Industrial Digital Passport Protocol

Blockchain for Complete Industrial Traceability

Technical Presentation →

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The Problem of Industrial Traceability

Current Industry Challenges

- Complex Chains: Products involve 200+ suppliers across 15+ countries
- Fragmented Data: Information scattered across incompatible systems
- Lack of Verification: No cryptographic proof of authenticity
- Lost Records: 30% of industrial equipment lacks complete history
- Manual Compliance: Costly and error-prone process

The Equipment "Black Box"

When you buy industrial equipment today:

- **X** Limited documentation or lost over time
- X Maintenance history incomplete or non-existent
- **X** Component origin unknown
- X Disputed warranties without clear evidence
- **Complex compliance** for auditors

Result: Inefficiency, high costs, regulatory risks

Market Pressures: Why Act Now?

Regulatory Mandates

- EU Digital Product Passport: Mandatory from 2027
- LGPD in Brazil: Data compliance
- Global ESG standards: Supply chain transparency
- Transparency laws: Mandatory traceability

Market Demands

- **B2B Customers**: Require complete history before purchase
- **în Insurers**: Offer discounts for traceable equipment
- **!!! Consumers**: Value transparency and sustainability

Business Opportunities

Value Creation

- **Premium pricing**: Products with history sell 15-25% above
- Cost reduction: 40% fewer warranty disputes
- New models: Product-as-a-service based on real data

Competitive Advantage

- First-mover advantage: Pioneering transparency
- Brand differentiation: Differentiation through traceability
- Customer trust: Trust through evidence

The Solution: Digital Passport Protocol

Experience Transformation

Before: "Black Box"

- Lost paper documentation
- Fragmented history across multiple systems
- Costly manual verification
- Frequent authenticity disputes

After: "Total Transparency"

- QR Code → Complete history on blockchain
- Mobile app → Instant access for technicians
- Automation → Automatic compliance and auditing

Blockchain Architecture

m Neutral Infrastructure

- Arbitrum Network: Reliable public network
- EAS Protocol: Global standard for attestations
- Multi-manufacturer: WEG + others can use

Security and Control

- Role-based: Each stakeholder can only register their scope
- Immutability: Data can never be altered
- Verifiability: Anyone can confirm authenticity

Scalability

- Low cost: ~\$0.01 per transaction
- Performance: 4,000+ TPS
- Global: Works in any country

Blockchain and Smart Contracts - Fundamentals

What is Blockchain?

A **decentralized network** of computers that maintains an **immutable** and **transparent** ledger.

Key Characteristics:

- Immutability: Records cannot be changed
- **Transparency**: Everyone can verify the data
- **Security**: Cryptography ensures integrity
- Decentralization: No single point of failure

Smart Contracts

Digital contracts that execute automatically when conditions are met.

For Industrial Traceability:

- Business Rules: Who can create what type of record
- **Access Control**: Role-based permissions
- Automatic Verification: Data validation at creation
- II Audit: Complete trail of all operations

Public vs Permissioned Networks

Public Networks

(Ethereum, Arbitrum)

Advantages:

- Neutrality: No company controls
- Credibility: Globally guaranteed immutability
- Interoperability: Open standard for everyone
- Censorship resistance: Data always accessible
- Network effects: Greater adoption = greater value

X Disadvantages:

- Variable cost: Fees may fluctuate
- **Total transparency**: Public data (mitigable)
- Limited performance: Fixed throughput

Permissioned Networks

(Hyperledger, R3 Corda)

Advantages:

- Total control: Company decides rules
- Complete privacy: Non-public data
- Custom performance: Specific optimization
- Predictable costs: Own infrastructure

X Disadvantages:

- Centralization: Control by one entity
- Limited credibility: Data can be altered
- Vendor lock-in: Supplier dependency
- Limited interoperability: Integration difficulty

Our Choice: Arbitrum (Public Network)

Why Public Network?

