

The Cielo logo, consisting of the word "cielo" in a lowercase, sans-serif font. The letter "i" has a dot that is a small dark blue arc. The logo is positioned to the left of the main title text.

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# Integrated Annual Report

2023

**SUPPLEMENTARY INDEX**

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# About the Report

Welcome to the Cielo Integrated Annual Report **Supplementary Index!**

This document is a complement to our [Main Report](#) and is part of a set of initiatives aimed at providing transparency to stakeholders about our practices and performance.

The content presented herein is organized into ESG pillars and the reader can guide their queries by searching for indicators of interest, arranged in the sections, in the Indicator Panel or in the GRI and SASB indexes.

**Enjoy your reading!**



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# Environmental

Environmental Management System..... 5

# Environmental Management System

GRI 3-3

In order to ensure that our activities are in line with environmental standards recognized as guides for corporate actions, we have an Environmental Management System (EMS) certified by ISO 14.001:2015, which regulates the system and establishes requirements for its implementation and operation.

The Scope of Cielo's EMS includes:

- » Headquarters Administrative Activities;
- » Management of emissions generated by the Commercial Force (Fleet);
- » Management of POS logistics (Outsourced Service); and
- » Management of the final disposal of the POS (Outsourced Service).

We have internal procedures to identify aspects and evaluate the significance of the environmental impacts of our operations and activities, preventing their occurrence and avoiding their recurrence.

Impact monitoring, as well as data updating, is carried out on a regular basis, whenever there are significant changes that may affect the compliance of the Management System. The results of this monitoring are presented in critical analysis meetings.

## Waste

GRI 306-3 | 306-5

Aware of the growing impact electronic waste has on the environment, we are committed to reverse logistics and recycling of equipment used in our machines, batteries and peripheral items (cables, chargers and power supplies).

We have a logistics operation responsible for receiving and properly directing equipment that is returned to Cielo. Therefore, terminals that are still fit for use undergo a restoration and maintenance process. Those that are not suitable are destroyed and their waste is reintroduced as raw material in other sectors of the economy.

### Non-hazardous waste, by type and destination, in tons

	2021	2022	2023
<b>Recycling</b>			
Technological Waste - Machines	78.3	60.6	221.3
Supplies and peripheral items	133.7	75.1	163.2
Marketing materials	37.4	25.5	32.5
<b>Subtotal</b>	<b>249.4</b>	<b>161.1</b>	<b>417.0</b>
<b>Landfill</b>			
Recyclable waste (Headquarters)	5.3	3.24	13.9
Organic waste (Headquarters)	5,1	4.75	14.5
<b>Subtotal</b>	<b>10.4</b>	<b>7.99</b>	<b>28.4</b>
<b>TOTAL</b>	<b>259.8</b>	<b>169.09</b>	<b>445.4</b>

### End of life of sold products, in tons

	2022	2023
Paper reels discarded by commercial establishments and/or end users	1,376.0	1,074.3
Cardboard discarded by commercial establishments	708.6	793.8
<b>TOTAL</b>	<b>2,084.6</b>	<b>1,868.1</b>

## Energy

GRI 3-3 | 302-1 | SASB TC-SI-130A.1

At Cielo, energy management is a strategic factor for the continuity of our business, which is why we direct efforts to ensure energy efficiency and the use of renewable and low-impact sources.

We acquire renewable energy certificates (REC), which assure us that all electricity consumed is clean and free of carbon emissions.

We also evaluate the energy efficiency of the data centers (PUE) providing services to Cielo. Our metric is the ratio between the total energy used in the data center (electricity, cooling, light, etc.) and the energy used by IT devices (servers).

### Energy consumption within Cielo\*

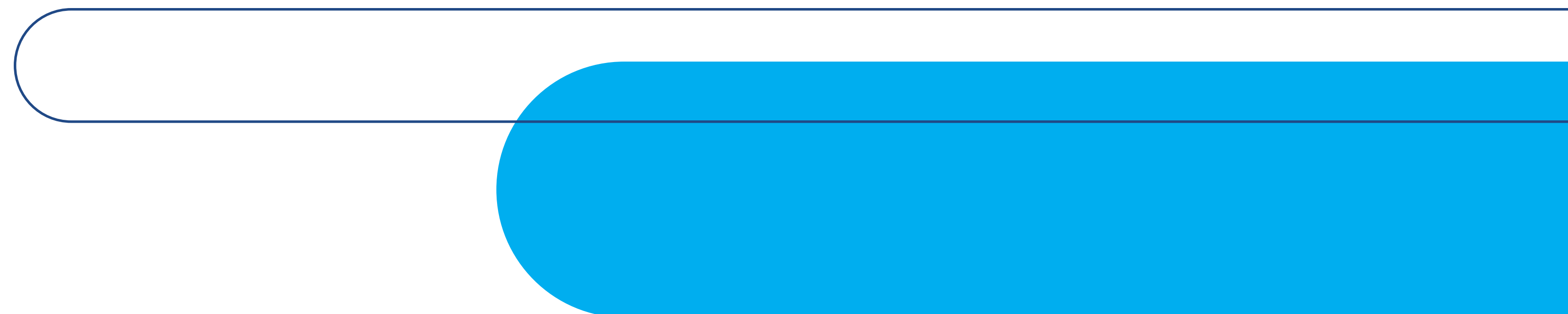
	2021	2022	2023
Electricity consumed (SIN)	2,779.0	2,721.5	2,021.8
Renewable fuels (GJ)	20,964.4	22,727.7	54,045.7
Non renewable fuels (GJ)	88,480.5	127,894.9	157,975.0

\* Energy consumption data refer to scopes 1 and 2 of the GHG inventory and include information from Cielo (Aliança, Servinet and Stelo) and Cateno.

### Energy efficiency in data centers

	2021	2022	2023
Power Use Efficiency (PUE) index	1.63	1.58	1.54
Total energy consumption in data centers (MWh)	62,855	67,753	69,847
Renewable energy percentage*	84.76%	100%	100%

\* For regulatory reasons, electricity transmission is carried out by the National Interconnected System (SIN).



# Emissions

GRI 3-3 | 305-1 | 305-2 | 305-3

We account for greenhouse gas (GHG) emissions following the guidelines of the Brazilian GHG Protocol Program. This allows us to monitor emissions, propose actions to reduce them and offset for remaining emissions.

An independent third party, accredited by Inmetro, ensures our inventory in accordance with the certification criteria.

Cielo offsets its scope 1 and 2 emissions through the purchase of carbon credits, which support a project to reduce GHG emissions with positive social and environmental impacts, in a traceable way and verified by an entity recognized in the world market.

## DIRECT EMISSIONS (SCOPE 1)

Cielo's direct emissions in 2023 totaled 9,130.5 tCO<sub>2</sub>eq – a 35% increase compared to 2022. Such growth is mainly related to the expansion of the commercial team, which resulted in an increased vehicle emissions.

Direct Emissions (Scope 1) (tCO <sub>2</sub> e)	2021	2022	2023
Mobile combustion	5,130.3	7,393.1	9,130.3
Fugitive emissions	0.2	0.3	0.2
Stationary combustion	7.2	12.1	0
<b>TOTAL</b>	<b>5,137.7</b>	<b>7,405.5</b>	<b>9,130.5</b>

## INDIRECT EMISSIONS (SCOPE 2)

Indirect emissions related to energy consumption totaled 77.6 tCO<sub>2</sub>eq – a 33% reduction compared to the previous year. The decrease is due to the closure of Cielo stores, making the Head Office and the Leopoldo Branch the only offices with energy consumption in the company.

Indirect Emissions (Scope 2) (tCO <sub>2</sub> e)	2021	2022	2023
Acquisition of electricity	333.5	116.5	77.6
<b>TOTAL</b>	<b>333.5</b>	<b>116.5</b>	<b>77.6</b>

### OTHER INDIRECT EMISSIONS (SCOPE 3)

Indirect emissions related to scope 3 totaled 25.049,4 tCO<sub>2</sub>eq.

It is worth mentioning that in 2023 a new methodology was created to calculate employees displacement, which considers the occupancy of the Headquarters, crossing with the use of parking, transport vouchers and charter. In this way, 2023 emissions better reflect the Company's hybrid work model.

Another important factor to keep emissions balanced despite the business expansion was the gain in efficiency in calls related to the Upstream Transport and Distribution category, achieved through proactive monitoring actions, resulting in fewer trips and, consequently, fewer emissions.

Indirect emissions (Scope 3) (tCO <sub>2</sub> e)	2021	2022	2023
Purchased goods and services	158.5	45.6	50.4
Displacement of employees (home-work)	177.0	2,291.0	1,300.0
Waste generated in operations	24.0	18.1	25.7
Transport and distribution (downstream)	5.3	47.2	22.3
Transport and distribution (upstream)	16,901.9	15,338.5	15,999.5
End-of-life treatment of products sold	-	7,782.4	6,309.8
Use of goods and services sold	799.5	201.1	157.5
Business trips	141.0	605.2	1,184.0
<b>TOTAL</b>	<b>18,207.2</b>	<b>25,329.0</b>	<b>25,049.4</b>

## Water and Effluents

GRI 303-1 | 303-2 | 303-5 | SASB TCSI-130A.2

To prioritize and encourage water efficiency in our operations and in the management of natural resources, we adopt internal measures and projects to reduce water consumption and use alternative sources for non-drinking purposes.

All drinking water used at the Company's headquarters comes from a water utility company. In 2023, 1,682 m<sup>3</sup> were consumed, a 26% increase compared to the previous year, due to the consolidation of the hybrid work model at the headquarters and the increased number of employees (find out more on page 51 of the Main Report).

### WATER CONSUMPTION (m<sup>3</sup>)

	2021	2022	2023
Municipal water supply or other water supply companies	1,632	1,336	1,682

In the headquarters building, there is a Sewage Treatment Station (ETE), which allows the treatment and reuse of water in toilets and cleaning of external areas.



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**Social**

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# Attraction and Engagement

GRI 3-3 | 401-1

Cielo understands that the talent found by the Attraction and Selection team is a key component for business strategy and development. Aiming to ensure our success in the medium and long term, our objective is to attract, retain, engage and develop talents that are guided towards innovation, data analysis, productivity and performance.

We monitor Attraction and Selection indicators through the candidate funnel, in addition to carrying out research and surveys in order to understand employees' perception and guide future strategies, whether for retention or acknowledgment programs.

## HIRING

As a result of the expansion of the commercial and technology teams, by the end of the year, we had hired 3,240 new employees, at an average cost of R\$3,708.40 per hire.

Demonstrating our efforts to value and promote the team, 14.2% of open positions were filled through internal recruitment.

### Total hiring, by gender

	2021	2022	2023
Percentage of positions filled through internal recruiting	16.0%	13.8%	14.2%
Average hiring cost	R\$ 3,268.0	R\$ 3,467.21	R\$ 3,708.40
<b>Total hiring</b>	<b>610</b>	<b>2.584</b>	<b>3.240</b>
Homens	1,440	1,518	2,014
Mulheres	830	1,066	1,226

## TURNOVER

Last year, we recorded a turnover rate of 35.7%. This index is lower than that recorded in 2022, which demonstrates the organization's attention to developing and retaining our talents.

	2021	2022	2023
<b>Total turnover rate</b>	<b>49.5%</b>	<b>38.4%</b>	<b>35.7%</b>
Men	46.9%	38.7%	36.4%
Women	47.9%	37.8%	34.7%

## DISMISSALS

	2021	2022	2023
<b>Total dismissals</b>	<b>1,989</b>	<b>1,740</b>	<b>1,918</b>
Men	1,214	1,065	1,175
Women	775	675	743

For additional hiring and turnover data, see the

[Indicators Panel](#)

# Performance Evaluation

GRI 404-3

Every year, the company carries out the Skills Assessment Cycle, to monitor the progress of our employees, contributing to the professional development of our team and the formation of high-performance teams.

As a way of ensuring a multiplicity of perspectives and a balanced examination of each individual's characteristics, we developed a network assessment model, which involves the entire team. Through this model, each employee is evaluated by professionals who work together in their daily lives at the company and who, therefore, are able to reflect on their performance.

Employees\* who received a performance evaluation, by gender and functional category

	2021	2022	2023
Male	80.0%	95.3%	96.0%
Female	76.7%	94.5%	96.0%
<b>TOTAL</b>	<b>78.7%</b>	<b>95.0%</b>	<b>96.0%</b>

(\*): Employees who have been working at the company for at least three months, except for apprentices, third parties and service providers, participate in the skills assessments.



# Development

GRI 404-1

Cielo University (learn more on [page 52](#) of the [Main Report](#)) aims to develop and maintain learning experiences that encourage the evolution of our people, in line with the Company's strategies. The Corporate University also focuses on supporting and training leaders, so that they can manage high-performance teams in a humanized way.

Some of the initiatives implemented in 2023 with the aim of improving our team's talents are presented below.

## ENCHANT & CONQUER

Designed to train the Company's Business Managers, the **"Encante e Conquiste" (Enchant & Conquer)** training focused on improving the customer service provided by the In-Person Channels sales team.

During the training, participants explored advanced communication and negotiation techniques, allowing them to establish stronger connections with customers, while supporting them in choosing the best payment options and Cielo solutions.

With 63 classes held throughout Brazil and an attendance of 88%, more than 1,700 employees were trained, totaling 504 training hours and an NPS of 97.

## CONTINUING EDUCATION PROGRAM

In 2023, we held another edition of the Continuing Education Program, and vacancies for an MBA in Data Innovation were offered. A total of 40 employees were selected from different areas of the Company, totaling 384 hours of training and development.

As part of our diversity and inclusion initiatives, we reserved places for underrepresented groups: women, LGBTQ+ people, people with disabilities and ethnic or racial minority groups who received additional allowance.

The course ends in September 2024 and students will participate in a project evaluation panel, which will include the participation of Company leaders.

## INTERNSHIP PROGRAM

In 2023, 200 interns participated in the program, who were hired following the admission windows. The program featured a monthly schedule of learning content, with more than 20 training hours, which included meetings with Leadership.

As a result, the events held under the program achieved an NPS of 98.

