

XP Inc.

INTEGRATED ANNUAL REPORT 2024

Integrated Annual Report 2024

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Introduction

About this Report

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XP Inc.'s 2024 Integrated Annual Report summarizes how we create value over time for our multiple stakeholders. It consolidates information on the Company's material topics, offering a comprehensive overview of the performance of our capitals, the direct and indirect impacts of our activities, and economic, social, environmental and climate risks and opportunities. We also show how these matters are embedded in our business strategies.

The data disclosed here is complemented by our Consolidated Financial Statements, independently audited and published on our Investor Relations website.

As a publicly traded Company listed on Nasdaq since 2019, we are also subject to the rules of the U.S. Securities and Exchange Commission (SEC), the regulatory authority for the U.S. capital markets. To comply with SEC requirements, we publish periodic and annual reports such as Form 20-F, which are also available on our Investor Relations website.

This report embraces XP Inc. and its subsidiaries, including all companies controlled by XP Group[1], for the period from January 01 to December 31, 2024.

Adopted Standards and Guidelines

This report has been prepared with reference to the Universal Standards of the Global Reporting Initiative (GRI) and the standards of the Sustainability Accounting Standards Board (SASB) and the Integrated Reporting Framework, of the Value Reporting Foundation. In addition, we have taken into account the recommendations of the International Sustainability Standards Board (ISSB) to ensure alignment with global best practices.

Guidelines for disclosing ESG information relevant to investors, with a sector-specific focus.

International standards for the consistent presentation of financial statements.

Recommendations for disclosing climate-related financial risks and opportunities.

Global standard for sustainability reporting focused on economic, environmental, and social impacts, as well as risks and opportunities.

The UN agenda with 17 global goals to promote sustainable development by 2030.

Responsibility of Senior Management

GRI 2-12 | 2-14

The Chief Financial Officer (CFO) and other Investor Relations executives at XP Inc. were involved in the preparation of this report. Together with the Board of Directors, they are accountable for the accuracy and completeness of the information presented here. In addition to Board of Directors approval, this document was also signed off by the Audit Committee and the Risk, Credit and ESG Committee.

For further information, please contact:

ir@xpi.com.br

Stakeholder Engagement

This report reflects the opinions of our stakeholders, gathered through the materiality analysis (page 8) and communication channels that help us ascertain the actual and potential impacts of our operations on each of our stakeholder groups. We relied on these interactions to develop mechanisms to prevent and mitigate potential negative impacts and to maximize the positive effects of our business.

[1] Entities included in this report: the XP group is currently made up of 42 entities, including XP Inc. and our subsidiaries, 38 of which we control, 32 are incorporated in Brazil and 8 are incorporated in other countries. For further information, go to page 50 of the 20-F Form submitted to the SEC in April 2025.

Message from Senior Management

GRI 2-22

Letter from the CEO

I always envisage XP Inc.'s future as an ocean of possibilities given the size of the opportunity that still lies ahead of us. But like every entrepreneurial journey, the path is not linear, and we must work twice as hard during turbulent times. Despite initial market projections not materializing as expected, we closed 2024 with belief in the resilience of our business model, the maturity of our governance and management practices, and a clear strategy with growth levers under our control—giving us confidence that we will continue to perform well in the years to come.

One of XP's greatest strengths is the countercyclical nature of our business model, as clearly reflected in our results throughout the year. Our core financials hit record highs. Highlights include amassing R$ 1.2 trillion in Total Client Assets and a 15% increase in Total Gross Revenue, totaling R$ 18 billion. Adjusted net income grew by 17% to R$ 4.5 billion for the year, directly linked to our efficiency ratio, which reached 34.7%—the best result for this metric in our history.

Combined with capital discipline and growth opportunities, this performance allowed us to distribute 74% of the year's net income in the form of dividends and share buybacks. In November 2024, we officially completed most of our corporate restructuring process. This new structure enhances our ability to sustainably return capital to shareholders, by improving leverage potential and funding efficiency at Banco XP—benefiting both our Retail and Wholesale divisions.

The strategic decisions taken in recent years have transformed XP.

I'm convinced that today we are a more prepared and more efficient Company, better equipped to fulfill our mission and deliver long-term growth. Our three-pronged strategy is clear: investment leadership, complementary products for individuals, and synergies with our Wholesale business. All of these fronts are steeped in a culture of quality—making ours an organization that delivers premium services at scale to our clients.

This strategy is already yielding dividends. Our distribution ecosystem is now larger, more sophisticated and boasts cutting-edge technology. We grew to 18,200 investment advisors spanning Brazil through diverse channels, including accredited offices, internal advisory practices, asset managers, and consultants—consolidating our leadership and earning recognition as the country's best advisory firm for six consecutive years.



Elsewhere, diversifying revenue through new services and products has made us more resilient. Today, between 15% and 20% of our revenue derives from offerings beyond investments, positioning XP as a one-stop shop for financial services. To deliver on this strategy, we rebuilt our client segmentation framework to match different customer profiles with the most suitable service models, and we adapted our value proposition to meet their specific needs. Our wholesale strategy is also evolving quickly, mirroring our retail success and deepening our relationships with entrepreneurs and major economic groups across Brazil.

I'm proud to say we innovated by democratizing access to quality investment products and by offering exclusive advisory services to Brazilian investors. We are now aiming to go even further, ushering in a new revolution in how Brazilians manage their financial lives—through holistic financial planning that goes beyond mere investments. We will also look after their short- to long-term goals, succession planning, tax structure, and the full range of needs at each stage of life. That's how we plan to improve people's lives: by providing the best and most personalized service and advice, powered by our enviable ecosystem.

We also know that our long-term growth depends on the highest levels of governance.

Our commitment to delivering quality as a core part of our value offering is tied to our vision of sustainable growth in all areas that matter to our business and value chain. We strive to assess and manage the impacts and opportunities of our activities by instilling processes and practices that help us move forward in environmental, social, climate and governance matters.

We actively involve senior management in several initiatives to ensure operational sustainability, including embedding ESG criteria in internal processes. For example, we now screen 100% of our clients, suppliers, products and services against Social, Environmental and Climate Risk criteria.

More than just compliance, we approach this agenda with the responsibility required to ensure the longevity of both our Company and society—and also as a source of business opportunity. We continued to expand our sustainable product offering and ended the year with a total of R$ 10 billion in ESG assets under custody and R$ 42.6 billion in green bonds issued.

When I reflect on the transformations we have led in the financial market and the legacy we are building, I'm convinced that our culture has been—and continues to be—our greatest differentiator.

That's why having a strong team steeped in our DNA and that buys into our bold vision with our partners has been essential since the beginning of our journey and continues to make all the difference. I have always said that People is one of my top priorities. We are a service Company, built on relationships, proximity, excellence and, most of all, the trust of our clients. To lead the next wave of transformation in the market, we remain committed to making XP Inc. an elite environment for everyone, where each team member owns their career and finds challenges and opportunities that nurture personal development and growth.

I'm confident we are on the right path, with the right people, to keep moving consistently and steadily toward our goals while delivering value to our shareholders. This is the best version of XP we've ever had—and I know the XP of the future will be even better.

Looking ahead to 2025 and beyond, I continue to see a vast ocean of opportunities for us to achieve even more than we already have. We remain confident in our strategy and increasingly committed to delivering excellent service to our clients, while investing in our people and in technologies that ensure scalable growth with efficiency and a client-centric approach.

I'd like to thank our teams, clients, shareholders and partners for their trust so far. As I've said on other occasions, the future of XP Inc. is also the future of Brazil's financial market, and we will keep pushing boundaries to transform the market and improve people's lives.

Thiago Maffra

CEO XP Inc.

Letter from the Chairman of the Board of Directors

Dear shareholders,

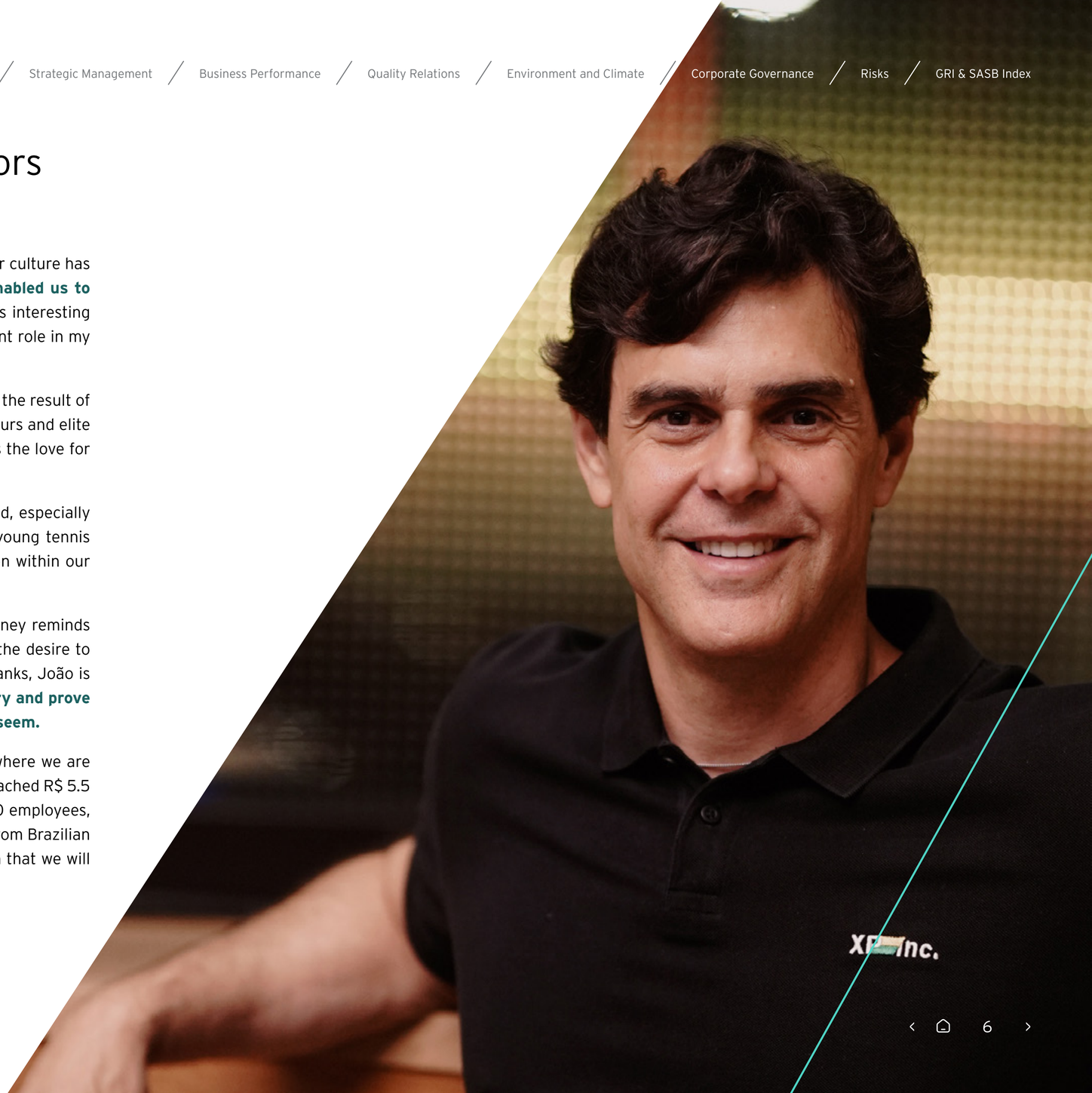
As I reflect on the progress made in recent decades in building XP, one of my strongest convictions is that our culture has been the defining factor in getting us to where we are today. **Our entrepreneurial and pioneering DNA enabled us to spearhead a transformation in Brazil's financial market—something many once thought impossible.** It's interesting to note how this culture has been shaped by valuable lessons from sports, which continue to play a significant role in my daily life and that of my partners.

Sport, in fact, is a school of life and shares many similarities with entrepreneurship. In both arenas, success is the result of hard work, a thirst for victory, persistence, humility, focus, organization and strategic vision. Both entrepreneurs and elite athletes face ups and downs, and they must find ways to keep moving forward and continuously improve. It's the love for this journey, and the drive to do it better each time, that make dreams—whatever they may be—come true.

As I write this message reflecting on our journey through 2024, I feel great pride in the results we achieved, especially after a challenging year. This year, we also reaffirmed our commitment to national sports by sponsoring young tennis player João Fonseca, who is already competing with the world's best and embodies the values we champion within our Company.

We chose to support João because we believe in his talent and his ability to overcome challenges. His journey reminds me of my own experience founding XP in 2001. There was no shortage of obstacles and uncertainties, but the desire to transform Brazil's financial market always overcame any fear. Just as we competed with large high-street banks, João is now taking on tennis giants on the world stage. **We share a common goal in different fields: to make history and prove that great achievements are possible, inspiring Brazilians to believe their dreams are closer than they seem.**

And in this journey, we must never forget our humble origins—a modest 25 m^2 office in Porto Alegre—and where we are going. Looking back, I remember where we stood five years ago when we held our IPO. In 2019, our revenue reached R$ 5.5 billion. By 2024, that number had soared to R$ 18 billion. Our team grew from 2,000 to approximately 7,400 employees, and we reached a historic milestone of R$ 1.2 trillion in Total Client Assets, reflecting the trust we've earned from Brazilian investors. There's still much to improve, but we are pressing forward with even more drive and a clear vision that we will soon become the largest investment Company in Brazil.



Throughout our journey, we've taken on one of the world's most concentrated markets with a value proposition that, not long ago, seemed unimaginable. Our vision of democratizing access to investments—through a decentralized operation, open platform, independent advisors and financial education—has evolved into a high-impact business model. We not only teach our clients to invest better but also offer a complete ecosystem of financial services, ensuring a streamlined and exceptional experience. I dare say that perhaps our greatest legacy to the country has been creating an effective national capital market, enabling the decentralization of capital and expanding credit access for Brazilian entrepreneurs.

I highlight all of this to illustrate how our support for sports reflects our own story and the culture we've built—grounded in solid principles. Since XP's early days, we've grown around values that continue to drive us forward to this day: bold dreams (seemingly "impossible," yet achievable), open-mindedness (humility), entrepreneurial spirit (owning every challenge we face) and client focus (our highest priority).

Another vital lesson—shared by athletes and entrepreneurs alike—is that no one achieves success alone. Building strong teams that are aligned with our culture and long-term purpose is essential. In that spirit, we achieved a long-standing dream last year by reshaping our Board of Directors, now with a majority of independent members.

As I often say, what has worked thus far won't necessarily work in the future. We must stay alert and adapt to constant change, always ensuring we have a strong, motivated team aligned with our purpose—so we can soar even higher. As Chairman of the Board, I see that we have taken a major step toward even greater achievements. Our new Board members bring expertise in critical areas for sustainable growth, such as risk management, credit, wholesale banking and human resources. These professionals are respected both in Brazil and internationally, and they play a strategic role in our journey. With this progress, we believe XP will become an even stronger Company for our shareholders, investors, clients and employees.

In this report, you will find details on the actions we consider essential to improving risk management, gaining investor trust, retaining talent and reducing funding costs—all crucial for the Company's long-term success.

Today, my biggest mission is to ensure the solidity of our long-term plans and help our leaders deliver even more value to our clients. I will always be a guardian of our culture and values, demonstrating that with ethics, humility and determination, we will continue doing the impossible and spearheading transformations in Brazil's financial market.

I would like to recognize our internal team and the more than 18,000 investment advisors who bring XP to every corner of the country. These individuals face challenges and break barriers every day, always with team spirit and commitment. I also thank you—our investors and shareholders—who believe in our purpose and, above all, in our future. Over the past 24 years, we have grown in both revenue and net income year in, year out, and we aim to continue this trajectory, generating strong dividends and/or share buybacks as our best response to your trust.

You can be sure that we will never lack the courage to improve what needs improving and to help make Brazil a better place for investors and entrepreneurs. The Brazilian people are incredible, and we want to be a source of inspiration—showing that they can believe in themselves more each day. Like João Fonseca, we are only just getting started.

I hope you enjoy the report!

Guilherme Benchimol

Founder and Chairman of the Board of Directors of XP Inc.

Materiality

GRI 2-14 | 3-1

The materiality review conducted between late 2023 and early 2024 ascertained the most relevant topics for our organization and its key stakeholders. After this process, we updated the Social, Environmental and Climate Responsibility Policy (PRSAC), which informs our internal initiatives and how we engage our stakeholders.

This updated PRSAC now includes requirements, disclosures and targets related to material topics, centralizing the management thereof in a structured mechanism led by the ESG & Social, Environmental and Climate Risk department, which reports to senior management.

This process also guided the definition of ESG priorities and the integration of material topics into our integrated risk management practices, recognizing that these are critical to long-term business sustainability. With a deeper understanding of the positive and negative impacts stemming from our commercial operations, products and services, and stakeholder relationships, we revisited our sustainability strategy.

We translated the material topics into goals and actions that now guide our activities and engagement. Beyond risks, the materiality review also highlighted opportunities emerging from the scenarios we mapped. See the complete chart on page 30 with the initiatives driving our ESG progress.

To learn more about the materiality review process, please visit our 2023 Integrated Annual Report available on the Investor Relations website.

Materiality Review

1. Identifying material topics

We conducted benchmarking and analyzed global and sector-specific guidelines, national and international regulations, and internal policies, resulting in a list of 21 topics aligned with our strategy.

2. Stakeholder consultation

Topics were grouped into thematic categories and submitted to stakeholder input through in-depth interviews with senior management and an online survey involving strategic suppliers, partners, community members, clients and investors.

3. Review

This process yielded a list of six priority topics for the organization.

4. Contextualization

The material topics were contextualized to aid management and reporting, aligned with the Sustainable Development Goals (SDGs) we champion.

5. Validation

The findings of the materiality review were approved by the Audit Committee and the Board of Directors.

Our Material Topics

GRI 3-2





Embedding ESG in Processes, Products and Services

Offering financial products and services, in the best interest of our clients, that provide ESG solutions and help our clients advance along on their sustainability journeys.

Risk: Social, environmental, climate and governance-related events may directly impact our operations and indirectly affect earnings through our relationships with clients and the activities we support.

Opportunity: Innovate in the range of sustainable financial products on offer, sustaining our culture of innovation and adapting to new trends guiding client and investor decisions.





Customer Centricity, Innovation and Technology

Ensure high-quality services by putting the client first and leveraging technological innovation.

Risk: Technological advancements mean consumers have more access to information and freedom of choice than ever. If we do not position ourselves competitively in terms of client focus and service quality, we risk client churn and slowing new acquisitions, which would undermine financial performance.

Opportunity: Leverage technology to enhance the client experience and ensure data security, and keep innovating to democratize access to cutting-edge financial services.



Diversity and Inclusion

Create an internal environment that values and promotes diversity and inclusion and carry out actions that encourage the adoption of D&I practices in society and in relationships with our various stakeholders.

Risk: Low diversity environments can limit innovation capacity and competitiveness, as well as impact the company's reputation.

Opportunity: Increase the representation of diverse groups in technology and business areas, attracting top talent to strengthen our employer brand.







Ethics, Human Rights, Compliance and Transparency

Foster ethical conduct, human rights, compliance and transparency in our practices and value chain, through policies and processes to prevent, address and report practices such as money laundering and corruption, alongside actions that ensure fair and responsible communication processes.

Risk: In addition to harming our image and business, non-compliance can also lead to financial losses due to increased regulation on the subject.

Opportunity: Strengthen supplier and partner governance in line with ESG guidelines to mitigate social, environmental and climate-related risks across the value chain.



Education and Financial Inclusion

Increase inclusion through mechanisms that facilitate access to financial products and services while expanding financial education in society, based on alliances with strategic partners.

Risk: Delinquency and poor financial literacy undermine the financial well-being of individuals and businesses, leaving them more vulnerable to scams and fraud.

Opportunity: Improve financial education throughout the client journey by espousing the responsible use of financial products, leading to enduring relationships.







Data Security and Privacy

Ensure security controls and data protection through transparent public policies and risk monitoring.

Risk: Ransomware, phishing attacks and hacking may engender financial losses and erode client trust, ultimately impacting results.