For **industrial traceability**, supply chain stakeholders need to **trust** each other:

- Manufacturers don't control data alone
- Carriers can verify authenticity
- Distributors trust the history
- **11** End customers have transparency guarantee
- <u>m</u> Auditors can verify independently

Neutrality is essential for multi-stakeholder trust

Why Arbitrum Specifically?

Arbitrum Layer 2 over Ethereum:

- **Low Cost**: ~\$0.01 per transaction vs \$0.50 on Ethereum
- Performance: 4,000+ TPS vs 15 TPS on Ethereum
- **Inherited Security**: Same security as Ethereum
- Interoperability: Compatible with entire Ethereum ecosystem
- **Z** Scalability: Supports millions of industrial products

Best of both worlds:

Public network security and credibility + private network performance and cost

How Blockchain Solves Our Problem



Total Traceability

Traditional System

- Data scattered across different systems
- Lost paper trails
- Incomplete history
- Difficult to verify

Blockchain Solution

- Single source of truth: All data in one place
- Immutable history: History can never be lost
- Cryptographic proof: Mathematical verification of authenticity
- Real-time access: Available 24/7 globally

> Verifiable Trust

Traditional Trust

- Based on reputation
- Depends on intermediaries
- Subject to fraud
- Expensive to verify

Cryptographic Trust

- Digital signatures: Each entry is digitally signed
- Multi-party validation: Multiple actors confirm
- **Tamper-evident**: Any alteration is detectable
- **No intermediaries**: Elimination of third parties

■ Interoperability

Traditional Silos

- Proprietary formats
- Different APIs
- Costly integration
- Technology lock-in

Open Standards

- EAS Protocol: Open global standard
- Universal format: Same format for everyone
- Single API: Standardized interface
- Future-proof: Evolves with the ecosystem

Public vs Permissioned: Our Choice

Technical Comparison

Aspect	Public Network	Permissioned Network
Control	Decentralized	Centralized
Access	Anybody	Only invited
Verification	Independent	Depends on consortium
Cost	Variable	Fixed/High
Transparency	Total	Limited
Interop	Global	Restricted

Why We Chose Public Network?

Benefits of Public Network

- Neutrality: No company controls
- Independent verification: Auditors can confirm
- Global interoperability: Works with any system
- Censorship resistance: Data always accessible
- Network effects: More value as more adoption

Limitations of Private Networks

- Vendor lock-in: Dependency on one supplier
- Lower trust: "Self-signed certificates"
- Limited scalability: Only for consortium
- **Higher TCO**: Own infrastructure costly

Ethereum Attestation Service (EAS)

What is EAS?

Decentralized protocol on Arbitrum to create verifiable **attestations** about anything.

Key Characteristics:

- Open protocol used globally
- Immutable: Attestations cannot be changed
- Verifiable: Anyone can confirm authenticity
- Flexible: Supports any type of structured data

Why EAS for Industry?

- Structured Events: Each type of industrial event has specific format
- Multi-Stakeholder: Different participants create different types of records
- Audit: Complete trail of who did what and when
- Interoperability: Standard that other companies can use

Schemas: Defining Event Types

What are Schemas?

Structured templates that define what type of information **5 schemas** cover the complete lifecycle: can be recorded in each attestation.

Example - Product Schema:

```
productModel: string,
serialNumber: string,
timestamp: number,
composition: string,
suppliers: string[],
manufacturingLocation: string,
qualityStandards: string
```

WEG Defined Schemas

- 1. WEG_PRODUCT_INIT: Product creation
- 2. **WEG_TRANSPORT_EVENT**: Transport events
- 3. **WEG_OWNERSHIP_TRANSFER**: Ownership changes
- 4. WEG_MAINTENANCE_EVENT: Maintenance and repairs
- 5. WEG_END_OF_LIFE: End of life and recycling

Each schema = Specific type of industrial event

Access Control: Roles and Resolvers

Resolvers: Smart Validation

Smart contracts that validate **who can create** each type of attestation **before** it's recorded on blockchain.

