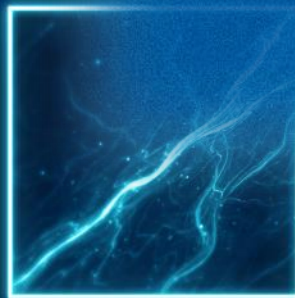


# WEG DAY

2024



Driving efficiency and sustainability



# Strategy Update

**ALBERTO KUBA**  
CEO



**WEG**  
**DAY**  
2024

# Transition of Command



## Acknowledgment

- Board of Directors
- Harry Schmelzer Jr.
- Executive Board
- Employees

## Transition process



# Still Challenging Scenario on Main Markets



## US

- Manufacturing PMI Falling
- Moderate Industrial Production Growth
- Stability in durable goods prices
- Persistent challenges in the labor market

## Europe

- Purchasing Managers' Manufacturing Index (PMI) down since 2023
- Economic activity slowing down
- Challenges in the manufacturing sector
- Consumption still weak

## China

- Decline in Foreign Direct Investment (FDI)
- Decline in capital goods output



# We Move Forward on Several Fronts



**Increase** international participation with the **Motion Drive** strategy

**Growth in sales** of projects for **Medium Voltage (MV) Motors and Drives**

Recovery in sales of **Commercial & Appliance Motors**

Expansion and strengthening of the **Transmission & Distribution (T&D) business**



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2024

# Favorable Winds to Business



## Investments for Energy Transition

Energy Efficiency  
Operational Efficiency

Renewable Energies  
Electric Mobility

## Growth in the use of Generative AI

Data Center Expansion  
Increased energy consumption

Network availability  
Grid reliability



# Energy Transition



**Global investment in technologies** for energy transition has reached a record **\$1.7 trillion in 2023** <sup>(1)</sup>

**To achieve the goals of the Paris Agreement**, the average annual Investment needs to almost triple, reaching **\$4.8 trillion** between 2024 and 2030 <sup>(1)</sup>

Estimates that the **Transformer market will grow 5% p.a. by 2030**, driven by renewable generation, electrification and grid modernization <sup>(2)</sup>

The **Electrified Transportation Sector** was the **biggest driver of investments** in energy transition in 2023 with US\$ 634 billion <sup>(3)</sup>



(1) BloombergNEF Energy Transition Investment Trends 2024

(2) Mckinsey/WEG 2024

(3) Article: CNBC Spencer Kimball Aug 2024



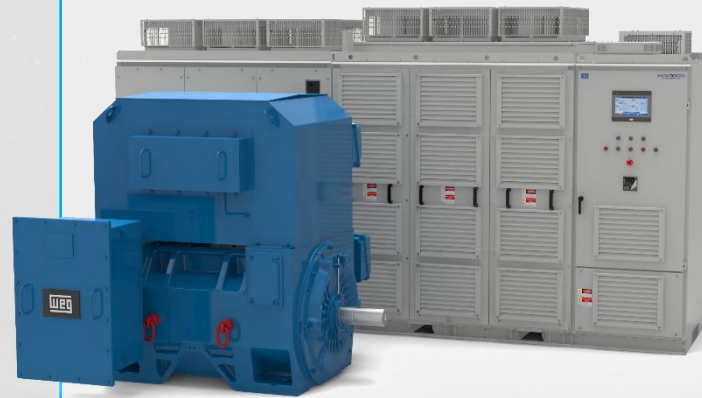
# Traditional Businesses Strategy



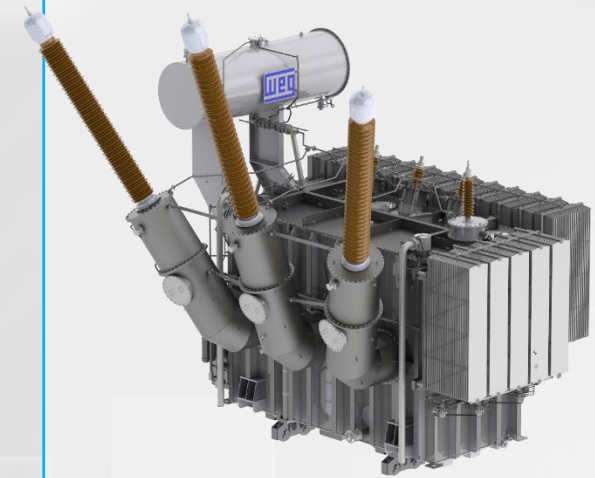
## Motion Drives



## MV Motors & Drives



## Transmission & Distribution





# Commercial Structure



Commercial presence in **41** countries





Distributors in more than **120** countries



# Industrial Footprint Motion Drive



29 factories in 13 countries

-  Low Voltage Industrial Motors WEG
-  Low Voltage Industrial Motors Marathon
-  Low Voltage Drives
-  Gearboxes and Geared Motors



