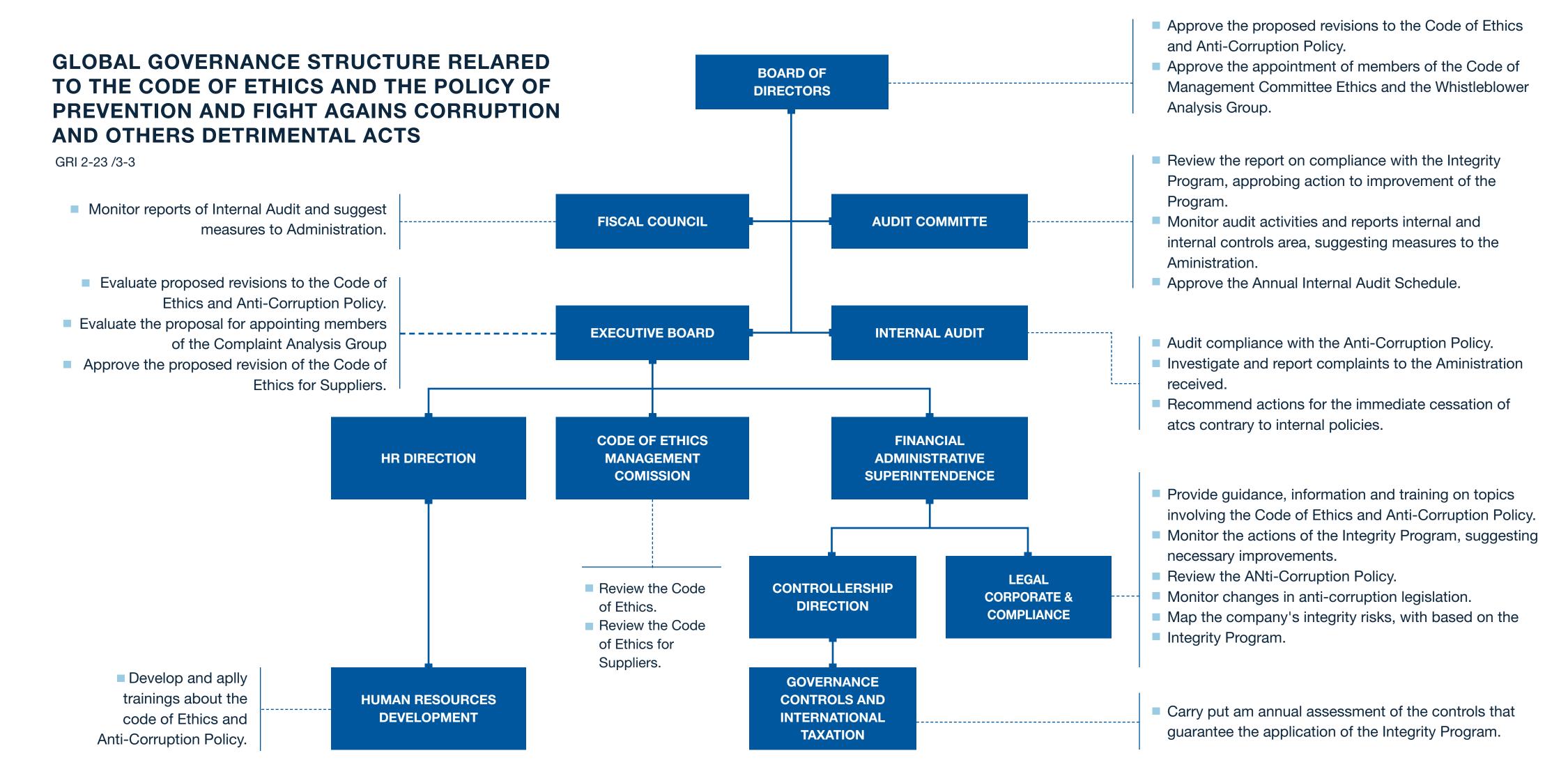
### ACKNOWLEDGEMENT TERMS FOR OFFICERS, MANAGERS AND EMPLOYEES

To formalize awareness of the Anti-Corruption Policy, the following individuals must acknowledge and confirm their understanding of the policy, at a minimum:

- Officers.
- Non-statutory directors.
- Fiscal Council members.
- Members of independent advisory bodies.
- Managers.
- Employees who interact with public administration.

### CONFIRMED INCIDENTS, FINES, PENALTIES OR SETTLEMENTS RELATED TO CORRUPTION

There were no confirmed cases of corruption involving or related to the Company during the reporting period. Therefore, no employee was subject to disciplinary action or dismissal for non-compliance with the Anti-Corruption Policy.





### **Code Of Ethics**

GRI 2-23 / 2-24 /3-3

Sustainable growth depends fundamentally on ethically sound conduct in stakeholder relationships. In addition to the Code of Ethics, WEG respects the laws and local cultures of each country in which it operates, as well as the United Nations Universal Declaration of Human Rights and the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work. The WEG Code of Ethics outlines the expected behavior of employees, managers, and executives in the performance of their duties, in all WEG Group units worldwide.

#### **CLICK HERE TO ACCESS THE CODE OF ETHICS**

#### **DEVELOPMENT AND APPROVAL**

**GRI-2-23** 

The development process involves all hierarchical levels of the Company, ensuring a broad and diverse perspective. The Code of Ethics Management Committee coordinates the process, and the Board of Directors and Executive Board are responsible for its approval.

### RESPONSIBILITIES OF THE CODE OF ETHICS MANAGEMENT COMMITTEE

- Interpret the Code of Ethics in cases that are not clear in order to make its understanding uniform and avoid ambiguities in its application.
- Periodically analyze and review the Code of Ethics, when necessary, based on its application and ethical developments withing society and the company.
- Monitor the alignment of the application across the units of the group.
- Verify and report on the application of the Code to the senior management.
- Deliberate on the necessary resources for the effective implementation of the Code.

#### WHISTLEBLOWER CHANNEL

GRI 2-25 / 2-26

The whistleblower channel is a key tool that strengthens WEG's Integrity Program, supporting the alignment of the company's conduct with its values and principles, internal rules and applicable societal laws and customs.

The channel is managed by an independent and specialized third-party company, offering a direct and secure means of communication with WEG, whether anonymously or not, depending on the whistleblower's preference. Confidentiality of information and non-retaliation are always guaranteed.

The channel is available to employees, business partners, the community and the general public, 24 hours a day, seven days a week. Through the platform, it is possible to:

- Clarify questions about personal conduct or procedures within one's area or the company.
- Submit reports, complaints, or suggestions.
- Track the verification process and obtain the final outcome related to submitted reports, complaints, or suggestions.



GRI 2-23 / 2-24 /3-3

#### **INVESTIGATION AND DISCIPLINARY MEASURES**

All complaints and reports received are evaluated by a committee appointed by the WEG S.A. Board of Directors, called the Report Analysis Group, which conducts investigations under the coordination of WEG's Internal Audit Department—an area with full independence in carrying out its duties.

For substantiated reports related to workplace conduct—such as discrimination or harassment—disciplinary measures are applied, ranging from verbal warnings to termination, depending on the severity of the case. For reports involving other stakeholders, corrective actions are taken in line with company practices.

Senior management regularly addresses violations of the Code of Ethics, based on detailed reports presented by Internal Audit with relevant indicators and corrective actions taken.

#### **CLICK HERE TO ACCESS THE WEG WHISTLEBLOWER CHANNEL**

#### **REGULAR ETHICS AUDITS**

To assess compliance with ethical standards across the WEG Group, the Board of Directors approved in 2024 that all WEG units worldwide shall undergo ethics audits on a triennial basis. Pilot audits were conducted in Spain and Colombia in 2024, and the process will follow the proposed schedule of activities in 2025.

#### **INDICATORS RELATED TO THE CODE OF ETHICS**

GRI 2-16 / 2-25 / 205-3

#### **REPORTS VS. NUMBER OF EMPLOYEES**

		YEAR	
	2022	2023	2024
Number of employees	39,137	40,793	47,529
% Of reports received per employee	0.3%	0.4%	0.4%

#### **SUBSTANTIATED REPORTS**

Working relationship and organizational climate         28         47         80           Discrimination and harassment         46         59         45           Internal Policies and Regulations or Legislation         19         36         35           Relationship with stakeholders         16         10         11           Fraud and theft         7         5         6           Corruption and bribery         0         0         0           Customer privacy data         0         0         0           Conflict of interest         0         0         0           Money laundering or insider trading         0         1         3           TOTAL         116         158         190				
Climate  Discrimination and harassment 46 59 45  Internal Policies and Regulations or Legislation  Relationship with stakeholders 16 10 11  Fraud and theft 7 5 6  Corruption and bribery 0 0 0  Customer privacy data 0 0 0  Conflict of interest 0 0 10  Money laundering or insider trading 0 0 1 3		2022	2023	2024
Internal Policies and Regulations or Legislation193635Relationship with stakeholders161011Fraud and theft756Corruption and bribery000Customer privacy data000Conflict of interest0010Money laundering or insider trading000Others013		28	47	80
or LegislationRelationship with stakeholders161011Fraud and theft756Corruption and bribery000Customer privacy data000Conflict of interest0010Money laundering or insider trading000Others013	Discrimination and harassment	46	59	45
Fraud and theft 7 5 6  Corruption and bribery 0 0 0  Customer privacy data 0 0 0  Conflict of interest 0 0 10  Money laundering or insider trading 0 0 0  Others 0 1 3	•	19	36	35
Corruption and bribery000Customer privacy data000Conflict of interest0010Money laundering or insider trading000Others013	Relationship with stakeholders	16	10	11
Customer privacy data000Conflict of interest0010Money laundering or insider trading000Others013	Fraud and theft	7	5	6
Conflict of interest0010Money laundering or insider trading000Others013	Corruption and bribery	0	0	0
Money laundering or insider trading000Others013	Customer privacy data	0	0	0
Others         0         1         3	Conflict of interest	0	0	10
	Money laundering or insider trading	0	0	0
TOTAL 116 158 190	Others	0	1	3
	TOTAL	116	158	190



SUSTAINABLE PRODUCTS AND SOLUTIONS

CIRCULAR AND **EFFICIENT OPERATIONS** 

ENGAGED EMPLOYEES AND COMMUNITIES

**GOVERNANCE AND** ETHICAL CONDUCT **ADDITIONAL INFORMATION** 



### **Audit**

GRI 2-23 / 2-25 / 3-3

WEG has the autonomy to initiate investigation procedures regarding reports received through the Whistleblower Channel or any other means, verify the facts, and issue an opinion on whether or not there has been a violation of the Code of Ethics.

In 2024, 35 sites underwent internal audits related to ethics issues.

