



stone			STONECO LTD.		
			SUSTAINABILITY STANDARD		
INFORMATION	AREA RESPONSIBLE	APPLICABLE SUBSIDIARIES			
CATEGORY					
Public	Sustainability	StoneCo and subsidiaries			

APproval	
Date of Approval	Approvers
13/08/2024	Board of Directors

REVISION HISTORY			
Revision No.	Description	Revision Date	Area / Responsible
01	Preparation of the Standard	November 20, 2023	Sustainability Area



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1. TERMS AND DEFINITIONS

Sustainability Area: within the structure of the Impact and Sustainability Department, the sustainability area focuses on implementing practices and policies that promote a balance between the organization's economic, social and environmental impacts, with the aim of making a positive contribution to the environment and society while sustaining growth and corporate responsibility.

Employees: means any employee of the Company, under the CLT (Brazilian Consolidation of Labor Laws) or internship regime (those who have an agreement signed between the Company and the educational institution), including young apprentices, as well as members of the Board of Directors and other workers who are not employees (CLT), but whose work and/or workplace is controlled by the Company.

Company: means StoneCo and the companies controlled by it.

Sustainability Commitments: means ambitions or goals undertaken by the company to integrate Environmental, Social and Governance (ESG) practices into its operations and strategies, with a view to making a positive contribution to the environment, society and stakeholders, while simultaneously pursuing sustainable growth and profitability.

Board of Directors: means the Board of Directors of StoneCo.

Personal Data: corresponds to information relating to the Data Subject. The concept includes name, e-mail, ID, CPF, any type of identity document, telephone number, registration data, address, image of Data Subjects captured by cameras, data on Company Employees (including information contained in their CVs), information on positions and salaries, geolocation data (GPS), IP address, device identification, habits, preferences, behaviors, consumption history, etc.

Natural Disasters: means catastrophic events, consequences of natural phenomena, which can cause significant damage to human life, property and the environment.

Responsible Development: corresponds to the fruit of the Company's strategic growth drivers, but is managed to monitor and control negative social or environmental impacts while seeking to amplify positive ones.

Management: means the Directors of StoneCo, elected as "officers" by the Board of Directors, and the statutory directors of Stone IP, as applicable.

Impact and Sustainability Board: means StoneCo.'s Impact and Sustainability Board, responsible for integrating sustainability principles into all operations and promoting practices that generate a positive



environmental, social and economic impact. It also defines and implements policies and initiatives that align business objectives with corporate social responsibility and sustainability.

Dual materiality: means the concept that considers both our social and environmental impact on the world, as well as the risks and financial impact on our business.

ESG: stands for Environmental, Social and Governmental and is a set of good actions and standards implemented by an organization for social and environmental responsibility.

Risk Forum: means the advisory body to the Executive Board responsible for deliberating on matters relating to Corporate Risk Management, with the main objective of assessing the supervision and monitoring of the Company's risk management, in order to ensure the sound management of the Company's resources, the mitigation of relevant risks, and the protection and enhancement of its assets.

GHG: acronym that refers to Greenhouse Gases.

StoneCo Group: means StoneCo and the companies controlled by it.

Stone Institute: means the entity responsible for managing the philanthropic resources of the StoneCo Group, among other duties set out in its Bylaws.

Standard: means this Sustainability Standard.

Sustainable Development Goals (SDGs): the UN's global targets to tackle socio-economic and environmental challenges by 2030, promoting prosperity, peace and protection for the planet.

Interested Parties or Stakeholders: means a) customers and users of the Company's products and services; b) the Company's internal community; c) suppliers and outsourced service providers relevant to the Company; d) investors in securities issued by the Company; e) entities regulating the Company's activities; and f) other people impacted by the institution's products, services, activities and processes, according to criteria defined by the institution.

SAC: acronym that refers to the term “social, environmental and climate”, in Portuguese.

StoneCo: means StoneCo Ltd., a company incorporated and validly existing under the laws of the Cayman Islands, with registered office at Harneys Fiduciary (Cayman) Limited, 4th Floor, Harbour Place, 103 Church St., PO Box 10240 KY1-1002, Georgetown, Cayman Islands, registered with the CNPJ/MF under No. 31.752.270/0001-82.