Opportunity: Go beyond ongoing regulatory compliance in data protection by creating a security-driven environment that forges market trust and attracts new clients.

The Year at a Glance

5th most valuable Company in Brazil

Top 2 in Estadão's Best Services ranking

Voted best investment advisory firm by Folha **six times**

Client Base

4.7 million clients ▲ **4.44%**

Businesses

R$ 1.2 trillion of client assets under custody

12% market share of individual clients investments in Brazil

26% growth in EBT (earnings before taxes)

R$ 21.2 billion in the credit portfolio

R$ 47.9 billion in TPV of Cards

R$ 3 billion in dividends and share buybacks

Profitability

R$ 18 billion in Total Gross Revenue

R$ 4.5 billion in net income

23% ROAE

Capital Base

R$ 18 billion Tier I Capital

17.7% Capital Adequacy Ratio

R$ 105.8 billion RWA[2]

R$ 20 billion in equity

[2] Risk-Weigthed Assets

Our Team

7,442 employees allocated to different companies

18,200 advisories

Social, Environmental and Climate Risks

100% of individual and corporate clients undergo social, environmental, and climate scrutiny

100% of suppliers undergo social, environmental, and climate analysis

100% of new products and services evaluated from a social, environmental, and climate perspective

Greenhouse Gas (GHG) inventory audited by an external party

100% of GHG emissions offset

100% of the energy consumed in Brazil sourced from renewable sources, through the purchase of I-RECs (International Renewable Energy Certificates)

▼ **45.4%** reduction in the financed emissions intensity of the credit portfolio between 2021 and 2024, reaching 6.58 tons of carbon per R$ 1 million invested

Approximately ▼ **4 percentage points** in the climate sensitivity of the credit portfolio between 2021 and 2024, reaching 10.63%

0 losses related to social, environmental, and climate issues

Sustainable Business

R$ 10 billion in ESG assets under custody

R$ 42.6 billion in green bonds issued

26% of the Investment Banking fixed income issuances indexed to the green economy

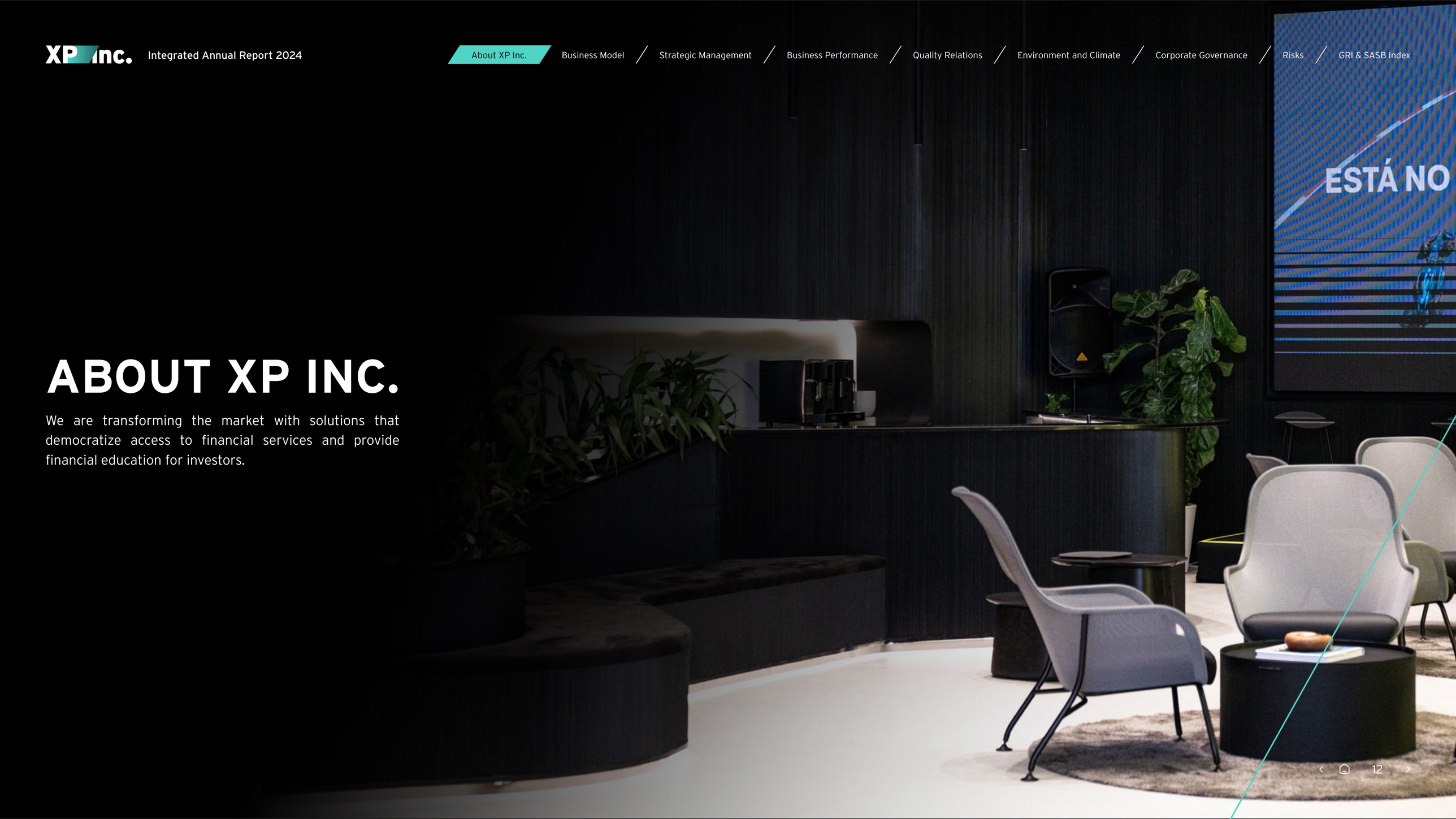
10 ESG investment funds managed by XP Asset

181 thousand clients with ESG investments

R$ 1.47 billion in green credit and positive impact

ABOUT XP INC.

We are transforming the market with solutions that democratize access to financial services and provide financial education for investors.

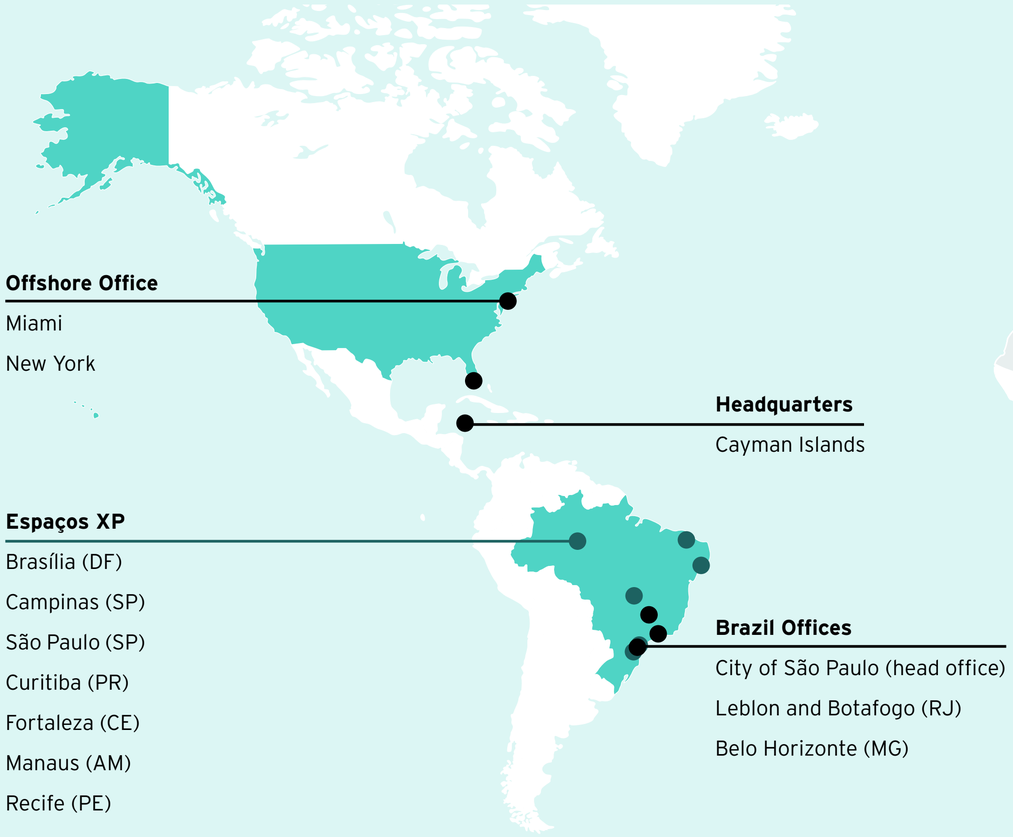


About us

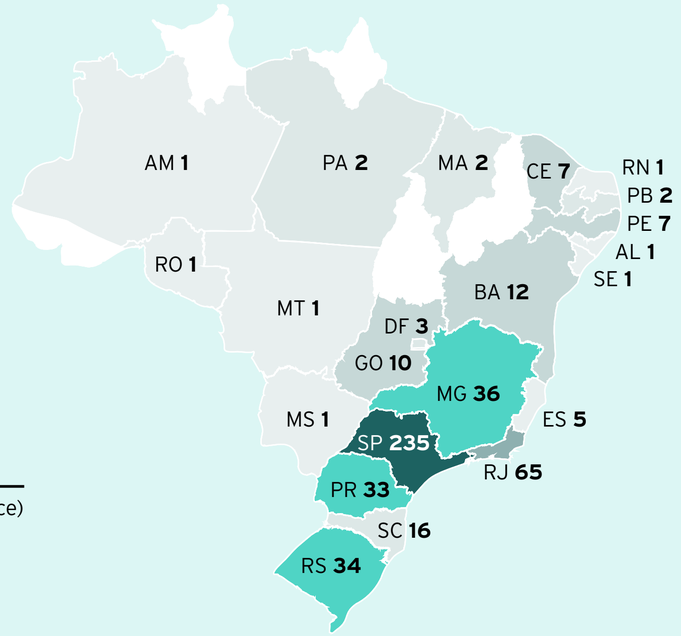
GRI 2-1 | 2-6

XP Inc. is an ecosystem of brands (XP, Rico, Clear, Infomoney, XP Educação, and Modal). Among them, XP was recognized as one of the five most valuable companies[3] in Brazil, according to the Brand Asset Index rankings compiled by WPP and Interbrand. Our ecosystem comprises companies, products and services that allow us to stand out in different segments of the financial market—from retail to institutional, including corporations and capital markets. We also have a dedicated media area focused on economics and finance, helping to inform and educate investors and banking product consumers.

Our Geographies



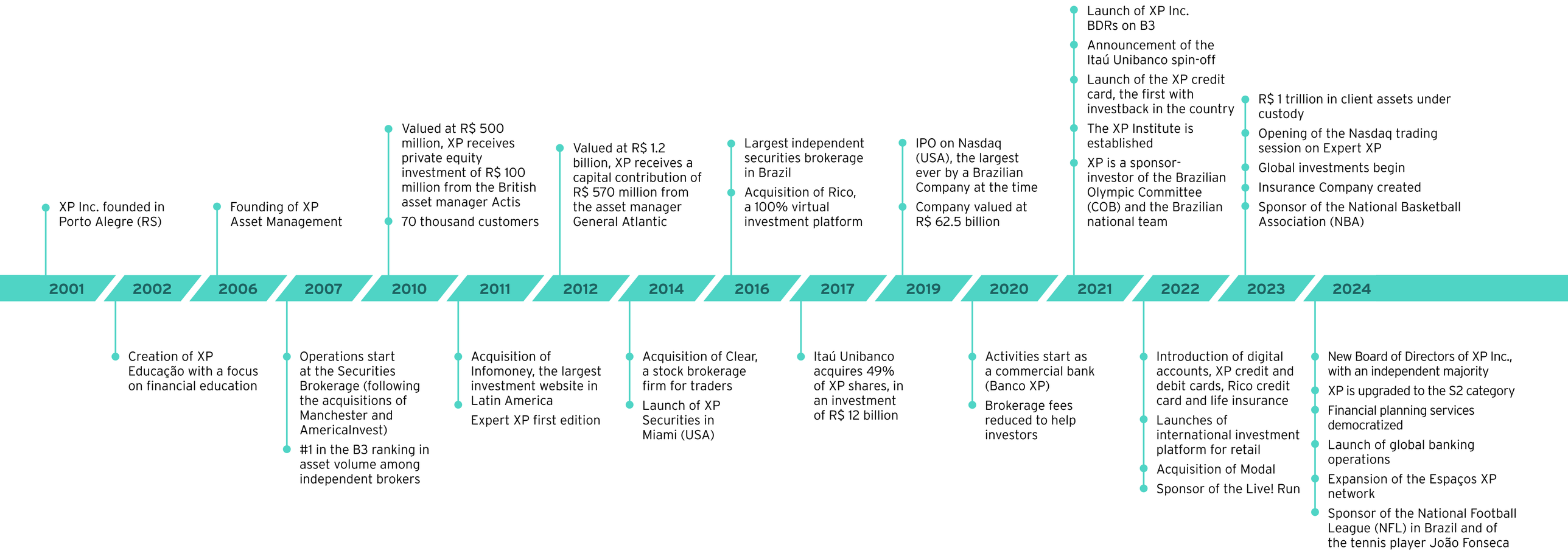
476 offices that distribute our products throughout Brazil



[3] Source: Brand Asset Index, a study conducted by WPP and Design Bridge and Partners.

Our origins and journey thus far

XP's history is steeped in disruption, helping more people gain access to investments in Brazil. **This is —and always will be— our DNA.**



Our Culture

Our purpose is to transform the financial market in order to improve people's lives.

Values

Principles that guide our actions as we build our legacy and pursue our purpose.



Entrepreneurial Spirit

We shape the future with our own hands under the highest level of commitment and sense of ownership.



Our Big Dream

We aim for the impossible, we believe it can become true, and we get there together, one step at a time.



Open-mindedness

Our openness to the new and our ability to adapt are what make us constantly evolve and improve.



Client Focus

We are determined to exceed our clients' expectations, always placing them first in our decisions.

We are united by

Our ambition to achieve the impossible

That's how we define XP Inc.'s Value Proposition. We know that to reach our ambitions, we need a strong team—attracting and retaining the best talent in the market. To do that, we focus on three pillars in our Employee Value Proposition (EVP):

Careers

The opportunities are here—it's up to you to choose your path!

Whether you're on the front lines creating products and services, innovating with technology, or ensuring our Company runs smoothly, XP offers no shortage of opportunities. Don't wait for things to happen—create your own path and harness a meritocratic and high-performance environment to support your growth along the way.

Development

Push your boundaries in pursuit of shared results.

We aim to be where our clients are and give you the autonomy to make the best decisions that will help them succeed. That doesn't always mean operating in a stable environment. You need to feel comfortable in a dynamic setting—embracing each opportunity as a chance to get hands-on, learn something new and create real value. And you can count on open-door leadership to challenge and guide you on this journey toward achieving the impossible—together.

Recognition

Recognition for those who commit and make things happen.

Achieving extraordinary results means taking risks—but when we succeed, XP Inc. grows, and so do you. Over the long term, conquering complex challenges and stepping into high-impact roles can lead to becoming a partner—sharing the journey with people driven by the same purpose.



BUSINESS MODEL

We were born disruptive and, dreaming alongside Brazilians, we work every day to create value for our clients, the market, and society.





Business Model

We play a central role in transforming Brazil's financial sector, leading the democratization of access to services and technology through our open investment platform, combined with financial education. We're driven by the ambition to become the largest investment Company in Brazil—and we want that growth to go hand in hand with creating value for our clients, the market, and society as a whole.

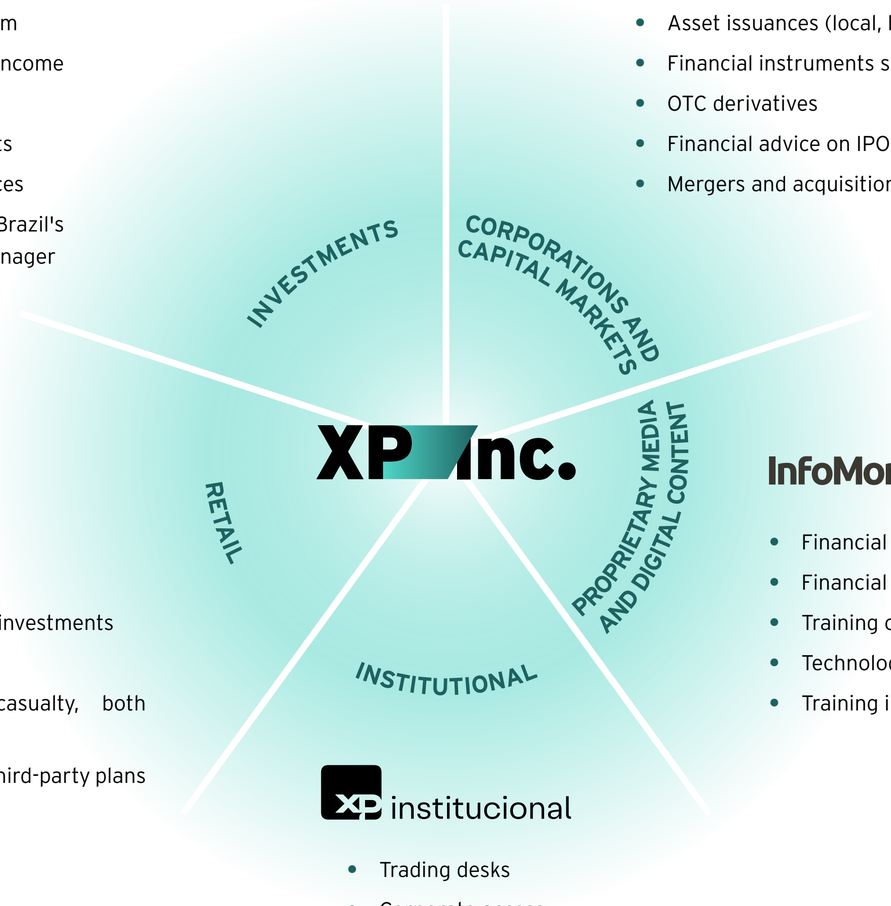
From a modest office in Porto Alegre (RS) in 2001 to where we are today, our journey has been shaped by innovation and a commitment to democratizing access to financial services. In a disruptive move, we created Brazil's first open investment platform, helping to transform the financial market. Through this platform, we made investment products—once restricted to high-net-worth individuals—accessible to all.

It gave investors the autonomy to choose where and how to invest their money in line with their life goals. By spurning traditional banking models, we eliminated fees that eroded investment returns.

Dreaming alongside Brazilians, we have consolidated XP as one of the largest financial institutions in the country. In 2024, we entered Segment 2 (S2), becoming part of the elite of the National Financial System. We continue to move forward with the goal of expanding our positive impact and driving the development of individuals and the country.

Value Creation Ecosystem

GRI 2-6



- Open investment platform
- Public and private fixed income
- Variable income
- International investments
- Financial advisory services
- XP Asset Management: Brazil's most complete asset manager

- Asset issuances (local, hybrid and international debt securities)
- Financial instruments such as swaps
- OTC derivatives
- Financial advice on IPOs, follow-ons, block trades and OPA
- Mergers and acquisitions (M&A)

- Digital accounts
- Rico and XP branded credit cards
- Collateralized credit, secured by equity investments
- Forex
- Insurance (life and property & casualty, both proprietary and from market insurers)
- Private pensions, with proprietary and third-party plans

- Financial content
- Financial education
- Training of advisors
- Technology and AI training
- Training in data science for the financial market

- Trading desks
- Corporate access
- Support teams

banco de atacado

A multiple-service bank offering commercial banking, investment, loans, derivatives and capital markets operations (Debt Capital Markets and Equity Capital Markets). Since its creation in 2019, it has continually grown its portfolio to include digital accounts, XP and Rico-branded credit cards, and life and property insurance products from both in-house and partner insurers. It also offers retirement planning solutions, including proprietary and third-party private pension plans.

InfoMoney

The largest and most complete communications hub specialized in economics, finance, investments and business in the country has comprised XP's ecosystem since 2011. With a loyal and engaged community of more than 95 million readers, the platform expands access to information, promoting financial education in the country.