### Continuous employee training

#### TRAINING IN THE POLICY TO FIGHT CORRUPTION AND OTHER **DETRIMENTAL ACTS FOR STRATEGIC AREAS**

WEG provides periodic training for all officers, members of the Fiscal Council, managers and employees who may act on behalf of WEG and are authorized to do so, requiring them to sign an acknowledgment of this policy upon completion. The training has global coverage, being conducted in Portuguese, English, Spanish, Mandarin and German. In the past three years, over 22 thousand employees have been trained in the Anti-Corruption and Other Harmful Acts Policy.

#### TRAINING OF NEW EMPLOYEES IN THE CODE OF ETHICS

When new employees are hired, they are trained in the topics covered by the Code of Ethics, including human rights, presented in an accessible and easy-to-understand format. Each employee receives a printed copy of the Code and must sign a commitment term, as well as complete the online training.

WEG seeks to make its employees aware of the importance of the topics that compose the Code of Ethics through internal communication actions.

In the past three years, over 22 thousand employees have received training in the WEG Code of Ethics.



# Participation in trade associations and political influence

WEG's engagement with trade associations aims to discuss topics of collective interest that may directly or indirectly impact its business sectors, particularly those that support the global energy transition, including energy efficiency, renewable energy and electric mobility. WEG is a member of several trade associations—more than 40 in Brazil and over 100 internationally—reflecting the company's geographic and business scope.

Key topics discussed include technical matters and public policies, such as industrial, trade, and sectoral policy, as well as issues related to the local communities where WEG operates.

### For reference, below are some examples of trade associations WEG is affiliated with:

GRI 2-28

Companies

- ABDIB Brazilian Association of Infrastructure and Basic Industries
- ABEEÓLICA Brazilian Wind Energy Association
- ABIMAQ Brazilian Machinery and Equipment Industry Association
- ABINEE Brazilian Electrical and Electronics Industry Association
- ABNT Brazilian Association of Technical Standards
- ABRAFATI Brazilian Paint Manufacturers Association
- ABRASCA Brazilian Association of Public Held Corporations
- ABSOLAR Brazilian Photovoltaic Solar Energy Association
- ABVE Brazilian Electric Vehicle Association
- AEDyR Spanish Association for Desalination and Reuse
- AMCHAM Brasil American Chamber of Commerce for Brazil
- ANICA National Association of Lift Component Industries (Italy)
- ANIMEE Portuguese Association of Electrical and Electronic
- ANPE Brazilian Association for Research and Development of Innovative Companies
- CANAMEmx Mexican National Chamber of Electrical Manufacturing

- COBE Brazilian Committee for Electricity, Electronics, Lighting, and Telecommunications
- COGEN Brazilian Association for the Cogeneration of Energy
- EMOSAD Society of Electric Motor Manufacturers
- IEDI Institute for Industrial Development Studies
- IEEMA Indian Electrical & Electronics Manufacturers' Association
- **NEMA** National Electrical Manufacturers Association (USA)
- P&D BRASIL Association of Companies for National Technological Development and Innovation
- SAWEA South African Wind Energy Association
- SINDIPEÇAS National Union of the Automotive Parts Industry
- SMEMS Small & Medium Electric Machine Sub Association of China Electrical Equipment Industrial Associationn
- **ZVEI** German Electrical and Electronic Manufacturers' Association V.

These associations represent their respective sectors institutionally, promoting advocacy and engagement with political and economic institutions, strengthening industry and services, supporting capacity-building, and fostering technological modernization.

They also form working groups composed of member companies to define public policy priorities and develop advocacy strategies with policymakers and other stakeholders.

GRI 2-23



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# WEG compliance policy for trade associations in Brazil

The WEG Compliance Policy for Trade Associations in Brazil establishes guidelines for associations and for WEG employees who represent the company in these entities.

For trade associations: There is an internal procedure that defines a thorough evaluation process, especially for new memberships and cancellations, prior to nominating employees for representative roles or in the event of any reported irregularities. The procedure for new memberships requires a due diligence assessment by WEG's Legal Department, followed by review by an Internal Committee composed of executives from various departments, including the Sustainability and Institutional Relations, Controllership, HR, Finance and International departments. Key aspects evaluated include:

- The existence of legal and tax liabilities;
- The association's Compliance Policy and Code of Ethics to assess alignment with WEG practices;
- Annual financial reporting and balance sheets;

Evaluation of the association's board members and the signing of WEG's Declaration of Integrity.

For employees representing WEG in trade associations: The guidelines highlight the expected conduct, including:

- The need for prior authorization from WEG to represent the company in trade associations:
- Restricting discussion topics within associations to collective interests, such as economic, tax and scientific matters, and structural sector norms and regulations;
- Never discussing confidential or sensitive topics in meetings, events, or informal conversations that could influence WEG's or third parties' strategic or commercial decisions;
- Always maintaining ethical conduct and acting in accordance with the WEG Code of Ethics.

## Evaluation of trade associations in Brazil

WEG conducts an internal evaluation process of trade associations every two years. The process involves employees who represent the company in such entities and consists of completing a survey designed to identify various aspects related to the association, such as: governance structure, whether the entity's professionalism aligns with best practices, the structure and quality of communication channels it uses to engage with different audiences (the general public, opinion leaders, specialized media etc.), and how the association is recognized by government bodies, among other factors. The survey also assesses various aspects related to WEG's participation in and alignment with the association.

Upon completion, the evaluation results and recommended actions must be approved by a Technical Internal Committee composed of the Corporate area and representatives from the business units.

operations.



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# Donations to candidates or political parties

GRI 2-23

## Relationship with public officials

WEG employees' interactions with public officials or politically exposed persons must occur ethically, with integrity, cooperation and transparency, and in compliance with applicable laws, regulations and best practices.

WEG is a non-partisan company, and donations to political candidates

or parties are discouraged within the Company, both in Brazil, where

such donations are already prohibited by law, and in its international

## Mapping of politically exposed people

WEG annually maps its statutory officers, non-statutory executives and members of advisory bodies to the Board of Directors who are or have close relationships with public officials. This mapping aims to identify and mitigate potential conflicts of interest, particularly in dealings with the public sector, reinforcing the Company's commitment to transparency, integrity and ethical conduct.



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## Participation in the UN global compact

WEG is a signatory of the UN Global Compact and works continuously to align its strategy and operations with the Ten Universal Principles in the areas of Human Rights, Labor, Environment and Anti-Corruption. This commitment also reflects WEG's alignment with the Sustainable Development Goals (SDGs).

WEG is active on the following platforms:

- Climate Action
- Human Rights Action
- Anti-Corruption Action



#### **HUMAN RIGHTS**

- **1.** The companies should support and respect the protection of internationally proclaimed human rights.
- 2. Make sure that they do not take part in the violation of such rights.

#### **LABOR**

- **3.** The companies should uphold the freedom of association and the effective recognition of the right to collective bargaining.
- **4.** Support the elimination of all forms of forced or compulsory labor.
- **5.** Support the effective abolition of child labor.
- **6.** Eliminate discrimination at work.

#### **ENVIRONMENT**

- **7.** The companies should support a preventive approach to environmental challenges.
- 8. Undertake initiatives to promote greater environmental responsibility..
- **9.** E Encourage the development and dissemination of environmentally friendly technologies.

#### **ANTI-CORRUPTION**

**10.** The companies should fight corruption in all its forms, including extortion and bribery.



## Information security

WEG is committed to ensuring the security of data belonging to its employees and stakeholders. To this end, the company has a Data Privacy Policy that outlines how personal data is collected and used, based on principles inherent to data privacy laws and regulations.

In addition, the Company has implemented various internal procedures that define rules and guidelines for WEG's Information Technology (IT) security. These procedures aim to ensure the availability, integrity, and confidentiality of information through an appropriate set of controls, including policies, processes and technologies, as well as a response strategy for incidents and cyberattacks.

WEG's Security Operations Center (SOC) is managed by an external provider responsible for monitoring and providing the first response to cybersecurity incidents.

When an unusual event is identified, an investigation request is forwarded to the Blue Team – WEG's Security Incident Response Team (TRIS), which conducts the investigation and responds appropriately.

CLICK HERE TO ACCESS THE DATA PRIVACY POLICY

Additionally, employees receive guidance on how to proceed when identifying a security incident or a potential risk scenario. They should report the situation to their immediate supervisor or use the following channels:

Ethics Code Whistleblowing Channel:

#### **CLICK HERE TO ACCESS**

- Information security incident reporting channel: soc@weg.net
- Spam reporting channel: spam@weg.net

**INFORMATION** 

**TECHNOLOGY** 

**BOARD OF** 

**DIRECTORS** 

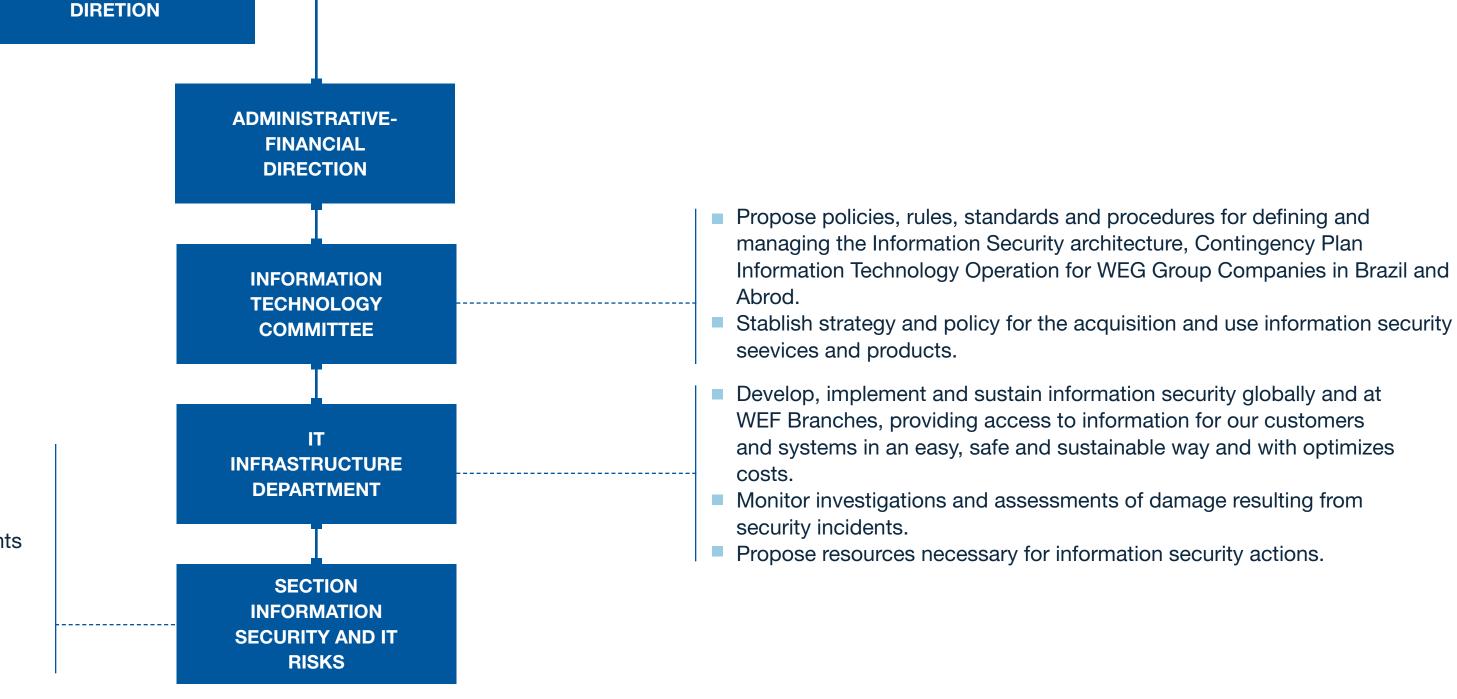
**EXECUTIVE BOARD** 

## Information security governance

- Define strategic information security plan aligned with WEG business strategy.
- Manage WEG IT resources and budget coordinated globally by Corporate IT at competitive costs.