Stone IP: means Stone Instituição de Pagamento S.A., registered with the CNPJ/MF under No. 16.501.555/0001-57.



Sustainability: refers to the ability to meet current needs without compromising the ability of future generations to meet their own needs, balancing environmental, social and economic aspects.

Material Issues: means the priority issues that significantly impact a company's economic, environmental and social performance, reflecting the expectations and concerns of its stakeholders.

Third parties: means both the entity and its legal representative and/or agent who provide services to the Company, such as the service providers themselves, partners, franchises, or anyone else who qualifies as a supplier to the Company.

Data Subject: corresponds to the natural person to whom the Personal Data being Processed refers.

Processing: corresponds to any operation or set of operations involving Personal Data, whether or not by automated means, such as collection, production, reception, classification, use, access, reproduction, transmission, distribution, processing, archiving, storage, deletion, evaluation or control of information, modification, communication, transfer, dissemination or extraction.

2. PURPOSE

The purpose of this Standard is to establish the general guidelines for the Company's commitment to the growth and Responsible Development of its business, so as to enable compliance with the applicable legislation and regulations on the subject and the principles described in this Standard.

3. SCOPE

This Standard covers the entire Company and its stakeholders, such as Employees, Third Parties, regulators, members of the Board of Directors, civil society in general, among others.

4. APPROVAL

This Standard and its updates must be approved by the Board of Directors.

5. VALIDITY

This Standard comes into force on the date of its approval and must be updated when the actions or topics described herein are altered, or whenever there are significant changes in aspects of the Company's sustainability strategy or in the event of an applicable regulatory change or requirement.



6. DUTIES AND RESPONSIBILITIES

Board of Directors:

- Approve this Standard and its revisions; and
- Ensure the existence of mechanisms to guarantee compliance.

Impact and Sustainability Department:

- Propose, monitor and measure the impact of the execution of projects developed under the sustainability and risk policies (or “PRSAC” in Portuguese)), coordinating working groups that reinforce compliance with the principles described in this Standard, as well as projects aimed at mitigating environmental and social risks.

Risk Forum:

- Overseeing and managing the various aspects related to the risks faced by the Company, including those of a social, environmental, climate and human rights nature.

Stone Institute:

- Institution responsible for managing the philanthropic resources of the StoneCo Group, among other duties set out in its Bylaws.

7. GUIDELINES

The company adopts the ESG governance approach, prioritizing sustainability and corporate responsibility, with social, environmental and efficient management as its pillars. Thus, when applied in day-to-day organizational life, it focuses on Responsible Growth and Development practices, based on structured governance for decision-making and impact monitoring.

7.1. Governance

The governance pillar defines good corporate management practices. As such, it is the development of ethical, transparent and responsible management and administration in the company. This pillar is put into practice by the following actions:

- Ensure compliance with the Sustainability Commitments established based on the Material Themes and their respective targets;
- Promoting channels of consultation and communication with its stakeholders, reinforcing its commitment to an open and trusting relationship with its interested parties;
- Fostering a culture of ethical commitment and the development of best corporate governance practices. The company does not condone any form of corruption or embezzlement and seeks this same commitment in its value chain;