MODAL

Joined the XP Inc. ecosystem in 2023. Targeting traders, it offers special trading terms, combining cutting-edge technology, expertise, resources and essential tools for daily market activity.

Specialized in securities brokerage and the issuance of private bonds, serving institutional and corporate clients with tailored solutions. Through its investment platform, it provides a wide range of products and services adapted to different client profiles.

rico

An online brokerage offering convenient, user-friendly solutions for self-directed investors, including decision-making tools and customized educational software. Delivered through a simple, intuitive online portal, backed by a digital marketing and media strategy. Rico has been part of XP since 2016 and eliminated brokerage fees for stock trading in 2020.

EXPERT

Our investment content platform is powered by a team of over 30 experts. They produce analyses and research on political and economic scenarios and insights on financial products—available through our retail platform. Educational content and live events also feature.

XPe

Financial education has comprised our mission since day one. XPe emerged from our desire to empower investors, and is now one of the main financial education portals in Brazil. It offers seminars, classes and learning tools to help investors, entrepreneurs and executives advance in their financial journeys. It is also a recognized leader in technology education.

clear corretora

Part of XP since 2014, Clear was Brazil's first fully digital solution for professional investors and the first to eliminate brokerage fees. The platform is renowned for its innovative margin management tools and proprietary front-ends designed for active retail traders. It is integrated with the leading platforms for fixed-income asset trading and dealing.

EXPERT

The world's largest investment festival, held annually in a hybrid format (in-person and online), connects investors and other stakeholders with over 200 speakers per edition. The event features debates on trends, investment strategies, business opportunities and relevant market topics, including ESG.

Find out more: Learn more in the Operational Performance chapter.

Competitive Advantages

We play a central role in transforming Brazil's financial sector by spearheading the democratization of access to services and technological solutions through our open investment platform, combined with financial education. We aim to become the largest investment Company in Brazil—and to grow while delivering value for our clients, the market and society as a whole.

This vision guides our investments in strengthening our key competitive advantages:

State-of-the-art Technology

We use technology to develop efficient, secure and affordable solutions for our clients, supported by a cloud-based platform that allows for continuous innovation and effective competition.

Synergistic Distribution System

Our end-to-end ecosystem delivers comprehensive solutions across the segments retail, institutional, corporate and capital markets.

Premium Services Available to Everyone

We provide a more inclusive, accessible and scalable financial ecosystem, catering to diverse client profiles.

Specialist Financial Consultancy

Our advisors provide strategic, personalized support, helping clients make more informed decisions aligned with their goals.



Capital

Our capital represent the core resources we use to create value and deliver products and services that enrich our value chain. They are essential to sustaining our operations, fostering innovation and ensuring long-term business continuity—while also reflecting the impact of our activities on society, the environment and the economy. We manage our capitals strategically, aiming to create synergies and optimize resource use.

Our Capital	How resources are accessed	How we create value and impact
Financial Resources allocated in line with our strategy.	• **R$ 20 billion** equity • **R$ 1.2 trillion** of Total Client Assets	• **R$ 4.5 billion** in net income • **R$ 3 billion** of dividends distributed to shareholders and share buybacks • **34.7%** efficiency ratio • **R$ 17 billion** tier 1 capital base
Manufactured Investments in physical and technological infrastructure.	• **4** offices in Brazil and **2** offshore • **7** Espaços XP • **476** offices	• National and international footprint • Digital and in-person client service nationwide
Intellectual Expertise, intellectual property, brand value and innovation to develop all forms of capital.	• Development of a Generative AI platform • **1st open investment** platform in Brazil • Proprietary compliance platform supporting the client journey • Among the **5 most valuable brands in Brazil**	• Democratization of access to investments and financial planning • Financial education throughout the investor journey • Speed, efficiency and accuracy in meeting client demands • Information security and process reliability

Our values

Entrepreneurial spirit

Open-mindedness

Client focus

Our big dream

Our purpose

To transform the financial market in order to improve people's lives.

Our Capital	How resources are accessed	How we create value and impact
Human Investment in employee's skills, experience and motivation, impacting all other capitals.	• **7,400** employees • **18,200** advisories	• **99% of employees** trained in 2024 • **23.6%** turnover rate • **70 NPS** • **72** eNPs points • **35%** of women in the Company
Social and Relationship Initiatives aimed at strengthening relationships with our stakeholders, enhancing our reputation and capacity to create positive societal impact.	• Promotion of ESG best practices in the supply chain • Products to support corporate clients in transitioning to a low-carbon economy • Engagement with regulatory agencies (Bacen, CVM, SUSEP) • Participation in industry agendas • Human Development Policy • Ethics and integrity programs • Work of XP Institute • XP Educação Initiatives	• Ethical and fair relationships • Risk prevention • Client centricity • Financial and technological education for society • **20,000 scholarships** for investment advisor courses • Supporting sports • All employees entitled to benefits
Natural Responsible stewardship of natural resources and mitigation of impacts from our initiatives and the clients we finance.	• Management of water and energy consumption, waste generation, and GHG emissions • Management of credit portfolio exposure to climate indicators, with targets to reduce financed emissions intensity and the portfolio's climate sensitivity	• **100%** renewable energy use through I-REC purchases • **100%** of residual emissions offset • **100%** of the corporate credit portfolio covered by financed emissions calculations • **45.4%** reduction in financed emissions intensity from 2021 to 2024 • **~4 pp** decrease in the climate sensitivity index of the credit portfolio between 2021 and 2024 • Effective management of social, environmental and climate risks associated with the business

Our values

Entrepreneurial spirit

Open-mindedness

Client focus

Our big dream

Our purpose

To transform the financial market in order to improve people's lives.

Advocacy and Contribution to Sector Development

GRI 2-6 | 2-28

We actively participate in industry and sectoral organizations, contributing to discussions on topics that, due to their relevance, help drive the market toward the adoption of best practices. We are part of senior discussion forums and working groups of the Brazilian Financial and Capital Markets Association (ANBIMA), Brazilian Federation of Banks (FEBRABAN), Brazilian Association of Banks (ABBC), National Confederation of General Insurance, Private Pension and Life Insurance Companies (CNseg), National Federation of Private Pensions and Life (FENAPREV), Association of Capital Market Analysts and Investment Professionals (APIMEC), Brazilian Association of Foreign Exchange Brokers (ABRACAM), Brazilian Association of Credit Card and Service Companies (ABECS), Brazilian Association of Publicly-Held Companies (ABRASCA), and the Financial Innovation Lab.

In addition, we contribute to discussions that promote progress in governance, social, environmental, and climate-related matters within the following organizations:

ABBC

We coordinate the Social, Environmental and Climate Risk Committee, which promotes best practices in socio-environmental risk management aligned with regulatory standards, strengthening applicable benchmarks for financial institutions.

CNseg
Confederação Nacional das Seguradoras

We are members of the ESG Integration Committee (CIASG), supporting the insurance sector in adopting better sustainability and market conduct practices.

ANBIMA

We take part in working groups focused on the Carbon Market, ESG Funds and the implementation of CMN Resolution 4945.

Lab Laboratório de Inovação Financeira

Within the Financial Innovation Lab, we participate in the ESG Risk working group.

FEBRABAN

We are active members of the ESG Committee and specialized working groups, with a focus on:

- **Regulation Squad:** dedicated to adapting to new Central Bank regulations, such as the implementation of the loss basis and Stress Testing.
- **Deforestation Squad:** discusses the management of deforestation risks in agricultural chains, optimizing banking operations.

Ancord
INOVANDO PARA FORTALECER O MERCADO

We participate in various committees, forums, and working groups at Ancord (National Association of Securities Brokers and Distributors), a key organization representing the brokerage and distribution industry in Brazil. Ancord brings together and represents securities and foreign exchange brokers, banks, asset managers, and other financial institutions, as well as individual and corporate investment advisors (IAs).

Participation in Pacts and Commitments

We are signatories of major global initiatives focused on advancing social, environmental, climate and sustainable finance topics.

PRI Principles for Responsible Investment
UN Global Compact Pacto Global Rede Brasil
CDP DISCLOSURE INSIGHT ACTION
PCAF Partnership for Carbon Accounting Financials

COMPROMISSO com o clima

We signed up to the Climate Commitment, an initiative of Ekos Brasil Institute that connects companies wishing to offset their Greenhouse Gas (GHG) emissions and projects dedicated to producing social and environmental benefits.

Human Rights and Diversity

In the social sphere, we have undertaken voluntary commitments to diversity, human rights and gender equality, reinforcing our role in shaping a more inclusive future.

Rede Empresarial de Inclusão Social pela Empregabilidade das Pessoas com Deficiência

mover pra ser maior, só fazendo juntos. movimento pela equidade racial

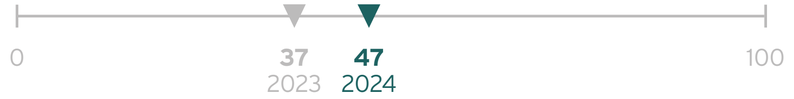
PACTO DE PROMOÇÃO DA EQUIDADE RACIAL

Rating Agencies and ESG Indexes

CDP DISCLOSURE INSIGHT ACTION



S&P Global



GRESB REAL ESTate *



GRESB Public Disclosure 2024



MOODY'S RATINGS **



* For FIIs participating in the assessment. The Green Star seal is awarded to companies that achieve a score above 50% in the GRESB assessment criteria across three categories: management, performance, and development.

** Investment Manager Quality Rating. The MQ1.br rating is a sign of excellent management characteristics.

Acknowledgments

WPP Ranking

5th most valuable brand in Brazil in the Most Valuable Companies 2024 ranking, conducted by the global advertising group.

Veja Negócios

One of the **100 most influential companies** in Brazil.

Folha de S. Paulo

Voted **best investment advisory firm six times** in the O Melhor de São Paulo ranking, in partnership with Datafolha.

Institutional Investor Research

3rd best ESG Research team in Brazil and Best Analyst in the country (Head of ESG Research).

Estadão

Top 2 in the 2024 Best Services ranking.

GRI Awards

1st place in the ESG category and **2nd place** in the Best Land Development and Urban Projects category (Vila Carnaúba Gated Community).

ANBIMA Ranking

3rd largest real estate fund manager.

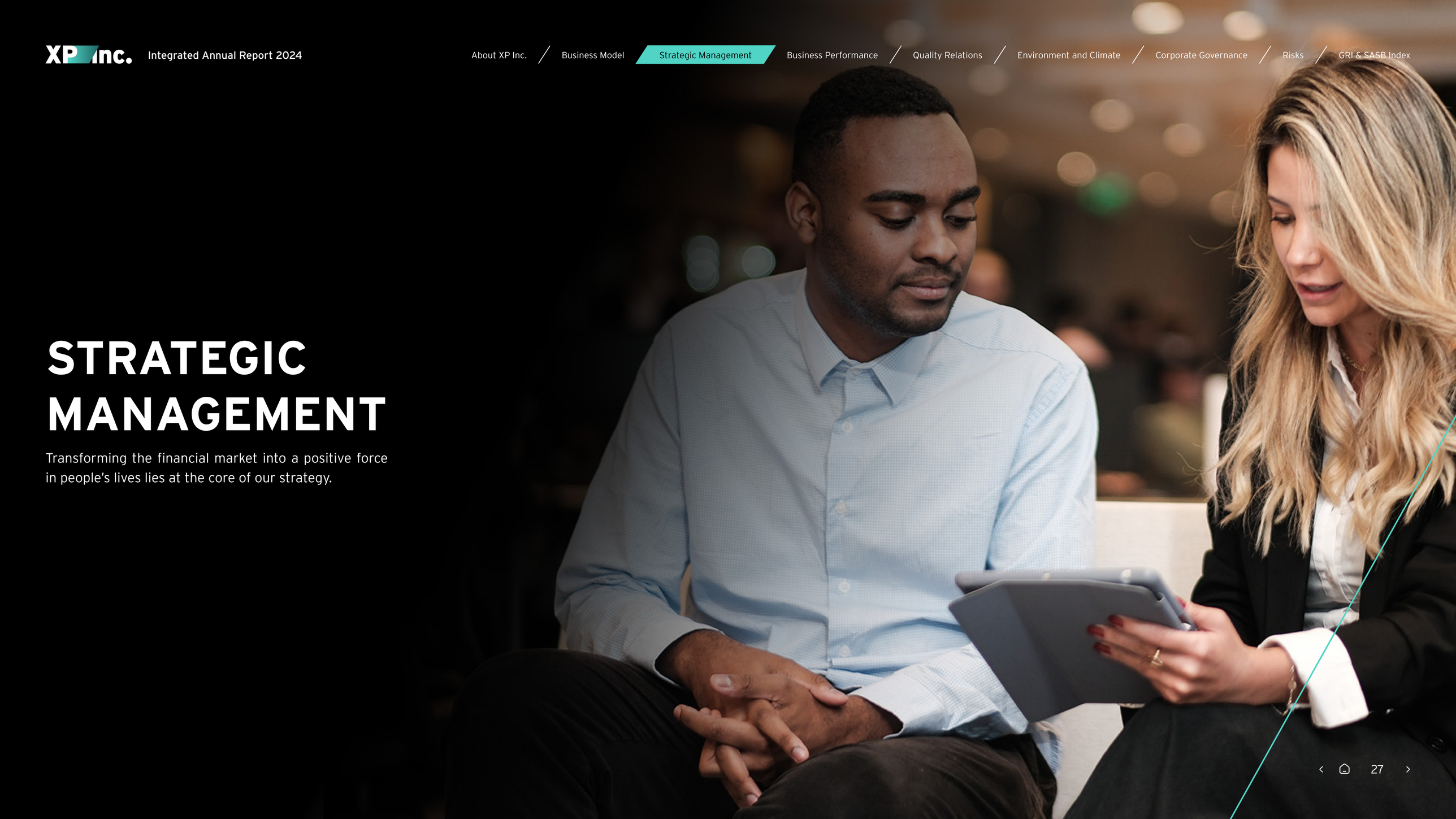
Ideia 2024

Brazilian Association of Banks (ABBC) award for our generative AI platform (Jarvix).



STRATEGIC MANAGEMENT

Transforming the financial market into a positive force in people's lives lies at the core of our strategy.



Strategy and Future Vision

Our history is rooted in the disruptive transformation of Brazil's investment market. We have forged competitive advantages and built a synergistic financial services ecosystem that caters to all investor profiles, offering a complete product platform and the largest, most qualified distribution network in the market.

By leveraging this ecosystem, we aim to revolutionize how investors approach financial planning—offering a premium experience that takes in every stage and goal across their life journey, from short to long term. To achieve this, we invest in and prioritize a comprehensive internal quality agenda that spans the entire client journey—whether through a personalized advisory, digital experience or the development of new products.

From this foundation, we have identified three key strategic imperatives to reach our vision—all anchored by the cross-cutting pillar of quality.

1. Leadership in Investments

To achieve market leadership—our main goal—we must maintain and expand our differentiators to continue growing across different investor client segments. Within this strategic pillar, our key focus areas include: a unique product platform, expansion and diversification of our distribution channels, smart segmentation and operational efficiency, and high-value-added services.

2. Complementary Offerings for Individuals

Based on our clients' needs, we are expanding our offerings to meet their full range of financial demands, with the goal of severing the bond between investors and traditional banks once and for all. The growth of our complementary offering has formed the bedrock of this strategy. Today, between 15% and 20% of our revenue stems from products other than investments—boosting wallet share and customer satisfaction (NPS), and reducing churn.

3. Synergies with Wholesale (Corporate Clients)

We aim to fully exploit the synergy of combining Wholesale Banking with our investment ecosystem, strengthening our relationships with Brazil's leading economic groups. Our Wholesale strategy is evolving rapidly, mirroring the success we've achieved in retail—but now focused on middle-market and larger enterprises. Our differentiator lies in a product and service model with a competitive edge: quality, agility, client proximity and cost-efficiency.

4. Quality

We want to deliver a unique level of quality that secures our position as the primary provider for our clients.

ESG Strategy

We understand our role as drivers of the transition to a low-carbon economy within our network of relationships. By financing the activities and projects of the companies that choose to work with us, we maintain a clear view of the risks and opportunities that can either accelerate or hinder progress in this direction.

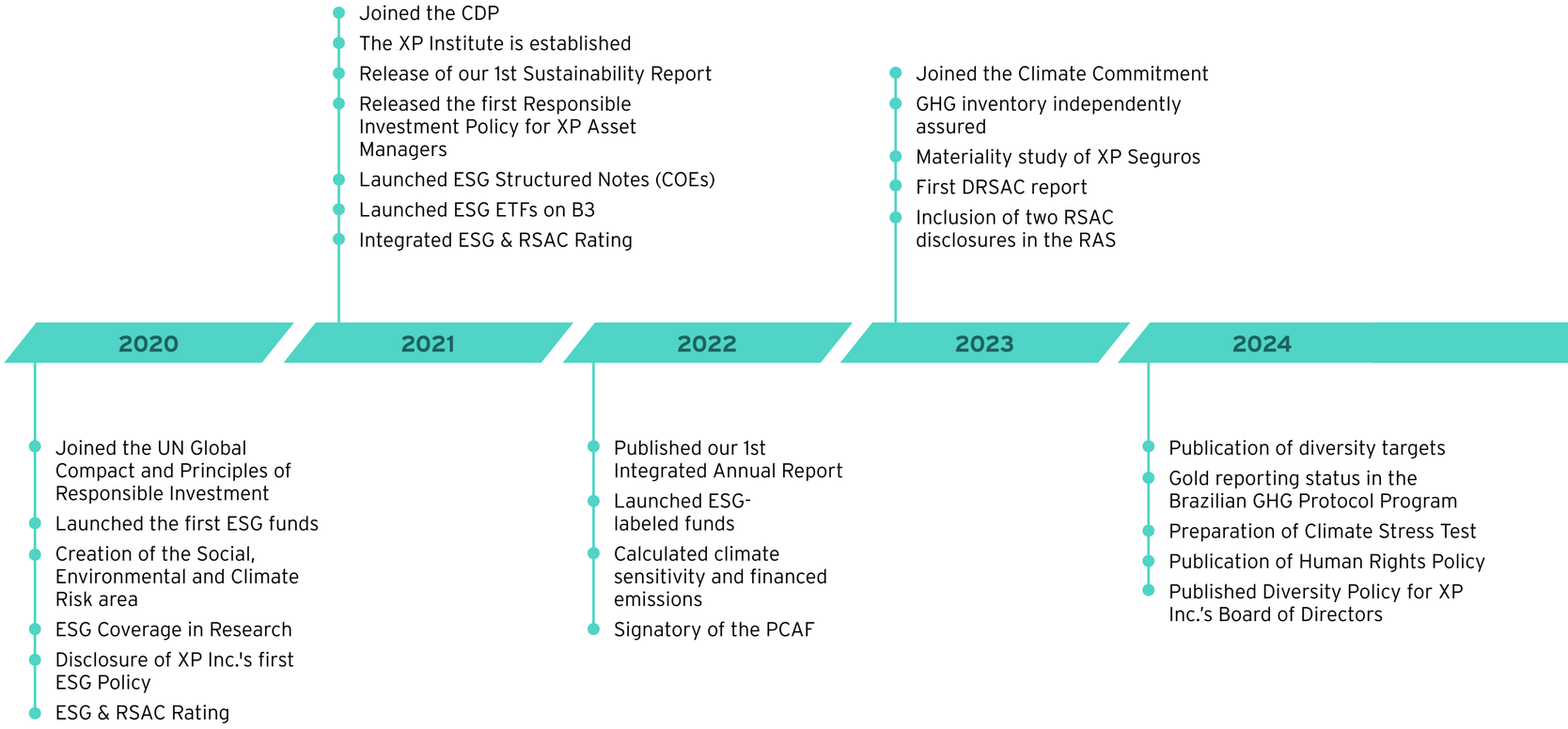
As such, we have committed to embedding environmental, social and governance (ESG) criteria into our short-, medium- and long-term strategies—strengthening the resilience of our business, creating value for stakeholders and promoting positive impacts on society.