- Monitoring of any critical information secutity risks.
- Propose and approve strategic budget and investiment plans for the Company and its controlled companies, subject to deliberation by the Board of Directors.
- Evaluate and approve all minutes of Committees, Commissions and Working Groups related to strategic and corporate themes.

- Define and implement security technologies.
- Coordinate the multidisciplinaru group in the Company focused on dealing with security incidents.
- Analyze containment and eradication of information security incidents Implement technial security controls and rules.
- Promote awareness in Information Security.
- Detect and perfom vulnerability screening and information secutiry
- incidents.





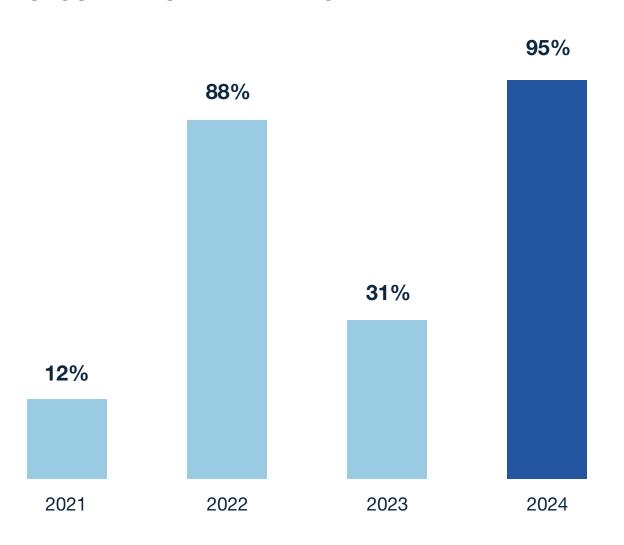
### Indicators

#### **TRAINING PROGRAM**

Training programs undergo periodic refresh cycles, and all users with a WEG login are required to retake the courses.

### % OF EMPLOYEES WITH LOGIN ACCESS WHO COMPLETED THE TRAINING:

#### **SECURITY FUNDAMENTALS**



Note: The training follows a two-year refresh cycle. In 2024, a new training cycle was launched. New employees also receive this training upon joining the Company, which means not all employees were included in the 2024 refresh cycle.

#### **FUNDAMENTALS PERSONAL DATA PROTECTION AND PRIVACY**

In 2024, 95% of employees completed the Fundamentals of Personal Data Protection and Privacy training.

#### **INFORMATION SECURITY INCIDENTS**

Any deviation from normal operations is considered an incident, including false positives. In 2024, a total of 94 incidents were identified. Of these, zero resulted in confirmed exposure or had any impact on the WEG Group.



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## Compliance and Integrity

#### HIGHLIGHTS AND ADVANCEMENTS ON THE TOPIC IN 2024



Over the last 3 years, more than

22 thousand

employees have been trained in the Policy to Combat Corruption and Other Harmful Acts and in the Code of Ethics



Over

3,200

ESG targets achieved by 2024 through PWQP.



Update of the

Code of Ethics and the Policy of Prevention and Fight against Corruption and Other Detrimental Acts



# Engagement and transparent communication

WEG's continuous and sustainable growth has been grounded in strong values upheld by the Company since its foundation, with a consistent focus on valuing and motivating employees, who are directly responsible for these results. The Company's ongoing expansion across countries, markets and business environments requires the continuous development of its workforce. To support this, WEG fosters transparent communication and promotes initiatives aimed at employee development and training.

Alignment and clear communication are embedded in WEG's daily management practices. Monthly events such as IntegraRH, led by the HR department with directors and managers, highlight safety-related topics and reinforce the importance of proactive leadership actions.

The dissemination of internal information and guidance occurs primarily through leaders, who are supported by communication tools such as O Colaborador Newsletter, intranet, mobile app and meeting content materials. These tools are designed to deliver timely and accurate information and guidance. O Colaborador Newsletter, available in both print and digital formats, also reaches employees' families and features relevant content with contributions from various departments.





# Development of leadership and employees

**GRI 3-3** 

The development process begins with onboarding, mandatory courses and on-the-job training to build specific skills for the role to be performed. It progresses through structured training programs for specific functions and includes various courses available to all employees, offered in asynchronous, synchronous and in-person formats. There are also programs for specific technical development in different areas: QPOP (Professional Qualification for Production Operators), QPET (Professional Qualification for Engineers and Technologists) and QPSS (Professional Qualification in Six Sigma).

Employees identified as having potential for management positions have access to a dedicated training program, as do those already in leadership roles, with a structured leadership academy designed for each management level.

WEG invests heavily in raising the educational level of its employees through the Youth and Adult Education Program, which provides opportunities to complete elementary and high school education, in addition to offering educational assistance for graduate, undergraduate and technical courses.

The company also runs a Qualification Program for Apprentices, which began in 1968. This program is designed to train apprentices between the ages of 16 and 18 to perform technical activities in WEG's industrial and administrative processes.

## WEG leadership academy – platform

Developed leaders have a direct impact on the company's results through better team and business management. WEG has established the WEG Leadership Academy platform to connect all leadership levels globally.

As a source of development, reference and learning, the platform serves as a channel for new knowledge, knowledge exchange and access to management information, reinforcing the leader's role in making the company increasingly efficient and sustainable.

In addition to a communication channel with management on a global level, the platform offers courses to develop leadership in several languages, standardizing management methods at WEG and bringing development closer to overseas operations.

#### 2024:

2,781 managers enrolled on the platform

8,521 hours of study completed



Examples of development programs implemented at WEG

GRI 3-3

#### **TLT - ON-THE-JOB TRAINING**

Its objective is to provide employees with the knowledge necessary to perform their activities with safety, quality and productivity. Implemented in direct and indirect areas, it consists of specific courses for each activity and is managed through a system that guarantees that employees are trained in the necessary activities and that the training is updated when process standards change.

#### TRAINING PATHWAYS

The training pathways comprise courses for technical and behavioral development.

They aim to train employees in the knowledge necessary to develop their activities and are structured based on the skills expected for each position.

#### COURSE CATALOGS AVAILABLE TO EMPLOYEES

WEG offers a portfolio of in-person, online and distance learning courses delivered by internal instructors, aimed at developing employees' competencies across a range of topics. Asynchronous courses can be requested and accessed at any time. Synchronous or in-person courses follow a set calendar, and employees register for sessions at their convenience.

#### **QPOP**

Professional Qualification for Production Operators This program includes qualification courses focused on production operators. It covers both basic and job-specific technical subjects.

#### **Objectives:**

- Provide opportunities for specific professional development and increase the technical knowledge of employees from production areas
- Contribute to improving the quality and productivity of production areas
- Complement On-the-job Training on a broader scope, not limited to specific operations.

#### **QPET**

Professional Qualification for Engineers and Technologists: Targeted at professionals in the Energy, Motors and Transmission & Distribution business units, this program enhances the technical skills of engineers and technologists with content on rotating electrical machines, three-phase electric machines, transformers, reactors, and substations.

#### **QPSS**

Professional Qualification in Six Sigma: The Six Sigma methodology is a set of practices, procedures and tools used to systematically improve processes by eliminating defects and nonconformities. QPSS prepares employees to apply this methodology and ensures the consistent use of its tools across the company through project-based learning at varying levels of complexity.



### Potential assessment

**GRI 3-3** 

This tool consists of an assessment process conducted with employees who are candidates for leadership positions (Supervisor, Manager, and Director) or for specialist and consultant roles. The objective is to evaluate their profiles based on the competencies established by the Company for the respective positions. Currently, the process is carried out by an

external consultancy through interviews and behavioral assessment tools. The results are shared with the requestors (position managers), the HR department and the assessor, enabling the development of an Individual Development Plan and contributing to succession processes and business continuity.

### Succession plan

Recognizing and valuing people by planning the development and growth of high-potential employees is one of WEG's guiding principles. The Succession Plan is a tool used to map current leaders and identify potential successors.

High-potential individuals are nominated by their direct managers and validated by their immediate supervisors. Once nominated, a development plan is created to ensure that these individuals are prepared to take on new roles and to sustain the Company's continuous growth.

## Leadership academy

Leaders go through an immersion in WEG's culture via a development track that highlights the importance of their role in people management and in ensuring the Company's continuous and sustainable growth. This practice is not new at WEG. Since 1979, the Company has been preparing its managers through the continuous updating of the managerial competencies required to meet new demands arising from changes in markets, policies, generations and other factors that may impact WEG's results.

WEG's Managerial Competencies are the foundation for the program content, and each hierarchical level has a specific Development Program:

- Talent Development (DT) Targeted at employees who are not yet in leadership roles but require development in leadership skills to assume future positions.
- Supervisory Development (DC) Designed for employees newly appointed as Section Heads.
- Managerial Development (DG) Designed for Department Managers.
- **Executive Development (DE)** Designed for Directors.

**GRI 3-3** 



## Management practices seminar

The main objective of the Management Practices Seminar is to share best practices related to people management in order to foster internal benchmarking. Meetings are held monthly, either in person or synchronously, with pre-defined topics based on organizational climate indicators, managerial competencies assessments and trends in people management.

### Coaching

Aiming to promote self-awareness and enhance management skills, WEG offers coaching sessions with external professionals. This is another tool that contributes to the development of the specific competencies required for leadership roles, thus supporting the achievement of the Company's strategic goals.