# Industrial Footprint Medium Voltage



11 factories in 6 countries

 Medium Voltage Industrial Motors

 Medium Voltage Drives



# Industrial Footprint T&D



13 factories in 5 countries



Transformers



# Developing Business Strategy



## Renewable Energies



### Expansion:

- US
- India



### Expansion:

- Latin America
- South Africa

## Electric Mobility



### Expansion:

- Latin America
- Europe
- Network Integrators
- Sell online
- B2C Promotion
- Automotive Partnerships
- Strategic Partnerships

## BESS<sup>(1)</sup>



### Expansion:

- Latin America
- US

# Electric Mobility WEMOB



**STATION HPC (DC)**  
Launching November 2024



Global Products

Complete recharge ecosystem



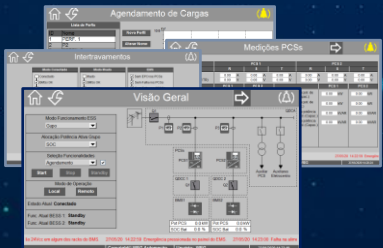
Pioneer in accredited certification by INMETRO



# BESS Composition



Two-Way  
Converter



Automation and  
Control System



Transformer  
Medium Voltage /  
Low Voltage



Battery Bank + Management System



Auxiliary  
Systems



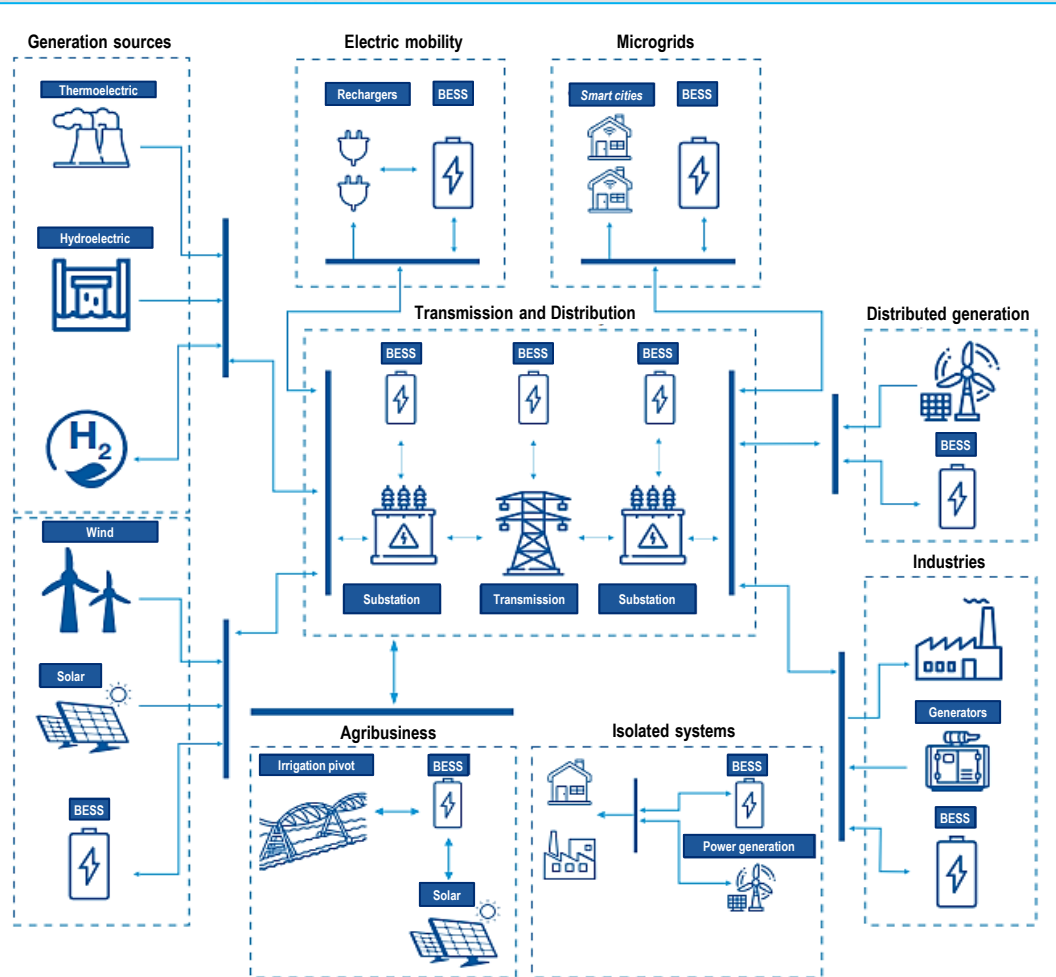
- Air conditioning
- Fire system
- Metering