To deepen this commitment, we updated our Social, Environmental and Climate Responsibility Policy (PRSAC), which now includes the most relevant topics for our business, as identified through the materiality review conducted in 2023-2024.

This allows us to manage material topics within the framework of the policy that informs our decision-making, translating them into concrete, measurable actions aligned with the United Nations Sustainable Development Goals (SDGs). To ensure ongoing monitoring and strategic adjustments, we report our monthly progress on materiality goals to the Risk, Credit and ESG Committee.

Our ESG Journey

Since its founding, XP Inc. has promoted financial education in society. With the creation of a dedicated ESG area in 2020, we have made significant progress across strategic fronts, with direct involvement from senior management at every stage of the value chain.



Steering our Commitments

See how we advanced in 2024 in embedding ESG into our governance, policies, processes, products and services, based on our organization's priority topics.

Material topic: Embedding ESG in Processes, Products and Services

Where we want to be	Progress made in 2024	Our strategy for progress
25% of Investment Banking fixed income issuances ESG-classified by 2025.	• **26%** of Investment Banking fixed income issuances ESG-classified in 2024. • **R$ 42.6 billion** in green bonds issued.	• Structuring of Green Bonds, Social Bonds and Sustainability-Linked Bonds, according to the guidelines issued by the International Capital Market Association (ICMA). • Structuring of a proprietary framework for ESG issuances.
Offer more ESG products and services in the best interest of our clients.	• **R$ 10 billion** in ESG assets under custody. • **10 ESG investment funds** at XP Asset	• Created a dedicated ESG Products area to identify green business opportunities. • XP Asset has a specialized team responsible for evaluating ESG mandates.
Increase ESG coverage of companies covered by Research.	• We closed 2024 with **88.5%** of companies covered by Research.	• Published reports with recommendations and engaged institutional investors to embed ESG topics into everyday investment decisions.
Be recognized as the best ESG Research in the country.	• **3rd position** in the Brazil ESG Research ranking compiled by Investidor Institucional. • Recognized as the **Best ESG Research Analyst** in the country by Institutional Investor Research.	• XP was the first investment Company in Brazil with a practice dedicated to analyzing the environmental, social and governance performance of publicly held companies and identifying major topics that are shaping this agenda. • We have maintained an ESG recommended portfolio since 2021, helping to guide the market.

Material topic: Embedding ESG in Processes, Products and Services

Where we want to be	Progress made in 2024	Our strategy for progress
Embed ESG into the investment analyses of **100%** of XP Managers in 2025.	• **96.32%** ESG implementation into the investment analyses of XP Managers in 2024.	• We are signatories to the Principles for Responsible Investment (PRI). • Responsible Investment Policy with guidelines for implementing ESG by the managers.
Embed ESG in **100%** of the investment processes of XP Vida e Previdência (XPV&P) by 2025.	• The new asset managers integrated in 2024 are adapting their allocation processes, which will be disclosed in 2025. Responsible Investment by XP Asset Managers.	• Social, Environmental and Climate Responsibility Policy (PRSAC) of XPV&P.
Ease the intensity of GHG emissions of the corporate credit portfolio by 2030.	• **-45.4%** from 2021 to 2024, reaching **6.58 tCO_2** per R$ 1 million invested.	• We are signatories to the Partnership for Carbon Accounting Financials (PCAF). • Since 2021, we have been calculating and reporting the financed emissions of our corporate credit portfolio and follow the managerial intensity index of Greenhouse Gas (GHG) emissions. • We have formulated an internal climate transition plan, with specific targets for easing emissions. • We have had a climate risk indicator in the Company's RAS since 2023.
Maintain the climate sensitivity assessment of the corporate credit portfolio within the climate risk appetite.	• Reduce climate sensitivity by approximately **4 percentage points** between 2021 and 2024.	• We have used the methodology developed jointly with Febraban since 2021, to calculate the climate sensitivity of the corporate credit portfolio. • The disclosure is included in the Company's RAS. We have also established exposure limits.

Material topic: Embedding ESG in Processes, Products and Services

Where we want to be	Progress made in 2024	Our strategy for progress
Include at least one social, environmental and climate indicator in the Company's RAS (Risk Appetite Statement).	• Since 2023, we have included two social, environmental, and climate risk indicators in the Company's RAS. • We monitor the progress of these indicator included in the RAS on a quarterly basis.	• We have a Social, Environmental and Climate Risk Commission, whose members include the Company's Chief Risk Officer (CRO). • We have a structured process for managing disclosures, which are reported every six months to the Central Bank through the Social, Environmental and Climate Risk Report (DRSAC).
100% of clients and new clients are screened for social, environmental and climate risks.	• We expanded the scope of RSAC scrutiny to include home equity, secured lending and Project Finance products. The RSAC team actively participates in the Product Distribution and Credit Committees.	• We have developed proprietary methodologies to assess the social, environmental and climate risk. • We have structured assessment processes that take into account factors involving the materiality, proportionality and relationship or transaction risks. • We developed a proprietary system for social, environmental and climate analysis and monitoring of relationships and transactions.
100% of suppliers screened for social, environmental and climate risks.	• **100%** of suppliers were screened for RSAC in 2024.	• Proprietary evaluation methodology. • Inclusion of socio-environmental clauses in contracts and contracting terms. • Engagement of a suppliers' platform that generates an ESG score and incorporates our proprietary analysis platform. • Implementation of Supplier Guidelines • Monitoring through a smart system • Updating the RSAC procedure in supplier onboarding.
100% of new products and services are screened for social, environmental and climate risks.	• **100%** of new products and services were screened for RSAC in 2024.	• The assessment of social, environmental and climate risks is embedded into the process of evaluating new products and services.

Material topic: Embedding ESG in Processes, Products and Services

Where we want to be	Progress made in 2024	Our strategy for progress
Reduce Greenhouse Gas emissions (scope 1, 2 and 3) based on a 2020 baseline.	• As a result of the return to in-person activities and the expansion of administrative facilities, our GHG emissions rose, mainly in Scope 3.	• We have controlled our inventory of GHG emissions since 2019. In 2023, we refined our emissions calculation methodology. • We have neutralized our GHG emissions since 2019. • Since 2023, our emissions inventory has been subject to independent audit.
Offset **100%** of Greenhouse Gas emissions (scope 1, 2 and 3).	• We have offset **100%** of our Greenhouse Gas emissions (scope 1, 2 e 3) since 2019.	• The neutralization is determined according to the inventory of emissions. • Emissions are offset by purchasing carbon credits and I-RECs. • We defined an internal carbon price calculation methodology. • Adherence to the 2023 Climate Commitment.
100% of the energy consumed in Brazil, within the scope of the greenhouse gas inventory, is sourced from renewable energy, based on the purchase of I-RECs.	• **100%** of the energy consumed in Brazil, within the scope of the greenhouse gas inventory, is sourced from renewable energy, based on the purchase of I-RECs.	• Purchase of I-REC to neutralize part of our emissions.
Reduce water consumption based on a 2020 baseline.	• Water consumption rose due to the return to in-person activities and increased occupancy of administrative floors in our São Paulo building. In addition, in 2024 we began including water usage data from Espaços XP, Miami and New York.	• We implemented an efficient system to record and monitor our consumption, enabling detailed and strategic tracking. • Water, energy and waste consumption is reported monthly to the Risk, Credit and ESG Committee.
Reduce electricity consumption based on a 2020 baseline.	• Electricity consumption rose due to the return to in-person activities and increased occupancy of administrative floors in our São Paulo building. In 2024, we also began mapping energy consumption across Espaços XP.	• A dedicated system was adopted to record and monitor consumption, ensuring improved control and efficiency. • Water, energy and waste consumption is reported monthly to the Risk, Credit and ESG Committee.
Reduce solid waste generation based on a 2020 baseline.	• Waste generation rose due to the return to in-person activities and increased occupancy of administrative office space. We also improved waste measurement by including additional locations. • We observed an increase in the total volume of waste directed to recycling.	• A dedicated system was adopted to record and monitor consumption, ensuring improved control and efficiency. • Water, energy and waste consumption is reported monthly to the Risk, Credit and ESG Committee.

Material topic: Customer Centricity, Innovation and Technology

Where we want to be	Progress made in 2024	Our strategy for progress
Increase customer satisfaction levels.	• We recorded an NPS of **70**, two points lower than the previous year, due to business expansion and refinement of the calculation methodology.	• The NPS is now used as a senior management performance metric. • Quality was placed at the heart of our strategic pillars, being our third wave of distinction, undertaking a commitment to continuous improvement.
Increase the level of employee satisfaction.	• Increase of **2.2 points** in the eNPS (Employee Net Promoter Score) in 2024.	• Hybrid and flexible working model. • Half-yearly 360° Assessment. • Two-monthly Pulse Survey. • Market survey to assess salary attractiveness. • All employees are eligible for the Partnership Program.

Material topic: Ethics, Human Rights, Compliance and Transparency

Provide a public reporting channel accessible to all stakeholders.	• Public Whistleblowing Hotline accessible to all stakeholders.	• We intensified the internal and external disclosure of our Whistleblowing Hotline.
100% transparency of the compliance and governance framework.	• **100%** transparency achieved.	• Public disclosure of the compliance and governance framework in the Integrated Report.
100% of the high-risk value chain trained in ethics and integrity.	• We reached **100%** of the high-risk value chain trained in ethics and integrity in 2024.	• Mandatory training programs and booklets on ethics and integrity for the entire high-risk value chain.

Material topic: Ethics, Human Rights, Compliance and Transparency

Where we want to be	Progress made in 2024	Our strategy for progress
100% integrity in senior management compensation.	• **100%** full remuneration for Senior Management.	• We use the Conduct Score, which includes integrity criteria in the compensation process for **100%** of our senior management.
100% of employees trained in compliance, risks, reporting channels and ESG.	• In 2024, **100%** of employees were trained in these topics.	• Inclusion of Compliance, Risk, Whistleblowing Hotline and ESG topics in mandatory training programs for all Company departments.
Zero tolerance for corruption cases.	• We have not recorded any complaints arising from cases of corruption.	• Awareness raising actions, with live streams about the Whistleblowing Hotline, and Compliance Week, among other initiatives.
Increase the number of advisors trained in governance and integrity.	• **8,848** advisors trained in governance and integrity in 2024 (63% of our network).	• We intensified the training programs on this topic for our investment advisors.
Increase the number of offices assigned the Governance and Integrity Label.	• Increase the number of offices assigned the Governance and Integrity Label from 21% to **34%** from 2023 to 2024.	• Intensify training programs and promotion of the Governance and Integrity Label.
Apply disciplinary measures in cases of harassment.	• The penalties include the dismissal of employees and advisors, warnings and fines, in the case of partner offices.	• Awareness raising actions, with live streams about the Whistleblowing Hotline and Compliance Week, among other initiatives.
100% resolution of complaints in the Whistleblowing Hotline.	• All complaints are analyzed, tracked and resolved.	• Two-monthly monitoring of volumetry and complex cases by the Ethics Committee and the Board of Directors.

Material topic: Ethics, Human Rights, Compliance and Transparency

Where we want to be	Progress made in 2024	Our strategy for progress
Have a Human Rights Policy by 2025.	• The policy was prepared and approved by senior management in 2024.	• The policy guidelines have been incorporated into supplier onboarding procedures and RSAC assessments for clients and products, among other processes.
Inclusion of the topic of Human Rights in our Code of Ethics and Conduct.	• Topic included in our Code of Ethics and Conduct.	• We updated our policies in 2024 to cover this topic.
Improve corporate governance, with a majority of independent directors in the Board of Directors.	• Our Board of Directors was renewed in 2024, with independent directors now forming the majority.	• We engaged an international consultancy firm that supported us in our search for executives and directors with complementary expertise and the restructuring of our corporate governance.
Have at least **two** representatives of social minorities on the Board of Directors.	• The Board of Directors has had **two** representatives of social minorities since 2019.	• The governance restructuring process focused on the maintenance of diversity in the Board.

Material topic: Diversity and Inclusion

Where we want to be	Progress made in 2024	Our strategy for progress
40% of women in the workforce by 2030.	• **35%** of women at the Company in 2024 (**+8.5 pp** in relation to 2020). • **27.3%** of leadership roles held by women in 2024 (**+15.3 pp** in relation to 2020).	• Hiring and promotion processes focused on the elimination of biases and subjectivity in decisions. • Training on biases.
24% of black people in the internal population by 2030.	• **20%** of black people at the Company in 2024 (**+2.4 pp** in relation to 2020).	• Hiring and promotion processes focused on the elimination of biases and subjectivity in decisions. • Training on biases.
15% black people in leadership positions by 2030.	• **12.7%** of black people in leadership positions in 2024 (**+10.7 pp** in relation to 2021).	• Hiring and promotion processes focused on the elimination of biases and subjectivity in decisions. • Training on biases.
Exceed **5%** of people with disabilities working at the Company by 2030.	• People with disabilities at the Company rising from 1.3% to **2%** in 2024.	• Hiring and promotion processes focused on the elimination of biases and subjectivity in decisions. • Training on biases.

Material topic: Education and Financial Inclusion

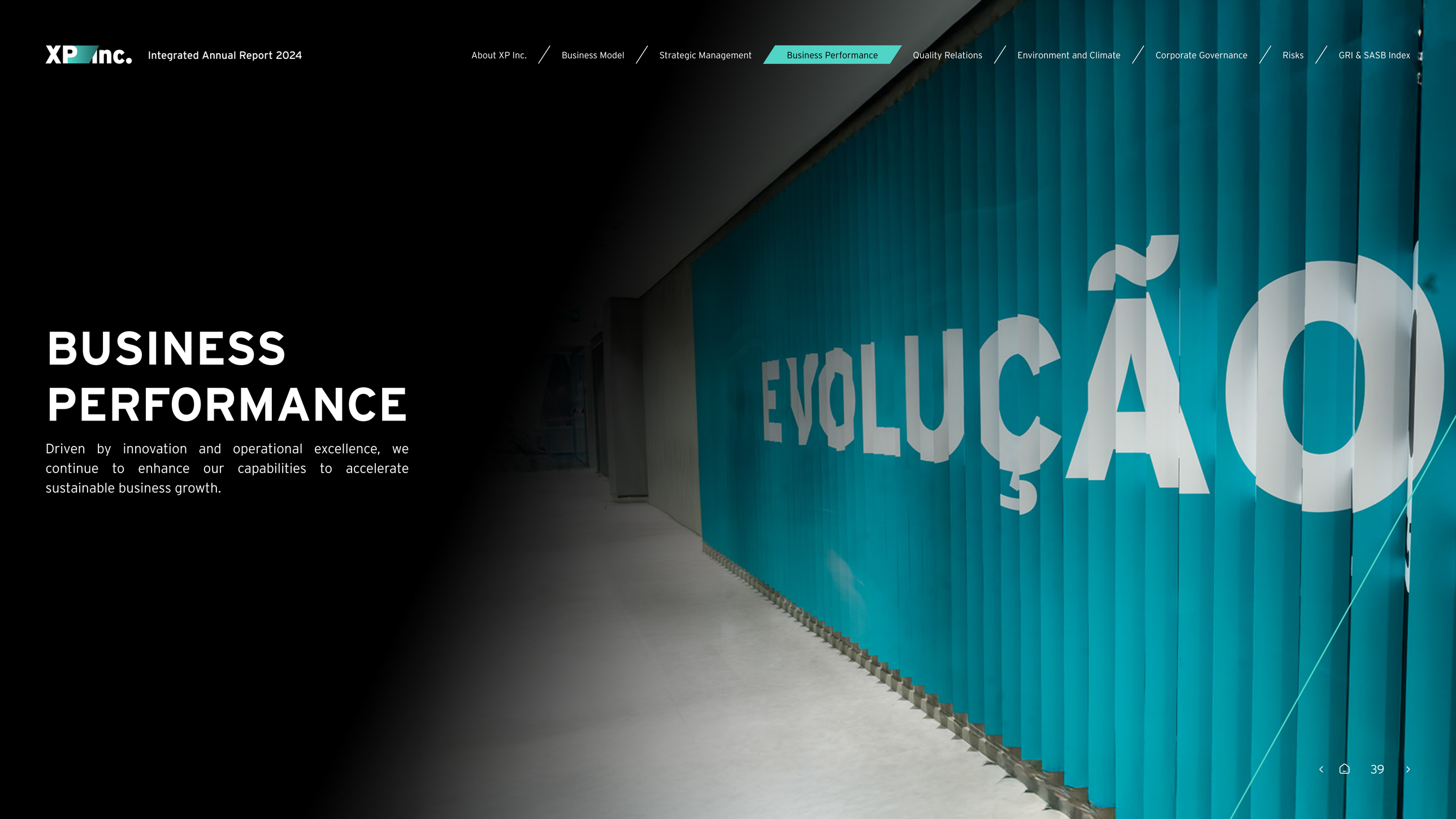
Where we want to be	Progress made in 2024	Our strategy for progress
Impact **50 million** people through financial education initiatives by 2030.	• **15 million** people directly impacted by our financial education initiatives between 2022 and 2024.	• XP Educação courses and initiatives such as the Entrepreneurship Project, Support for the Elderly, Financial Education and Female Entrepreneurship in Older Age, among others. In 2024, XP Educação also launched the Financial Market School.
Strengthen technological solutions to expand Brazilians' access to financial products and services.	• Proprietary cloud-based platform that allows us to innovate and compete efficiently. • We develop data-driven tools and solutions to support the customer and operate with advantages, efficiency and reduced costs.	• Digital First, with digital advice and greater scalability. • Matcher XP, which supports the engagement of qualified professionals. • XP Gênio, which supports investors in choosing their investments with enhanced risk control. • Information technology and security governance team formed in 2023. • Preparation of our platform to seamlessly process our own-branded products and services, such as XP, Rico and Clear, and those of our business partners.

Material topic: Data Security and Privacy

Have public data privacy policies.	• **100%** of our policies are public.	• Publishing and disclosure of policies and updates thereto.
Maintain best practices to ensure data security.	• Technology and Information Security practice, with more than **1,400** professionals. • Process supported by controls at all levels of the IT infrastructure, regular risk and vulnerability assessments, prevention, detection and incident response measures.	• Disclosure of functionalities that bolster personal data security.

BUSINESS PERFORMANCE

Driven by innovation and operational excellence, we continue to enhance our capabilities to accelerate sustainable business growth.



Financial Performance

Throughout the year, we reaffirmed the resilience and strength of our business model, reflected in our performance. We achieved excellent results, despite a year of substantial economic volatility. A key milestone was the successful completion of our transition to Segment 2 (S2) of the National Financial System, solidifying our position in the industry (see more in the Integrated Risk Management chapter).

We ended the year with 4.7 million active clients and R$ 1.2 trillion in total client assets—a 9% increase compared to December 2023. We also shored up our leading position as Brazil's largest and most qualified investment advisory network, with 18,000 independent professionals—up 5% from the previous year.

Our track record in the institutional segment is also impressive. Our Total Gross Revenue grew by 15% to R$ 18 billion, while adjusted net income rose 17% to R$ 4.5 billion—driven by an efficiency ratio of 34.7%. Return on average equity was 23% for the year, an increase of 1.6 percentage points.

These results demonstrate alignment with our 2026 guidance, which projects an annual EBT (Earnings Before Tax) margin between 30% and 34%, and Total Gross Revenue between R$ 22.8 billion and R$ 26.8 billion.

Our focus on diversification and business growth was reflected in our Retail performance, with 14% growth, totaling a revenue of R$ 13.5 billion. This progress was mainly driven by the growth of our Fixed Income platform, along with the growth in the cards business, with a 17% increase in Total Payment Volume (TPV), and expansion in foreign exchange and digital account deposits.

Institutional revenue declined by 9% compared to the previous year, due to lower trading volumes on the stock exchange. However, revenue from Corporate Clients and Capital Markets grew 45%, reaching R$ 2.3 billion for the year.

Administrative expenses increased by 10%, totaling R$ 6 billion, mainly driven by our personnel expenses.

Lastly, this year saw substantial capital returns for our shareholders and investors, totaling R$ 3 billion through dividends and share buybacks, reaffirming our commitment to sustainable value creation. Our goal for 2026 and 2027 is to maintain a payout ratio over and above 50%.