### Performance and competency assessment

With the objective of assessing employee performance in accordance with WEG's competencies, highlighting their strengths and areas for development, WEG provides the Performance and Competency Assessment tool.

This is a formal moment of feedback from immediate supervisors to employees, where annual results are recognized, development opportunities are identified, and career expectations are aligned—fostering closer ties between managers and their teams.

The assessment is based on a standardized document with predefined topics and questions, ensuring impartiality. Among other items, it addresses employee responsibilities in complying with internal rules, safety procedures, and the conduct outlined in the WEG Code of Ethics.

Percentage of employees who received regular performance and career development assessments in 2024: 63.7%

GRI 404-3



# Managerial competency assessment

**GRI 3-3** 

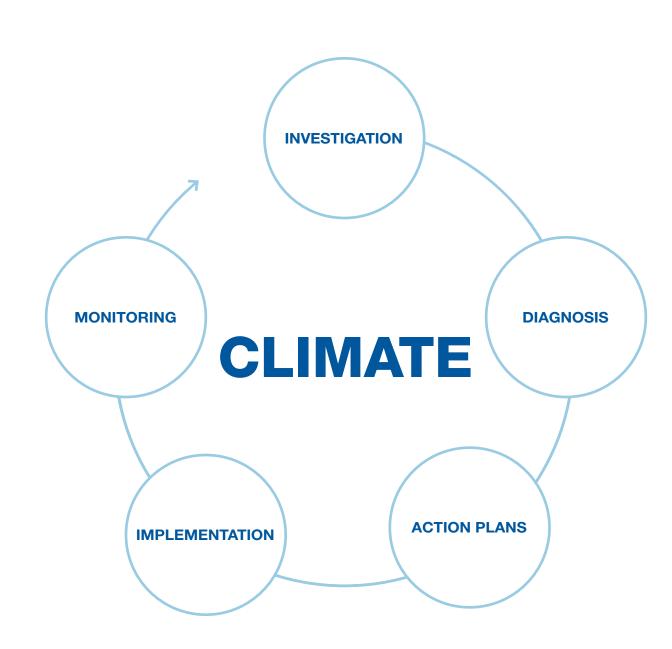
With the aim of assessing the alignment of WEG managers (Supervisors, Managers and Directors) with the Company's managerial competencies, highlighting their good practices, strengths and development opportunities, WEG conducts the Managerial Competency Assessment. This is a 360° evaluation in which managers are assessed by their teams, supervisors and peers, and also complete a self-assessment. The

process is conducted every two years for Supervisors and Managers and every three years for Directors. Based on the results, an Individual Development Plan is created base nos resultados é construído o Plano de Desenvolvimento Individual.

## Organizational climate management

At WEG, organizational climate management involves investigation, diagnosis, action planning, implementation and monitoring. The Internal Organizational Climate Survey serves as an indicator of employees' perceptions regarding the company's climate, as well as their engagement and satisfaction levels, through data collection. The survey is already implemented in all Brazilian units and is currently being rolled out to international subsidiaries

Based on the results, strategies and actions are defined to build a more inclusive, innovative and high-performing work environment. Leaders develop action plans to address specific needs, along with a corporate-level plan to address common needs across different areas and locations.





## Sustainability meeting

**GRI 3-3** 

As a way to foster WEG's sustainability strategy and share best practices internally, the second edition of the WEG Sustainability Meeting was held in 2024. The event has a global scope, conducted in person in Jaraguá do Sul, Brazil, and online for all WEG Group units worldwide. The 2024 agenda included the following topics:

- Sustainability Strategy
- Diversity, Equity and Inclusion at WEG
- Circular Economy
- WEG Parts and Pieces Replacement Plan
- WEG Carbon Neutral Program
- Impact of vehicles on CO<sub>2</sub> emissions
- Climate Regulations
- ESG cases of from international units: Germany, USA, Mexico and Portugal
- WEG Sustainable Supplier Program
- Integrity Program
- WEGdoc (document management)
- WEG Social Investment

#### **RECOGNITION**

The event also recognized efforts made under the WEG Carbon Neutral Program and the Parts Replacement Plan, which plays a key role in the Company's circular economy strategy.

Caixa de TextoThe following were recognized:

- Best GHG reduction projects by Business Unit and featured project.
- 03 Authorized Technical Assistance Centers participating in the WEG
   Parts and Components.



Daniel Godinho, Sustainability and Institutional Relations Director.



Juliano Vargas, Human Resources Director

#### The Sustainability Meeting in numbers:

2 days event

Participation of **625** preople from **23** countries



### Indicators

GRI 3-3

WEG has shown progress in training indicators compared to the previous year, as presented below:

#### **AVERAGE TRAINING HOURS BY GENDER**

	2023	2024
Women	116 h	117 h
Men	117 h	114 h

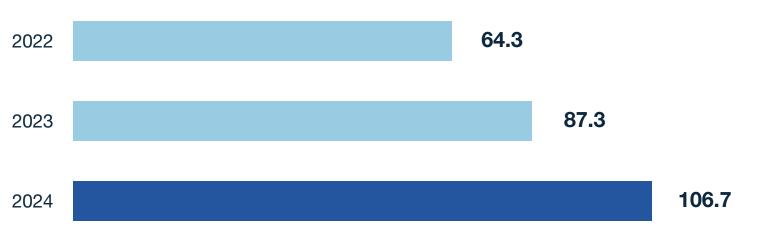
### TRAINING HOURS PROVIDED TO EMPLOYEES BY MANAGEMENT CATEGORY

POSITION	2023	2024
Supervision	38,141	53,203
Management	4,997	12,074
Direction	923	1,811

#### TRAINING PER EMPLOYEES

	2023	2024
On-the-job training hours	2,554,551	3,575,741
Apprentice training hours	996,608	1,003,382
Average of training hours per employee	107	117
Average training days per employee	4.46	5.14

#### **INVESTMENT IN TRAINING (IN MILLIONS OF BRL)**



Proportion of total workforce receiving career-related training or skills in 2024: 72.9%



# Engagement and Transparent Communication

#### HIGHLIGHTS AND ADVANCEMENTS ON THE TOPIC IN 2024



22%

increase in investment in Employee
Training and Development compared to
the previous year.



2,783

managers worldwide enrolled in the Leadership Academy platform.



8,525

hours of study completed at WEG Leadership Academy.



### Sustainability Meeting:

Participation of 625 people from 23 countries.





## ADDITIONAL INFORMATION

#### IN THIS CHAPTER

**175** ABOUT THE REPORT

176 INDICATORS AND ADDITIONAL INFORMATION

179 INDEX (GRI, IIRC, SASB, TCFD)

199 INDEPENDENT AUDITORS' LIMITED ASSURANCE REPORT





## ABOUT THE REPORT

GRI 2-2, 2-3, 2-4, 2-5, 2-14

#### **METHODOLOGICAL FOUNDATION**

The report structure is multiframework, meaning that internationally recognized guidelines and frameworks were considered for its preparation, aiming to meet the expectations and interests of stakeholders





Integrated

Reporting





Global Reporting Initiative (GRI) Standards

Sustainability
Accounting Standards
Board (SASB)

Task Force for Climate Disclosure (TCFD)

#### **GOVERNANCE**

The governance for reviewing and approving the information reported in this document, including the material topics, is managed by the Information Disclosure Committee and ratified in the Executive Board Meeting.

#### **EXTERNAL VERIFICATION**

This report underwent external verification, with the Independent auditors' limited assurance reportavailable on page 199 of this report. The external verification was contracted through approval in the relevant forums within the Company, involving the Committee and the Executive Board. The external verification process was conducted with a limited assurance based on the GRI and IIRC (Integrated Reporting) methodo-

logies.

#### **SCOPE OF INFORMATION**

All companies within the WEG Group were considered, following the same basis as the Company's Financial Statements.

GRI 2-2

#### **PERIOD**

The fiscal year 2024 was considered, the same period used in the Company's Financial Statements.

GRI 2-3

#### RESTATEMENT OF INFORMATION

In 2024, WEG expanded its business through strategic acquisitions, which impacted social and environmental indicators. The impacts were related to the revision of the base year emissions stipulated in the company's GHG emissions reduction target.

GRI 2-4

Contact: for questions, criticisms or if you need additional information, please contact us by email: esg@weg.net.



# INDICATORS AND ADDITIONAL INFORMATION

## Employee turnover rate - 2024

#### **CONSOLIDATED VOLUNTARY TURNOVER IN 2024: 6.68 %**

GENDER	%	
Female	7.5%	
Male	6.3 %	
AGE GROUP	%	
Under 18	4.7 %	
Under 30	10.5 %	
Between 30 and 50	5.0 %	
Over 50	3.7 %	
\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\	0/	
White	%	
White	5.5%	
Black	6.6 %	
Asian	7.0%	
Brown	11.3%	
Indigenous	12.7%	

#### MANAGEMENT POSITIONS

Supervision	2.4%
Management	2.4%
Direction	4.4%

Notes: 1) In 2024, consolidated data by gender and management positions represent 99.2% of employees. By age group 98.6% and by race 69.8%..

#### **RECRUITMENT**

- Total number of job openings during the year: 6,518
- Total number of job openings filled by internal candidates (internal recruitment): 2,849
- Average hiring cost for full-time permanent employees: BRL547.87 per hire.