Features:

- Permission Validation: Only authorized can create
- Business Rules: Custom logic per schema
- § Security: Prevents invalid or malicious records
- Audit: Log of all creation attempts

Role System

Granular control based on responsibilities in industrial chain:

Main Roles:

- Manufacturer: Product creation and all schemas
- Logistics: Only transport events
- **Technician**: Only maintenance events
- **11** End Customer: Only query (no creation)

Each role has specific permissions for different types of industrial events

Digital Signatures: Security and Non-Repudiation

EIP-712: Structured Signatures

Ethereum standard for secure digital signatures of structured data.

For Industrial Events:

- Cryptographic Authentication: Proves who created the record
- Non-repudiation: Creator cannot deny having created
- Integrity: Data cannot be modified without detection
- Legal Value: Digital signatures recognized by law

Signature Process

Creation Flow:

- 1. Event Data: Technician fills event information
- 2. 🔑 **Digital Signature**: EIP-712 signature with private key
- 3. **Solution** Submission: Attestation created on Arbitrum
- 4. **Verification**: Anyone can verify signature authenticity

Legal Guarantee:

Each industrial event is **digitally signed** by its creator, providing **legal proof** of authenticity.

Digital Passport Architecture

Main Components

Base Infrastructure (Shared)

- PassportRegistry: Indexing of all products
- DigitalPassportFactory: Controlled passport creation
- Multi-manufacturer architecture: WEG + other manufacturers

WEG Manager (Specific)

- ManufacturerManager: Reusable abstract contract
- WEGManager: WEG-specific implementation
- Role system: Stakeholders with granular permissions

Digital Passport Contract

One contract per product that stores:

- Basic Information: Product ID. manufacturer, creation date
- Attestation List: References to all EAS events
- Query Functions: History by schema, by period
- **Levent Log**: Chronological record of all operations

Each product = One unique passport

Note: Access control is handled by WEGManager and Resolver

Manufacturer Manager: Reusable Pattern

Abstract Contract

```
abstract contract ManufacturerManager {
  // Manufacturer information
  address public manufacturer;
  string public manufacturerName;
  string public manufacturerCountry;
  // Permission system
  mapping(string => RoleInfo) public roles;
  mapping(address => StakeholderInfo) stakeholders;
  mapping(string => bytes32) registeredSchemas;
  // Abstract functions (each manufacturer implements)
  function _initializeSchemas() internal virtual;
  function _createRoles() internal virtual;
  // Standardized functions (all use the same)
  function createRole(name, description, schemas);
  function addStakeholder(address, name, role);
  function hasPermission(stakeholder, schema) bool;
  function createSchema(name, schemaDefinition) returns (bytes32);
```

WEGManager: Specific Implementation

```
contract WEGManager is ManufacturerManager {
  constructor(factory, eas, registry, wegWallet) {
    manufacturer = wegWallet:
    manufacturerName = "WEG S.A.";
   manufacturerCountry = "Brasil";
    _initializeSchemas(); // 5 initial WEG schemas
    _createRoles();
                        // 7 WEG roles
  // WEG defines its own initial schemas
 function _initializeSchemas() internal override {
    WEG_PRODUCT_INIT_SCHEMA =
      createSchema("product_init", productInitDefinition);
    WEG_TRANSPORT_EVENT_SCHEMA =
      createSchema("transport_event", transportDefinition);
    // ... other 3 initial schemas
 // WEG can add new schemas anytime
 function addNewSchema(string name, string definition)
   public onlyManufacturer returns (bytes32) {
```