R$ 18 billion in Total Gross Revenue

+15% on the previous year



R$ 4.5 billion in adjusted net income

+17% on 2023



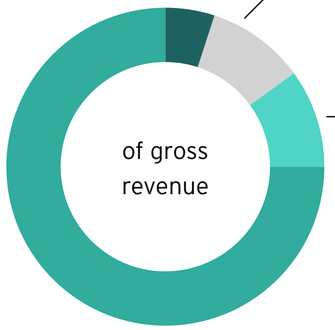
R$ 1.2 trillion in client assets

+9% on the previous year

Share buyback

In 2024, we implemented a new share buyback program aimed at neutralizing potential shareholder dilution resulting from our long-term incentive plan for employees. The Board of Directors monitored the implementation of this program. From January 1 to December 31, we repurchased 13,977,674 common shares at an average price of approximately US$18.37 per share (excluding brokerage and transaction fees).

Our Revenue Lines



4.9% Others

7.6% Institutional

Commission, spreads and other income

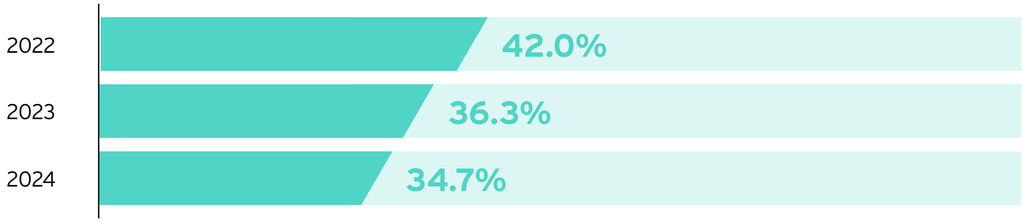
12.7% Corporate & Issuer Services

Commission, spreads and other income

74.8% Retail

Management fees, brokerage fees, rebates, spreads, distribution revenues, exchange and others

Efficiency Ratio



Distribution of Added Value

GRI 201-1

In 2024, our ecosystem generated R$ 17.8 billion in direct added value for Brazilian society. This amount was distributed through tax payments, salaries, benefits and payroll charges on employees, supplier payments, returns to shareholders and interest payments.

Generation of Direct Economic Value (R$ billion)



Como o valor foi distribuído

Year	Payroll and related charges	Interest on equity	Taxes, fees and contributions	Interest payments	Trade payables
2022	46%	42%	7%	5%	5%
2023	40%	42%	11%	7%	3%
2024	39%	44%	10%	8%	3%

Operational Performance

In 2024, we made progress across multiple business fronts, enhancing operational efficiency and accelerating the Company's growth. See the headlines below.

With R$ 1.2 trillion in client assets under custody, XP is one of the leading investment platforms in the country, with 12% market share of Individual Investments. Our multichannel strategy enables investors to access our services several ways: directly via the XP, Rico and Clear brands, or through a network of over 18,000 advisories. Our distribution model includes B2B, B2C, wealth managers, brokerage as a service and advisors—ensuring a diverse and efficient approach.



R$ 1.2 trillion of assets under custody



4.7 million active customers



12% of Individual Investments

Clear is one of the leading brokerage firms in Brazil's equity market, offering a 100% digital service. Since it was acquired by XP Inc. in 2014, it has received investments in infrastructure and technology, branching out into new business lines, such as the distribution of fixed-income assets and trading platforms.

In 2024, Clear grew its portfolio with new products, such as Clear Invest—offering three automated equity portfolios for new investors—, and Click Trade—a solution featuring short-term market opportunities recommended by specialists, aimed at clients seeking market access with controlled risk and return expectations.

A 100% digital investment platform featuring a user-friendly, attractive and intuitive online portal, supported by a dedicated digital marketing and media program. It offers emerging investors a complete product portfolio and straightforward, easy-to-understand content. Since 2020, no brokerage fees are being charged for online share trading, reinforcing the commitment to make investments available to more people in Brazil.

The platform is segmented into: Rico Digital (fully digital experience), Rico Direct (on-demand service model), and Rico Direct Plus (high-net-worth service model with advisory services). In 2024, Rico expanded its product portfolio by adding credit, consortiums, and account and card insurance.

Cards and Digital Account

Playing a key role in our full-service strategy and revenue diversification, we expanded this segment's share in our portfolio. In the cards segment, we offer clients a range of unique benefits such as lower interest rates on revolving credit, no annual fees, investback and, since 2024, a miles program—all of which have cemented XP's position as one of the largest card issuers in the country.

Since its launch in 2021, the investback program has returned more than R$ 800 million to our clients, offering cashback on every purchase, along with exclusive discounts and access to over 1,000 VIP lounges in 450 airports across 140 countries.

We added new features to our digital accounts, such as DDA (Electronic Debit Authorization) and Recurring Pix payments. We also launched the global account, which provides currency conversion, dollar-denominated transfers and payments—without monthly fees or maintenance charges—further expanding the solutions offered by the XP ecosystem.



+1.4 million active cards (credit and debit)



24% revenue growth



R$ 48 billion transaction volume (TPV)

▲ **17%** on 2023

Insurance and Retirement Plans

We expanded our range of insurance, retirement plans and consortium products to meet the needs of our 250,000 retirement plans clients and 79,000 insurance clients. A positive development in 2024 was the broadening of our reach in corporate risk products, including surety, civil liability, health and dental insurance, and the structuring of a platform for mass-market insurance products. Our new Consortiums vertical sold over R$ 2 billion in credits during the year.

The insurance segment features a comprehensive marketplace for individual life insurance, as well as solutions in health, dental, and corporate risk insurance, such as surety and liability insurance. The portfolio also includes mass-market insurance products, offering coverage for unauthorized transactions, Pix, mobile phones, and credit cards. The new Consortia vertical also stands out for its broad range of products and solutions aimed at wealth planning.

XP Vida e Previdência in turn, amassed R$ 80.8 billion in assets, closing the year with 207,000 clients. Its offerings include two retirement plans that allocate a portion of the funds raised to social projects.

Credit

Our credit portfolio, excluding credit card receivables, totaled R$ 21 billion (up 1% on the previous year). We invested in improving our products and creating alternatives that make access to credit more flexible and personalized. 81% of the credit portfolio, excluding credit cards, is currently collateralized with investments from our clients.

Loan Operations in 2024 (in R$ million)

Loan by type	2022	2023	2024
Asset-secured loans	**20,198.76**	**24,845.24**	**23,217.32**
Retail	10,932.09	12,366.33	12,674.56
Companies	5,311.67	7,054.51	4,516.55
Credit cards	3,955.03	5,424.41	6,026.20
Loan with unsecured assets	**2,061.77**	**4,036.65**	**6,431.22**
Retail	309,468	764,712	549,148
Companies	546,678	959,898	3,506.39
Credit cards	1,205.63	2,312.04	2,375.67
Total loan operations	**22,260.54**	**28,881.89**	**29,648.54**
Expected credit loss	-49,377	-329,954	-420,081
Total loan operations	22,211.16	28,551.94	29,228.46

banco de atacado

Corporate & Issuer Services include capital markets security placement fees earned from corporate clients that hire XP for structuring, underwriting or placement of debt (such as Debentures, Infrastructure Bonds, CRIs, CRAs, FIDCs, LFs) or equity securities (IPOs, follow-ons, block trades and tender offers), the majority of which are sold to our retail clients given the breadth and reach of our platform. Corporate & Issuer Services revenues also include services such as M&A advisory, structured finance operations and other services, including derivatives, credit and treasury solutions. We define our corporate clients as entities with more than R$ 700 million in annual revenue.

R$ 2.3 billion in revenue in 2024

▲ **45%** on the previous year

Research XP

Research XP area is an intelligence hub tasked with analyzing and making investment recommendations across various asset classes, with the goal of helping investors make the best decisions. The team includes some 70 professionals covering a broad range of fields—including economics, politics, ESG, fixed income and equities—monitoring over 150 publicly listed companies in Brazil. Serving both institutional and retail investors, the Research team strives to anticipate the best investment opportunities.

In 2024, Institutional Investor—a globally recognized publication and one of the most prestigious in the financial market—ranked seven of our teams among the best in Brazil in their respective categories: ESG Research, Transportation, Capital Goods, Retail, Economics, Agribusiness, and Food & Beverages. Moreover, seven of our analysts were recognized as top performers in their sectors.

3rd best ESG Research team in Brazil

One of the top analysts in the country (head of ESG Research)



XP Asset Management

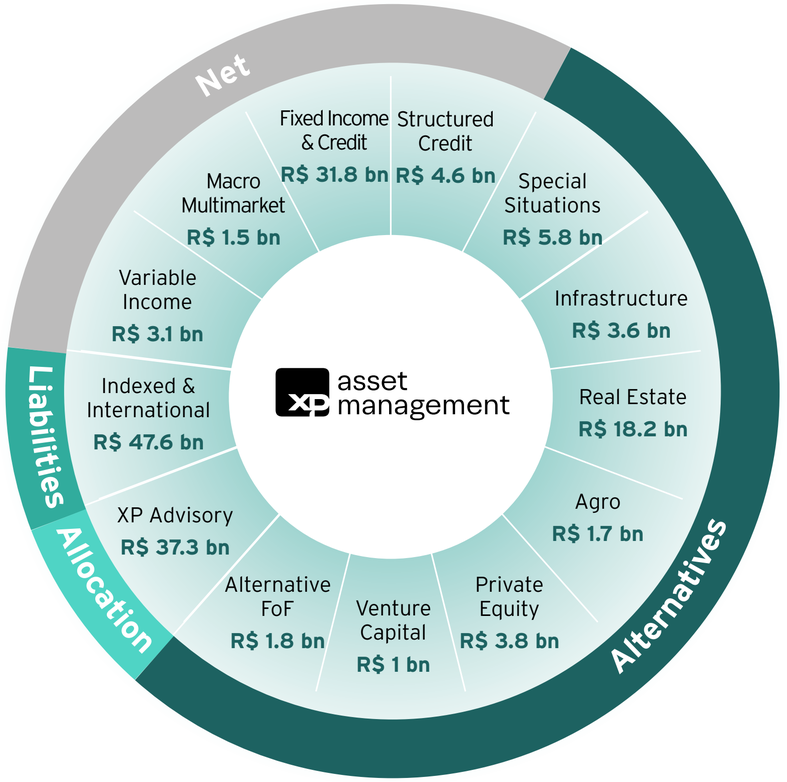
XP Asset Management solidified its position as one of Brazil's leading investment managers, reaching over R$ 187 billion in assets under management. This marks a cumulative growth of 49% since our entry into the macro multimarket segment in 2016.

We offer a comprehensive and diversified portfolio, allowing both institutional and individual investors to access strategic and highly specialized solutions. Our portfolio spans 13 investment strategies: Variable Income, Macro Multimarket, Fixed Income and Credit, Structured Credit, Special Situations, Infrastructure, Real Estate, Agro, Private Equity, Venture Capital, Alternative FoF, XP Advisory, and Indexed & International.

A team of over 170 professionals is dedicated to ensuring rigorous risk control and capital preservation for the more than 4 million investors who trust our management.

We are also committed to creating value through our dedication to sustainability and accessibility. As signatories of the Principles for Responsible Investment (PRI) since 2020, we have pledged to apply its six principles to our investment decisions. The general guidelines that shape our ESG practices—including the definitions of social, environmental and governance factors and sector-specific directives—are documented in our Responsible Investment Policy.

Our management strategies in numbers* (Dec/2024)



*Strategies: Gerencial XP Asset Management, 12/31/2024



InfoMoney

Part of the XP ecosystem since 2011, InfoMoney is one of the most comprehensive portals focused on markets, investments, business and financial education. In 2024, it maintained its leadership among the top investment news websites in Brazil, boasting 392 million visits and over 95 million unique visitors.

In December, it accounted for more than 16% of visits to sites in the segment, securing the largest market share that month. The analysis embraced 33 websites, and relied on data from the SimilarWeb platform.

The portal also launched the Elite InfoMoney ranking, recognizing publicly traded companies and leaders who stood out for their revenue growth, shareholder returns and brand recognition. Developed using a proprietary methodology, the final selection featured 88 companies with consistent performance across these areas.



392+ million
views



10+ million
views on Youtube



320+ million
in social media reach



Winner of the **2024 iBest Award**
Investment Channel category



6 million
social media engagements



R$ 612,000+
raised through new active accounts, representing 25% growth



2.2+ million
podcasts downloaded (Stock Pickers, *Do Zero ao Topo* and Gaincast)



527,000+
new soft leads secured, with 6% growth year-over-year

XPe

XP Educação (Xpe) has been part of the XP Group since its inception in 2003. It emerged from the merger between IGTI—a leading technology education institute—and Xpeed, XP's well-known finance school. This digital educational platform offers programs in Technology and Financial Markets, including non-degree courses, undergraduate and graduate degrees, and MBA programs—designed to support investors, entrepreneurs and executives in their professional journeys and according to their specific needs.

Among its most prominent programs are postgraduate courses in artificial intelligence, investment advisor training, and a postgraduate degree in data science applied to financial markets. In 2024, this portfolio was bolstered by the launch of the Financial Market School, offering specialized training in finance.

During the year, three of the institution's undergraduate technology programs received the highest rating from the Ministry of Education (MEC), attesting to its academic excellence. The commitment to quality was reflected in a 62% increase in course NPS and higher eNPS scores among employees (+15%) and faculty (+20%), highlighting the improvement of our internal ecosystem. The free course trained 650 new Investment Advisors in 2024.



Top MEC Rating

Three undergraduate technology programs received the highest score (5) from the Ministry of Education (MEC)

- Bachelor of Technology in Systems Analysis and Development
- Bachelor of Technology in Cybersecurity
- Bachelor of Technology in Database Management

Courses offered by type	Enrolled students in 2024
Undergraduate	433
Graduate degree in technology	2,930
Subscriptions	3,040
Non-degree and other courses	940
Total	**6,910**

The funding for XP Educação's activities derives partly from the development and sale of online and in-person financial education courses and events for retail clients.

XP Educação - Performance over time

	2022	2023	2024
Assets (R$ million)	67	60	62
Combined assets (%)	0.03	0.02	0.02
Total revenue (R$ million)	11	2	70
Total consolidated revenue and income (%)	0.1	0.01	0.0004

Sustainable Business

GRI 3-3

Our portfolio is constantly evolving to offer solutions that meet the diverse needs of our clients, support their sustainability journeys and help them seize opportunities arising from the transition to a low-carbon economy.

In the investment function, XP Asset has been steadily integrating the Principles for Responsible Investment (PRI) into the processes of asset selection, evaluation, acquisition, monitoring and divestment, treating it as a key factor in decision-making. With this approach, in 2024, 96.32% of the funds' assets were analyzed through an ESG lens.

We have thus taken on an active role by demanding good practices from the companies we invest in, especially those more exposed to social, environmental and climate risks. In this evaluation, we primarily consider the risk and return of investments, while respecting the specificities of different mandates, strategies and asset classes.

Beyond investment funds, our green product portfolio includes both fixed income and equity assets, as well as structured operations. We have also made progress in embedding social, environmental and climate criteria into new product offerings across the Retail, Wholesale and Investment Banking segments, capitalizing on new economy opportunities.

Progress in all these areas is monitored monthly through an ESG dashboard that tracks indicators such as Assets under Custody (AuC), Assets under Management (AuM), number of clients with green investments, new products and ESG fundraising volume, among others.

2024 at a glance

R$ 10 billion in Assets under Custody distributed in ESG strategies

R$ 42.6 billion of Investment Banking fixed-income issuances ESG-classified

R$ 1.47 billion in green credit and positive impact financing classified according to our Green Economy framework

R$ 472 million in equity in ESG investment funds[4]

181,000 clients in ESG products

Advisory

Through close collaboration with the Investment Banking, Credit and Compliance teams, we play an active role in advancing not only in the sustainable finance market but also in the Company's commitment to its ESG strategy. This is done through the distribution of public and private debt offerings indexed to the green economy, credit for sectors with positive impact and, more recently, the structuring of ESG-labeled operations.

[4] Under XP Asset's management.

Green Bonds

FN-CB-410a.2 | FN-IB-410a.1

In 2024, we structured the issuance of 48 green bonds, mobilizing funds to finance ESG-related projects and initiatives for our clients. These issuances are classified as green in accordance with the guidelines of the International Capital Market Association (ICMA), which categorizes issuances as Green Bonds, Social Bonds, Sustainable Bonds or Sustainability-Linked Bonds. We also apply our proprietary ESG Framework to classify these fixed-income issuances as green-economy compliant.

Of the total, eight transactions were classified as Green Bonds, Social Bonds or Sustainability-Linked Bonds, following ICMA guidelines, accounting for R$ 9.6 billion of the total issuances.

Through these efforts, we ensure that all qualifying transactions meet strict sustainability criteria, as issuers must comply with a set of requirements to obtain green bond classification.

R$ 42.6+ billion in green bonds

26% of total bonds issued in 2024 in Brazil

ESG Framework: Classification Criteria

FN-AC-410a.2

1. Not have significant controversies related to social, environmental or climate issues.
2. Operate in an activity that contributes to the green economy, in line with the criteria of the Green Taxonomy of Febraban, promoting human well-being, social equity and the reduction of environmental impacts.
3. Obtain approval after a detailed review by the ESG & Social, Environmental and Climate Risk team, which assesses the issuer's capacity for environmental, social and climate management.
4. Have an internal rating of "A" or "B" for these matters, based on a proprietary methodology that considers the potential for social, environmental and climate impact, management capacity and any notes on controversial sectors.
5. Not make the issuance for controversial purposes.
6. Be subject—both issuer and transaction—to continuous monitoring throughout the term.

Green bond issuance highlights - 2024

Offering	Segment	Product	Total Volume (in R$)
Orizon – URE Barueri	Sanitation	Debenture	395 million
Cemig	Energy	Debenture	2.5 billion
FS Bio	Agro	CRA	868 million

Orizon – URE Barueri

Barueri Energia Renovável—a joint venture between Orizon Valorização de Resíduos and Sabesp issued the incentivized debentures to finance the construction of the waste-to-energy (WtE) plant in Barueri/SP. These debentures were certified by consultancy firm NINT ERM based on the 2021 Green Bond Principles issued by the International Capital Market Association (ICMA).

Cemig

Recognized as sustainable bonds by B3, the issuance of both simple and incentivized debentures by Cemig Distribuição was classified as "ESG with sustainable use of proceeds", aligned with leading international standards. The bond received a second-party opinion from BVQI do Brasil, confirming compliance with the Green Bond Principles, Social Bond Principles and Sustainability Bond Guidelines issued by ICMA.

FS Bio

FS Indústria de Biocombustíveis issued Agribusiness Receivables Certificates (CRA) in accordance with the ICMA's Green Bond Principles. The proceeds raised were allocated to the production of low-emission renewable fuel (ethanol).

Green Economy Credit

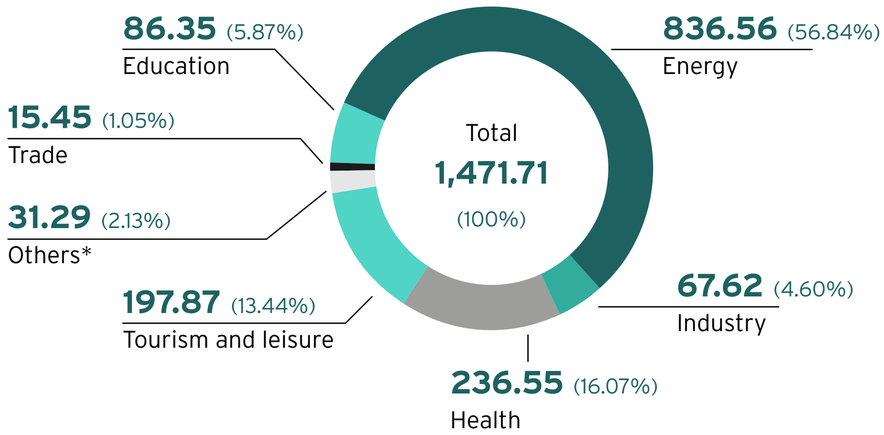
FN-CB-410a.2

In 2024, we bolstered our commitment to sustainability by allocating R$ 1.47 billion in green and social impact credit, representing 7.98% of our corporate loans portfolio. This allocation is guided by the Green Taxonomy of Febraban, TCFD recommendations and other market best practices, ensuring our operations are aligned with sustainable development goals.