# Scope of companies included in this report

OMPANY	COUNTRY
EG Equipamentos Elétricos S.A. (*)	Brazil
Reflorestadora Ltda.	
EG Amazônia S.A.	
EG Administradora de Bens Ltda.	
EG Equipamentos e Logística Ltda.	
alteau Produtos Elétricos Ltda.	
EG Linhas e Equip. Elétr. S.A.	
EG Drives & Controls Aut. Ltda.	
EG Partner Holding Ltda.	
EG-Cestari Redut.Motoredut. S.A.	
EG Turbinas e Solar Ltda.	
EG Tintas Ltda.	
EG-Jelec Oil and Gas Sol.Aut.Ltda.	
PI Multitask Sistem. e Autom. S.A.	
COM Participações S.A.	
onex Sist. de Proc. Comput. Dist. Ltda.	
rmind Automação e Serviços Ltda.	
EG Group Africa (Pty) Ltd	South Africa
EG Africa (Pty) Ltd.	
EG South Africa (Pty) Ltd	
II Eletric/Instrumentations Eng. Cont. (Pty)	
ST WEG Investment Company (Pty) Ltd.	
arathon Electric Africa Pty. (Nota 11.4)	
arathon Electric South Africa Pty. Ltd. (Nota 11.	4)

COMPANY	COUNTRY
WEG Germany GmbH	Germany
Wurttembergische Elektromotoren GmbH	
Antiebstechnik KATT Hessen GmbH	
TGM Kanis Turbinen GmbH	
WEG Automation GmbH	
CEMP International GmbH (Nota 11.4)	
WEG Arabia for Business Services LLC	Saudi Arabia
WEG Algeria Motors SpA	Algeria
WEG Equipamientos Electricos S.A.	Argentina
Pulverlux S.A.	
WEG Australia Pty Ltd.	Australia
Marathon Australia Holding Pty. Ltd. (Nota 11.4)	
Marathon Electric Australia Pty Ltd. (Nota 11.4)	
CMG International Pty Ltd. (Nota 11.4)	
WEG Gear Systems GmbH	Austria
WEG International Trade GmbH	
WEG Holding GmbH	
WEG Benelux S.A.	Belgium
Marathon Electric Canada Corp. (Nota 11.4)	Canada
WEG Central Asia LLP	Kazakhstan
WEG Chile S.p.A.	Chile



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COMPANY	COUNTRY
WEG (Nantong) Elec. Mot. Man. Co. Ltd.	China
Changzhou Sinya Electromotor Co., Ltd.	
Changzhou Yatong Jiewei Elect. Ltd.	
WEG (Changzhou) Aut. Equip. Co., Ltd.	
WEG(Jiangsu) Electric Equip. Co., Ltd.	
Marathon Electric (Wuxi), Ttd. (nota 11.4)	
Shanghai Marathon Gexin Elec. Ltd. (Nota 11.4)	
WEG Singapore Pte. Ltd.	Singapore
WEG Colombia S.A.S.	Colombia
WEG Colombia Transformadores S.A.S.	
WEG Egypt LLC	Egypt
WEG Electric Egypt LLC	
WEG Ecuador S.A.S.	Ecuador
WEG Middle East Fze.	United Arab Emirates
WEG Iberia Industrial S.L.	Spain
WEG Electric Corp.	United States
WEG Transformers USA LLC	
Marathon Electric LLC. (Nota 11.4)	
WEG France SAS	France
WEG Equipment Ghana LTD	Gana
E & I Electrical Ghana Ltd	
WEG Industries (India) Private Ltd.	India
Marathon Electric Motors Limited (Nota 11.4)	
WEG (UK) Ltd.	England
ROTOR (UK) Ltd. (Nota 11.4)	
101011 (OIL) Eta. (Nota 11.4)	

COMPANY	COUNTRY
WEG Italia S.R.L.	Italy
WEG Automation Europe S.R.L.	
CEMP S.R.L. (Nota 11.4)	
WEG Electric Motors Japan Co. Ltd.	Japan
WEG South East Asia SDN BHD	Malaysia
WEG México S.A. de C.V.	Mexico
VOLTRAN S.A. de C.V.	
Marathon Sales Mexico S.R.L. de C.V. (Nota 11.4)	
Motores Elec. Mnf. Mexico S.R.L. de C.V. (Nota 11.4)	
Zest WEG Group Mozambique, Lda.	Mozambique
Zest WEG Group Namibia Ent. (Pty) Ltd	Namibia
Marathon Electric New Zealand Ltd. (Nota 11.4)	New Zealand
WEG Holding B.V.	Netherlands
Roork B.V. (Nota 11.4)	
WEG Peru S.A.C.	Peru
WEG Poland Sp. Z.o.o.	Poland
WEGEURO, S.A.	Portugal
WEG RUS LLC	Russia
WEG Scandinavia AB	Sweden
WEG International GmbH	Switzerland
ENI Electrical Tanzania (Pty) Limited	Tanzania
WEG Elektrik Sanayi Anonim Sirketi	Turkey
Volt Yönetim Danışmanlığı A.S. (Nota 11.4)	
Volt Floktrik Motor Sanovi vo Tigaret A.S. (note 11.4)	
Volt Elektrik Motor Sanayi ve Ticaret A.S. (nota 11.4)	
Sanayi Yatirimlari A.S. (Nota 11.4)	_



## CROSS-REFERENCE INDEX (GRI, IIRC, SASB, TCFD)

GRI CONTENT SUMMARY		
	WEG has reported in accordance with GRI Standards for the period from 01/01/2024 to 12/31/2024	
	GRI 1: Foundation 2021	
	N/A	
GENERAL CONTENT	•	
GRI 2: General content 2021	2-1 Organization details	WEG S.A. is a publicly traded company.  Location: Av. Prefeito Waldemar Grubba, 3.300 – 89256-900 – Jaraguá do Sul – SC – Brazil  Countries of operation: Page 177 and 178  64 manufacturing plants in 17 countries  Commercial operations in 42 countries  Distributors/agents in over 120 countries  Sales in more than 135 countries
	2-2 Entities included in the organization's sustainability report	<ul> <li>All WEG group companies were considered for this report.</li> <li>c.</li> <li>i. The approach does not involve adjustments to information for minority interests;</li> <li>ii. For the acquisitions approach, data for the year 2024 were included, except for the company Volt, which was acquired in December 2024, where this month was considered for the indicators. For GHG emissions, the base year and emissions were recalculated.</li> <li>iii. Some indicators have scope variations depending on data availability. The scope of the indicators is indicated below the tables/information.</li> </ul>
	2-3 Reporting period, frequency and contact point	• WEG's Financial Statements (click here) are audited, and like the Integrated Annual Report, it is based on the scope of the entire WEG group. Data is consolidated by corporate areas, and the same database is used for companies.
		Period: Fiscal year 2024, the same period used in the Company's Financial Statements
		■ The report is published annually.
		■ Publication date: This report was published in April 2025.
		Contact: esg@weg.net
	2-4 Restatements of information	■ Page 83



#### **GRI CONTENT SUMMARY GENERAL CONTENT** ■ The engatement of external assurance was carried out through approval in the relevant company forums, involving the Committee and the Executive **GRI 2:** 2-5 External assurance General ■ This Integrated Annual Report underwent external assurance, available on page 199 of this report. content 2021 ■ The external assurance process was conducted through limited assurance, based on the methodologies of the GRI and IIRC (Integrated Reporting). ■ The provider of the external verification service for this report is independent from WEG, and does not have any type of relationship that could compromise objective and impartial conclusions about the report. • Key sectors served: Oil & Gas, Mining, Paper & Pulp, Water and Sanitation, Renewable Energy, Sugar & Ethanol, Food and Beverage, Power 2-6 Activities, value chain, and other business Generation, Agribusiness, Marine and Offshore, E-Mobility, Steel, Infrastructure, Appliances, Transmission and Distribution. relationships Organization's supply chain: page 51. ■ Regarding the Company's logistics entities, WEG contracts transportation services (road, air, maritime) for all business units worldwide. Contracts are typically annual but may also be arranged on a one-time basis. ■ No other relevant relationships beyond those already reported in this document. No significant changes occurred in items 2-6-a, 2-6-b, or 2-6-c compared to the previous reporting period. 2-7 Employees a. Page 118 b. Page 119 ■ For the scope of employee-related data, the compilation format allowed for good coverage, and the methodology used for data compilation considered internal data collection systems from the HR and ESG areas. ■ To understand the data reported in items 2-7 a and b, the Company followed the concepts applied in the GRI methodology. ■ Third party workers: 5,892 2-8 Workers who are not employees Interns: 274 ■ Types of work performed: Given that this indicator consolidates all group units, the services vary across structures and include IT, HR, cleaning services, plumbing, landscaping, accounting, tax consultancy, sales, warehouse tasks, security/surveillance, food services/cafeteria, among others. Contractual relationship: Contracts are generally fixed-term or project-based, depending on the nature of the service. ■ Data compilation: Data are compiled using internal systems managed by the HR and ESG departments. The scope of third-party data covered 54.2% of locations (units located in Brazil). Page 138 2-9 Governance structure and composition ■ Stakeholder representation occurs in different ways, such as by professional associations, local unions, third sector entities, among others. c. Information related to items i. to viii. of the Board and its Committees of this indicator is available through this link. • All members of these bodies are not executives. ■ The members do not have specific representation of any stakeholder group. Page 138 2-10 Nomeação e seleção para o mais alto órgão Current nominations must consider criteria that promote diversity, complementary experiences and academic background. Any shareholder or group de governança of shareholders may propose a slate of candidates for the Board of Directors to be voted on at the Annual General Meeting.



		GRI CONTENT SUMMARY
GENERAL CONTENT		
GRI 2: General	2-11 Chair of the highest governance body	■ Page 140 e 144 b. The Chairman of the Board of Directors does not act as Chief Executive Officer.
content 2021	2-12 Role of the highest governance body in overseeing the management of impacts	■ Page 142
	2-13 Delegation of responsibility for impact management	■ Page 138
	2-14 Role of the highest governance body in sustainability reporting	• AThe governance for reviewing and approving the information reported in this report, including material topics, is carried out by the Information Disclosure Committee and the Executive Board. b. WEG's governance for analyzing and approving the information reported in this report, including material topics, is carried out by the Information Disclosure Committee and the Executive Board. In this sense, due to the format of the Company's governance in this process, the Board of Directors is not responsible for this review/approval.
	2-15 Conflicts of interest	<ul> <li>Page 142</li> <li>As defined in the WEG Group's Related Party Transactions Policy. <u>Access the Policy here.</u></li> <li>Potential conflicts of interest are not publicly disclosed.</li> </ul>
	2-16 Communication of critical concerns	a. Page142 b. Page 155
	2-17 Collective knowledge of the highest governance body	■ Page 142
	2-18 Performance evaluation of the highest governance body	■ Page138 a. , b. e c. Reference Form (click here)
	2-19 Remuneration policies	■ Page 147
	2-20 Process for determining the remuneration	■ Page 145
	2-21 Ratio of total annual remuneration	<ul> <li>Ratio between the total annual remuneration of the highest-paid individual and the average total annual compensation of all employees (excluding the highest-paid): 207.81</li> <li>Ratio between the percentage increase in the total annual remuneration of the highest-paid individual and the average percentage increase in total annual compensation of all employees (excluding the highest-paid): 3.41.</li> <li>Contextual information for understanding the data and how it was compiled: The data were collected from WEG's HR system, which covers 100% of the company's employees worldwide.</li> </ul>
	2-22 Statement on sustainable development strategy	■ Page 5



# **GRI CONTENT SUMMARY GENERAL CONTENT** 2-23 Policy Commitments i. Page154 **GRI 2:** ii. Page 154 e 155 General lii. Page 156 content 2021 iv. Page 154 b. Page 13, 14, 53, 57 i. The items covered are: respect for diversity, health, safety and well-being, labor rights, people development. ii.: The categories of stakeholders to which the organization gives special attention in the commitment are: Affiliated companies Suppliers Service providers Sales representatives/distributors Resellers and technical assistants Customers Investors Community Government c) Page 2, 152, 154, 155 d) Page 153. e) Page 52, 53, 54, 55, 56, 57, 58, 151, 152, 156, 158, 159 f) Page 52, 153, 156, 158 Contents 2-24 Incorporation of policy ■ Page 154 commitments 2-25 Processos para reparar impactos negativos a. Page 154 a 156. b. Page 154 a 156. c. Page 154 a 156. d. Page 154 a 156. e. Page 154 a 156. ■ The process of remediating negative impacts occurs through the WEG Compliance Program, which is the structure for this process. ■ Page 154 2-26 Mechanisms for seeking advice and raising concerns