- Offer training so that employees carry out their work in accordance with StoneCo's Code of Ethics and are engaged in sustainability actions;
- Report transparently and objectively on the Company's economic, environmental and social performance and the search for best practices;
- Ensure the respect, promotion and protection of human rights and fundamental freedom in all its business relations. The Company follows the principles of the Universal Declaration of Human Rights and the UN Guiding Principles on Business and Human Rights, and values the right to life, freedom of expression and security. The Company does not tolerate any kind of prejudice, discrimination, moral and sexual harassment, work in conditions analogous to slavery, child exploitation, inhuman and degrading working conditions, sexual exploitation of minors and human trafficking throughout our value chain;
- Not condone the participation of any Stakeholder in actions/situations that violate human rights, and not to accept the use of such products/services in the Company's activities, reserving the right to terminate commercial relations with any party involved in or facilitating such practices;
- To ensure that the Personal Data of Data Subjects is processed in accordance with the requirements of the law, protecting, where applicable, the fundamental rights of freedom and privacy and the free development of the personality of natural persons;
- Providing a channel for attending to the rights of Data Subjects, including for receiving requests and/or reports of inappropriate conduct regarding the Processing of Personal Data;
- Protect the Company's information in order to preserve the confidentiality, integrity and availability of the data and information systems used, provide guidance on the appropriate use of its assets and guarantee the Company's ability to prevent, detect and reduce vulnerability to incidents related to the cyber environment;
- Complying with occupational safety legislation and seeking a preventive approach to risks and continuous improvement, as well as guaranteeing freedom of association and the right to collective bargaining;
- Respect its competitors, bearing in mind that fair competition contributes to improving the market and the Company undertakes to adopt competition defense practices based on Law No. 12,529/11, based on freedom of initiative and free competition, inhibiting actions that may violate the economic order; and
- Identify, assess, treat, monitor and communicate the SAC risks inherent in its activities in accordance with applicable regulations and best market practices.

7.2. Social

The social pillar is defined by practices and policies developed to improve social relationships. In short, it deals with the company's conduct towards society, employees and customers. Social practices therefore include:



- Fostering the ecosystem of organizations that generate impact, directing efforts and resources to enhance and accelerate the scale of social impact;
- Developing and supporting initiatives that boost socio-economic gains for the company's clients by reducing social inequalities and supporting local job creation;
- Supporting micro, small and medium-sized entrepreneurs in projects to generate work and income, whether or not they use philanthropic resources;
- Encouraging employee volunteering and engagement in community actions to increase positive social impact;
- Identify and assess risks and impacts on communities arising from its activities;
- Promoting a diverse environment, which aims to offer development opportunities for all Employees, as well as equal pay for similar positions and activities; and
- Promoting a psychologically safe working environment.

7.3. Environmental

The environmental pillar is characterized by good practices, standards and policies to promote the environment. Therefore, it refers to actions taken by the company to reduce environmental impacts. In practical terms, initiatives such as:

- Provide support to communities, clients and partners in the face of Natural Disasters and humanitarian crises, prioritizing those in highly serious situations (severity analyses will be carried out by a committee appointed for this purpose);
- Encourage projects, products and services that make it possible to reduce GHG emissions and maximize opportunities for circular economy (e.g. reverse logistics) throughout the value chain;
- Complying with legal environmental requirements and identifying, monitoring, mitigating and compensating for environmental aspects and impacts, with a view to reducing and/or eliminating risks, demonstrating a commitment to the continuous improvement of environmental performance and the prevention of environmental impacts.

This standard guides the sustainability strategy, which defines the objectives and pillars of action, as well as how the company will contribute to the Sustainable Development Goals (SDGs).

8. IMPACT ASSESSMENT

The Company recognizes the importance of impact assessment and continuous monitoring to ensure that its operations are conducted in a responsible manner. To this end, the Company has established a commitment to carry out periodic impact assessments and implement robust monitoring systems to evaluate and manage the effects of the Company's activities on environmental, social and economic aspects.



Based on the results of the impact assessments and continuous monitoring, the Company undertakes to implement corrective measures and improvement actions to mitigate adverse impacts and take advantage of sustainability opportunities and promote continuous innovation in its operations.

9. REPORTING AND CONTACT CHANNELS

The Sustainability Area will be responsible for addressing any questions relating to the topics covered in this Standard or any possible issues not addressed through the email sustentabilidade@stone.com.br. Any violations of this Standard should be reported to the Company through the Orelhão, available at:

www.canalconfidencial.com.br/orelhaostone

Telephone: 0800 591 0579

10. RELATED DOCUMENTS

- Code of Ethics;
- Anti-corruption policy;
- Competition Compliance Policy;
- Risk and Capital Management Policy;
- Information and Cyber Security Standard;
- Social, Environmental and Climate Responsibility Policy (PRSAC); and
- Personal Data Protection Governance Standard.