Our loan operations are structured through a wide range of financial products, including loans, working capital, export credit notes, factoring, advance on foreign exchange contracts (ACC) and Rural Product Notes (CPR). Each product is designed in compliance with specific regulations to meet the standards required by the financial sector.

Additionally, through internal requirements and ESG guidelines, we classify sector exposure to the green economy. This approach enables us not only to mitigate risks but also to identify financing opportunities that generate positive environmental and social impact, with a focus on the energy and healthcare sectors.

Credit exposure indexed to the green economy by sector (R$ million)



*Others: Food & Beverages, Trade, Construction, Paper and Forest Products, Administrative Services and Transportation.

Carbon Credits

We operate in the Decarbonization Credit (CBIO) market with a strategic vision to support our clients in meeting regulatory requirements, as well as those seeking to achieve ESG goals through carbon offsetting.

CBIO bond issuances - growth

	2021	2022	2023	2024
Number of securities	572	215	412	454

Investment Funds

Green Funds

FN-AC-410a.1 | FN-AC-410a.2 I FN-IB-410a.1 I FN-IB-410a.2 I FN-IB-410a.3

XP Asset Managers have been bound to our Responsible Investment Policy since 2021. This sets out the principles and guidelines for embedding environmental, social and governance (ESG) topics into the analysis, selection, evaluation, acquisition, monitoring and divestment of the various asset classes in XP-managed investments, including the real estate function.

Our Policy guidelines establish the integration of ESG factors at all stages of asset management, including those managed externally. This ensures a rigorous due diligence process for the classification of sustainable products. The Allocation Committee is responsible for incorporating ESG factors into the analysis of all funds.

We closed 2024 with 10 ESG funds, totaling **R$ 471.9 million** in net assets

Percentage share of AuM with ESG integration vs. total AuM of XP Asset Managers

Dec/2023



93.40%

AuM with ESG integration

Total AuM of XP Asset Managers

R$ 146.1 billion

Dec/2024



96.32%

AuM with ESG integration

Total AuM of XP Asset Managers

R$ 159.5 billion

ESG Funds	Anbima Equity (R$ million)
Trend ESG Global FIM	94.4
Mirova Global Sustainable Equity Advisory FIA IE IS	40.4
Trend Carbono Zero FIM	8.2
Vinci Impacto e Retorno ADV FIP Multiestratégia	163.5
Trend Energias Renováveis FIM	1.9
Trend ESG Global Dólar FIM	23.7
Aviva Investors Global ADV Master FIM CP IE	35.7
Aviva Investors Global Credit ESG Integrated Dólar ADV Master FIM CP IE	34
Aviva Investors Global Credit ESG Integrated Advisory FIC FIM CP IE	35.7
Aviva Global Credit Esg Int Dólar Advisory FIC FIM CP IE	34.1
Total ESG Funds	**471.9**

Recommended ESG Portfolio

Combining strong social, environmental and governance standards with solid fundamentals, the Recommended Portfolio aims to outperform B3's Corporate Sustainability Index (ISE) over the long term. In 2024, the ISE dropped by -18.1%, while the XP ESG Portfolio declined by -11.5%, outperforming the ISE (benchmark) by 660 basis points (bps).

Property Funds

XP Asset is the third-largest manager of Real Estate Investment Funds (FIIs) in Brazil, according to Anbima, with a portfolio of R$ 21 billion in assets under management (AuM), based on the net equity value of the funds, and over 2.4 million investors.

The portfolio includes more than 25 real estate funds featuring real assets such as shopping centers, logistics hubs, office buildings, as well as credit and real estate development funds. ESG criteria are embedded into these assets through a continuous management process based on the PDCA Cycle, in line with ISO 14001 standards and guided by the Responsible Investment Policy.

Since 2021, XP Asset has had a dedicated team for ESG integration, particularly in real asset funds such as XP Log, XP Malls and XP Properties FII, which together account for 52% of its AuM. Among the initiatives, we engage tenants and property managers in sustainable practices and implement environmental management processes across the properties.

For the second consecutive year, these funds received the Green Star rating from GRESB (Global Real Estate Sustainability Benchmark), awarded to funds scoring above 50% in ESG components.

For more information, please visit the real estate funds report on the XP Asset website.

Retirement Plans

XP Vida e Previdência (XPV&P) launched two products in partnership with VRB: one multi-strategy fund and one fixed income fund, both managed pro bono by some of Brazil's leading family offices. The multi-strategy pension plan is the retirement version of VRB FIM, which captures macroeconomic trends through a combination of public fixed-income securities and a carefully selected mix of multi-strategy and equity fund managers.

The fixed-income fund focuses on capital preservation and wealth perpetuation, diversifying its investments through top credit managers in the country. Both products allocate a portion of the management fee—at no additional cost to participants—to social projects such as Academia Pérolas Negras, Viva Rio and Instituto PROA, among others.

Since its founding in 2013, VRB has impacted over 137,000 children and young people, raising more than R$ 21 million across 26 projects and 16 institutions.





Marcella Ungaretti, Head of ESG Research at XP and Partner at XP Inc.

Services ESG

ESG Research

XP was the first institution in Brazil to have a dedicated ESG Research team focused on analyzing the environmental, social and governance performance of publicly traded companies in the country. In addition to Company analyses, the team also explores major trends shaping the ESG agenda in Brazil and globally. The area serves both retail and institutional investors through innovative reports and content to support more informed investment decisions.

In 2024, the team published 126 reports—an 8% increase on the previous year—covering a wide range of topics including the carbon market, biofuels, renewable energy and corporate governance. They also reached a total of 139 companies with dedicated ESG analysis and held over 100 events and meetings with clients to discuss ESG-related topics. The main thematic reports were:

- Fueling the Future: The Role of Biofuels in the Energy Transition
- The Immediate—and Growing—Climate Threat
- Decoding Governance: A Study on Board Independence and Novo Mercado Rules
- What to Expect from COP29?
- ESG in 2025: Five Key Trends to Watch

Thanks to its excellence and pioneering efforts in recent years, XP's ESG Research team has been recognized by Institutional Investor, a globally respected annual publication. In 2024, XP ranked among the top ESG Research teams in Brazil and Latin America, coming third in Brazil—up two positions from 2023. In the same edition, Marcella Ungaretti, head of the ESG Research team, was ranked among the top analysts in the country.

139 companies reviewed against ESG requirements

120+ reports published over the course of 2024

The ESG Research content achieved a **satisfaction score (NPS) of 4.6 out of 5**

200,000+ views of the Research ESG page in the year

100,000+ views of social media platforms in 2024

Institutional Investors Channel

The Institutional Investors Channel is tasked with delivering specialized service to pension funds, insurers, financial institutions and asset managers, among other clients operating in regulated and standardized sectors, requiring tailored support aligned with their core activities. Given the importance of these investors in the financial market ecosystem—especially due to the significant volume of assets under management—their investment policies and allocation decisions have a strong influence on market dynamics, directly shaping product trends and strategic approaches.

Throughout 2024, the team remained dedicated to serving these clients with a focus on their Investment Policies and responsibilities around capital allocation. ESG has continued to grow as a key demand, especially among pension funds, which are increasingly interested in understanding the processes behind the products they invest in, with particular attention to ESG integration. For insurers, there is a rising commitment to allocating funds to ESG/IS-focused strategies and impact funds, driving greater engagement among asset managers and strengthening this market trend.

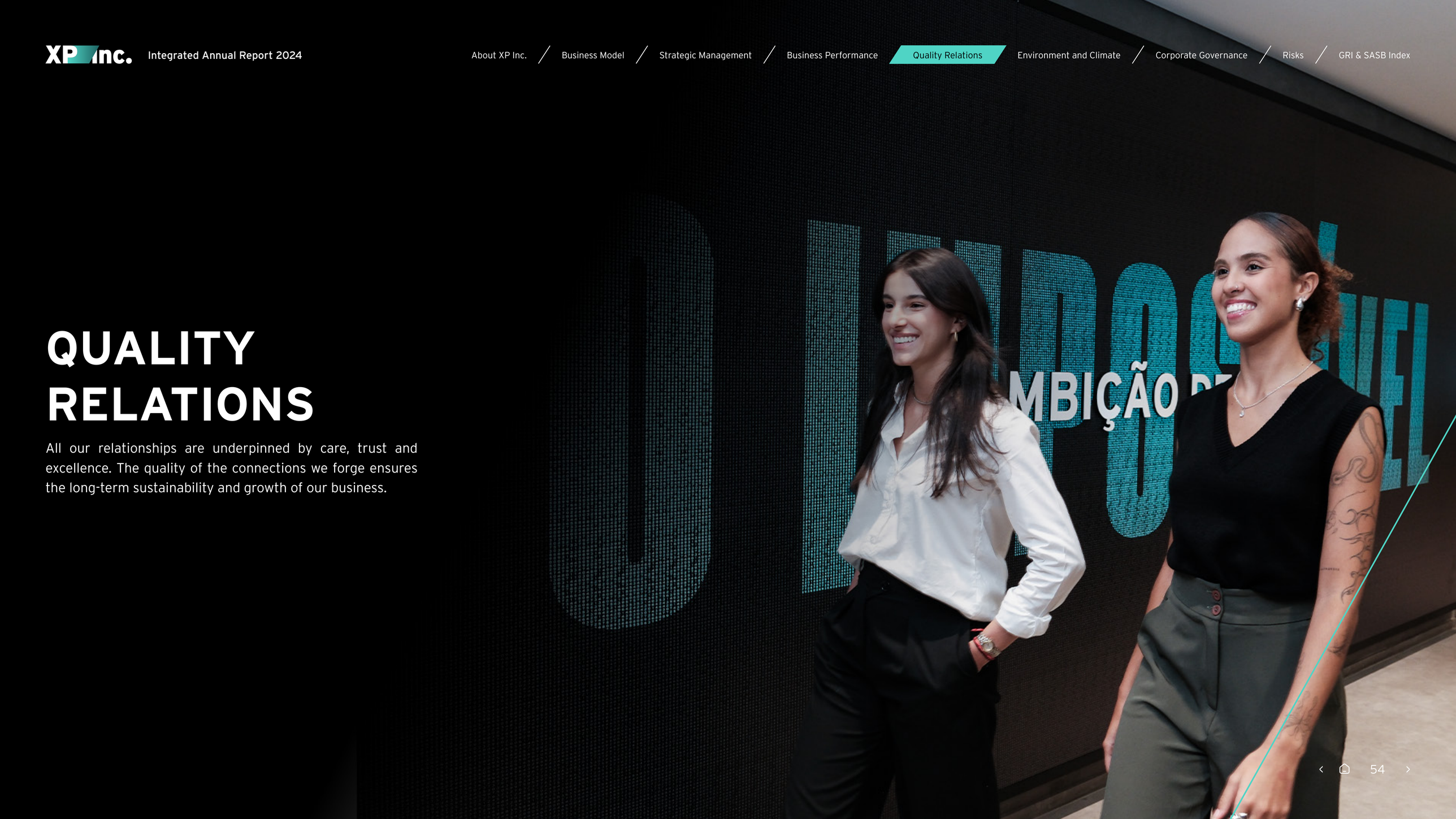
R$ 80+ billion in AUC Institutional Clients

500+ institutional clients



QUALITY RELATIONS

All our relationships are underpinned by care, trust and excellence. The quality of the connections we forge ensures the long-term sustainability and growth of our business.



ESG Engagement

GRI 2-29

Stakeholder engagement is a core part of our daily operations, fostering strong relationships, inclusion and continuous, transparent dialog. One of our key focus areas is raising awareness and involving our stakeholder network in social, environmental, climate and governance issues. Here's how we do that:

Individual and Corporate Clients

ESG scrutiny in the onboarding process.

Social, Environmental and Climate Risks Assessment.

Offering products and services with a socio-environmental bias.

Specialized content developed by the ESG Research team.

ESG-themed events with retail, corporate and institutional clients.

ESG-themed events, such as talks at XP Expert, for different client profiles.

Staff

Ongoing internal communication on ESG topics.

Mandatory ESG, integrity and compliance policies and training.

Compliance Week, focused on raising awareness around governance, ethics and social, environmental and climate risk.

Risk Capsules, regularly shared content with employees.

Business Partners

Adoption of the Code of Ethics and Conduct and other ESG policies, with mandatory training.

ESG scrutiny when hiring partners and periodic risk analysis.

Receipt of the Governance and Integrity Seal.

Participation in events, such as Compliance Week.

Investors

Regular meetings and engagements to foster ESG dialog.

Review of the materiality process, identifying priority issues and setting clear goals for progress across ESG pillars.

Suppliers

ESG scrutiny in the hiring process.

Social, environmental and climate risk analysis.

Adoption of the Code of Ethics and Conduct as a requisite.

Participation in events, such as Compliance Week.

Society

Financial education as a tool for inclusion, through XP's own initiatives and those of Instituto XP in partnership with NGOs.

Free online courses on financial education

Transparency in donations.

EXPERT XP

With each edition, XP Expert evolves to continue its legacy of expanding financial education and promoting essential market discussions at the world's largest investment festival. In 2024, more than 50,000 people attended the event over three days, including a dedicated opening day for advisors and employees. With over 117 hours of content and 338 renowned speakers, XP Expert covered topics such as finance, economics, technology, innovation, sustainability and leadership.

The lineup boasted major figures from the financial and business world, including: Magic Johnson, NBA legend and CEO of a billion-dollar business conglomerate, Mohamed El-Erian, President of Queen's College and Chief Economic Advisor at Allianz, and Tania Cosentino, CEO of Microsoft Brazil.

The event also hosted strategic panels with regulators and policymakers, including: Roberto Campos Neto, former President of Brazil's Central Bank, João Pedro Nascimento, of the Brazilian Securities Commission (CVM), to discuss monetary policy; Finance Minister Fernando Haddad, to discuss the Brazilian economy, and Speaker of the Brazilian House of Representatives Arthur Lira, to address legislation.





ESG Agenda

One of the main attractions was the panel Brazil and Climate Finance: The Role of Regulation, which brought together experts such as Jessica Bastos, Director of the Private Insurance Regulator (SUSEP); Nathalie Vidual, from the CVM's Investor Guidance and Sustainable Finance Department; Ricardo Harris, Chief of Staff to the Director of Financial System Regulation at the Brazilian Central Bank (Bacen); and Fabio Cruz, Partner and Head of ESG and Social, Environmental and Climate Risk at XP Inc. The discussion emphasized the growing involvement of regulatory bodies in sustainability-related regulations.

During the event, our ESG Research team hosted panels focused on topics such as the carbon market and climate impacts, featuring specialists like Janaína Dallan, Marcella Ungaretti, Paulo Laguardia, Annie Groth, Alexandre Baldy, João Irineu Medeiros and Viviane Romeiro. They shared insights on how companies and investors can lead the transition to a more sustainable economy.

XP Expert also spotlighted entrepreneurship, with panels led by Ana Buchaim, Vice President of People, Marketing, Communication and Social Investment at B3; Ana Minuto, founder and director at Minuto Consultoria & Treinamentos; Geyze Diniz, co-founder and Chair of the Board at Pact against Hunger; and Mariana Segala, Investment Editor at InfoMoney. They shared experiences and strategies to foster equity in the corporate world. The event also featured sports figures such as Abel Ferreira, Bernardinho Rezende and Rodrygo Goes, who spoke about resilience, discipline and determination.

With such rich content, XP Expert once again reaffirmed its essential role in connecting the market, innovation and financial education. Its impact goes far beyond the three-day event, reflected in increased stakeholder engagement—including investors, clients, regulators, suppliers and government—plus a significant uptick in new account openings.

200+ sponsors

338+ presentations

2,800 reports

117+ hours of content

173 journalists

Record number of accounts opened

Questions about the event? Contact us: expert@xpi.com.br

The future belongs to the experts.

Client Centricity

GRI 3-3 | 417-1

We have adopted a holistic, client-centered approach that goes beyond offering products and services—we deliver solutions that support individuals and businesses in growing and thriving at every stage of their journey. To this end, we have built an entire ecosystem (see page 19) designed to boost the investor's financial life.

We also pay close attention to all client touchpoints, where investment advisors play an essential role. Technology is used to enhance operational efficiency, ensure service excellence and maintain rigorous monitoring of advisor risk and compliance. Examples include Matcher XP, which uses data intelligence to match financial advisory offices with ideal advisor profiles.

We also offer XP Gênio, an innovative tool that helps investors align their portfolios with their risk profile, maximizing investment opportunities while safeguarding their wealth.

Client Committee

Following the creation in 2023 of the XP Client Committee—a multidisciplinary group within XP Inc.'s Executive Board dedicated to prioritizing and monitoring solutions to improve the client experience—we replicated these forums across all product areas and XP channels. By engaging the entire organization, we gained scale and speed in developing new solutions and, most importantly, ensured that every business decision takes into account its impact on our clients' experience.

Client Experience

We have pledged to help our clients build a solid financial future, both short- and long-term. To achieve this, we tailor our services to different profiles and needs.

In 2024, we expanded access to personalized financial planning services, becoming the only financial institution in Brazil to offer a complete solution for clients with assets over R$ 300,000. Typically, such personalized attention is only available to those with over R$ 1 million in investments.

This initiative aims to democratize access to premium services, providing strategic and personalized support to ensure every financial decision is compatible with our clients' life goals.

The impact is evident: clients using financial planning services show greater engagement, with double the conversion rate in insurance purchases, a rise in retirement plan adoption from 30% to 41%, and 43% higher net inflows compared to clients who do not use the service.

We serve clients based on their profiles and financial needs

- Retail investors (under R$ 300,000) are supported through extensive use of technology and digital advisory.
- Mid-tier clients (over R$ 300,000), which make up our core client base, receive personalized investment advice.
- High-net-worth clients (over R$ 10 million) benefit from customized processes and exclusive products.

Main Projects in 2024

Throughout the year, we implemented several initiatives aimed at enhancing the client experience by making services more efficient, agile and secure through optimized service channels.

Proximity to customers

Aiming to strengthen our relationship with clients, they are contacted weekly by our commercial leaders to gather additional feedback on our products and services, learn from their experiences and ensure the highest standard of service.

In-App Ticketing

We enhanced the service request experience, allowing clients to view open tickets, respond to interactions, check request history and upload documents directly through the app, without needing to access other channels.

Online Limit Release

We developed a feature that allows real-time credit limit release upon invoice payment through the Digital Account. As a result, there was a 43% reduction in service volume related to this topic.

Wallet Access

For XP and Rico brand clients, we introduced an authentication feature for accessing the digital wallet directly through the app. As a result, there was a 68% reduction in service volume related to this topic.

Security and functionality

We introduced the "Protect my assets" feature in the digital account, allowing users to hide sensitive information such as balances and account statements.

Recognition of Security Practices

We were awarded the Fraud Prevention Label by Febraban and the National Confederation of Financial Institutions (CNF), a recognition granted to just 17 institutions that achieved a minimum score of 90% in digital security—reinforcing our commitment to client protection and business integrity.

More Service Options

We implemented an audio transcription feature on WhatsApp for clients who prefer voice-based communication. The messages are automatically transcribed so our virtual assistant or human agents can understand them.

We also introduced a self-service option for invoice renegotiation directly through our virtual assistant. Clients can now renegotiate their outstanding balances without needing to speak with an agent, enhancing autonomy and optimizing the service flow. Elsewhere, we created ChatRadar, a tool that monitors for signs of client dissatisfaction in real time. When an issue is detected, an alert is triggered for leadership to facilitate timely resolution.



Espaços XP

Over the past year, we expanded our network of Espaços XP across all regions of Brazil. We are now operating seven units in strategic locations, serving as experience hubs for investors and financial market professionals. They are located in cities such as Fortaleza, Curitiba, Manaus, Brasília, Recife, Campinas and São Paulo.

The opening of these new spaces brings our mission to life—strengthening relationships, trust and the overall experience our clients have with us, in an environment that exudes our culture and identity. In addition to deepening the connection between advisors and clients, Espaços XP provide financial education through lectures, events and workshops on topics that directly impact investors' lives.