GRI CONTENT SUMMARY					
GENERAL CONTENT					
GRI 2:	2-27 Compliance with laws and regulations	No significant instances of non-compliance with laws and regulations were identified during the reporting period.			
General content 2021	2-28 Membership in associations	■ Page 157			
	2-29 Approach to stakeholder engagement	■ Page 17			
	2-30 Collective bargaining agreements	<ul> <li>Approximately 95% of employees are covered by collective bargaining agreements.</li> <li>In Brazil, all employees are covered and governed by collective standards, while foreign employees who are not covered have contracts and working conditions based on local labor legislation, which is fully observed.</li> </ul>			
MATERIAL TOPICS					
GRI 3: Material topics 2021	3-1 Process for defining material topics	■ Page 17			
	3-2 List of material topics	■ Page 21			
	3-3 Management of material topics	Consultation with stakeholders is part of the process for determining material issues. This process was one of the inputs that supported the Company to develop the issues in depth and report on the progress of these actions in this report. c. Pages 13, 14, 57, 58, 100, 112, 125, 151 to 155 d. Pages 23, 24, 32 to 35, 44, 52 to 56, 79 to 82, 101 to 106, 112 to 118, 124 to 126, 131, 153 to 156, 166 to 170 e. Pages 22, 23, 24, 33, 44, 45, 52-56, 77, 83, 90, 106,107,111, 114, 119-122, 124, 126-131, 153-156, 167-172.			
GREENHOUSE GAS EN	MISSIONS				
GRI 3: Material Topics 2021	305-1 Direct greenhouse gas (GHG) emissions (Scope 1)	<ul> <li>Page 84.</li> <li>The emission factors used are calculated based on official government documents from the respective countries and internationally recognized agencies, for example: National Inventory Report of Spain, International Energy Agency - IEA, Global Warming Potential (GWP), which come from the IPCC (Intergovernmental Panel on Climate Change) AR5.</li> <li>Emissions of CH4, N2O, SF6, NF3, HFCs and PFCs are expressed as CO<sub>2</sub>e, considering the respective global warming potential ("GWP") of each gabased on the IPCC AR5. In the case of the WEG Group, emissions of CO<sub>2</sub>e, CH4, N2O and HFCs were identified.</li> <li>WEG's base year was 2021, as it was the first year in which WEG calculated all categories and all scopes that are applicable to the business and following an internationally recognized methodology. This was also the first year in which the inventory was audited. Significant changes were evidenced that justify the need to recalculate the base year.</li> <li>No significant changes were evidenced that justify the need to recalculate the base year.</li> <li>GHG emissions were consolidated through operational control.</li> </ul>			



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## **GRI CONTENT SUMMARY**

#### **GREENHOUSE GAS EMISSIONS**

305-2 Indirect greenhouse gas (GHG) emissions (Scope 2)

- The emission factors used are calculated based on official government documents from the respective countries and internationally recognized agencies, for example: National Inventory Report of Spain, International Energy Agency IEA, Global Warming Potential (GWP) used come from the IPCC (Intergovernmental Panel on Climate Change) AR5.
- Emissions of CH4, N2O, SF6, NF3, HFCs and PFCs are expressed as CO₂e, considering the respective global warming potential ("GWP") of each gas, based on the IPCC AR5. In the case of the WEG Group, emissions of CO₂e, CH4, N2O and HFCs were identified.
- WEG's base year was 2021, as it was the first year in which WEG calculated all categories and all scopes that are applicable to the business and following an internationally recognized methodology. This was also the first year in which the inventory was audited
- Significant changes were evidenced that justify the need to recalculate the base year.
- No significant changes were evidenced that justify the need to recalculate the base year.
- GHG emissions were consolidated through operational control. SCOPE 2 EMISSIONS (tCO₂e) BY LOCATION 2021: 126,210 / 2022: 100,879 / 2023: 95,094 / 2024: 88,716.

305-3 Other indirect greenhouse gas emissions (Scope 3)

- Page 87
- The emission factors used are calculated based on official government documents from the respective countries and internationally recognized agencies, for example: National Inventory Report of Spain, International Energy Agency IEA, Global Warming Potential (GWP) used come from the IPCC (Intergovernmental Panel on Climate Change) AR5.
- The emissions of CH4, N2O, SF6, NF3, HFCs and PFCs are expressed as CO₂e, considering the respective global warming potential ("GWP") of each gas, based on the IPCC AR5. In the case of the WEG Group, emissions of CO₂e, CH4, N2O and HFCs were identified.
- The base year for WEG was 2021, as it was the first year in which WEG calculated all categories and all scopes that are applicable to the business and following an internationally recognized methodology. This was also the first year in which the inventory was audited. For scope 3, the categories that are significant to the business were calculated.
- Significant changes were highlighted that justify the need to recalculate the base year.



		GRI CONTENT SUMMARY			
HEALTH, SAFETY AND WELL-BEING					
GRI 3: Material Topics 2021	403-1 Occupational health and safety management system	■ Page 101 b. All WEG units follow the group's corporate policies, strategies and guidelines, having the autonomy to adapt corporate standards to their particularities and local legislation			
	403-2 Hazard identification, risk assessment and incident investigation	■ Pages 102 a 106 Employees do not suffer any type of retaliation in this type of communication because the company engages, through practices and programs, so that they inform with a view to the continuous improvement of health and safety management.			
	403-3 Occupational health services	■ Page 108			
	403-4 Worker participation, consultation and communication on occupational health and safety	■ Page 101			
	403-5 Worker training on occupational health and safety	■ Page 103			
	403-6 Promotion of worker health	■ Page 108			
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked to business relationships	■ Page 105			
	403-8 Workers covered by an occupational health and safety management system	<ul> <li>a. Page 185</li> <li>In 2024, 13% of WEG addresses were covered by ISO 45,001 certification.</li> <li>b. Any employees who were excluded: None.</li> <li>c. Contextual information necessary to understand how the data was compiled:</li> <li>The data was compiled and consolidated based on the internal controls of the Company's management systems.</li> </ul>			



	GRI CONTENT SUMMARY		OMISSION		REF N° OF TH
EALTH, SAFETY AND WELL-BEING	OMITTED REASONS EXPLANATION		EXPLANATION	- GRI SECTOR STANDARD	
403-9 Work accidents	<ul> <li>a. For all employees: <ol> <li>The number and rate of deaths resulting from work accidents: 0.0023</li> <li>The number and rate of work accidents with serious consequences (except deaths): WEG does not have this indicator.</li> <li>The number and rate of work accidents that require mandatory reporting; 188</li> <li>The main types of work accidents: outpatient care, incident, accident</li> <li>The number of hours worked: 86,249,843.66</li> <li>For all workers who are not employees, but whose work and/or workplace is controlled by the organization:</li> <li>The number and rate of deaths resulting from work accidents: 0</li> <li>The main types of work accidents: Outpatient care, incidents, accidents v. The number of hours worked: WEG does not have this indicator</li> <li>The hazards that present a risk of work accidents with serious consequences, including:</li> </ol> </li> </ul>	a.ii: The number and rate of workplace accidents with serious consequences (except deaths)	Information unavailable/ incomplete	Currently, the company does not monitor this indicator, and its publication will be evaluated for the next cycles.	
	i. Hazard Identification: Through a hazard and risk matrix, as well as all machines that are acquired or refurbished undergo a risk assessment where these possibilities are eliminated.  ii. Which of these hazards caused or contributed to cases of occupational disease during the reporting period: There is no standard, there are numerous situations, with the main examples being: accidents during the execution of productive tasks, such as when handling tools and machines.  iii. Measures taken or in progress to eliminate the hazard and minimize risks using the hierarchy of controls: Available in the hazard and risk matrix.  d. Any measures taken or in progress to eliminate other hazards and minimize the risks of work accidents using the hierarchy of controls: Various actions recorded in the matrix and in the senior system, as well as meetings of the PWSE Program e. They were calculated based on: 200,000.00 f. Any employees who were excluded: outsourced employees because the company does not yet have monitoring of the indicators for this interested party.	b.ii: The number and rate of occupational accidents with serious consequences (except deaths): WEG does not have this indicator.  iii. The number and rate of occupational accidents requiring mandatory reporting:  v. The number of hours worked	Information unavailable/ incomplete	Currently, the company does not monitor this indicator, and its publication will be evaluated for the next cycles.	



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# **GRI CONTENT SUMMARY**

# **HEALTH, SAFETY AND WELL-BEING**

403-10 Occupational diseases

## ■ Page111

ci- Hazard identification: Hazards are identified using methodologies described in internal standards, which comply with legal requirements of the Brazilian Ministry of Labor and Employment, specifically Regulatory Norms 01, 09, and 17.

## ii. Hazards that have caused or contributed to cases of occupational diseases during the reporting period:

In 2024, ergonomic hazards contributed to two reported cases of occupational illness

## iii. Measures taken or underway to eliminate hazards and minimize risks using the hierarchy of controls;

WEG has programs in place to safeguard the health of its employees. In the prevention of occupational illnesses, the PWCA (WEG Hearing Conservation Program) and PWSE (WEG Safety and Ergonomics Program) are particularly noteworthy.

Control measures:

## a.Ergonomic:

- Annual action plans focused on ergonomic improvements, including automation, workstation adjustments and other required interventionss;
- Ongoing ergonomic analyses to assess the effectiveness of implemented measures and identify new improvement opportunities;
- Studies on implementing strategic breaks and efficient job rotation to reduce strain and improve employee well-being;
- Promotion of workplace stretching sessions.

#### b. Noise:

- Preventive maintenance of machines and equipment in accordance with standards WPS 1405, WPS 2127 and WPS 358;
- Process for managing acquisition, internal manufacturing, refurbishment, or modification of machines and equipment according to WPM-27171 (Management of Machines and Equipment);
- Rotation of activities;
- Acoustic rest breaks (stretching sessions)
- PPE.