## YOUNG APPRENTICE PROGRAM

The objective of the young apprentice program is to socially include young people with low income and in vulnerable situations in the job market and work on developing new talent for internship, assistant or junior analyst opportunities and promoting diversity in the business environment.

In 2023, the program had 16 apprentices and over 50 training hours.

# Benefits and Compensation

GRI 401-2

Faced with the challenges of attracting and retaining talents that drive the Company on its transformation journey, we have policies and programs focused on effective compensation and benefits management. These initiatives are implemented to adapt to the dynamic and highly competitive context of the sector, while reinforcing our employer brand.

## COMPENSATION PRACTICES

At Cielo, the compensation structure is made up of three items:

- » The **salary**, which can be complemented by fixed additional payments, as stipulated by the Collective Labor Agreement.
- » The **Short-Term Variable Compensation (ICP)**, implemented by the Profit Sharing Program (PPR), which aims to guarantee collaboration and the achievement of results set by the Company, applied through salary multiples. Specifically for commercial

areas, compensation may include additional short-term elements, such as sales incentives, in order to guarantee the attraction and retention of the sales force, as well as stimulate their performance.

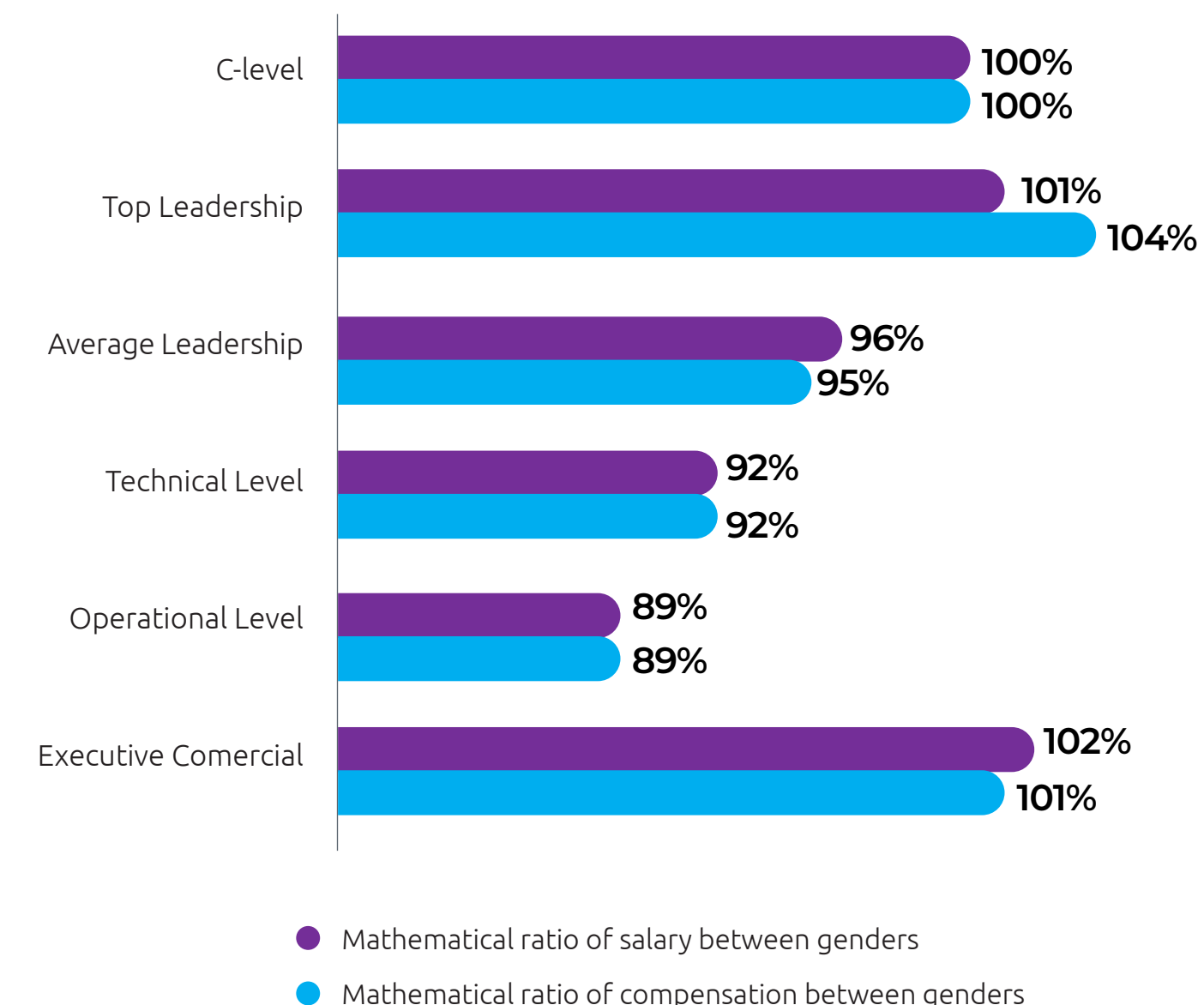
- » The **Long-term Incentive (ILP)**, materialized by the Restricted Stock Programs.

## EQUITY IN COMPENSATION

GRI 405-2

At Cielo, we adopt an equitable remuneration approach, regardless of gender. We monitor the competitiveness of our compensation through regular comparisons with the market. To do so, we rely on specialized consultancies that consider in their assessments companies that operate in the same or similar sectors as Cielo, as well as those that employ professionals with similar profiles.

## Mathematical ratio of salary and compensation between genders, broken down by functional category\*



\* Top leadership (Superintendents and Executive Managers); Average Leadership (Managers and Coordinators); Technical Level (Specialists and consultants); Operational Level (Assistants and Analysts); Comercial (Business Manager and Commercial Executives).

## Benefits

GRI 401-2

The complete list of benefits offered to our team<sup>3</sup> is presented below. All benefits are offered to temporary employees.

- » Daycare and babysitting allowance;
  - » Medical check-up;
  - » Payroll loan;
  - » Parking;
  - » Chartered transport;
  - » Transportation vouchers;
  - » Food vouchers
  - » Meal voucher
  - » Bradesco Saúde health insurance plan: management of beneficiaries, hospitalization, chronic pathologies and orthopedics
  - » Dental insurance;
  - » Health insurance;
  - » Life insurance;
  - » Private pension;
  - » 20-day paternity leave, entitled to assistance;
  - » 120- or 180-day maternity leave;
  - » Breastfeeding Support Room;
  - » Gympass;
  - » Sesc;
  - » In-company general practitioner;
  - » In-company nutritionist;
  - » In-company psychology;
  - » In-company laboratory tests collection;
  - » In-company cafeteria;
  - » Flu vaccination campaign;
  - » Christmas Gift and in-Company Christmas;
  - » In company beauty and wellness space.
- In addition to these benefits, we also provide programs and campaigns that are part of the "De Bem com a Vida" Program actions, dedicated to promoting the health, well-being and quality of life of employees and their families. These include:
- » Pregnant Women Program and Conscious Parenting: priority for assistance in clinical services, periodic conversation circles, monitoring of pregnant women, conscious parenting trail
  - » Emotional Health Program;
  - » Mindfulness; and
  - » Health Campaigns: yellow September, pink October, blue November.

<sup>3</sup> The headquarters and its branches were considered important operational units.

# Health and Safety

GRI 403-1 | 403-2 | 403-3 | 403-4 | 403-5 | 403-7 | 403-8

## MANAGEMENT

Cielo has an occupational health and safety management system, established based on applicable legislation and good management practices, which covers all of the Company's operations and all the people who work there, including third parties.

The objective of this system is to guarantee the health and safety of the entire team, ensuring that everyone can perform their duties in a safe environment.

## ANALYSIS AND RISK PREVENTION

To ensure the health and safety of our team, possible occupational illnesses that could affect our team, such as repetitive strain injuries, stress, hearing loss, and others, were checked. The risks to which employees are exposed in the work environment, such as exposure to heat, high noise, inadequate lighting, incorrect posture, and others, were also identified.

These risks are raised through the **Risk Management Program (PGR)**, which is a set of preventive and corrective measures to avoid work-related accidents and illnesses, and through **Ergonomic Analysis**, which is a study of working conditions and the adaptation of people to their environment.

Once identified, the risks are mitigated by following the **Occupational Health Medical Control Program (PCMSO)**, a medical and health action plan to monitor and protect employees from occupational risks.

## COMMUNICATION CHANNELS

If any employee wants to report a risk or dangerous situation in the workplace, the complaint can be made through the existing communication channels: [segurancadotrabalho@cielo.com.br](mailto:segurancadotrabalho@cielo.com.br) / [cici@cielo.com.br](mailto:cici@cielo.com.br) / [ambulatoriomedico@cielo.com.br](mailto:ambulatoriomedico@cielo.com.br).

All incidents must be reported through an internal website. If it is not possible to register the incident via the website, this can be done via the Emergency Telephone number (11) 2184-7777 or via the occupational safety email address ([segurancadotrabalho@cielo.com.br](mailto:segurancadotrabalho@cielo.com.br)).

Upon receipt of the communication, we investigate the incident to determine the root cause and request correction so that there is no recurrence. The steps include filling out a form with information about the injured employee and details of the event that resulted in the accident.



## OCCUPATIONAL HEALTH

In order to facilitate access to these services, we have a medical clinic within Cielo’s facilities, through which we also provide other clinical services in a hybrid way (online and in person), such as psychological, nutritional and clinical assistance<sup>4</sup>.

On **page 61 of the Main Report**, find out more actions and initiatives to promote Cielo team's health.

## TRAINING AND ENGAGEMENT

All positions receive general guidelines on occupational health and safety during onboarding and in safety campaigns carried out during the year. Additionally, we have specific training for the Fire Brigade, in which the procedures for responding to fire-related emergencies in Cielo buildings are provided.

On an annual basis, we hold the Internal Work Accident Prevention Week (SIPAT), the function of which is to guarantee a safe and healthy work environment through playful awareness activities, which include simulations, games and gift distribution.

# Human Rights

GRI 2-23 | 408-1

Our commitment to Human Rights is formalized in our Code of Ethical Conduct and is ratified through the Sustainability Policy. These documents guarantee that the Company complies with Human Rights in all its activities, operations, supply chain and stakeholder relationships.

## ZERO TOLERANCE TO DISCRIMINATION

Cielo is against any form of discrimination, intimidation or harassment based on gender or gender identity, disability, origin, religion, race, ethnicity, sexual orientation, marital status, age, health condition, social status or other characteristics, in any economic, political or organizational context. Furthermore, Cielo values the right to life, freedom of expression and security, and does not tolerate physical or verbal aggression.

## RESPECT FOR THE FUNDAMENTAL RIGHTS OF CHILDREN AND ADOLESCENTS

Cielo does not accept any kind of negligence, discrimination, cruelty, violence, trafficking, sexual exploitation or pornography involving children and adolescents in its activities, in the use of its products and services and in its supply chain.

The Company repudiates child labor and does not support any situation involving the irregular work of teenagers under 16, except when they are young apprentices, from the age of 14.

## SLAVE LABOR

Cielo is against slave labor, human trafficking and situations that may involve coercion, degrading disciplinary measures or violations of fundamental rights. The Company does not condone such practices in the use of its products and services and in its value chain.

<sup>4</sup> All information related to workers’ health is treated in accordance with the General Data Protection Law (LGPD) and Cielo’s Code of Ethical Conduct.



# Supplier management

GRI 3-3

Our supply chain management aims to ensure competitiveness, quality, speed and sustainability in our relationships and partnerships.

As a way to guarantee performance evolution and business continuity, while mitigating risks in the supply chain, we manage suppliers in three stages:

## Vendor Onboarding

GRI 308-1 | 408-1 | 409-1 | 414-1

During the onboarding process, we conduct a comprehensive assessment that encompasses the administrative, financial, fiscal and sustainability aspects of suppliers.

At this stage, we thoroughly review the documentation provided by partners, also ensuring adherence to our main corporate policies, such as the Code of Ethical Conduct, Sustainability Policy and Diversity and Inclusion Policy.

After these assessments, suppliers are categorized into different levels (tiers), according to their impact on the customer and the Company's business continuity.

At this stage, aiming to evaluate and monitor practices throughout our supply chain, we submit questionnaires to 100% of our suppliers, addressing environmental, social and governance aspects as part of the approval process.

Throughout the year, more than one thousand suppliers underwent this process.

## Vendor Performance

The Vendor Performance Program aims to optimize the performance of Cielo's base suppliers, and when necessary, replace those that fail to comply with expected standards.

Through quarterly evaluations, the Company monitors the main suppliers in financial terms, defines improvement plans for those with possibility for evolution, and if necessary, discontinues the relationship with those that perform below expectations.

These quarterly assessments cover criteria such as Quality, Speed, Competitiveness and Innovation, including operational indicators for a comprehensive analysis.

Suppliers are managed proactively, by offering structured feedback and developing personalized action plans based on each supplier's performance. Additionally, performance clauses are included in contracts, ensuring the right to terminate without penalty if performance does not meet established criteria for two consecutive or three alternate quarters within a 12-month period.



## Vendor Risk

GRI 308-2 | 408-1 | 409-1 | 414-2

Since its implementation in 2019, the Vendor Risk Program has been an important instrument to deepen our understanding of the critical suppliers with which we interact.

The assessment carried out takes into account the vision of continuity, risk robustness, financial health and ESG, and is conducted in a holistic manner, involving several internal areas of the organization. This ensures a complete and integrated view of suppliers and their impacts on our operations and our customers.

Last year, around 50 critical suppliers were evaluated in the Program. Among them, 20% were assisted by the Company's Sustainability team with audits, which resulted in agreements for improvement. These suppliers were selected by taking into account the potential for generating socio-environmental impact, which includes suppliers for the disposal of plastic and electronic materials used in the machines manufacture, suppliers for the disposal of paper reels and suppliers that support us with logistics.

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# Governance

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# Corporate governance

GRI 2-9 | 3-3

In order to increase the quality and efficiency of Cielo's governance bodies, its corporate governance system is made up of **six Advisory Committees** and nine **Advisory Forums**, which provide advisory and technical assistance to the **Board of Directors** and the **Executive Board**, as indicated in the organizational chart on **page 75 of the Main Report**.