Panels  
Direct Current /  
Alternating Current



# BESS Connection Points



**Connection** at all points in the electrical system

**Configuration** per connection point

Compatible with **generation** sources



# BESS Portfolio



# M&A Strategy



MARKET ACCESS



TECHNOLOGY

\* Acquisition of specific technology or businesses



# WEG Carbon Neutral Program



## WEG Carbon Neutral Program

Reduce GHG emissions by 52% by 2030

Achieve Net Zero by 2050

### Scope 1

- Electrification of natural gas boiler
- Use of biofuel
- Use of electric vehicles
- Process optimization to reduce energy consumption

### Scope 2

- ~90% Renewable Energy consumed in Brazil in 2024
- ~75% of the group's global electricity demand in 2024 from renewable sources

### Projects developed to reduce emissions (2023)

Mapped opportunities	Approved projects	Potential Reduction (tCO2e)
809	610	32,000

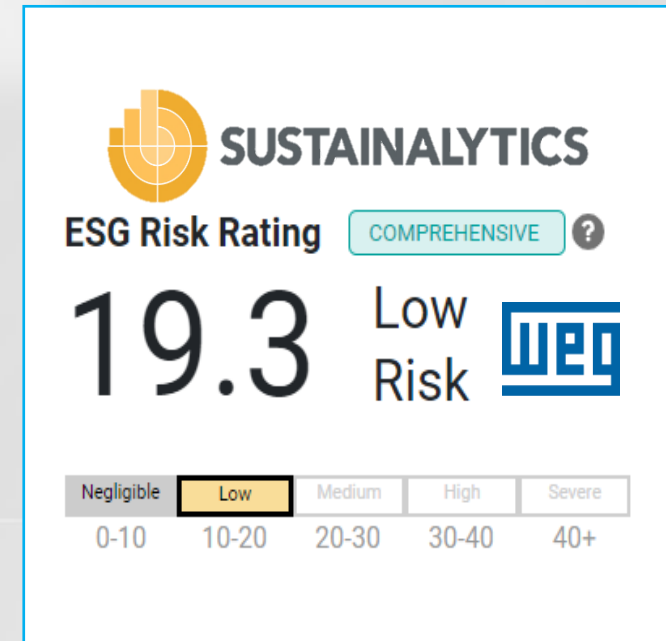
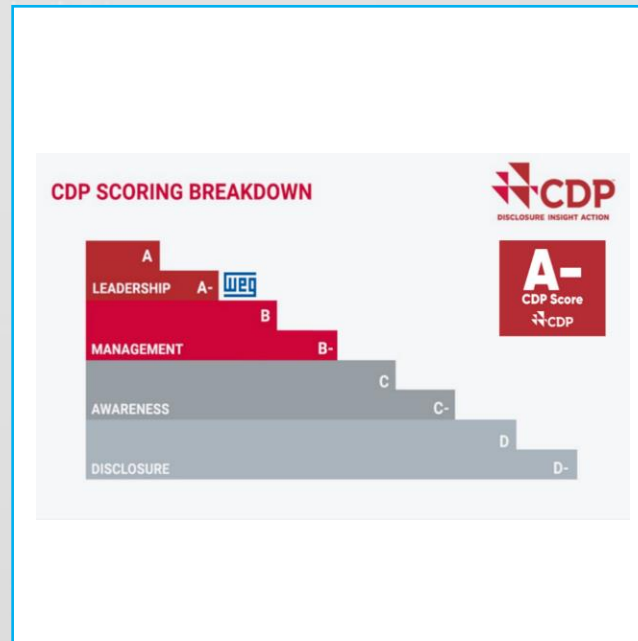
## RESULTS

# -25%

Effective reduction of emissions in 2 years

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# ESG Achievements



# Key Messages



**Accelerate Internationalization**

Potential opportunities with **Energy Transition** and Use of **AI**

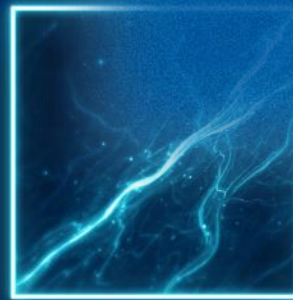
Expansion of the **Electric Mobility** and **BESS** portfolio

Advancing **ESG** projects



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2024



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