#### iv. No cases

d. No cases

## **DEVELOPMENT AND QUALIFICATION OF SUSTAINABLE SUPPLIERS**

# GRI 3:

**Material Topics 2021** 

308-1 New suppliers that were screened using environmental criteria

■ Page 53

414-1 New suppliers that were screened using social criteria

Page 53



GRI CONTENT SUMMARY  DIVERSITY AND INCLUSION					
SUSTAINABLE PRODUC	СТЅ				
GRI 3: Material Topics 2021	N/A	■ Pages 31 a 50			
SUSTAINABLE COMMU	JNITY DEVELOPMENT				
GRI 3: Material Topics 2021	413-1 Operations with local community engagement, impact assessments and development programs	i. social impact assessments, including gender impact assessments, based on participatory processes; ii. environmental impact assessments and ongoing monitoring;The social impact assessment of social projects is considered in the evaluation flow for approval of social projects, described on page 124. Gender and environmental assessment is not exclusive, but occurs as related projects are assessed.  iii. public disclosure of the results of environmental and social impact assessments; Projects related to the environment and gender do not have a specific indicator category; they are included in WEG's formal social investment categories.  iv. local development programs based on the needs of local communities; Pages 127 to 129, 131 and 132.  v. stakeholder engagement plans based on mapping of these parties; Page 126 (WEG collaboration)  vi. committees and processes for broad consultation with the local community, including vulnerable groups; Page 126 (Community committees with WEG participation).  vii. Work councils, occupational health and safety committees and other entities representing workers to discuss impacts; The Company's governance structure to discuss impacts WEG's governance structure includes Committees and Commissions, such as those presented on pages 101, 113 and 124.  viii. Formal grievance processes by local communities. = The grievance process is carried out through the company's official channels, presented on page 126.			
ETHICS, INTEGRITY AN	ID FIGHT AGAINST CORRUPTION				
GRI 3: Material Topics 2021	205-3 Confirmed incidents of corruption and actions taken	■ Page 155			
LEADERSHIP AND EMP	PLOYEE DEVELOPMENT				
GRI 3: Material Topics 2021	Percentage of employees receiving regular performance and career development reviews	■ Page 169			





# **IIRC**

- All requirements highlighted in bold in the standard are being followed.
- This report does not contain any instances of unavailability of reliable information or specific legal prohibitions.
- The governance of the review and approval process for the information disclosed in this report, including the material topics, is carried out by the Disclosure Committee and the Executive Board. The governance process takes a comprehensive view of the reporting process. It is concluded that this report follows the proposed methodological guidelines. For future reports, governance measures will continue to be implemented and enhanced.





# SASB

TOPIC	ACCOUNTING METRIC	CATEGORY	UNIT OF MEASUREMENT	CODE	ANSWER
Energy management	<ul><li>(1) Total energy consumed.</li><li>(2) Electricity grid percentage.</li><li>(3) Renewable percentage.</li></ul>	Quantitative	Gigajoules (GJ), Percentage (%)	RT-IG-130a.1	(1): Electricity consumption history: 2022: 2,156,451 GJ (599,014 MWh) 2023: 2,102,060 GJ (583,906 MWh) 2024: 2,302,243 GJ (639,512 MWh) (2) History – Electricity grid percentage: 2022: 85.2% 2023: 77.9% 2024: 33.2% (3) History – Renewable percentage: 2022: 14.8% 2023: 22.1% 2024: 66.8%
Employee's health and safety	(1) Total Recordable Incident Rate (TRIR), (2) fatality rate and (3) near miss frequency rate (NMFR) for (a) direct employees and (b) contractors	Quantitative	Rate	RT-IG-320a.1	(1): 0.94 (2): 1 (3): a) 3.73 (Brazil data) b) N/A
Fuel economy and use-phase emissions	Sales-weighted fuel efficiency for medium and heavy-duty vehicles	Quantitative	Liters per 100 ton-kilometers	RT-IG-410a.1	N/A



TOPIC	ACCOUNTING METRIC	CATEGORY	UNIT OF MEASUREMENT	CODE	ANSWER
Fuel economy and use-phase emissions	Sales-weighted fuel efficiency for non-road vehicles.	Quantitative	Liters per hour	RT-IG-410a.2	N/A
	Sales-weighted fuel efficiency for stationary generators.	Quantitative	Kilojoules per liter	RT-IG-410a.3	N/A
	Sales-weighted emissions of: (1) nitrogen oxides (NOx) and (2) particulate matter for: (a) marine diesel engines, (b) locomotive diesel engines, (c) medium and heavy-duty engines, and (d) other non-road diesel engines.	Quantitative	Grams per kilojoule	RT-IG-410a.4	N/A
Materials supply	Description of risk management associated with the use of critical materials.	Discussion and analysis	N/A	RT-IG-440a.1	WEG has a Restricted Substances Policy that reflects its commitment to responsible sourcing and defines the guidelines and responsibilities to ensure that its products and packaging comply with applicable global regulations. This policy is supported by a global restricted substances list and internal procedures detailing how regulations and directives such as REACH (Registration, Evaluation, Authorization and Restriction of Chemicals), RoHS (Restriction of Hazardous Substances), TSCA (Toxic Substances Control Act), among others, are met. To ensure compliance with restricted substances and conflict minerals regulations, WEG monitors its supply chain and establishes governance with suppliers to mitigate the risk of using restricted substances and conflict minerals. The Company explicitly states its commitment to regulatory compliance through its Supplier Code of Ethics and Supply Agreement.



TOPIC	ACCOUNTING METRIC	CATEGORY	UNIT OF MEASUREMENT	CODE	ANSWER
Design and remanufacturing services	Revenue from remanufactured products and remanufacturing services.	Quantitative	Reporting currency	RT-IG-440b.1	For over 20 years, WEG has been working on its Replacement Plan Program in Brazil, which encourages the replacement of used, old, damaged or low-performance motors, generating incentives for the purchase of a new, high-efficiency WEG motor The program provides economic benefits in the acquisition of new equipment and contributes to improving industrial efficiency.  WEG accepts motors in working condition or with burnt winding as long as they are complete (rotor with complete winding, stator, frame, endshields). All products returned in this process are sent to recyclers, who reintroduce these materials into the production chain.
Activity metric	Number of units produced by product category.	Quantitative	Number	RT-IG-000.A	A breakdown of revenue by activity is provided on page 25.
	Number of employees.	Quantitative	Number	RT-IG-000.B	47,529



SUSTAINABLE PRODUCTS AND SOLUTIONS

CIRCULAR AND **EFFICIENT OPERATIONS** 

**ENGAGED EMPLOYEES** AND COMMUNITIES

**GOVERNANCE AND** ETHICAL CONDUCT



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# TASK FORCE ON CLIMATE-RELATED FINANCIAL **DISCLOSURES (TCFD)**

# TCFD RECOMMENDATION

## **WEG DISCLOSURE**

## **GOVERNANCE**

a) Describe how the Board oversees climate change-

The Board of Directors stipulates strategic guidelines and approves investments and actions in relation to sustainability at WEG, including those related to climate change. As stated in the internal regulations of the Board of Directors, one of its related risks and opportunities.. key responsibilities is to safeguard the company's long-term continuity from a sustainable perspective that incorporates economic, social, environmental and corporate governance considerations into business and operational decisions. This responsibility applies to both risks and opportunities. The Board receives annual updates on risks and opportunities identified by WEG's operational leaders, which it subsequently analyzes to determine necessary actions. In 2024, the Board reviewed and approved strategic, tactical and operational actions related to climate risks identified during the most recent cycle.

b) Describe the Board's role in assessing and managing risks and opportunities related to climate change.

The company's Insurance and Risk Department, which within the organizational structure is part of the Financial Direction, carries out WEG's enterprise risk management. The Department consolidates the mapped and updated risks of the entire WEG group and presents the result of the risk analysis annually to the Board of Directors. In this process, the Board is updated in relation to the company's risks and decides on related actions. The risk categories assessed are established by WEG's Corporate Risk Management Policy, which is in line with ISO 31000. Climate risks are covered in different categories. According to the result of applying these criteria, appropriate and proportionate actions are defined for the identified risk, whether of financial or strategic impact. In addition to the risk management process, the strategic planning process is periodically reviewed. During the last review cycle, opportunities and business drivers aligned with solutions for a low-carbon economy were identified.



SUSTAINABLE PRODUCTS
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AND COMMUNITIES

GOVERNANCE AND ETHICAL CONDUCT



TCFD RECOMMENDATION	
I CFD RECOMMENDATION	

## **DISCLOSURE WEG**

## **STRATEGY**

a) Describe the climate-related risks and opportunities the organization has identified over the short, medium and long term.

In accordance with WEG's Corporate Risk Management Policy, the time horizons are defined as follows:

- Short term: up to 2 years.
- Medium term: 3 to 5 years.
- Long term: more than 5 years.

**IDENTIFIED RISKS:** 

- 1. Emerging regulation: Mandates concerning the regulation of existing products and services. WEG is subject to new regulations, particularly in the countries where it operates, which may result in increased compliance costs. Time horizon: medium term
- 2. Acute physical risk: Cyclones, hurricanes, typhoons These climate events may temporarily halt WEG's operations, requiring restoration of affected infrastructure and machinery critical to production. Time horizon: short term
- 3. Acute physical risk: Flooding Flood events may also temporarily impact operations, necessitating the restoration of affected infrastructure and machinery. Time horizon: short term OPPORTUNITIES:

Products and services: Development of new products and services through R&D and innovation. For example, the solar panel product line has significant global growth potential due to NDCs (Nationally Determined Contributions) pledged by over 130 countries. According to IEA (International Energy Agency) scenarios, particularly the Net Zero Scenario, demand for solar energy is expected to increase by 170% from 2020 to 2030, especially in developed countries. This represents a significant growth opportunity for WEG's solar panel products.

Time horizon: Short term

Resource efficiency: Use of more efficient production and distribution processes. Internal programs such as the WEG Manufacturing System (WMS) and KAIZEN WEG promote the efficient use of resources in production processes. These programs have eco-efficiency and cleaner production as management practices, in addition to participative management that encourage employee participation in problem-solving and continuous improvement activities that generate positive results in all processes.