We also have a **Fiscal Council**, installed by resolution of the General Meeting or at the request of shareholders, in the cases provided for by law, with non-permanent operation and duties and powers conferred by law. When installed, the Fiscal Council is made up of three to five full members and the same number of alternates, elected by the General Meeting.

Therefore, we currently have six Committees and nine Forums, which provide advice to the Board of Directors and the Executive Board, contributing to decision-making and the management of risks and opportunities.

With the aim of maintaining and improving the structure and good corporate governance practices, we also have a Corporate Governance Area, with an Executive Superintendent, with functional reporting to the Board of Directors, dedicated to assisting management bodies, advisory committees and forums for the Company and its subsidiaries.

Completing the configuration of our governance system, we rely on the work of an Independent Audit, as a way of ensuring practices and the fairness of internal procedures and processes.

Find out more about our corporate governance structure and practices through the [link](#).

## CONFLICT OF INTEREST

GRI 2-15

Cielo has a **Policy on Related Party Transactions and Other Situations Involving Conflict of Interest**, the purpose of which is to consolidate the procedures

to be observed in the Company's business involving related parties, as well as in situations involving potential conflict of interest.

The Policy provides that, when there is a situation that gives rise to a conflict of interest, this must be invoked by the key person who is aware of it, as soon as the conflict arises or they are aware of it. Such situations must be submitted to the Company's Corporate Governance Committee so that it can assess the need to recommend the topic for deliberation by the Board of Directors.

It is worth highlighting that the Policy provides transparency to shareholders and the market in general, in addition to ensuring its alignment with the Company's interests, always following the best corporate governance practices.

See our **Policy for Transactions with Related Parties and Other Situations Involving Conflicts of Interest** in full.

## Senior Management

### MEMBER ELECTION

GRI 2-10

Cielo has a **Nomination and Compensation Policy for members of the Corporate Governance Bodies**, which provides for the guidelines, criteria and process for nominating and selecting members to the Board of Directors, Executive Board, Audit Committee and other governance bodies of the Company.

The document establishes that the nomination of members to compose the Board of Directors may be carried out by the Managers or by any shareholders of the Company.

This Policy aims to ensure that governance bodies are composed of qualified professionals, aligned with the Company's strategic interests and best corporate governance practices, observing applicable legal and regulatory aspects.

See the **Nomination and Compensation Policy for members of the Corporate Governance Bodies**.

### COMPETENCIES

GRI 2-17

The Company's Board of Directors is made up of professionals with diverse and complementary experiences, skills and knowledge, who are periodically evaluated through a Competency Matrix. This tool allows you to identify each person's skills for specific topics, as well as gaps and development opportunities.

The Competence Matrix also supports the succession planning of Board members, which is reviewed on an annual basis, aiming to ensure the continuity and effectiveness of Cielo's strategic management.

For more information about members, access the [link](#).

Additionally, the Company's Nomination and Compensation Policy for members of the Corporate Governance Bodies provides that the process for nominating members to the Board of Directors must be based on a prior analysis of the skills of the members that make up the Board of Directors, aiming to verify the efficiency of the collegiate body and the complementarity of functions, as well as pointing

out any gaps in its composition, thus ensuring its adequate composition.

Finally, the document provides that nominations must consider professionals with different characteristics and profiles, aiming at complementing skills, such as social and environmental aspects, and diversity, such as gender, age group, ethnicity, and other criteria, allowing the effective debate of ideas and the making of technical, impartial and well-informed decisions.

### PERFORMANCE EVALUATION

GRI 2-17 | 2-18

The Company carries out, on an annual basis, performance evaluations of the Board of Directors and its Advisory Committees, as collegiate bodies, and of the Board Chairman, Board members, members of the Committees, individually considered, through a self-assessment questionnaire, as well as the Governance Area and the Governance Officer, following good governance practices and aiming at continuous improvement of the bodies.

Since 2021, the performance evaluation has been led by an independent external consultancy, with guidance from the Coordinator of the Corporate Governance Committee and the Governance Officer.

Every four years, we carry out a comprehensive assessment, in which we individually evaluate the Board Chairman, Board members and the Committees members, through a self-assessment questionnaire.

Annually, we carry out an intermediate evaluation process to monitor the evolution of deficiencies, and eventually, identify new points and opportunities for improvement. In this process, we carry out performance assessments of the Board and its Advisory Committees as collegiate bodies.

Upon the completion of the evaluation process, whether comprehensive or intermediate, the external consultancy consolidates the evaluations results and prepares final recommendations, with individual feedback for each body, in addition to indicating the need for adjustments or improvements.

Based on the Board of Directors' final evaluation report, the Corporate Governance Committee discusses the results and improvement opportunities identified for the development of action plans. Subsequently, the recommendations of the Corporate Governance Committee are submitted to the Board, which is responsible for approving them and prioritizing their implementation.

The results of the Committees' assessments and their recommendations are submitted to each body for discussion, approval and prioritization for implementation. The main results of the evaluations are communicated to the Board, and eventually, recommendations that depend on its approval are submitted to this body.

For more details and evaluation results, access the **Corporate Governance section** of the Company's Investor Relations website.

## COMPENSATION

GRI 2-19 | 2-20

The **Nomination and Compensation Policy for members of the Corporate Governance Bodies** provides, among other, for the guidelines to be observed and applied to establish the compensation and respective benefits for the members of the Board of Directors, Executive Board, Fiscal Council and Advisory Committees.

The Executive Board's compensation is made up of:

- » **Fixed monthly remuneration**, defined by the Board of Directors, the amount of which is defined, among other factors, by the individual qualifications and the position level of complexity.
- » **Short-Term Variable Compensation**, which rewards reaching and exceeding individual and Company targets
- » **Long-term Bonuses and Long-term Incentive** materialized by the Restricted Stock Program (both granted upon individual performance); and

» **Retention incentive**, materialized by the Sócio Cielo Program, where part or all of the short-term variable compensation is linked to the acquisition of Cielo restricted shares, with the corresponding consideration by the Company.

The members of the Board of Directors, on the other hand, are entitled to

- » **Fixed monthly compensation**, not linked to their participation in the meetings held by the said body, with the aim of remunerating them for the services provided in a manner compatible with their attributions;
- » The compensation of each board member may be different due to additional responsibilities assumed, such as participation in Advisory Committees
- » The members of the Board of Directors are not entitled to any variable compensation, but are reimbursed by the Company for all travel and accommodation expenses, as well as other expenses eventually incurred in the performance of their duties.

The People and Remuneration Committee and the Corporate Governance Committee are responsible for analyzing market research and making any recommendations to be submitted to the Board of Directors, as well as analyzing and issuing recommendations to the Board of Directors regarding the strategy, policies and practices adopted or to be adopted by the Company in relation to the remuneration of governance bodies. In the case of the Executive Board, the People and Remuneration Committee is responsible for analyzing and issuing recommendations.

### IMPACT MANAGEMENT

GRI 2-12 | 2-13 | 2-16 | 3-3

The Board of Directors is responsible for guiding and defining Cielo's business strategies, taking into account, among other aspects, the impacts of its activities on society and the environment, through the application of social responsibility in business management and the sustainability strategic plan, as proposed by the Executive Board and with prior consultation with the Sustainability Committee.

At all meetings of the Board of Directors, a period is reserved for the coordinator of each Advisory Committee to report on the issues and topics debated/discussed to the other members of the board, as well as to report critical concerns.

In this way, the Board of Directors is continuously informed about critical issues and other matters addressed by the Advisory Committees and can provide recommendations regarding the strategies and practices adopted to manage the most varied impacts.



# Integrity and Ethics

GRI 3-3 | 2-23 | 2-24

## Code of Ethical Conduct

In order to guide the business conduct in accordance with our commitment to ethics, integrity and compliance practices, we rely on the **Code of Ethical Conduct**. The document was prepared to strengthen our ethical trajectory and guide our daily decisions and actions around our purpose of simplifying and driving business for everyone.

The document follows references from the Declaration of Human Rights, the Global Compact and the 2030 Agenda for the Sustainable Development Goals (SDGs) – all from the United Nations (UN) –, in addition to the conventions of the International Labor Organization (ILO).

Its guidelines apply to members of the Board of Directors, Executive Board, Fiscal Council, employees, interns, young apprentices, subsidiaries, shareholders, investors, suppliers, service providers and other stakeholders of the Company.

Members of the Executive Board, employees, interns and young apprentices formally sign their adherence to the Code upon hiring and annually renew their commitment to act in accordance with its guidelines. Therefore, we expect everyone to act as guardians of the Code, reporting any and all situations that may indicate non-compliance with the guidelines and directives contained therein.

## Cielo Compliance Program

GRI 3-3 | 205-2

Cielo Compliance Program aims to expand actions beyond the specific scope of Compliance and Integrity, creating a synergy with other areas to enable a culture of ethics, integrity, risk management and compliance as a whole, not just for Cielo, but also among its various audiences, allowing the maintenance of a robust compliance environment within the Company.

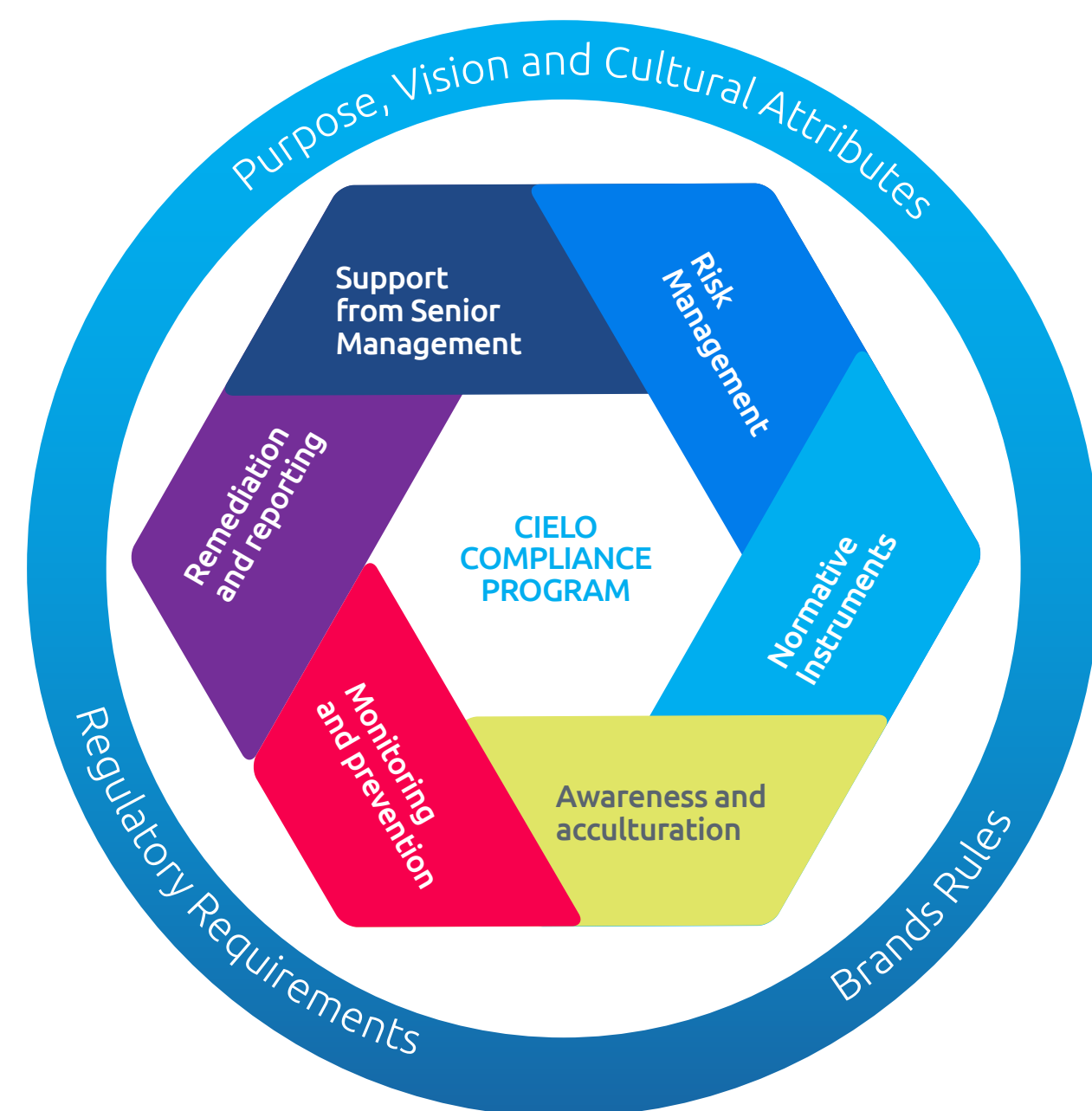
This is a set of internal processes, controls and procedures related to integrity and compliance, which ensure that Cielo:

- » maintains ethical and transparent conduct in all relationships with its stakeholders, aiming to prevent, detect, mitigate and report deviations, fraud, irregularities and illicit acts, including corruption and bribery, both in the private sector and in the Public Administration, either national or foreign; and
- » adheres to the regulatory structure, infra-legal regulations, recommendations from regulatory bodies, operational regulations established by brands, their Code of Ethical Conduct and the Company's regulatory instruments.



To this end, the Program is based on six main elements that permeate the processes and activities of different areas of the Company, especially the second and third lines of responsibility. These elements are presented below:

The Executive Risk, Compliance, Prevention and Security Vice-Presidency, through the Compliance Policy, is formally responsible for Cielo Compliance Program, and is supported by other areas that have responsibilities within the Program operation.



# Anticorruption

GRI 205-1 | 205-3

Cielo repudiates and combats all forms of corruption, such as bribery, embezzlement and granting of undue advantages, as well as the concealment or dissimulation of these acts and the impediment of investigation and inspection activities.