WEG Role System

Defined Roles

Role	Stakeholder	Allowed Schemas	of Granular Permissions	
₩ manufacturer	WEG S.A.	All (5 schemas)	Each stakeholder can only register evenTechnicians cannot change ownershipCarriers cannot perform maintenance	
maintenance_technician	Authorized technicians	MAINTENANCE_EVENT only	 Scalability New stakeholders only need to be assig Role changes affect all stakeholders aut 	
logistics_provider	Transport companies	TRANSPORT_EVENT only	 Security Automatic validation before creating an Audit trail of who did what 	
!! distributor	Product distributors	OWNERSHIP_TRANSFER only		
a end_customer	Final customers	Query only (no creation)		
recycling_facility	Recycling centers	END_OF_LIFE only		
â auditor	External auditors	Query only (all data)		

Note: Each stakeholder can only create the type of event they are authorized for

System Advantages

6 Granular Permissions

 Each stakeholder can only register events within their responsibility Technicians cannot change ownership

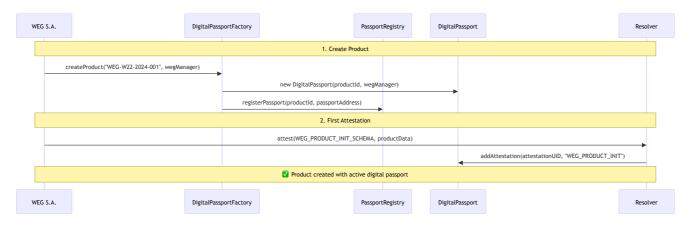
Scalability

 New stakeholders only need to be assigned to existing roles Role changes affect all stakeholders automatically

Security

 Automatic validation before creating any record Audit trail of who did what

Product Creation Flow



Result: Product with unique digital identity on blockchain, ready to receive supply chain events

Hierarchical Traceability

Multi-Level Structure

🔌 Main Product

- WEG W22 100HP Motor
- Main digital passport
- Reference to all components

Components

- Stator, Rotor, Housing, Bearings
- Each with its own passport
- Linked to main product

Sub-components

- Copper (Codelco), Steel (Gerdau), Magnets, Insulation
- Traceability to raw materials
- Origin certification

Hierarchy Benefits

Smart Recycling

- Exact knowledge of materials
- 95% of recoverable materials identified
- Automated sustainable destination

Complete Audit

- Trail from raw materials to final product
- Conflict-free materials certification
- Automated regulatory compliance

Added Value

- Products with history sell at premium prices
- Reduced insurance costs
- Predictive maintenance based on real data

Use Case Example: WEG W22 100HP Motor

Real Product

WEG W22 100HP Motor

■ **Product ID**: WEG-W22-2025-001

Model: Three-Phase Electric Motor

• Application: Integration in Thyssenkrupp elevator

• **Lifecycle**: 2025-2040 (15 years)

Supply Chain Stakeholders

- WEG S.A. (Manufacturer)
- WEG Export Brasil (Export)
- Thyssenkrupp (Integrator)
- # Maersk Line (Logistics)
- Construções Brasil (Distributor)
- **11** Condominium (End customer)
- João Silva (Technician)
- GreenRecycle (Recycling)

Geographic Journey

Brazil → Germany → Brazil

Manufacturing: Jaraguá do Sul, SC

→ National transport

Export: Port of Itajaí, SC

→ Maritime transport

Arrival: Port of Hamburg, DE

↓ Elevator integration (Germany)

Final Product: Complete elevator in Düsseldorf, DE

→ Maritime transport back

Arrival in Brazil: Port of Santos, SP

↓ National transport

Final Destination: São Paulo, SP

Each step = Verifiable attestation

Complete Lifecycle: 15 Years of Records

→ Phase 1: Production (2025)

🕌 Jan 2025 - WEG Jaraguá do Sul

- Product Init: Product creation
- Composition: 95% recyclable materials
- Quality tests: Approved

Feb 2025 - WEG Export Brasil

- Transport Event: Factory departure
- Destination: Port of Itajaí
- Conditions: Temperature controlled

Mar 2025 - Maersk Line

- Transport Event: International shipment
- Ship: Maersk Sealand
- Destination: Hamburg, Germany

Phase 2: Integration (2025)

Apr 2025 - Thyssenkrupp Germany

- Ownership Transfer: Motor received
- Integration in ThyssenOne elevator
- Complete system tests