Time horizon: Short term



TCFD RECOMMENDATION	DISCLOSURE WEG
	STRATEGY
b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy and financial planning.	1. Emerging regulation: Mandates concerning the regulation of existing products and services. Time horizon: Midium term New regulations that set new energy efficiency limits may reduce revenue from certain product lines in specific markets. Magnitude: Low  2. Acute physical risk: Cyclones, hurricanes, typhoons –Time horizon: Short term  The regions where WEG operates manufacturing facilities—particularly in the state of Santa Catarina, Brazil—have a historical record of cyclones and storms, which may temporarily interrupt the company's operations until the affected infrastructure and equipment are restored.  Magnitude: Medium/low  3. Acute physical risk: Flooding –Time horizon: Short term  In the regions where WEG operates manufacturing facilities—particularly in the state of Santa Catarina, Brazil, where its main plants are located—there are few recorded instances of flooding significant enough to impact the company's operations. When such events do occur, they may temporarily interrupt production until the affected infrastructure and equipment essential to the manufacturing process are restored.  Magnitude: Medium/low
	Products and services: Development of new products and services through R&D and innovation. Time horizon: Short term Innovation plays a key role in WEG's financial performance. In 2024, 55.1% of revenue came from products launched in the last five years. Technological innovation focuses on developing new technologies, products, materials, and testing methods aimed at improving efficiency, reducing costs, enhancing quality and minimizing raw material usage. Magnitude: High



SUSTAINABLE PRODUCTS
AND SOLUTIONS

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## TCFD RECOMMENDATION

## **DISCLOSURE WEG**

## **STRATEGY**

c) Describe the resilience of the organization's strategy, considering different climaterelated scenarios, including a 2 °C or lower scenario.. Climate change is closely integrated with WEG's strategy. In its strategic planning review, the company analyzed macrotrends and scenarios related to global warming mitigation, balancing economic growth with increasing energy demand and reduced use of fossil fuels. Using studies by the IEA and sources that build on IEA models, such as EPE (Empresa de Pesquisa Energética), WEG assessed macrotrends across the energy sector. In this way, our businesses seek to meet the needs identified by IEA for carrying out the energy transition. The IEA NZE 2050 transition scenario (Net Zero Emissions Scenario 2050), which reflects a pathway of less than 2°C, outlines global development trends that are driving worldwide investments in infrastructure to enable the energy transition. WEG seeks to capture these opportunities in this scenario. Within this scenario, WEG established the following strategic objectives:

- Contribute to building a more efficient and sustainable world by investing in energy efficiency, renewable energies, energy storage and electric mobility.
- Become a global benchmark in motors, gearboxes, generators, transformers and electric drives.
- Strengthen the industrial automation business, including solutions for the digitalization of industry and energy systems, as well as products for electrification in civil construction and infrastructure.
- Develop the business globally through consistent ESG practices WEG also established its purpose, which plays a fundamental role in the company's strategy, as it defines the reason for the organization's existence, what it means for society, and how it contributes to the solution of socio-environmental problems. In addition, it provides synergy between mission, vision and values.

WEG Purpose: To develop technologies and solutions to contribute to building a more efficient and sustainable world. In this context, risks—and especially opportunities—are material to WEG's strategy, reinforcing the company's role in combating climate change.



TCFD RECOMMENDATION	DISCLOSURE WEG
	RISK MANAGEMENT
a) Describe the processes used by the organization to identify and assess risks related to climate change.	The identification and assessment of risks related to climate change takes place through WEG's enterprise risk management process. This process is guided by the Corporate Risk Management Policy, which establishes the steps: a) Risk identification based on risk families (external, strategic, financial, people, compliance & governance, and operations) and classes. Environment and climate issues fall under the "operations" risk family. along with upstream and downstream logistical risks. client-related risks (strategic), and natural events such as floods and storms (external). b) Risk Analysis: Assessed by severity (human, quality, environmental, EBITDA, image) and likelihood (unlikely, remote, possible, probable), linked to the time horizon of the event. c) Risk Assessment: Combines severity and likelihood to determine overall risk magnitude. d) Risk Management: Defines and executes actions to address risks. e) Monitoring: Risks are monitored annually, and depending on their magnitude, reported to the Board of Directors, which decides on strategic responses. This process applies to all units of the WEG Group, including affiliates and subsidiaries.
b) Describe the processes used by the organization to manage climate-related risks.	Risks are classified based on severity and likelihood, which define their overall magnitude and guide their management. Once identified and evaluated, risks are managed according to their classification results, with proportional actions defined. This framework applies to all risk categories monitored by the company, including climate risks. Risks are presented to and reviewed by the Board of Directors on an annual basis.
c) Describe how the processes used by the organization to identify, assess and manage climate relatedrisks are integrated into the organization's overall risk management.	The processes for identifying, assessing and managing risks related to climate change at WEG are currently integrated into the general risk management process. This process is guided by the Enterprise Risk Management Policy, which considers the risk families: external, strategic, financial, people, compliance & governance, and operations. Climate-related issues fall under the "operations" family, along with upstream and downstream logistical risks. Client-related risks fall under "strategic" risks, and natural events (floods, storms, etc.) are included under "external" risks. All risks are managed through the same framework, according to their assessed relevance.

ENGAGED EMPLOYEES

AND COMMUNITIES



TCFD RECOMMENDATION	DISCLOSURE WEG			
	METRICS AND GOALS			
a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	WEG uses the GHG Protocol methodology as a basis for calculating its GHG emissions. The inventory is verified by a third party and monitored and disclosed annually. These data help WEG understand its impact and identify opportunities for improvement, including year-over-year progress. They also support risk and opportunity analysis related to climate impact. In addition to GHG emissions, WEG monitors indicators such as energy use, energy intensity, energy mix, R&D investments in low-carbon products, and emerging technologies. For opportunities, WEG tracks the percentage of its product portfolio aligned with the sustainable economy.			
b) Report Scope 1, Scope 2 and, if applicable, Scope 3 greenhouse gas emissions and the risks related to them	WEG's GHG emissions were calculated based on the GHG Protocol methodology. GHG emissions (tCO <sub>2</sub> e/year) in 2024: SCOPE 1: 61,439 SCOPE 2: 66,275 SCOPE 3: 24,975,994 The continuous growth of the organization poses a risk of increased emissions. The company addresses this by improving process efficiency and seeking other ways to mitigate its impacts.			
c) Describe the targets used by the organization to manage climate-related risks and opportunities, and performance against the targets.	The medium and long-term goals are to reduce by 52% its operational emissions by 2030 and reach Net-zero in 2050 using 2021 as the base year. In 2024, WEG achieved a performance of 28.2% absolute reduction in GHG emissions relative to 2021, demonstrating strong progress and commitment to the issue.			



# INDEPENDENT AUDITORS' LIMITED ASSURANCE REPORT

KPMG Auditores Independentes Ltda.

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To the Board of Directors and Shareholders WEG S.A. Jaraguá do Sul – SC Limited assurance report on non-financial information included in the 2024 Integrated Annual Report of WEG S.A. for the year ended December 31, 2024

#### **CONCLUSION**

We carried out a limited assurance engagement related to the non-financial information included in the 2024 Integrated Annual Report ("Report") of WEG S.A. ("Company") for the year ended December 31, 2024, prepared in accordance with the Global Reporting Initiative (GRI) Standards and Technical Guidance CPC 09 of CVM Resolution 14/2020, correlated with the International Integrated Reporting Framework (IIRC) under the responsibility of the IFRS Foundation ("Criteria").

According to the procedures applied and the evidence obtained, we are not aware of any fact that leads us to believe that the non-financial information included in the 2024 Annual Sustainability Report of WEG S.A. for the year ended December 31, 2024 was not prepared, in all material respects, in accordance with the Global Reporting Initiative (GRI) Standards and Technical Guidance CPC 09 of CVM Resolution 14/2020, correlated with the International Integrated Reporting Framework (IIRC) under the responsibility of the IFRS Foundation.

## **BASIS FOR CONCLUSION**

We conducted our work in accordance with NBC TO 3000 (revised) - Assurance Engagements Other Than Audits or Reviews and International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance Engagements Other Than Audits or Reviews of Historical Financial Information issued by the Federal Accounting Council (CFC) and Interna-

tional Auditing and Assurance Standards Board (IAASB), respectively. Our responsibilities under these standards are described in more detail in the "Our responsibilities" section of the report.

We have met the independence and other ethical requirements of the Accountant's Professional Code of Ethics and Professional Standards (including Independence Standards) issued by the Federal Association of Accountants (CFC) according to key principles of integrity, objectivity, professional competence and due zeal, confidentiality and professional behavior.

Our firm applies NBC PA 01 Quality Management to Independent Auditors' (legal entities) and International Standard on Quality Management (ISQM) 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements, issued by CFC and IAASB, respectively. These standards require the firm to prepare, implement and operate a quality management system, including policies or procedures related to compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

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#### MANAGEMENT'S RESPONSIBILITIES FOR THE REPORT

The Company's Management is responsible for:

- Designing, implementing and maintaining internal controls relevant to the preparation of the Report that are free from material misstatement, whether due to fraud or error;
- Selecting the criteria as being appropriate for preparation the Report and the appropriate reference to the criteria applied or description of those criteria; and
- Properly preparing and presenting the information included in the Report in accordance with the Criteria.

## **OUR RESPONSIBILITIES**

We are responsible for:

- Plan and carry out the engagement to obtain limited assurance about whether the information included in the Company's Report for the year ended December 31, 2024 prepared in accordance with the Criteria are free from material misstatement, regardless of whether due to fraud or error;
- Form an independent conclusion in accordance with the procedures applied and the evidence obtained; and
- Report our conclusion to the Company's Board of Directors and shareholders.

# SUMMARY OF THE WORK WE CONDUCTED AS A BASIS FOR OUR CONCLUSION

We exercised professional judgment and maintained professional skepticism throughout the engagement. We have designed and performed our procedures to obtain sufficient and appropriate evidence about the

Report that is sufficient and appropriate to provide a basis for our conclusion. Our selected procedures depend on our understanding of the Report and of other circumstances of the engagement, as well as on our consideration of the areas in which material misstatements are likely to arise. When conducting the engagement, we performed the following procedures:

- **a.** We have planned the work considering the materiality of the issues applicable to the Company's activities, the relevance of the information disclosed by the Company, the amount of quantitative and qualitative information and the operational systems and internal controls which supported the preparation of the information included in the Report;
- **b.** We obtained an understanding of the calculation method and the procedures followed to develop indicators by inquiring and interviewing the managers in charge of gathering information;
- **c.** We applied analytical procedures to quantitative information and inquired about qualitative information and its relationship with the indicators disclosed in the information included in the Report;
- **d.** We evaluated the procedures followed to prepare the Report and its structure and contents in accordance on the criteria.

The procedures performed in a limited assurance engagement vary in nature and timing, and their extent is restricted (less extensive) than in a reasonable assurance engagement. Thus, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained if a reasonable assurance engagement had been performed.

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SUSTAINABILITY

SUSTAINABLE PRODUCTS AND SOLUTIONS

CIRCULAR AND EFFICIENT OPERATIONS

ENGAGED EMPLOYEES AND COMMUNITIES

**GOVERNANCE AND** ETHICAL CONDUCT

ADDITIONAL **INFORMATION**  São Paulo, April 30th, 2025

KPMG Auditores Independentes Ltda. CRC 2SP-014428/O-6

ORIGINAL REPORT IN PORTUGUESE SIGNED BY Flavio Gozzoli Gonçalves Accountant CRC 1SP290557/O-2

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Driving efficiency and sustainability