We work proactively in preventing and combating corruption, promoting several initiatives in this regard. Among them, the following can be highlighted:

- » Cielo is a signatory to the Business Pact for Integrity and Against Corruption, a voluntary commitment made by private and public companies with the aim of promoting a more honest and ethical market, reducing various corrupt practices;
- » We are signatories to the UN Global Compact and, every year, we present our progress, with the actions taken in the areas of Human Rights, Labor, Environment and Anti-Corruption Practices;

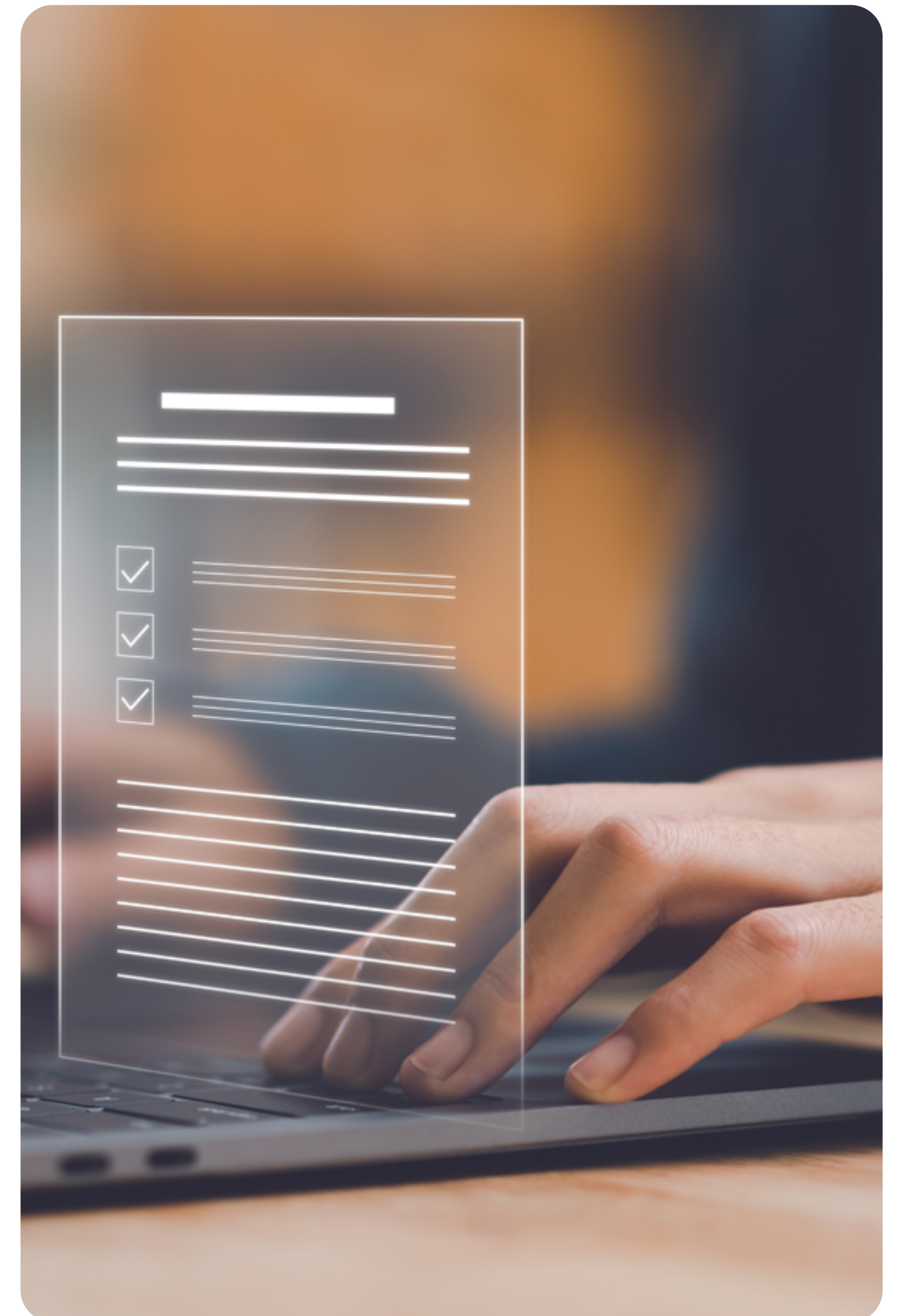
- » We are also part of the Global Compact Brazil Network and actively participate in Working Groups, including the Anti-Corruption Working Group;
- » We adopt integrity criteria for the selection of managers;
- » We monitor 100% of customer transactions through automated systems, identifying cases with signs of financial crimes and illicit acts, such as corruption, money laundering and terrorist financing;
- » All interactions between our team and public officers are communicated to the Compliance team and monitored, ensuring compliance and diligence;
- » Our Code of Ethical Conduct and the Rule for Accepting and Offering Courtesies establish rules and responsibilities for the acceptance and offer, by Cielo team, of items such as gifts, presents and invitations to events;

- » We also carry out specific monitoring for customers qualified as PEPs (Politically Exposed Persons);
- » During the electoral period, Cielo adopts additional procedures in order to identify signs of suspicious activities and/or irregular donations to candidates;
- » All of the Company's contracts with its customers, suppliers and partners include anti-corruption clauses;
- » We adopt Know Your Customer, Know Your Supplier, Know Your Partner and Know Your Employee due diligence procedures to mitigate the risks of corruption, money laundering and terrorist financing, according to the activity, jurisdiction and parties involved, including the collection, verification, validation and updating of registration information;

- » The entire Cielo team takes annual anti-corruption training.
- » We communicate to the competent authorities operations or proposed operations that indicate signs of corruption and money laundering, among other illicit acts.

In 2023, we recorded no significant instances of non-compliance with laws and regulations that resulted in fines or non-monetary sanctions. There were also no cases of corruption involving public officers, nor cases of private corruption.

See our [Anti-Corruption Policy](#) in full.



## Prevention of money laundering and terrorism financing

GRI 3-3 | 205-1

Cielo is deeply committed to improving and strengthening prevention processes to ensure that the financial system is not used in illicit activities.

In addition to addressing money laundering, our prevention processes also address the proliferation of mass destruction weapons, terrorism financing, corruption and other illicit acts, which occur in violation of current regulations.

Therefore, we carry out an annual assessment of the risk of money laundering and terrorism financing following the Internal Risk Analysis methodology, which is in line with the regulations of the Central Bank of Brazil.

**In 2023, the Internal Risk Analysis methodology underwent a complete review, ensuring greater precision in assessing the risk of money laundering and terrorism financing.**

Also last year, Cielo's Money Laundering and Terrorism Financing Prevention Manual was updated to detect suspicious activities in a more effective manner. The document presents parametric rules for transactional and reputational alerts, aiming at effective control in the timely detection of threats that could create vulnerabilities for the Company.

Furthermore, we improved the management of the topic by structuring more robust procedures and controls. We implemented automated processes and improved operational routines, which resulted in more accurate and transparent alerts, as well as faster identification of atypical transactions.

### MONITORING AND COMMUNICATION

Within the Company's control environment, 100% of customer transactions are monitored, with all related information recorded in the system, including identification of resources origin and destination.

In 2023, 11,664 cases generated alerts of identified atypical situations, of which 2,280 were reported to the Financial Activities Control Council (COAF), after in-depth analysis.

The monitoring of transactions carried out by subacquirers is carried out separately, and in 2023, 6,402 cases generated alerts, of which 208 were reported to COAF after in-depth analysis.

# Fraud prevention

GRI 3-3

At Cielo, we consider our efforts to prevent fraud to be a priority to ensure the legality of our operations, in addition to a fundamental commitment to the security of our customers' transactions.

Several strategies are adopted by Cielo to prevent fraudulent activities, including the monitoring and identification of devices used in purchases, the implementation of security barriers and continuous surveillance, in addition to security verification and comparative analysis between delivery and billing addresses.

Access our **blog** to find out more details about Cielo's initiatives aimed at preventing fraudulent activities.

We have the **Cielo Command Center** (NCC), which operates every day, 24 hours a day, monitoring all transactions, which allows it to detect any type of fraud, block accounts associated with suspicious activities and reimburse the affected customer.

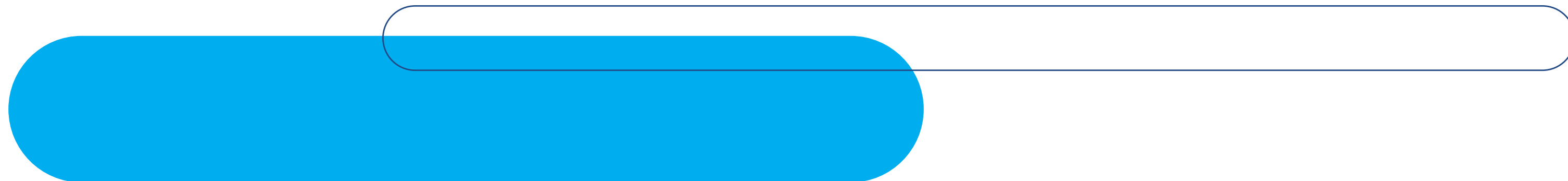
In 2023, we maintained our commitment to fraud prevention, continually investing in technology and intelligence, advancing the process of improving our technological framework, using intelligence to prevent and combat fraud. We also updated processes and systems, seeking to align existing technological structures with trends and new fraud models observed in the market.

## DIGITAL IDENTITY

In order to ensure our customers security and practicality, we have developed a registration data validation process, which is carried out through Minha Conta Cielo, an exclusive digital environment for accredited establishments.

The confirmation of registration data involves checking customer information, such as email, CPF and identity document, through an application or website. This confirmation enables access to services available on Cielo's digital channels, as well as the execution of sensitive activities, such as contracting products, anticipating receivables and access management.

With this process, we provide more security, agility and control to our customers, avoiding fraud, errors and losses.



# Privacy and data protection

GRI 418-1 | SASB TC-SI-220A.1 | TC-SI-220A.2 | TC-SI-220A.3 | TC-SI-230A.1

At Cielo, data protection is a priority and takes place with the highest level of care and compliance with the General Data Protection Law (LGPD) and other internal regulations. Therefore, all data, whether from customers, employees, suppliers or partners, is treated with strict security standards.

## GOVERNANCE

We have a **Privacy and Data Protection Policy** which defines the guidelines to guarantee the privacy and security of personal data of all audiences with which we interact. This Policy establishes the rules on how Cielo collects, uses, stores, shares and eliminates personal data, following laws, regulations and good market practices.

To advise the Executive Board, the **Privacy and Data Protection Forum was created**, which deals with privacy and data protection issues, seeking to adapt to current laws and regulations, mainly the General Personal Data Protection Law (LGPD).

These initiatives are coordinated by a dedicated team, under the management of the Data Protection Officer (DPO), in accordance with the LGPD.

See our **Privacy and Data Protection Policy** in full.

## PROCESSES

Cielo may process personal data for advertising purposes, in order to send communications of interest to its customers. The objective is to promote products that are suited to the needs and profile of the target audience, respecting the LGPD guidelines.

The personal data processed includes information collected during the use of the Company's websites and applications, such as access, browsing and identification data, in addition to the possibility of collecting geolocation for fraud prevention and credit protection. Personal data is only stored for as long as there is a legitimate purpose for doing so.

In accordance with our Privacy and Data Protection Policy, Cielo does not process personal data considered to be related to children and adolescents.

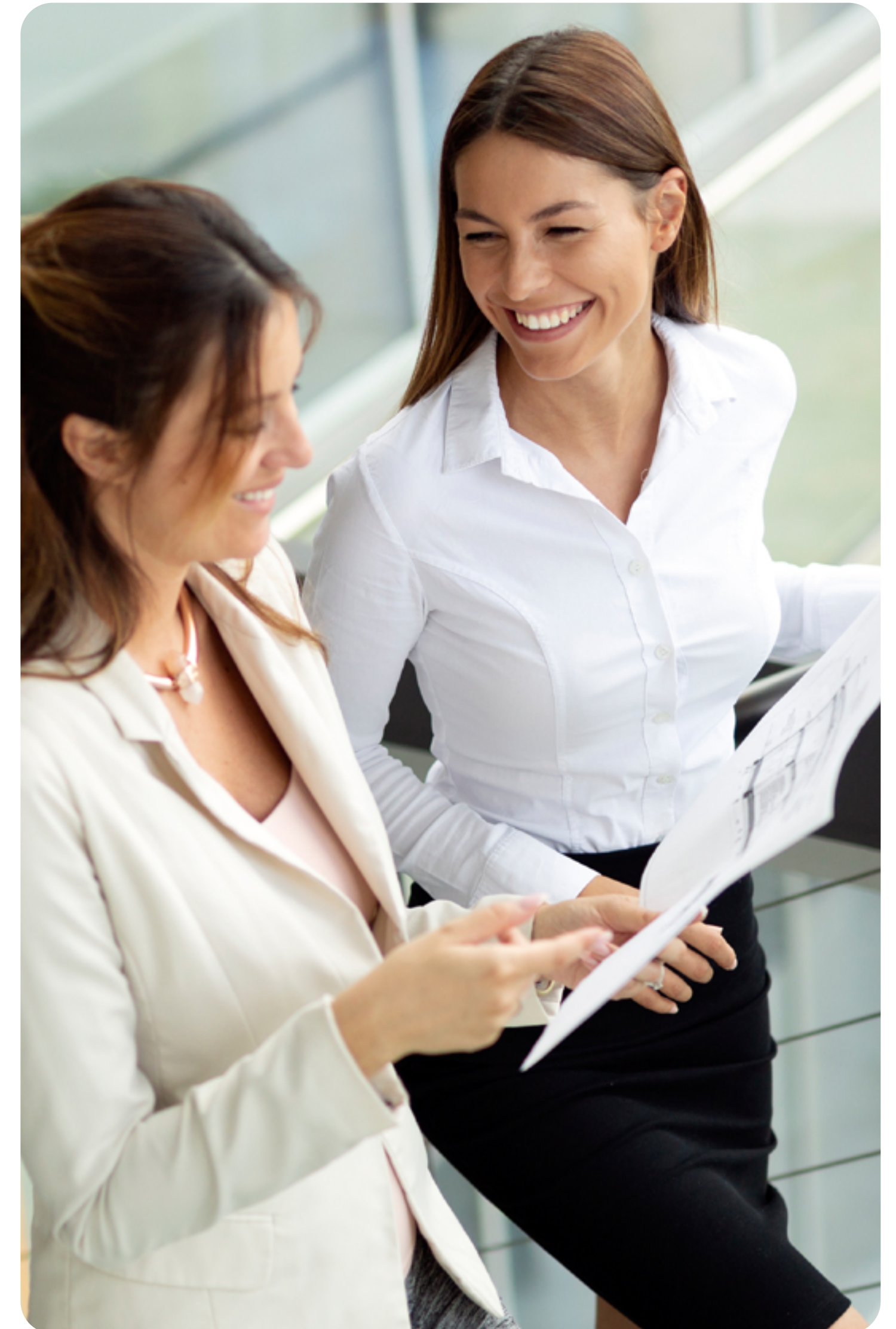
## RISK MANAGEMENT

On a regular basis, we map business processes that involve personal data, aiming to identify risks in processing activities, and thus, implement mitigation controls. This process allows you to confirm that no data is being used for secondary purposes, but only for the purposes informed to data subjects.