May 2025 - Thyssenkrupp

- Final Product: Complete elevator
- Transport Event: Shipment back to Brazil
- Ship: Maersk to Santos, SP

🖺 Jun 2025 - Construções Brasil

- Ownership Transfer: Elevator received
- Transport Event: To installation in SP

👥 Jul 2025 - Condominium

- Ownership Transfer: End customer
- Start of commercial operation

Name 3: Operation (2025-2040)

Years 1-5: Warranty

- Preventive maintenance
- Software updates
- Performance monitoring

Years 5-10: Normal operation

- Occasional corrective maintenance
- Minor component replacement
- Efficiency optimizations

Years 10-15: Modernization

- Technology retrofits
- Lifetime extension
- Replacement preparation

Year 15: End of Life

Recycling: 95% materials recovered

Registered Attestations: Complete Trail

Blockchain History of Motor WEG-W22-2025-001

Date	Stakeholder	Schema	Event	Location	Details
Jan/25	WEG S.A.	PRODUCT_INIT	Creation	Jaraguá do Sul	100HP motor created, tested, approved
Feb/25	WEG Export	TRANSPORT_EVENT	Transport	SC → Itajaí	National transport, temp. controlled
Mar/25	Maersk Line	TRANSPORT_EVENT	Shipment	Itajaí → Hamburg	Ship Maersk Sealand, container 234
Apr/25	Thyssenkrupp	OWNERSHIP_TRANSFER	Receipt	Hamburg, DE	Motor received for integration
May/25	Thyssenkrupp	TRANSPORT_EVENT	Integration	Düsseldorf, DE	Complete elevator assembled
May/25	Thyssenkrupp	TRANSPORT_EVENT	Return	Hamburg → Santos	Elevator shipped to Brazil
Jun/25	Construções Brasil	OWNERSHIP_TRANSFER	Receipt	Santos, SP	Elevator arrived at distributor
Jul/25	Condominium	OWNERSHIP_TRANSFER	Purchase	São Paulo	End customer, operation start
Jan/26	João Silva	MAINTENANCE_EVENT	Preventive	São Paulo	Lubrication, general check
Jul/26	João Silva	MAINTENANCE_EVENT	Preventive	São Paulo	Filter change, calibration
•••		MAINTENANCE_EVENT			180+ events over 15 years
Dec/40	GreenRecycle	END_OF_LIFE	Recycling	São Paulo	95% materials recovered

Result: 200+ verifiable attestations covering 15 years of history

Real Benefits from This Example

For WEG

Performance Data

- Real field usage history
- Feedback for product improvement
- Quality evidence for marketing

§ Brand Protection

- Counterfeit products easily identified
- Complete anti-fraud traceability
- Shared responsibility in the chain

New Business Models

- Product-as-a-Service (PaaS) viable
- Warranties based on real usage
- Monetizable predictive maintenance

For Stakeholders

Thyssenkrupp

- Trust in component quality
- History for extended warranties
- Competitive differentiation

11 End Customer

- Total product transparency
- Preserved resale value
- Optimized maintenance

Industry

- Efficient recycling (95% recovery)
- Automatic regulatory compliance
- Proven sustainability

Digital Passport in Action

QR Code on Product

Stakeholder Benefits

Questions & Discussion

We're open to discussing:

Technical Aspects

- Blockchain solution scalability
- Integration with existing ERP systems
- Operational and transaction costs
- Security and access control
- Performance in high-volume scenarios

Material Implementation

- Specific use cases for different industries
- ROI and business models
- Regulatory compliance
- Stakeholder onboarding process

Architecture and Ecosystem

- Interoperability between manufacturers
- Expansion to other countries/regulations
- Integration with IoT and sensors
- Data analysis and insights

Sustainability and ESG

- Environmental impact of the solution
- Traceability of sustainable materials
- Compliance with green regulations
- Circular economy metrics

**** Next Steps

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