XP Gênio: Innovation in Suitability

GRI 417-1 | FN-AC-270a.3

With the goal of providing greater transparency for clients and advisors around the risks of assets on the XP platform, the Gênio system uses a sophisticated risk-scoring methodology, making it simpler and more intuitive to compare different types of investments.

The methodology assigns a risk score ranging from 1 to 100 to each asset. Several parameters are factored into Gênio's risk scoring methodology to consolidate a single score for each asset, primarily based on the following three factors:

- **Market risk:** related to asset price fluctuations.
- **Credit risk:** assesses the likelihood that an asset will fail to deliver its promised payments.
- **Liquidity risk:** the possibility of variations in the price of an asset due to supply and demand.

The risk scale helps people understand and compare product risks in relation to each individual's investment profile. By presenting risks in this way, we also align with best practices recommended by regulatory authorities.

Gênio enables XP to offer products that are better suited to each investor profile alongside a broader range of options for improved portfolio diversification. In addition, clients gain faster and more consistent insight into the level of risk in their XP portfolios, and how their risk increases or decreases with each transaction. Learn more about Suitability at XP in the chapter Compliance, on page 135.

Customer Satisfaction

For more than 5 years we have diligently gauged, monitored and published our Net Promoter Score (NPS). Each year, we collect more than 500,000 feedback responses to improve our products, channels and services.

At XP, NPS is part of the performance goals across all levels of the organization, from senior management to investment advisors, reinforcing our team's commitment to excellence in client service. In 2024, our NPS fluctuated compared to 2023, particularly in the last quarter of the year, in line with market volatility.

During the year, we overhauled our commercial structure to strengthen the regional presence of our advisors, as we believe that deepening relationships with investors is key to building long-term success. We are confident that this change will bring us even closer to our clients, helping them to grow and thrive.

NPS - Net Promoter Score



Data Protection & Privacy

GRI 3-3 | FN-CB-230a.2

We implement several measures to protect our clients' information, such as encryption, data anonymization, and advanced cybersecurity protocols outlined in our Cybersecurity Policy. We also require our suppliers to follow information security and data protection practices, reducing unauthorized access, leaks or any form of misuse. As a result, no data breaches were registered in 2024.

The processing of data subject's information is guided by the applicable laws and regulations, including the Brazilian General Data Protection Regulation (LGPD). Our Privacy Policy, available on all our brand websites, provides transparency about how data is collected, stored, used and shared.

We also specify the Data Subjects' Rights and the channels available for them to exercise these rights. If the processing of any general or sensitive personal data requires consent, we explicitly inform the data subject at the time of collection, ensuring their right to withdraw authorization at any time. Personal data is retained for as long as necessary to fulfill its purposes or to comply with regulatory and legal obligations.

The internal guidelines include, among others, our Data Protection Policy, Information Security Policy, and specific regulations, such as the Information Security Incident Response Plan and the Information Security and Data Privacy Guide for Investment Advisors, annual training sessions, and monthly newsletters on topics related to Information Security and Data Privacy. These initiatives ensure that our employees abide by the highest governance standards of information security and data protection.





Employees

We engage our talent through a unique way of being and acting

In 2024, we continued the journey of repositioning our employer branding strategy and practices, aimed at creating the right conditions for talent to grow at XP. At every stage of people management—attraction, selection, compensation and development—we carefully assess what can be improved, guided by a clear vision of where we are and where we want to go, with our unique culture as the reference point.

Among the year's key achievements: we redesigned our Employee Value Proposition (EVP) with a new perspective on goals, recognition and compensation, defined a methodology to improve quality and consistency in recruitment processes, and mapped talent and leadership potential to support long-term business sustainability and continuity.

Over the past five years, we have more than doubled in size, which has brought a series of challenges that we have overcome thanks to the people who make up our team—our greatest asset. Our goal is to attract the best talent in the market, aligned with our values: entrepreneurial spirit, open-mindedness, client focus and our big dream.

By the end of 2024, we had 7,400 employees, 35% of whom were women. The new hire rate stood at 32.6%, while the turnover rate was 23%. We continue to refine our processes to improve retention rates (see Quality in Hiring, on page 65). 100% of eligible employees completed mandatory training, with a total of 74,167 hours of training delivered to our workforce in the year.

Number of Employees



Employee profile

GRI 2-7 | FN-AC-330a.1 I FN-IB-330a.1

	2022	2023	2024**
By gender*			
Men	4,529	4,375	4,843
Women	2,399	2,292	2,599
Total	**6,928**	**6,667**	**7,442**
By ethnicity			
Caucasian	-	-	5,630
Black	-	-	1,493
Asian	-	-	198
Indigenous	-	-	7
Not disclosed	-	-	114
Total	**-**	**-**	**7,442**
By region			
North	-	-	64
Northeast	-	-	394
Midwest	-	-	209
Southeast	-	-	6,066
South	-	-	404
Not disclosed	-	-	305
Total	**-**	**-**	**7,442**

* Gender as specified by employees themselves (self-declared).

** This total includes interns and young apprentices.

	2022	2023	2024**
By employment contract***			
Temporary	283	274	292
Permanent	6,645	6,393	7,150
Total	**6,928**	**6,667**	**7,442**

*** Not applicable to all offshore employees or cases with unknown addresses in the system. Full-time + permanent contracts: employees hired under the Brazilian CLT system. Part-time + temps: includes interns and apprentices, taking into account their reduced work hours and fixed-term contracts. The total number of employees includes all active staff. The temp classification includes apprentices and interns, who have a reduced workload (up to 150 hours per month). The permanent classification encompasses employees working full-time. This total includes interns and young apprentices

Workers who are not employees

GRI 2-8

By employee category*

	2022			2023			2024		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Apprentices	1	2	3	1	1	2	11	20	31
Interns	163	117	280	180	92	272	178	83	261
Contractors*	688	592	1,280	767	585	1,352	997	663	1,660
Total	**852**	**711**	**1,563**	**948**	**678**	**1,626**	**1,186**	**766**	**1,952**

* Most contractors are assigned to the Tech, Operations and Customer Service departments. The most common specialties include: Customer Service (466), Software Engineering (218), Administrative (190), Infrastructure (179) and Anti-Fraud Operations (153).

Quality in hiring

The strength of our culture is the cornerstone of our key people management processes and plays a particularly strategic role during recruitment and selection. Working at XP involves embracing core values that define our way of being: ownership, autonomy, ambition and resilience in the pursuit of shared results.

These are the traits we aim to identify from the very beginning of the hiring process, with an unwavering focus on improving recruitment quality. To reinforce this effort, we created a volunteer interviewer team —the "bar raisers"— responsible for evaluating cultural fit. These individuals are not part of the selection process itself and thus offer an independent perspective. They are selected from among our senior professionals with experience in leadership and team building, and they undergo training before taking on this role.

In addition to assessing whether candidates buy into our culture, they offer a realistic view of what it's like to work at XP. This approach helps minimize potential mismatches or disappointments on either side. The improvements we made in hiring quality had a tangible impact in 2024—dismissals within the first six months fell from 16% to 7%. In addition, all departing employees undergo an exit interview to identify potential negative factors and implement improvements.

As an incentive for professional growth, we promote internal recruitment to fill open positions. In 2024, 20% of all open positions were filled by internal candidates.

In 2024, **20%** of all open positions were filled by internal candidates.



New employee hires and employee turnover

GRI 401-1

By age group and gender

	2022				2023				2024			
	New employee hires	Rate of new employee hires	Turnover	Turnover rate	New employee hires	Rate of new employee hires	Turnover	Turnover rate	New employee hires	Rate of new employee hires	Turnover	Turnover rate
By age group												
Under 30	1,357	47%	557	19%	982	35%	801	31.10%	1,575	49.59%	615	23.09%
30 to 50	952	26%	1,007	28%	465	12.50%	1,071	29.60%	813	20.25%	918	24.12%
Over 50	29	25%	38	33%	25	16.70%	23	17.40%	34	19.65%	38	24.52%
Not disclosed	-	-	-	-	-	-	-	-	4	5.06%	12	14.46%
Total	**2,338**	**-**	**1,602**	**23.12%**	**1,472**	**-**	**1,895**	**28.42%**	**2,426**	**-**	**1,583**	**23.60%**
By gender												
Men	1,487	34%	1,068	24%	953	21.80%	1,265	30.40%	1,569	32.40%	1,016	23.23%
Women	851	37%	534	23%	519	22.60%	630	28.80%	857	32.97%	567	24.28%
Total	**2,338**	**-**	**1,602**	**23.12%**	**1,472**	**-**	**1,895**	**28.42%**	**2,426**	**-**	**1,583**	**23.60%**

By ethnicity and region

GRI 401-1

	2024			
	New employee hires	Rate of new employee hires	Turnover	Turnover rate
By ethnicity				
Caucasian	1,871	33.23%	1,167	23.15%
Black	465	31.15%	330	24.07%
Asian	70	35.35%	38	21.97%
Indigenous	3	42.86%	3	75.00%
Not disclosed	17	14.91%	45	37.82%
Total	**2,426**	**32.60%**	**1,583**	**23.60%**
By region				
North	22	34.38%	17	28.33%
Northeast	113	28.68%	89	22.31%
Midwest	93	44.50%	47	26.26%
Southeast	1,965	32.39%	1,327	24.05%
South	134	33.17%	74	20.61%
Not disclosed	99	32.46%	29	14.87%
Total	**2,426**	**32.60%**	**1,583**	**23.60%**

Voluntary and involuntary departures (%)

	2022			2023			2024		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Voluntary Departures	7.9	3.4	11.3	9.4	4.5	13.9	7.5	3.9	11.1
Involuntary Departures	7.5	4.3	11.8	9.6	4.9	14.5	6.2	3.4	9.7

Employer Branding

We are a heterogeneous and diverse Company in terms of employee profiles and needs. For each of them, we strive to offer an environment rich in opportunity and high performance to foster continuous growth. At every stage of the career journey, we endeavor to prevent unconscious bias from influencing decisions on hiring, promotions or merit recognition. This principle is embedded in our internal policies. Leadership decisions must be made carefully and guided by meritocracy.

With this mindset, we reviewed our Employee Value Proposition (EVP) to ramp up our commitment to attracting, developing and retaining talent. We clarified the link between compensation and meritocracy, and implemented transparent processes to communicate our value proposition—including our partnership program. Our EVP reflects the real experience of working at XP, covering aspects such as career development, working models and compensation.

Work Model

XP Inc.'s culture is one of our greatest differentiators, and it permeates all in-person interactions. That's why we believe that to have engaged teams capable of achieving the impossible every day, we need to be close to our clients—whether internal or external. To achieve this, we invest in new spaces that enhance interaction and boost team performance.

At the same time, we recognize the importance of flexibility and autonomy in our entrepreneurial culture, which balances a hybrid model of freedom with responsibility, while also considering the specific needs of each specialty to define a high-performance, self-managed routine.



Our Value Proposition

Careers

The opportunities are here—it's up to you to choose your path

- Proactive collaboration
- Independence
- Opportunity for reinvention
- Continuous growth

Work model and development

Push your boundaries in pursuit of shared results

- XP Culture
- A dynamic, innovative and challenging environment
- Flat structure with accessible leadership
- Conscientious risk-taking as part of growth

Compensation

Recognition for those who commit and make things happen

- Personal growth tied to performance and Company success
- Meritocracy
- Competitive compensation
- Partnership program

Onboarding Program

Our onboarding process is structured to provide a complete and continuous induction experience over the first 90 days for every new employee. In the first three days, we focus on familiarizing them with essential tools, immersing them in our culture and values, and introducing our business strategy—totaling 18 hours of individual training. Throughout this journey, we hold hybrid sessions with the directors of each business vertical, providing deeper business insights and a direct connection to the Company's key departments. The onboarding includes sessions on People & Management, equipment and system access setup, and specific content about how XP operates, including talks from executive leaders and partners.

New hires are given a Welcome Kit with items such as a bottle, water bottle, backpack, notebook and the book Na Raça, so they feel welcome and aligned with our culture from day one. We also conduct an ergonomics assessment, where new employees working remotely or in a hybrid model submit photos of their workspace for review. Based on the analysis, we make the necessary adjustments, such as providing appropriate furniture.

2,426 new employees trained in 2024

NPS 92

Total and average hours of onboarding training per year, per new employee

	2022	2023	2024
Total hours	23,380	23,040	43,668
Average hours	10.80	16	18

Internship Program

We offer a dedicated development journey for interns, designed to equip new talent with the tools needed to grow in both technical and interpersonal areas. With a unique 90-day learning path, we provide a structured program that includes hands-on guidance and ongoing mentorship from experienced professionals, ensuring continuous learning and solid development.

The selection process is designed to ensure the Recruitment & Selection achieve the best cultural fit, with evaluation by the leadership of the relevant department and, when necessary, participation of future colleagues and stakeholders.

NPS 83

2024 Internship Program

248 vacancies filled

33.47% women

14.11% black people

4.44% LGBTQIAPN+



Development Initiatives

Career growth at XP follows the principle of personal ownership, grounded in the belief that learning is a continuous process embedded in day-to-day work. To support this, we provide a broad range of training resources and an active calendar of events, beginning with onboarding for new employees. In 2024 this program administered 43,600 hours of training to employees.

Our Campus XP platform, a virtual learning environment, hosts training programs focused on fast-tracking careers and nurturing key skills for the Company's future, alongside regulatory content. These materials are aligned with the Personal Development Plan, which compiles the development paths each employee selects as part of their self-managed career journey at XP.

In 2024, we focused heavily on accelerating technological development, completing the learning curriculum that starts with a tech-specific onboarding program, Onboarding Tech. Through Tech Trails, the IT community has access to a dedicated learning space offering multiple tracks and formats—trainings, workshops, events and peer groups—both online and in person. During Tech Fortnight, a dedicated learning sprint, a series of workshops brings together renowned speakers to share insights and updates in the field.

The TechXPert initiative was created to stimulate creativity and innovation within tech teams, connecting professionals from various levels and specialties for two weeks of training, networking and collaborative challenges. At the Databricks Event, internal use cases of the data management platform are presented, enabling knowledge exchange and the adoption of best practices.

Throughout the year, alignment rituals between the Technology, Operations and Customer Service teams take place at the "Vamos" events. XPeople TO&A, a leadership conversation series, addresses people management topics such as organizational climate, development and career.

In 2024, all the employees were informed about development initiatives, and 100% of active professionals (7,368) received training.

Average hours of training

GRI 404-1

	Average hours of training
By gender	
Men	2.96
Women	2.90
By employee category	
CEO	3.00
Officers	2.73
Superintendent and Executive Managers	2.97
Coordination and Specialists	2.96
Administration and Operations	2.98
Assistants and Auxiliaries	2.97
Interns	3.00
Apprentices	3.00
Not disclosed	3.00

Leadership Development

We continuously invest in developing our leaders, providing opportunities that enhance their performance and prepare them for future challenges.

In 2024, approximately 1,270 leaders participated actively in our leadership development programs, averaging 12.3 training hours per person. In addition to group discussions and events, we implemented new initiatives to strengthen our culture of continuous learning and leadership excellence.

All leadership development activities are centralized within the Leadership Academy, which provides the knowledge and skills essential for effective leadership. For senior executives, we launched Xponential Executive, a program designed to implement our Company strategy through executive career management and leadership development. It offers personalized training based on the identification of critical gaps and opportunities for improvement, leading to a tailored development plan for each participant.

Leaders meet monthly to monitor strategic and business progress through our alignment rituals. The process culminates in the annual Offsite Leadership Meeting, dedicated to reviewing XP's long-term strategic plan.

Leadership training

	2022	2023	2024
Total number of hours	19,800	33,361	15,670
Average/hours	18	33	12.3



XP Future

Valuing our internal talent and offering the opportunity to build a career as an Investment Advisor, working in our core business, lies at the heart of the XP Future training program. The initiative aims to prepare those who have embraced our culture, possess commercial experience, and wish to join the B2C Investment Advisory team. In the program's eighth edition, we trained 66 new advisors from 16 states and the Federal District, who have since joined our business lines.

Performance, Talent and Succession

Meritocracy is fundamental to how we manage people at the Company. We rely on a solid evaluation cycle that defines clear goals aligned with our business objectives and cascades them to the teams. This ensures consistent results, drives continuous improvement, and maintains transparency around the goals to be achieved. Summarized in the People Cycle, our career development process aims to distinguish and recognize performance, guiding career decisions and enhancing individual growth.

Our cycle of meritocracy and development

REWARDS

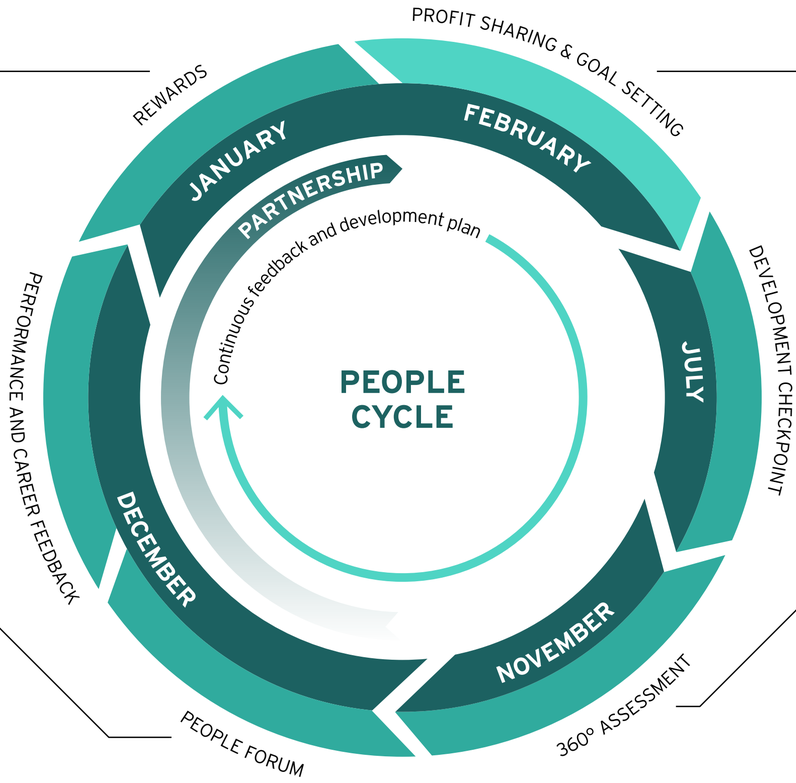
The rewards period is directly connected to the People Cycle, taking place semiannually after the 90° Development Checkpoint and the 360° Assessment, and in conjunction with the profit sharing or advance cycle.

PERFORMANCE AND CAREER FEEDBACK

The goal of the **feedback session is to provide clear input on performance over the year and to guide development opportunities**. This conversation should reflect a complete view of the People Cycle, both from a performance and career development perspective.

PEOPLE FORUM

The People Forums are intended to promote a group discussion among leaders to **define the performance and potential of individuals during the year based on merit** and guide career decisions.



PROFIT SHARING & GOAL SETTING

This is the period employees receive profit shares. It is also when the goals that will be cascaded to the teams are defined—a fundamental part of our management model.

DEVELOPMENT CHECKPOINT

Strengthens the follow-up between leader and team member and reinforces the commitment to continuous feedback to maximize performance and development.

360° ASSESSMENT

Takes place at the end of the year for all employees, **who are reviewed by their leaders, direct reports, and a representative peer group**, aiming to assess alignment with the culture through XP Inc.'s cross-competencies and performance throughout the year.

90° and 360° Assessments

GRI 404-2 | 404-3

We conduct a structured performance assessment annually, divided into two cycles: the 90° assessment and the 360° assessment. In the first cycle, all employees are assessed by their direct leaders, focusing on individual performance and alignment with the Company's values and culture. In the following cycle, conducted in the half after the leadership-only assessment, we carry out the 360° assessment. This is a broader review, including feedback from peers, stakeholders, and a second assessment by leadership.

These assessments are structured around two main pillars: performance and cultural alignment. Throughout the process, we aim to ensure that assessments serve not only as an analytical tool but also as a starting point for the continuous growth and development of our people.