## TRANSPARENCY

Cielo guarantees transparency in data processing processes, enabling data subjects to exercise their rights and preserve their privacy. Access to information is strictly controlled, and violations of internal policies are subject to disciplinary measures, in accordance with company rules.

To clarify users about the processing of their personal data and their rights under the LGPD, Cielo provides a Privacy Notice. This notice informs that the information collected may be used for advertising purposes, but highlights that users can choose not to receive any further advertising communications by contacting the email [privacy@cielo.com.br](mailto:privacy@cielo.com.br) to express their refusal.



# Participation in associations

GRI 2-28

Through active participation and engagement in associations, Cielo involves with the demands of the payment method sector, defending its interests, strengthening its institutional image and expanding its relationship network.

These associations represent and defend the interests of the segment, promote innovation, financial inclusion, education and ethics in the market, in addition to offering networking, training and partnership opportunities for their members. Through sectoral and multi-sectoral associations, we direct efforts so that consensus prevails around the challenges discussed, based on the country's socioeconomic and sustainable development.

Throughout 2023, we contributed with more than R\$3 million to associations and entities that work across sectors to defend causes in which we are interested:

**ABECS (Brazilian Credit Card and Service Companies Association):** We participated in more than 30 thematic groups, with representatives contributing constructively to the discussions. In addition to the association's functional groups, Cielo also took on coordination positions representing ABECS in other multisectoral forums, such as the Open Finance Deliberative Council.

**ICC Brasil (International Chamber of Commerce):** We participated in the Digital Economy Commission, as well as in the Trade Finance Commission. The commissions' agenda revolves around the discussion of the New Foreign Exchange Law, Supply Chain Finance, global standards and principles for internet governance and cybersecurity, in addition to the preparation of a roadmap for Brazil's entry into the OECD (Organization for International Cooperation and Economic Development).

**Amcham Brasil (American Chamber of Commerce for Brazil):** We are members of the Tax Efficiency Task Force, which monitors the discussions on tax reform in progress in the Chamber of Deputies and Federal Senate, in addition to the Digital Transformation and Sustainability Working Group.

**AFRAC (Brazilian Association of Technology for Commerce and Services):** Cielo actively monitors the Digital Simplification project headed by AFRAC, which, among other changes, proposes the creation of the Brazilian Invoice.

**IBGC (Brazilian Institute of Corporate Governance):** We are associated with IBGC, and participation in lectures, courses and sharing of the institute's content contribute to the constant improvement of Cielo Team's corporate governance.

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# Indicators panel

## Environmental

### NON-HAZARDOUS WASTE | 306-3

	Unit	2021	2022	2023
<b>Recycling</b>				
Technological Waste - Machines	t	78.3	60.6	221.3
Supplies and peripheral items	t	133.7	75.1	163.2
Marketing materials	t	37.4	25.5	32.5
<b>Subtotal</b>	<b>t</b>	<b>249.40</b>	<b>161.10</b>	<b>417.0</b>
<b>Landfill</b>				
Recyclable waste (Headquarters)	t	5.3	3.2	13.9
Organic waste (Headquarters)	t	5.1	4.8	14.5
<b>Subtotal</b>	<b>t</b>	<b>10.40</b>	<b>7.99</b>	<b>28.4</b>
<b>TOTAL</b>	<b>t</b>	<b>259.8</b>	<b>169.09</b>	<b>445.4</b>

### END OF LIFE OF SOLD PRODUCTS | 306-5

	Unit	2021	2022	2023
Paper reels discarded by commercial establishments and/or end users	t	-	1,376.0	1,074.3
Cardboard discarded by commercial establishments	t	-	708.6	793.8
<b>TOTAL</b>	<b>t</b>	<b>-</b>	<b>2,084.6</b>	<b>1,868.1</b>

**ENERGY CONSUMPTION | 302-1**

	Unit	2021	2022	2023
<i>By MWh</i>				
Electricity consumed (SIN)	MWh	2,779.0	2,721.5	2,021.8
<i>By GJ</i>				
Renewable fuels	GJ	20,964.4	22,727.7	54,045.7
Non-renewable fuels	GJ	88,480.5	127,894.9	157,975.0
<b>TOTAL</b>	<b>GJ</b>	<b>109,444.90</b>	<b>150,622.60</b>	<b>214,042.5</b>

**ENERGY EFFICIENCY IN DATA CENTERS | TC-SI-130a.3**

	Unit	2021	2022	2023
Power Use Efficiency (PUE) index	PUE	1.6	1.6	1.5
<i>Renewable energy share in data centers</i>				
Total energy consumption in datacenters	MWh	62,855.0	67,753.0	69,847
Renewable energy percentage	%	85%	100%	100%

**DIRECT EMISSIONS (SCOPE 1) | 305-1**

	Unit	2021	2022	2023
Mobile combustion	tCO <sub>2</sub> e	5,130.3	7,393.1	9,130.3
Fugitive emissions	tCO <sub>2</sub> e	0.2	0.3	0.2
Stationary combustion	tCO <sub>2</sub> e	7.2	12.1	0
<b>TOTAL</b>	<b>tCO<sub>2</sub>e</b>	<b>5,137.70</b>	<b>7,405.50</b>	<b>9,130.5</b>

**INDIRECT EMISSIONS (SCOPE 2) | 305-2**

	Unit	2021	2022	2023
Acquisition of electricity	tCO <sub>2</sub> e	333.5	116.5	77.6
<b>TOTAL</b>	<b>tCO<sub>2</sub>e</b>	<b>333.50</b>	<b>116.50</b>	<b>77.6</b>

**INDIRECT EMISSIONS (SCOPE 3) | 305-3**

	Unit	2021	2022	2023
Purchased goods and services	tCO <sub>2</sub> e	158.5	45.6	50.4
Displacement of employees (home-work)	tCO <sub>2</sub> e	177.0	2,291.0	1,300.0
Waste generated in operations	tCO <sub>2</sub> e	24.0	18.1	25.7
Transport and distribution (downstream)	tCO <sub>2</sub> e	5.3	47.2	22.3
Transport and distribution (upstream)	tCO <sub>2</sub> e	16,901.9	15,338.5	15,999.5
End-of-life treatment of products sold	tCO <sub>2</sub> e	-	7,782.4	6,309.8
Use of goods and services sold	tCO <sub>2</sub> e	799.5	201.1	157.5
Business trips	tCO <sub>2</sub> e	141.0	605.2	1,184.0
<b>TOTAL</b>	<b>tCO<sub>2</sub>e</b>	<b>18,207.20</b>	<b>25,329.00</b>	<b>25,049.3</b>

**BIOGENIC EMISSIONS | 303-1**

	Unit	2021	2022	2023
Scope 1   305-1	tCO <sub>2</sub> e	2,610.35	3,327.90	5,870.87
Scope 2   305-3	tCO <sub>2</sub> e	1,859.20	3,650.59	2,806.47

## Social

### CIELO TEAM PROFILE | GRI 2-7 | 2-8

	Unit	2021	2022	2023
<i>Cielo Team by employment contract, by gender</i>				
Permanent Men	#	2,586	3,037	3,880
Permanent Women	#	1,616	2,008	2,488
<b>TOTAL</b>	<b>#</b>	<b>4,202</b>	<b>5,045</b>	<b>6,368</b>
Temporary Men	#	929	2,025	1,237
Temporary Women	#	445	837	627
<b>TOTAL</b>	<b>#</b>	<b>1,374</b>	<b>2,862</b>	<b>1,864</b>
<i>Cielo Team by employment contract, by region</i>				
<b>Permanent</b>				
Mid-West	#	234	320	38
Northeast	#	419	461	43
North	#	96	104	8
Southeast	#	3,007	3,616	6,221
South	#	446	544	58
<b>TOTAL</b>	<b>#</b>	<b>4,202</b>	<b>4,584</b>	<b>6,368</b>

**CIELO TEAM PROFILE | GRI 2-7 | 2-8**

	Unit	2021	2022	2023
Cielo Team by employment contract, by region				
<b>Temporary</b>				
<b>TOTAL</b>	#	<b>1,374</b>	<b>2,862</b>	<b>1,864</b>

**DIVERSITY IN CIELO TEAM | GRI 405-1**

	Unit	2021	2022	2023
Cielo Team by age group				
Under 30 years old	%	18.0%	24.6%	24.7%
Between 30 and 50 years old	%	76.8%	71.1%	70.6%
Over 50 years old	%	5.5%	4.3%	4.7%
<b>TOTAL</b>	<b>%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Cielo Team by race/ethnicity

Asian	%	3%	2%	2%
White	%	65%	68%	63%
Indigenous	%	0%	0%	0%
Black	%	6%	6%	6%
Brown	%	26%	24%	29%
Not informed	%	1%	0%	0%
<b>TOTAL</b>	<b>%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

**DIVERSITY IN CIELO TEAM | GRI 405-1**

	Unit	2021	2022	2023
<b>Management positions by race/ethnicity</b>				
Asian	%	3%	3%	2%
White	%	79%	79%	76%
Indigenous	%	0%	0%	0%
Black	%	2%	2%	4%
Brown	%	16%	16%	18%
Not informed	%	0%	0%	0%
<b>TOTAL</b>	<b>%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Women in leadership positions</b>				
Percentage of women in relation to the total number of employees	%	39%	40%	39.10%
In leadership positions (including junior, full and senior leadership)	%	38%	38%	39.60%
At the lowest level of leadership positions	%	40%	40%	41.60%
At the top level of leadership positions (no more than two levels away from the CEO)	%	37%	31%	31.10%
In all leadership positions in revenue-generating areas	%	37%	39%	40.80%
In Science, Technology, Engineering and Mathematics related positions	%	27%	34%	31.00%
<b>Demographic Survey LGBTQIA</b>				
Percentage of employees self-declared as LGBTQIA+	%	6.4%	7%	7.6%

**MATHEMATICAL RATIO OF SALARY AND COMPENSATION BETWEEN WOMEN AND MEN | GRI 405-2**

	<b>Unit</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>Cielo Team by age group</b>				
Average salary women / men				
C-level	%	97%	104%	100%
Top Leadership	%	104%	102%	101%
Average Leadership	%	89%	98%	96%
Technical Level	%	90%	89%	92%
Operational Level	%	92%	93%	89%
Executive Commercial	%	103%	102%	102%
<b>Total Average Compensation Women / Men</b>				
C-level	%	96%	102%	100%
Top Leadership	%	112%	106%	104%
Average Leadership	%	89%	98%	95%
Technical Level	%	90%	89%	92%
Operational Level	%	93%	94%	89%
Executive Commercial	%	102%	101%	101%

**HIRING | GRI 401-1**

	Unit	2021	2022	2023
<b>By gender</b>				
Male	#	1,440	1,518	2,014
Male rate	%	56%	59%	62%
Female	#	830	1,066	1,226
Female Rate	%	51%	41%	38%
<b>Age group</b>				
Under 30 years old	#	1,185	857	934
Hiring rate under 30 years old	%	57%	33%	29%
Between 30 and 50 years old	#	1,024	1,657	2,196
Hiring rate between 30 and 50 years old	%	32%	64%	68%
Over 50 years old	#	61	70	110
Hiring rate +50 years old	%	27%	3%	3%
<b>Região</b>				
Mid-West	#	165	220	224
Hiring rate in the Mid-West	%	71%	9%	7%
Northeast	#	253	235	297
Hiring rate in the Northeast	%	60%	9%	9%
North	#	73	70	93
Hiring rate in the North	%	76%	3%	3%



**HIRING | GRI 401-1**

	Unit	2021	2022	2023
Southeast	#	1,463	1,685	2,261
Hiring rate in the Southeast	%	49%	65%	70%
South	#	316	374	365
Hiring rate in the South	%	70%	15%	11%
Positions filled through internal recruitment	%	16.0%	13.8%	14.2%
Average hiring cost	R\$	3,268	3,467	3,708

**TURNOVER | GRI 401-1**

	Unit	2021	2022	2023
<b>By gender</b>				
Male	#	1,214	1,065	1,175
Male turnover rate	%	47%	39%	36%
Female	#	775	675	743
Female turnover rate	%	48%	38%	35%
<b>BY age group</b>				
Under 30 years old	#	320	438	382
Turnover rate under 30 years old	%	42%	37%	36%
Between 30 and 50 years old	#	1,564	1,243	1,453
Turnover rate between 30 and 50 years old	%	49%	39%	35%
Over 50 years old	#	105	59	83
Turnover rate +50 years old	%	46%	39%	23%

**TURNOVER | GRI 401-1**

	Unit	2021	2022	2023
<b>Region</b>				
Mid-West	#	130	146	165
Turnover rate in the Mid-West	%	56%	53%	50%
Northeast	#	214	192	198
Turnover rate in the Northeast	%	51%	46%	50%
North	#	56	46	66
Turnover rate in the North	%	58%	48%	72%
Southeast	#	1,303	1,086	1,203
Turnover rate in the Southeast	%	43%	33%	30%
South	#	286	270	286
Turnover rate in the South	%	64%	57%	54%

**CIELO TEAM EXPERIENCE  
SATISFACTION INDEX (eNPS) | SASB TC-SI-330a.2**

	Unit	2021	2022	2023
<b>Total</b>	<b>eNPS</b>			
<b>By gender</b>				
Male	eNPS	76	85	84
Female	eNPS	75	85	84
<b>By functional category</b>				
Intern	eNPS	81	94	97

**CIELO TEAM EXPERIENCE  
SATISFACTION INDEX (eNPS) | SASB TC-SI-330a.2**

	<b>Unit</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Assistant	eNPS	79	94	88
Analyst	eNPS	70	86	87
Consultants	eNPS	82	82	96
Specialists	eNPS	65	82	84
Coordinators	eNPS	57	80	93
Managers	eNPS	75	85	95
Superintendents	eNPS	62	77	97
<b>By ethnic-racial criteria</b>				
Asian	eNPS	45	84	81
White	eNPS	53	84	84
Indigenous	eNPS	89	79	71
Brown	eNPS	62	87	86
Black	eNPS	65	84	86
Not informed	eNPS	46	69	74
<b>By generational criteria</b>				
Baby Boomers (people born between 1946 and 1964)	eNPS	76	90	91
Generation X (born between 1965 and 1981)	eNPS	76	85	87
Generation Y (born between 1982 and 1994)	eNPS	75	84	83
Generation Z (born after 1995)	eNPS	78	86	85

**AVERAGE TRAINING HOURS | GRI 404-1**

	Unit	2021	2022	2023
<i>By gender (average hours)</i>				
Male	#	16.0	18.0	25.65
Female	#	15.5	16.5	25.89
<b>TOTAL</b>	<b>#</b>	<b>15.9</b>	<b>17.0</b>	<b>25.75</b>
<i>By functional category (average hours)</i>				
Apprentice/Intern	#	19.3	-	25.53
Sales	#	17.7	14.9	27.83
Consultants/Specialists	#	12.1	15.2	14.08
Coordinators	#	8.7	19.0	68.99
Officers/Managers	#	11.9	24.6	20.05
Executive board	#	58.0	42.5	4.47
Team	#	3.8	17.6	15.59
<b>TOTAL</b>	<b>#</b>	<b>18.8</b>	<b>17.1</b>	<b>25.75</b>
<i>By age group (average hours)</i>				
Under 30 years old	#	16.4	16.6	24.12
Between 30 and 50 years old	#	15.4	17.4	26.30
Over 50 years old	#	20.2	15.9	26.02
<b>TOTAL</b>	<b>#</b>	<b>15.9</b>	<b>17.1</b>	<b>25.75</b>

**AVERAGE TRAINING HOURS | GRI 404-1**

	Unit	2021	2022	2023
<i>By race/ethnicity</i>				
Asian	#	15.7	21.2	20.80
White	#	14.9	18.0	24.29
Indigenous	#	6.8	32.1	23.21
Black	#	17.8	15.6	24.97
Brown	#	17.0	7.6	29.42
Not informed	#	18.6	15.7	0.00
<b>TOTAL</b>	<b>#</b>	<b>15.1</b>	<b>17.1</b>	<b>25.75</b>
<i>By education level</i>				
Elementary School	#	21.8	11.7	30.71
High School	#	17.3	16.5	29.59
Higher Education	#	15.7	16.7	23.90
Post Graduation / MBA	#	14.6	19.3	20.59
Master's / Doctorate	#	8.2	23.6	19.62
Others	#	40.1	12.5	21.41
<b>TOTAL</b>	<b>#</b>	<b>17.8</b>	<b>17.1</b>	<b>25.75</b>
<i>Amount invested in training</i>				
Total amount invested in training	R\$	2,085,354.0	8,445,139.0	7,101,241.22
Average investment in training per employee	R\$	372.00	1,289.90	820.67

**MATERNITY/PATERNITY LEAVE | GRI 401-3**

	Unit	2021	2022	2023
<b>Maternity leave</b>				
Total number of employees entitled to take maternity leave	#	1,616	2,008	2,488
Total number of employees who took maternity leave	#	60	80	59
Total number of employees who returned to work after the end of maternity leave	#	60	89	59
Total number of employees who returned to work after the end of maternity leave and continued employed twelve months after returning to work	#	--	--	46
Return to work rates	%	100%	100%	85%
Retention rate	%	37%	49%	52%
<b>Paternity leave</b>				
Total number of employees entitled to take paternity leave	#	2,586	3,037	3,880
Total number of employees who took paternity leave	#	90	100	121
Total number of employees who returned to work after the end of paternity leave	#	90	100	121
Total number of employees who returned to work after the end of paternity leave and continued employed twelve months after returning to work	#	--	--	76
Return to work rates	%	100%	100%	83%
Retention rate	%	52%	59%	76%

**OCCUPATIONAL HEALTH AND SAFETY | 403-9**

	Unit	2021	2022	2023
<i>Internal employees   GRI 403-9</i>				
Number of deaths resulting from work accidents	#	0	0	0
Number of work accidents with serious consequences (except deaths)	#	0	0	0
Number of mandatory reporting work accidents	#	0	0	2
Accident frequency rate	Rate	0	0	0.35
Severity rate	Rate	0	0	2.64
Number of work-related illnesses   GRI 403-10	#	0	0	0
<i>Third party employees   GRI 403-9</i>				
Number of deaths resulting from work accidents	#	0	0	0
Number of work accidents with serious consequences (except deaths)	#	0	0	1
Number of mandatory reporting work accidents	#	0	0	1
Accident frequency rate	Rate	0	0	13.06
Severiyt rate	Rate	0	0	914.32
Number of work-related illnesses   GRI 403-10	#	0	0	0

**PERFORMANCE EVALUATION | 404-3**

	<b>Unit</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Employees who received performance evaluation by gender	%			
Male	%	80%	95%	96%
Female	%	77%	95%	96%
<b>TOTAL</b>	<b>%</b>	<b>79%</b>	<b>95%</b>	<b>96%</b>
Employees who received performance evaluation by functional category	%			
Team	%	68%	97%	98%
Sales Force	%	78%	90%	93%
Consultant/specialist	%	87%	99%	98%
Manager	%	93%	97%	97%
Superintendent/Board	%	97%	100%	94%
Coordinator	%	85%	100%	98%
Executive Board	%	100%	100%	100%
<b>TOTAL</b>	<b>%</b>	<b>79%</b>	<b>95%</b>	<b>96%</b>

**VOLUNTEERING | 413-1**

	<b>Unit</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Volunteering hours	#	-	781	1,012
Volunteers	#	-	780	1,361



**SUPPLIER MANAGEMENT | GRI 3-3**

	Unit	2021	2022	2023
Suppliers evaluated by the Vendor Onboarding program	#	-	1,228	1,196
Suppliers evaluated by the Vendor Performance program	#	-	157	149
Suppliers evaluated by the Vendor Risk program	#	-	37	51



# Governance

<b>DIVERSITY IN GOVERNANCE BODIES   GRI 405-1</b>	<b>Unit</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>Gender diversity on the Board of Directors</b>				
Men	%	92%	92%	75%
Women	%	8%	8%	25%
<b>Age diversity on the Board of Directors</b>				
Under 30 years old	%	0%	0%	0%
Between 30 and 50 years old	%	17%	17%	17%
Over 50 years old	%	83%	83%	83%
<b>Ethnic-racial diversity on the Board of Directors</b>				
Black	%	0%	0%	0%
Brown	%	8%	8%	8%
Indigenous	%	0%	0%	0%
White	%	92%	92%	92%
<b>Other diversity indicators on the Board of Directors</b>				
People with disabilities	%	0%	0%	0%
<b>Gender diversity on the Executive Board</b>				
Men	%	87%	62.5%	62.0%
Women	%	13%	37.5%	38.0%

**DIVERSITY IN GOVERNANCE BODIES | GRI 405-1**

	Unit	2021	2022	2023
<b>Age diversity on the Executive Board</b>				
Under 30 years old	%	0%	0%	0%
Between 30 and 50 years old	%	63%	62.5%	63%
Over 50 years old	%	38%	37.5%	38.0%
<b>Ethnic-racial diversity on the Executive Board</b>				
Black	%	0%	0%	0%
Brown	%	0%	0%	0%
Indigenous	%	0%	0%	0%
White	%	0%	100%	100%
<b>Other diversity indicators on the Executive Board</b>				
People with disabilities	%	0%	0%	0%

**ANTICORRUPTION | GRI 205-2**

	Unit	2021	2022	2023
<b>Number and percentage of employees communicated about anti-corruption policies and procedures, by region</b>				
Mid-West	#	225	304	398
Rate in the Mid-West	%	100%	100%	100%
Northeast	#	408	451	679
Rate in the Northeast	%	100%	100%	100%

**ANTICORRUPTION | GRI 205-2**

	<b>Unit</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
North	#	91	100	221
Rate in the North	%	100%	100%	100%
Southeast	#	2,893	3,649	4,531
Rate in the Southeast	%	100%	100%	100%
South	#	432	518	684
Rate in the South	%	100%	100%	100%
<b>TOTAL</b>	<b>#</b>	<b>4,049</b>	<b>5,022</b>	<b>6,513</b>
Total Rate	%	100%	100%	100%
<b>Number and percentage of employees trained on anti-corruption policies and procedures, by region</b>				
Mid-West	#	212	302	388
Rate in the Mid-West	%	94.2%	99.34%	97.49%
Northeast	#	393	450	662
Rate in the Northeast	%	96.3%	99.78%	97.50%
North	#	88	100	214
Rate in the North	%	96.7%	100%	96.83%
Southeast	#	2,827	3,614	4,390
Rate in the Southeast	%	97.7%	99.04%	96.89%
South	#	396	500	654
Rate in the South	%	91.7%	98.88%	95.61%

**ANTICORRUPTION | GRI 205-2**

	<b>Unit</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>TOTAL</b>	<b>#</b>	<b>3,916</b>	<b>4,966</b>	<b>6,308</b>
Total Rate	%	96.7%	98.88%	96.85%
<b>Number and percentage of Members of Governance Bodies who received training in anti-corruption policies and procedures</b>				
Executive Board Members	#	6	9	8
Executive Board member rate	%	100%	100%	100%

**PREVENTION OF MONEY LAUNDERING AND TERRORISM FINANCING | GRI 205-1**

	<b>Unit</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>Monitoring and reporting of customer transactions</b>				
Monitored transactions	%	-	100%	100%
Number of atypical situations	#	-	5,704	11,664
Situations reported to the Financial Activities Control Council (COAF)	#	-	1,399	2,280
<b>Monitoring and reporting of transactions by subacquirers</b>				
Monitored transactions	%	-	100%	100%
Number of atypical situations	#	-	21,736	6,402
Situations reported to the Financial Activities Control Council (COAF)	#	-	692	208

**NUMBER OF DISCIPLINARY MEASURES FROM THE ETHICS CHANNEL| 406-1**

	<b>Unit</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Termination without just cause	#	-	17	26
Formal warning	#	-	7	38
Verbal warning	#	-	10	28
Termination for just cause	#	-	10	42
Customer de-accreditation	#	-	1	0
<b>TOTAL</b>	<b>#</b>	<b>-</b>	<b>45</b>	<b>134</b>

**PARTICIPATION IN ASSOCIATIONS | 2-28**

	<b>Unit</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Contribution amount to associations and entities	R\$	R\$ 1,656,664.4	R\$ 1,607,571.8	R\$ 3,680,304.4

**CLIENTS SATISFACTION | 3-3**

	<b>Unit</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Evolution of satisfaction sum of the % of customers who rated us from 7 to 10 in the last satisfaction survey of each year.	%	78%	80%	86%

**OMBUDSMAN | 2-25**

	<b>Unit</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>Services</b>				
Services Provided	#	-	17,111	15,262
Customers Served	#	-	11,147	8,967
Average service time (business days)	#	-	3.10	2.03

**OMBUDSMAN | 2-25**

	Unit	2021	2022	2023
<i>Complaint mechanisms</i>				
Cielo Ombudsman	%	-	65%	61%
Procon	%	-	16%	19%
Central bank	%	-	10%	10%
Consumidor.gov	%	-	9%	10%



# GRI Content Index

DECLARATION OF USE	GRI USED	APPLICABLE GRI SECTOR STANDARD(S)
A Cielo S.A. – Payment Institution - reported in accordance with the GRI Standards for the period from January 1 <sup>st</sup> , 2023 to December 31 <sup>st</sup> , 2023.	GRI 1: Fundamentals 2021	Contents of the financial sector supplement are also reported.

INDICATOR	DESCRIPTION	LOCATION/OMISSION/EXPLANATION
<b>GENERAL DISCLOSURES</b>		
<b>The organization and its reporting practices</b>		
2-1	Organization details	Page 10 of the Main Report and page 67 of the Supplementary Index. Cielo only operates in Brazil. To consult the Company's corporate structure, go to: <a href="https://ri.cielo.com.br/en/about-cielo/corporate-structure/">https://ri.cielo.com.br/en/about-cielo/corporate-structure/</a>
2-2	Entities included in the organization's sustainability reports	Page 3 of the Main Report. The companies included in this report are part of those listed in the Company's Financial Statements. The results disclosed here are the same as those in the Financial Statements, are consolidated and reflect all subsidiaries and affiliates.  Financial and carbon emissions data also covers Cateno - an affiliate in which Cielo holds a 70% stake.
2-3	Reporting period, frequency and point of contact	Page 3 of the Main Report and page 67 of the Supplementary Index.
2-4	Restatement of Information	There were no reformulations
2-5	External verification	Page 3 of the Main Report and page 67 of the Supplementary Index.
<b>Activities and employees</b>		
2-6	Activities, value chain and other business relationships	Pages 10 and 81 of the Main Report.
2-7	Employees	Page 49 of the Main Report and pages 36 and 37 of the Supplementary Index. On 31/Dec/2023, all permanent employees performed their duties full-time. The growth in the number of employees compared to last year was mainly due to the expansion of the commercial team (find out more on page 51 of the Main Report).
2-8	Workers who are not employees	Pages 36 and 37 of the Supplementary Index. Cielo has control over third parties, but there is no regional classification, so the figure reported is the national total. We present data on outsourced personnel (temporary) segregated from the total number of Cielo employees (permanent). The majority of outsourced staff are allocated to the Information Technology area. Data reported refers to the end of the reporting period (12/31/2023).



INDICATOR	DESCRIPTION	LOCATION/OMISSION/EXPLANATION
<b>Governance</b>		
2-9	Governance structure and composition	Pages 73 and 74 of the Main Report and page 20 of the Supplementary Index. Information on the governance structure refers to December 2023. Item vi omitted as it is not applicable to the Company.
2-10	Nominating and selecting the highest governance body	Page 21 of the Supplementary Index
2-11	Chairman of the highest governance body	Page 73 of the Main Report
2-12	Role of the highest governance body in overseeing impact management	Page 23 of the Supplementary Index
2-13	Delegation of responsibility for impact management	Page 23 of the Supplementary Index
2-14	Role played by the highest governance body in sustainability reporting	Pages 3 and 22 of the Main Report
2-15	Conflicts of interest	Page 20 of the Main Report
2-16	Communication of critical concerns	Page 79 of the Main Report and 23 of the Supplementary Index. Information unavailable for item b, as the critical concerns are communicated to the Board of Directors as a percentage by theme, so we do not have the total number of concerns presented in 2023.
2-17	Collective knowledge of the highest governance body	Page 21 of the Main Report
2-18	Highest governance body's performance evaluation	Page 21 of the Supplementary Index
2-19	Compensation policies	Page 22 of the Supplementary Index
2-20	Process for determining compensation	Page 22 of the Supplementary Index. Due to confidentiality restrictions, we have chosen not to report the information requested by requirement "b" of this indicator.
2-21	Proportion of total annual compensation	In 2023, the ratio between the CEO's total annual compensation and the average compensation of all Cielo S.A. employees was 42.71%. The ratio of the CEO's compensation to the median compensation of Cielo S.A. employees was 59.95%. Due to confidentiality restrictions, we chose not to report the information requested by requirement "b" of this indicator.
<b>Strategy, policies and practices</b>		
2-22	Declaration on the sustainable development strategy	Page 5 of the Main Report
2-23	Commitment policies	Pages 20, 57 and 76 of the Main Report and pages 16 and 24 of the Supplementary Index
2-24	Incorporating commitment policies	Pages 20 and 76 of the Main Report and page 24 of the Supplementary Index
2-25	Processes to remedy negative impacts	Pages 28 and 79 of the Main Report and pages 54 and 55 of the Supplementary Index
2-26	Mechanisms to seek advice and raise concerns	Page 79 of the Main Report
2-27	Compliance with laws and regulations	In 2023, there were no significant fines or non-monetary sanctions imposed due to non-compliance with laws and regulations. To define significant cases, we only considered those that resulted in fines.
2-28	Participation in associations	Pages 31 and 54

INDICATOR	DESCRIPTION	LOCATION/OMISSION/EXPLANATION
<b>Stakeholder Engagement</b>		
2-29	Approach to stakeholder engagement	The guidelines on Cielo's engagement with its stakeholders are set out in the Stakeholder Engagement Policy: <a href="https://ri.cielo.com.br/en/bylaws-and-policies-old/relationships-with-stakeholders-policy/">https://ri.cielo.com.br/en/bylaws-and-policies-old/relationships-with-stakeholders-policy/</a>
2-30	Collective bargaining agreements	100% of CLT employees are covered by a collective bargaining / union agreement. For the statutory regime, here are Cielo's bylaws ( <a href="https://ri.cielo.com.br/en/about-cielo/corporate-governance/">https://ri.cielo.com.br/en/about-cielo/corporate-governance/</a> )
<b>Material themes</b>		
3-1	Process for determining material themes	Page 22 of the Main Report
3-2	List of material themes	Page 22 of the Main Report. There were no changes to the material themes list compared to the previous report.
3-3	Management of material themes	Attracting and Developing People: Pages 52 of the Main Report and page 10 of the Supplementary Index; Responsible and Sustainable Value Chain: Page 81 of the Main Report and page 17 of the Supplementary Index; Education, Citizenship and Financial Inclusion: Page 64 of the Main Report; Diversity, Equity and Inclusion: Page 57 of the Main Report; Eco-efficiency in Operations: Page 68 of the Main Report and page 5 of the Supplementary Index; Entrepreneurship: Page 64 of the Main Report Risk Management and Business Continuity: Pages 43 and 80 of the Main Report; Governance, Integrity, Ethics and Transparency: Pages 72 and 76 of the Main Report and pages 20 and 24 of the Supplementary Index; Climate Change: Page 69 of the Main Report and page 9 of the Supplementary Index; Technology, Innovation and Systems Availability: Pages 37 and 43 of the Main Report; Customer Relations: Pages 26 and 29 of the Main Report; and Information Security and Fraud Prevention: Page 41 of the Main Report and pages 28 and 29 of the Supplementary Index.
<b>ECONOMIC CONTENT</b>		
<b>Economic performance</b>		
201-2	Financial implications and other risks and opportunities for the organization's activities due to climate change	Page 69 of the Main Report
201-4	Financial assistance received from the government	In 2023, Cielo received no financial assistance from the government.
<b>Indirect Economic Impacts</b>		
203-1	Development and impact of investments in infrastructure and services offered	Pages 64 and 65 of the Main Report. The investment is financial for the execution of the Impulsiona Cielo project. There are no significant negative impacts.
203-2	Significant indirect economic impacts, including the extent of impacts	Pages 13, 15, 18 and 20 of the Main Report
<b>Anti-corruption</b>		
205-1	Percentage and total number of operations submitted to risk assessments related to corruption and the significant risks identified	Pages 25, 27 and 53 of the Supplementary Index

INDICATOR	DESCRIPTION	LOCATION/OMISSION/EXPLANATION
205-2	Communication and training on anti-corruption policies and procedures	Page 72 of the Main Report and pages 24, 51, 52 and 53 of the Supplementary Index. 100% of business partners are communicated about the anti-corruption procedures and policies adopted by the organization, when approving and accepting the terms and conditions for providing Cielo services.
205-3	Confirmed cases of corruption and actions taken	Pages 77 and 79 of the Main Report and page 25 of the Supplementary Index
<b>Unfair competition</b>		
206-1	Total number of lawsuits for unfair competition, trust and monopoly practices and their consequences	In 2023, the Company was not a party to legal actions involving unfair competition, trust and monopoly practices.
<b>ENVIRONMENTAL CONTENT</b>		
<b>Energy</b>		
302-1	Energy consumption within the organization	Pages 6 and 34 of the Supplementary Index. The energy consumption data refers to scopes 1 and 2 of the GHG inventory and includes information from Cielo (Aliança, Servinet and Stelo) and Cateno. We followed the GHG Protocol standards and the emissions and global warming potential (GWP) factors provided by the Brazilian GHG Protocol Program Calculation Tool. Items c ii, ii and iv are not applicable.
<b>Water and Effluents</b>		
303-1	Interactions with water as a shared resource	Pages 8 and 35 of the Supplementary Index. Management of the aspects and impacts related to this theme is monitored through the Environmental Management System. Periodically, the Executive Sustainability Manager, together with the departments involved, compiles the data and compares it with the objectives and targets proposed in the scope of the EMS. Water-related goals and targets, including eco-efficiency projects, are discussed within the scope of Cielo's Environmental Management System, in line with the guidelines and requirements of the ISO 14.001:2015 standard.
303-2	Management of water discharge related impacts	Page 8 of the Supplementary Index. The headquarters building includes a sewage treatment plant (ETE), which allows water to be treated and reused in accordance with the rules established by the São Paulo State Environmental Company (Cetesb).
303-5	Water consumption	Page 8 of the Supplementary Index. There is no water consumption from water-stressed regions.
<b>Emissions</b>		
305-1	Direct (Scope 1) Greenhouse Gas (GHG) Emissions	Page 69 of the Main Report and pages 7, 34 and 35 of the Supplementary Index.
305-2	Indirect (Scope 2) Greenhouse Gas (GHG) Emissions	We followed the GHG Protocol standards and the emissions and global warming potential (GWP) factors provided by the Calculation Tool of the Brazilian GHG Protocol Program.
305-3	Indirect (Scope 3) Greenhouse Gas (GHG) emissions	The assurance audit of the 2023 GHG Emissions Inventory was carried out by KPMG. Gases included in the calculation: CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, SF <sub>6</sub> , PFC and HFC. The results take into account data from Cielo (Aliança, Servinet and Stelo) and Cateno.
<b>Waste</b>		
306-1	Waste generation and significant waste-related impacts	<b>Page 68 of the Main Report</b>
306-2	Management of significant waste-related impacts	<b>Page 68 of the Main Report</b>
306-3	Generated waste	Pages 5 and 33 of the Supplementary Index
306-5	Waste sent for final disposal	Pages 5 and 33 of the Supplementary Index. As far as hazardous waste is concerned, Cielo returns batteries from card reader machines to the manufacturers, in line with the National Solid Waste Policy. Transportation is carried out by the manufacturers themselves.

INDICATOR	DESCRIPTION	LOCATION/OMISSION/EXPLANATION
<b>Suppliers Environmental Assessment</b>		
308-1	Percentage of new suppliers selected based on environmental criteria	Page 17 of the Supplementary Index
308-2	Actual and potential significant negative environmental impacts in the supply chain and measures taken in this regard	Page 18 of the Supplementary Index
<b>SOCIAL CONTENT</b>		
<b>Employment</b>		
401-1	Total and rates of new employee hires and turnover by age group, gender and region.	Pages 10, 40, 41 and 42 of the Supplementary Index
401-2	Benefits offered to full-time employees that are not offered to temporary or part-time employees, broken down by major operations.	Pages 13 and 14 of the Supplementary Index
401-3	Maternity/paternity leave	Page 46 of the Supplementary Index
<b>Occupational Health and Safety</b>		
403-1	Occupational health and safety management system implemented	Page 15 of the Supplementary Index. Monitoring of legislation is carried out via a system, in which the assessment of federal, state and municipal legislation that governs the topic is carried out. Due to confidentiality restrictions, we have chosen not to report the information requested by requirement "b" of this indicator.
403-2	Hazard identification, risk assessment, and incident investigation	Page 15 of the Supplementary Index
403-3	Description of occupational health services functions	Page 15 of the Supplementary Index
403-4	Worker participation, consultation, and communication on occupational health and safety	Page 15 of the Supplementary Index
403-5	Worker training on occupational health and safety	Page 15 of the Supplementary Index
403-6	Promotion of worker health	Page 61 of the Main Report
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Page 15 of the Supplementary Index
403-8	Workers covered by occupational health and safety management system	Page 15 of the Supplementary Index

INDICATOR	DESCRIPTION	LOCATION/OMISSION/EXPLANATION
403-9	Number and rate of work-related deaths and injuries	<p>Page 47 of the Supplementary Index                      The rates were calculated taking into account 1,000,000 hours worked.                      For own employees, all those who perform their duties under the CLT regime were taken into account in the calculation. There was an accident at work with serious consequences involving a third-party employee. After the incident, we sent a Work Accident Report (CAT) with all the relevant information about the incident. We also took additional measures, such as requesting operational training for the supplier. Occupational accident investigations follow a methodology that includes filling in information about the injured employee, details about what happened that resulted in the accident and the application of the 5 Whys Tool. Furthermore, anyone who notices a dangerous situation may leave and report the case through the available channels.                      Due to confidentiality restrictions, we have chosen not to report the information requested by requirement "a-iv" of this indicator.</p>
403-10	Number and rate of work-related deaths and ill health	<p>Page 47 of the Supplementary Index.                      Causes of accidents among internal employees in 2023: 1 typical and 1 commuting. Cause of work accident in 2023: typical.                      Calculation of rates took into account 1,000,000 hours worked.</p>
<b>Training and Education</b>		
404-1	Average hours of training per year, per employee, broken down by gender and job category.	Page 53 of the Main Report and Pages 12, 44 and 45 of the Supplementary Index. For each category of education, the complete and incomplete levels were considered.
404-2	Competency management and lifelong learning programs that support the continued employability of employees in preparation for retirement.	Page 52 of the Main Report. We don't have career transition programs.
404-3	Percentage of employees receiving regular performance and career development reviews, broken down by gender and job category	Pages 11 and 48 of the Supplementary Index
<b>Diversity and Equal Opportunities</b>		
405-1	Diversity of employees and governance bodies, with percentages by gender, age group, minority groups and other indicators.	<p>Pages 49 and 75 of the Main Report and pages 37 and 50 of the Supplementary Index. Data reported refers to 31/Dec/2023, is based on self-declaration and comprises the Company's entire employee base.                      For management positions, we consider the following categories: coordinators and managers.</p>
405-2	Mathematical ratio of salary and compensation between women and men, broken down by role category and relevant operational units	Pages 13 and 39 of the Supplementary Index
<b>Non-discrimination</b>		
406-1	Cases of discrimination and corrective measures taken	<p>Of the 409 complaints received by the Ethics Channel in 2023 (learn more on page 79 of the Main Report), 22 were reports of discrimination. Of these, nine were considered valid or partially valid.                      For valid reports, the disciplinary measure of dismissal for just cause was applied. For reports that were partially valid, a formal warning was applied.</p>
<b>Child Labor</b>		
408-1	Own and supplier operations in which a significant risk of child labor was identified and the measures taken to contribute to the eradication of child labor	<p>Pages 16, 17 and 18 of the Supplementary Index. To contribute to the effective abolition of child labor in operations and in the value chain, we highlight the following measures:                      Know Your Customer (Conheça seu Cliente) (learn more on page 26 of the Supplementary Index): due diligence procedures to verify whether Cielo's clients are on international restrictive lists and national or social and environmental sanctions lists which, among their components, include human rights, allowing for the identification of any risk, infraction or report related to child labor.                      Supplier Management Process, including ESG Assessment (learn more on page 81 of the Main Report).                      Due to confidentiality restrictions, we have chosen not to report the information requested by requirement "a" of this indicator.</p>

INDICATOR	DESCRIPTION	LOCATION/OMISSION/EXPLANATION
<b>Forced or Compulsory Labor</b>		
409-1	Own and supplier operations in which a significant risk of forced or compulsory labor was identified and the measures taken to contribute to the eradication of forced or compulsory labor	Pages 17 and 18 of the Supplementary Index
<b>Local Communities</b>		
413-1	Percentage of operations with implemented local community engagement, impact assessment and/or local development programs	Pages 64 and 66 of the Main Report and page 48 of the Supplementary Index
<b>Supplier Social Assessment</b>		
414-1	Percentage of new suppliers selected based on human rights criteria	Page 17 of the Supplementary Index
414-2	Actual and potential significant negative impacts on human rights in the supply chain and actions taken in this regard	Page 18 of the Supplementary Index
<b>Public Policies</b>		
415-1	Political contributions	Cielo S.A. does not make political financial contributions.
<b>Consumer Health and Safety</b>		
416-1	Percentage of significant product and service categories for which health and safety impacts are assessed for improvement	Page 80 of the Main Report
<b>Customer Privacy</b>		
418-1	Total number of substantiated complaints regarding breaches of privacy and loss of customer data	Page 41 of the Main Report and page 29 of the Supplementary Index
<b>GRI FINANCIAL SECTOR SUPPLEMENT</b>		
FS2	Procedures for assessing and classifying environmental and social risks in business lines.	Environmental, social and climate risks are part of the multidisciplinary management applied by Cielo. The identification, assessment, measurement, monitoring and reporting of risks of this nature is carried out based on the General Risk Assessment (AGR) process and considers the application of the non-financial risk management methodology to the processes, operations, products and services whose impact reaches different stakeholders. The assessment is conducted by the Risk Department, with the support of focal points from Cielo areas that can support the identification of new risks or correlate the assessed risk with other existing ones.
FS14	Initiatives to improve access to financial services for disadvantaged people	Pages 57 and 59 of the Main Report
FS15	Policies for the fair design and sale of financial products and services	» Products and Services Policy. Available at: <a href="https://ri.cielo.com.br/en/products-and-services-policy/">https://ri.cielo.com.br/en/products-and-services-policy/</a> » Customer Relationship Policy. Available at: <a href="https://ri.cielo.com.br/en/bylaws-and-policies-old/customer-relationship-policy/">https://ri.cielo.com.br/en/bylaws-and-policies-old/customer-relationship-policy/</a>
FS16	Initiatives to increase financial education, by type of beneficiary.	Page 65 of the Main Report

# SASB Content Index

INDICATOR	DESCRIPTION	LOCATION / OMISSION / EXPLANATION
<b>Environmental footprint of hardware infrastructure</b>		
TC-SI-130a.1	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	Page 6 of the Supplementary Index
TC-SI-130a.2	1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High baseline water stress	Page 8 of the Supplementary Index
TC-SI-130a.3	Discussion of integrating Environmental considerations into strategic planning for data center needs	Page 34 of the Supplementary Index
<b>Data Privacy &amp; Freedom of Expression</b>		
TC-SI-220a.1	Description of policies and practices relating to behavioral advertising and user privacy.	Page 29 of the Supplementary Index
TC-SI-220a.2	Number of users whose information is used for secondary purposes.	Page 29 of the Supplementary Index
TC-SI-220a.3	Total amount of monetary losses as a result of legal proceedings associated with user privacy.	There were no monetary losses resulting from legal proceedings associated with user privacy.
TC-SI-220a.4	(1) Number of law enforcement requests for user information, (2) number of users whose information was requested, (3) percentage resulting in disclosure.	We responded to a total of 371 requests. This number represents the sending of all reports sent monthly to the State Secretariats of all 27 states of the Federation, plus 47 reports on demand throughout 2023.
TC-SI-220a.5	Countries where products or services are subject to monitoring, blocking, content filtering or censorship	Cielo provides its products, services and solutions to customers located in Brazil.
<b>Data Security</b>		
TC-SI-230a.1	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of users affected.	In 2023, Cielo recorded no incidents related to the privacy of personal data of customers, employees, suppliers, service providers or partners.

INDICATOR	DESCRIPTION	LOCATION / OMISSION / EXPLANATION
TC-SI-230a.2	Approach to identify and address data security risks	<p>The Vulnerability Management Standard defines the requirements and rules to identify, treat and correct vulnerabilities in Cielo's information assets, both the local environment and the cloud environment, aiming at data security. According to this standard, the deadlines for correcting critical vulnerabilities are as follows:</p> <ul style="list-style-type: none"> <li>» PCI Environment (30 days)</li> <li>» NON-PCI Environment (45 days)</li> <li>» Work Stations (45 days)</li> <li>» Systems and Software Components (30 days)</li> <li>» External Network Assets (2 days))</li> </ul> <p>To maintain the security of the environment, monthly scans (internal and external), pen tests and segmentation tests are carried out. Additionally, every solution maintained or developed goes through a security process. Solutions with high and medium vulnerabilities only go into production if they are communicated to the Company and formally approved by an authorized manager. To go to production, every solution goes through hardening analysis.</p>
<b>Recruiting &amp; managing a global, diverse &amp; skilled workforce</b>		
TC-SI-330a.1	Foreign employees and employees located abroad	We have no employees located abroad and we do not monitor the nationality of the people on the team.
TC-SI-330a.2	Employee engagement	Page 51 of the Main Report and page 42 of the Supplementary Index
TC-SI-330a.3	Percentage of gender and racial/ethnic group representation for (1) management, (2) technical staff and (3) all other employees	<p>By gender:            Management: Men = 60.4%; Women = 39.6%.            Technical Staff = Men = 67.6%; Women = 32.4%.            All other employees: Men = 51.1%; Women = 49.9%.</p> <p>By ethnicity/race:            Management: Black and Indigenous: 21.9%; White and Asian: 78.1%.            Technical Staff: Black and Indigenous: 27.9%; White and Asian: 72.1%.            Operations: Black and Indigenous: 38.6%; White and Asian: 61.4%.</p>
<b>Intellectual property protection and competitive practices</b>		
TC-SI-520a.1	Monetary losses as a result of lawsuits associated with anti-competitive behavior regulations	In 2023, the Company was not a party to legal actions involving unfair competition, trust and monopoly practices.
<b>Management of systemic risks arising from systems interruption</b>		
TC-SI-550a.1	Performance issues and service disruptions	<p>(1) Number of performance issues: 284.            (2) Service disruptions: 361.            (3) Total customer downtime: 378 hours and 32 minutes.</p>
TC-SI-550a.2	Description of business continuity risks related to operations disruptions	





# Assurance Report

GRI 2-5

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## Independent auditors' limited assurance report on the non-financial information included in the 2023 Integrated Sustainability Report

(A free translation of the original report in Portuguese, containing the Assurance Report)

To the Board of Directors and Shareholders  
**Cielo S.A. – Instituição de Pagamento**  
 São Paulo - SP

### Introduction

We have been engaged by Cielo S.A. – Instituição de Pagamento ("Cielo" or "Company") to present our limited assurance report on the non-financial information included in Cielo's "2023 Integrated Annual Report" ("Report") for the year ended December 31, 2023.

Our limited assurance does not extend to prior period information or any other information disclosed together with the 2023 Integrated Annual Report, including any images, audio files or merged videos.

### Responsibilities of the management of Cielo S.A. – Instituição de Pagamento

The management of Cielo is responsible for:

- select and set proper criteria for preparing the information included in the 2023 Integrated Annual Report;
- prepare information in accordance with the *Global Reporting Initiative (GRI) Sustainability Reporting Standards*, the *Sustainability Accounting Standards Board (SASB)* and the Guidelines issued by CPC 09 – Integrated Reporting (which relates to the Basic Conceptual Framework for Integrated Reporting), prepared by the *International Integrated Reporting Council – IIRC*; and
- design, implement and maintain internal controls over the information that is relevant for the preparation of the information included in the 2023 Integrated Annual Report to be free from material misstatement, whether due to fraud or error.

### Independent auditors' Responsibilities

Our responsibility is to express a conclusion on the non-financial information included in the Report, based on the limited assurance engagements conducted in accordance with NBC TO 3000 (reviewed) – Assurance Engagements other than Audits and Reviews issued by the CFC – Federal Association of Accountants, which is equivalent to international standard *ISAE 3000 (revised) – Assurance engagements other than audits or reviews of historical financial information, issued by the International Auditing and Assurance Standards Board (IAASB)*. These standards require work planning and procedures to obtain limited assurance that the non-financial information included in Cielo's 2023 Integrated Annual Report as a whole is free from material misstatements.

KPMG Auditores Independentes Ltda. ("KPMG") applies the Brazilian Standard on Quality Management (NBC PA 01), which requires the firm to plan, implement and operate a quality management system, including policies or procedures related to compliance with ethical requirements, professional standards and applicable statutory and regulatory requirements. We have met the independence and other ethical requirements of the Accountant's Professional Code of Ethics and Professional Standards (including Independence Standards) based on key integrity, objectivity, professional competence and due zeal, confidentiality and professional behavior.

A limited assurance engagement carried out in accordance with the revised NBC TO 3000 (*ISAE 3000 revised*) consists mainly of inquiring the management of Cielo and other Cielo professionals who are involved in the preparation of the information, as well as applying analytical procedures to obtain evidence that enables us to conclude, in the form of a limited assurance, information taken as a whole. A limited assurance engagement also requires additional procedures to be applied when the independent auditor gets to know about issues that lead him to believe that the information disclosed in the 2023 Integrated Annual Report as a whole may have material misstatements.



The selected procedures are based on our understanding of the issues related to the compilation, materiality and presentation of the information included in the 2023 Integrated Annual Report, of other circumstances of the engagement and of our consideration about the areas and processes associated with the material information disclosed in the 2023 Integrated Annual Report, in which material misstatements could exist. The procedures consisted of, among others:

- a) planning the work, considering the relevance, the amount of quantitative and qualitative information, as well as the operating and internal control systems that supported the preparation of the information included in the 2023 Integrated Annual Report;
- b) understanding the calculation method and procedures followed for compiling indicators by making inquiries and holding interviews with the managers in charge of gathering information;
- c) applying analytical procedures to quantitative information and inquiring about qualitative information and its correlation with the indicators disclosed in the information included in the 2023 Integrated Annual Report;
- d) when non-financial data correlate with financial indicators, these indicators are cross-checked against financial statements and/or accounting records;
- e) analyzing the procedures followed for preparing Cielo's 2023 Integrated Annual Report and its structure and contents, in accordance with the Content and Quality Principles of the *Standards for Sustainability Reporting Initiative – GRI, Sustainability Accounting Standards Board (SASB)* and with CPC 09 – Integrated Reporting (which relates to the Basic Framework of Integrated Reporting, prepared by the *International Integrated Reporting Council – IIRC*); And
- f) assessment of sampled non-financial indicators.

The limited assurance engagements also covered compliance with the guidelines and criteria of the *GRI - Standards framework* applicable to the preparation of the information included in the 2023 Integrated Annual Report.

**Scope and limitations**

The procedures applied in a limited assurance engagement vary in terms of nature and timing and are smaller to the extent than in a reasonable assurance engagement. Therefore, the security level obtained from a limited assurance engagement is substantially lower than that obtained if a reasonable assurance engagement had been carried out. If we had carried out a reasonable assurance engagement, we could have found other issues and possible misstatements which may exist in the information included in the 2023 Integrated Annual Report. Accordingly, we do not express an opinion on that information.

Non-financial data are subject to more inherent limitations than financial data, given the nature and diversity of the methods used to determine, calculate or estimate this data. Qualitative interpretations of materiality, relevance and accuracy of data are subject to

individual assumptions and judgments. Moreover, we did not carry out any work on data informed for prior periods, or about future projections and goals.

The preparation and presentation of sustainability indicators followed the *Global Reporting Initiative – GRI* sustainability reporting criteria, the *Sustainability Accounting Standards Board (SASB)* and the Guidelines issued by CPC 09 - Integrated Reporting (which relates to the Basic Conceptual Framework of Integrated Reporting *Council – IIRC*) and, therefore, they do not have the purpose of ensuring compliance with social, economic, environmental or engineering laws and regulations. However, those standards provide for the presentation and disclosure of possible violations to these regulations when significant sanctions or fines are imposed. Our assurance report should be read and understood in this context, which is part of the criteria (*GRI- Standards*), *Sustainability Accounting Standards Board (SASB)* and with Guidance CPC 09 – Annual Integrated Report (which relates to the Basic Conceptual Framework of Integrated Reporting, prepared by the *International Integrated Reporting Council – IIRC*).

**Conclusion**

Our conclusion was based on and is subject to the matters described in this report.

We believe that the evidence we have obtained in our work is sufficient and appropriate to provide a basis for our limited conclusion.

According to the procedures applied by our team and described on this report and the evidence we obtained, nothing came to our attention that causes us to believe that the non-financial information included in the 2023 Integrated Annual Report for the year ended December 31, 2023 of Cielo S.A. – Instituição de Pagamento has not been prepared, in all material respects, in accordance with the *Global Reporting Initiative (GRI) Sustainability Reporting Standards*, the *Sustainability Accounting Standards Board (SASB)* and the Guidelines issued by CPC 09 – Integrated Reporting (which relates to the Basic Conceptual Framework for Integrated Reporting, prepared by the *International Integrated Reporting Council – IIRC*).

São Paulo, May 28, 2024

KPMG Auditores Independentes Ltda.  
CRC 2SP-014428/O-6  
Original report in portuguese signed by

Flavio Gozzoli Goncalves  
Accountant CRC 1SP290557/O-2

# Credits

## CORPORATE INFORMATION

GRI 2-1

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CEP: 06455-030 – Barueri (SP) – Brazil

## RECORDS

GRI 2-3

*Project general coordination*  
Sustainability, Diversity and Corporate Responsibility  
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*Contact*  
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*Consulting for GRI, writing, design and review*  
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*Materiality*  
Baanko

*Photos*  
Adobe Stock and Freepik

*Audit*  
KPMG

*Publication date*  
28/May/2023

The preparation and presentation of this Integrated Annual Report was based on collective thinking.

There are no omissions regarding the Integrated Reporting guidelines.

cielo