In 2024, 97% of assessments were completed and calibrated in the People Forums. Excluded from the cycle were employees on leave, those with fewer than 45 days worked in the second half of the year, or those who had not completed 60 days since joining at the start of the assessment period. This result reflects the increasing engagement of our teams and the importance of the process in our talent management approach.

97% of employees participated in the 360° assessment

7,216 professionals assessed

37% women

People Forums

The People Forums cover all Company departments and play a key role in calibrating the 360° assessments and goals. These forums help eliminate assessment biases and neutralize the impact of external factors on individual performance, ensuring greater fairness and consistency throughout the process.



Individual Development Plan (IDP)

After completing the feedback cycle, we encourage our employees to create an Individual Development Plan (IDP) to enhance their skills and advance in their careers. The IDP focuses on professional growth and individual commitment within a one-year time frame. To support this process, we offer the XP Way as a guide, while acknowledging that various methodologies can be used to build an IDP.

Individual Development Framework (IDP) | The XP Way to build your IDP



#1 STARTING POINT: INPUTS FROM THE PEOPLE CYCLE

- Performance and Development Summary
- Individual contributions
- Comments from interactions
- Big career dream
- Career goals for 2025



#2 SETTING PRIORITIES

- Definition of two development goals, considering the current role and upcoming challenges
- Definition of at least one goal to strengthen an existing capability



#3 FORMULATING THE ACTION PLAN

- Considers different learning formats (structured learning, internal or external exchanges, and hands-on experiences applied to daily activities)
- Clear timeline for starting and completing each action



#4 PLAN FOLLOW-UP

- Alignment of the action plan with the leader
- Bi-monthly conversations for tracking and measuring results
- Development Checkpoint as a formal moment of follow-up, though employees are encouraged not to wait for it to make course corrections

Percentage of total employees by gender and by employee category who received a regular performance and career development review during the reporting period. GRI 404-3

	Men %	Women %
CEO	100.00	0
Officer	90.00	10.00
Superintendent and Executive Managers	84.12	15.88
Coordination and Specialists	63.43	36.57
Administration and Operations	66.57	33.43
Assistants and Auxiliaries	62.07	37.93
Interns	64.79	35.21
Not disclosed	70.00	30.00
Total	**65.47**	**34.53**



Leadership Succession

Understanding our employees' potential and having a long-term vision on talent and leadership succession is vital for the sustainability of the Company and our business. In 2024, we strengthened our succession mapping processes, having completed 70% of the map for senior leadership. In 2025, the initiative will extend to identifying critical roles for the business, through which we aim to build a broad evaluation framework of people, teams, the right skills and their succession.

The purpose of a succession plan is to anticipate career changes, ensuring leadership continuity and long-term sustainable success. This initiative is directly linked to the development and growth of internal talent, fostering a culture of strategic preparation for future transitions.

The plan covers all executive roles and positions considered critical to business continuity. It is reviewed annually by the Executive Committee and the Remuneration, People, Nomination and Governance Committee to ensure alignment with our strategic goals.

Process Steps

Skills and Experience Mapping

Identifying key skills and experiences required for each role, assessed by their level of criticality.

Identifying Successors

Identifying potential successors and assessing the security of each role, considering talent readiness.

Action and Development Plan

Defining tailored strategies to strengthen succession, including development actions, contingency plans and ongoing training.

Partnership Program

A core part of our Employee Value Proposition (EVP), our partnership program offers employees the opportunity to become Company shareholders through Restricted Stock Units (RSUs). The definition of partners is linked to aspects of culture and leadership, growth potential, strategic positioning, and performance track record, including progress and achievement of goals. The election process for new partners takes place annually.

The right to receive shares follows a five-year vesting period, ensuring long-term alignment and continuous engagement with the company's objectives. The program seeks four essential characteristics in our future partners:

- **Culture and leadership:** alignment with our values and ability to inspire and influence.
- **Performance history:** consistent results and significant impact.
- **Growth potential:** ability to grow and take on greater challenges.
- **Strategic position:** meaningful contribution to the Company's goals in key areas.





Compensation and Incentives

GRI 2-19 | 2-20

In 2024, we consolidated the calculation of variable compensation across different departments, establishing a stronger governance model that enhances transparency and strengthens the connection between meritocracy and results. It was also the first year we published our Pay Equity Transparency Report, a milestone in our commitment to equal opportunities and fair practices. Oversight of this topic is assigned to the Compensation, People, Nomination and Governance Committee.

Employee compensation is subject to taxes and social contributions in accordance with applicable laws, including income tax, social contributions, pension contributions and FGTS, ensuring a reserve is accumulated proportional to employee tenure.

The connection between sustainability and organizational performance is also reflected in the compensation of our employees, including at the executive level, and is linked to compliance with the Social, Environmental, and Climate Responsibility Policy through the conduct score. The ESG Officer actively participates in this monitoring.

Our compensation is governed by the Compensation Policy, which outlines governance for compensation and incentives for both Board members and employees. The main components of compensation are:

Monthly fixed salary: determined by role, career path and function, and adjusted based on seniority and career development. Promotions, merit increases and annual adjustments in line with collective agreements allow salaries to grow over time.

Variable compensation: paid semi-annually, this portion is indexed to the performance of the Company, business unit and individual. Corporate and departmental performance is measured against predefined targets, while individual performance is assessed through the 360° assessment.

Incentives follow the models below:

Bonus and profit sharing: Paid by the Company twice a year. The variable component depends on performance and achievement of the goals set, which include environmental and climate targets.

Shares: A part of the partner program, this gives employees the possibility of becoming partners in the Company through Restricted Stock Units and Performance Stock Units, with a vesting period of at least five years. (Find out more in Partnership Program).

The entire development process of XP's compensation policies and practices aims to uphold meritocracy and transparency in employee relations. Therefore, every rule or process is co-created by the People team and the Company's senior leaders, based on continuous employee feedback.

Additionally, to maintain the attractiveness and competitiveness of our compensation policy, we conduct an annual market benchmark. We compare our practices with those of companies in financial services, technology and startups, both in Brazil and globally.

After refinement and alignment, all changes are submitted to the Compensation, People, Nomination and Governance Committee, with the participation of the Executive Board for final approval, ensuring legitimacy and transparency in the process. Once approved, policies are updated and made available on an easily accessible internal page and broadly communicated through the Company's internal channels, ensuring all employees have access.

Ratio between the lowest wage and the local minimum wage

GRI 201-1

Lowest wage paid by the organizatio	Minimum wage determined by law or union	Ratio
R$ 3,500.00	R$ 1,581.00	2.21

Pay Equity

We have a partnership with the Ministry of Labor and, following best practices under the Empresa Cidadã program—a Brazilian government initiative promoting corporate social responsibility—, we have implemented a job and salary framework, policies to encourage the hiring of women, policies to promote women to leadership positions, flexible work arrangements to support parenthood, and extended maternity and paternity leave.

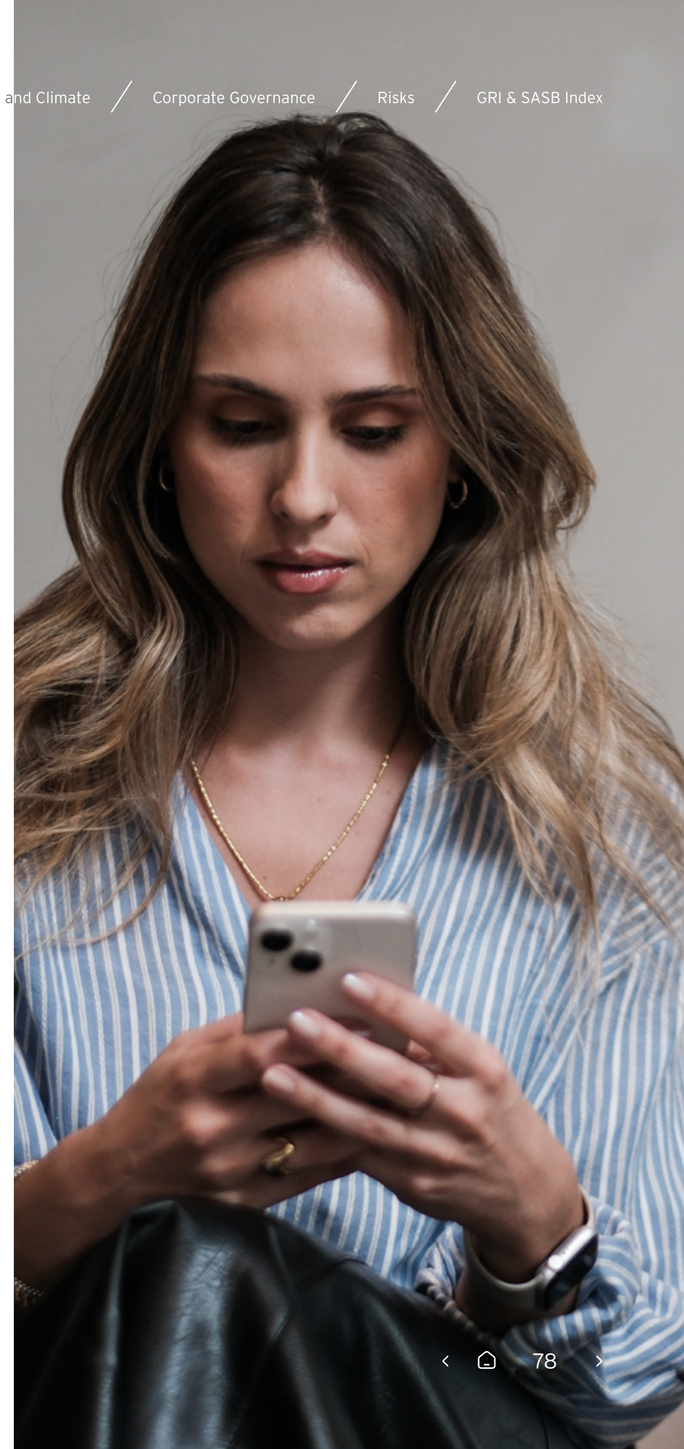
Ratio of basic salary and remuneration of women to men, by employee category

GRI 405-2

Employee category	2022	2023	2024**
Officers and Superintendents	98%	91%	106%
Executive Managers	92%	95%	94%
Coordination and Specialists	89%	90%	89%
Administration and Operations*	92%	90%	92%
Assistants and Auxiliaries	99%	99%	98%
Interns	100%	100%	100%
Apprentices	-	-	100%

* The calculation only includes active employees, with the average fixed salaries for each gender (female and male), segmented by seniority and by year.

** We have changed the grouping of employee categories, which explains the discrepancy between the 2024 data and that of previous years.



Employee Satisfaction

We periodically monitor employee satisfaction through dedicated surveys, seeking insights to continuously improve our workplace. Furthermore, we offer anonymous communication channels, which do not affect performance assessments, allowing each employee to actively contribute suggestions, identify improvement opportunities and act as a guardian of our Code of Ethics and Conduct.

Employer Net Promoter Score - eNPS

Our main tool to assess employee and leadership loyalty, satisfaction and engagement. In 2024, we scored 72.

Pulse Survey

Conducted every two months, it provides a detailed view of employee satisfaction and engagement. The survey analyzes the workplace for levels of happiness, stress and sense of purpose. The results are anonymous and do not affect performance assessments, ensuring a safe space for participants to express their opinions openly.

The survey also explores factors that directly influence engagement, such as interpersonal relationships, compensation, career opportunities, development and organizational culture.

Leaders dedicate time to analyze the results, explore diagnostics alongside their teams and identify potential issues. Findings are used to encourage teams to develop collaborative solutions, resulting in structured action plans with clear responsibilities and defined time lines. Leadership continuously monitors progress, making adjustments when necessary and is encouraged to share outcomes with employees and take on Board their feedback.

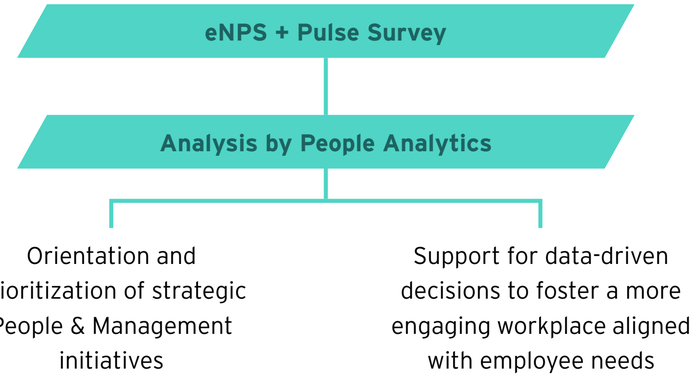
With a methodology consolidated since 2023, the Pulse Survey remains a strategic pillar in people management, helping the Company forge a legacy of continuous improvement aligned with the values of our Code of Ethics and Conduct. In 2024, the overall participation rate in the survey was 79.3%, an increase of 2.2 percentage points over the previous year, reflecting growing employee engagement. The engagement score in November 2024 was 72, highlighting the positive impact of the initiatives implemented.



79.3% survey participation



2.2 pp increase on the previous year



Diversity and Inclusion

GRI 3-3 I | FN-AC-330a.1 | FN-IB-330a.1

We implemented more structural measures to cultivate a workplace that increasingly reflects the diversity present in society. In 2024, we implemented a Diversity Policy for the Board of Directors, setting guidelines to enhance plurality and ensure that the Board includes at least one woman and one person from an underrepresented minority or the LGBTQIAPN+ community.

These measures complement the adoption of goals that will guide our progress in diversity topics over the coming years. Despite this progress, we recognize the need to overcome many challenges along the way.

We remain committed to improving hiring and promotion processes to eliminate biases and subjectivity that hinder decision-making in many areas. Accordingly, we revised our Hiring Policy, branched out diversity training to all leaders and included the topic in the mandatory corporate training curriculum. To gain a clear understanding of how diversity is perceived and experienced internally, we conducted our first Diversity Census.

In 2024, we strengthened our strategy by expanding training for leadership, ensuring that team leaders are capable of fostering inclusive workplaces. We also developed a mentorship model focused on the professional advancement of underrepresented groups.

To manage these goals, we have a dedicated team focused on the topic, conducting research and monitoring employee engagement through the Pulse Survey. This structure enables the implementation of strategic actions in collaboration with different areas of the Company, ensuring the effectiveness of action plans. Additionally, we developed the Plurality Index, which consolidates diversity goals and provides a broader view of our team's composition.

Plurality Index

In 2024, we advanced our Diversity and Inclusion management with the implementation of a comprehensive goal monitoring process through the creation of a specific metric: the Plurality Index. This new tool gives us an overview of the representation of four priority groups in the current phase of the program: women, black people, black people in leadership positions, and people with disabilities (PwD).

The indicator is composed of the sum of the goals. Each target was assigned a weight of 0.25, and the total score corresponds to a percentage defined in a proportionality table. Our overall goal is to reach an index proportion of 80%. These results guide us in developing broader projects focused on the experience and journey of these groups within XP.

The goals are also monitored individually, and based on the insights they provide, we implement career acceleration programs, mentoring, training, and other initiatives that serve as levers for achieving our projections through 2030.





Where We Want to Be by 2030

40% of women in the Company

24% black people

15% of black people in leadership positions

5%+ of people with disabilities

35% of employees at XP Group are women today, with 27.3% in leadership roles. Black employees make up 20% of our workforce, with 12.7% in leadership positions. The percentage of people with disabilities increased from 1.3% to 2% over the past year, while LGBTQIAPN+ representation rose from 4.8% to 12.6%.

Diversity Progress

Women



2024

35%

vs. **26.5%** in 2020



27.3% women in leadership positions



16.4% women in senior management positions



34.6% of women in management positions who are in revenue-generating roles



31.1% women in STEM positions



27.3% of junior employees in leadership positions are women

Black people



2024

20.06%

vs. **17.6%** in 2020

Black people in leadership positions



2024

12.7%

vs. **2%** in 2021, when the goal was set

PwDs

2024

2%

vs **0.7%** in 2020

LGBTQIAPN+



2024

12.6%

vs. **3.9%** in 2020



Diversity Census

The survey provided a detailed analysis of our workforce demographics and perceptions of diversity and inclusion among our 5,700 employees. Through self-assessment, employees shared personal characteristics related to sexual orientation, race, parenthood and type of disability. A deeper analysis was carried out focusing on people with disabilities, women and black and brown individuals. The survey explored how important diversity is to each individual and how important it is to XP.

The results showed that 64.41% of employees recognize XP as an inclusive Company and 65% consider diversity an important subject for the organization. These figures reflect a positive impact on employees' opinions and our organizational culture. The findings guided several awareness and engagement initiatives, including the development of inclusive leadership and the strengthening of affinity groups.

Inclusive Journey for People with Disabilities

As part of our strategy to monitor the assimilation of people with disabilities, in 2024 we conducted a survey specifically to listen to the 88 employees who identify as having a disability. The questions aimed to map the factors affecting their daily work experience and identify areas for improvement, which were then forwarded to the relevant departments for corrective actions.

The Inclusive Journey project aims to ensure a due onboarding process and provide specific training for leaders who will take these employees under their wings.

In 2024, we also addressed neurodivergent individuals, conducting a hiring round specifically for people with Autism Spectrum Disorder. We continue to offer training for senior management to ensure that our leadership is equipped to foster a more inclusive and equitable internal culture.

Affinity Groups

A voluntary initiative by our employees, affinity groups play an important role in steering our diversity and inclusion initiatives and provide ongoing feedback. Each group is committed to offering a safe and welcoming space that works as a support network for its members to connect and collaborate to develop each segment internally. Through these groups, the Company maintains active dialog with leadership, business partners, recruiters and program teams, collecting testimonials about employees' journeys at XP. Periodic surveys are also conducted to assess the groups' activities, helping improve initiatives and ensure that actions meet employee needs and expectations.

Partnerships in Promoting Diversity & Inclusion

We intensified our commitment to inclusion and diversity by renewing pacts and partnerships with leading organizations in this field. This reaffirms the importance of the topic in society and strengthens inclusive practices across all our operations.

Civil Association of the Racial Equity Movement – MOVER

We aim to jointly create 10,000 leadership and C- Level positions for black people by 2030. The Racial Equity Movement unites some 50 companies in initiatives that promote racial equity. In our leadership development programs, 20 employees participated in soft skills courses led by renowned professionals in the market. Our training and acceleration programs offered nearly 300 English language scholarships.

Racial Equity Pact

By joining the Racial Equity Pact, we support actions that encourage greater racial equity, focusing on the adoption of affirmative actions, improving the quality of public education and training black professionals.

Business Network for the Inclusion of People with Disabilities – Reis Network

We joined the People with Disabilities Inclusion Pact, thereby reaffirming our commitment to involving senior leadership in advocating for this group's rights, implementing affirmative policies and actions within the organization, and factoring the topic into the planning of products, services and customer service.



Diversity of governance bodies and employees

GRI 405-1

Employees by category (%) - 2024

	By gender		By age group				PwDs		Black people	
	Men	Women	Under 30	30 to 50	Over 50	Not disclosed	Men	Women	Men	Women
CEO	100.0	-	-	100.0	-	-	-	-	-	-
Officer	90.9	9.1	-	81.8	18.2	-	-	-	10.0	0.0
Superintendent and Executive Managers	83.1	16.9	0.6	84.9	12.8	1.7	-	-	4.9	3.4
Coordination and Specialists	63.0	37.0	10.7	84.6	4.4	0.2	1	0.5	13.9	15.3
Administration and Operations	61.7	38.3	49.9	47.7	0.9	1.5	2	1.6	23.3	22.8
Assistants and Auxiliaries	66.2	33.8	75.0	22.1	1.5	1.5	7	7.2	23.8	27.9
Interns	68.2	31.8	99.6	0.4	-	-	1	-	10.1	20.5
Apprentices	35.5	64.5	100.0	-	-	-	-	-	9.1	30.0
Not disclosed	73.7	26.3	21.1	57.9	21.1	-	-	-	-	-

Health and Safety

GRI 403-1 | 403-2 | 403-4 | 403-5 | 403-8 | 403-9 | 403-10

Providing a safe, healthy and balanced space for our employees is part of our commitment as an employer. We have adopted measures ranging from preventive risk management actions to occupational and mental health monitoring for our entire workforce.

Due to the nature of our activities in the financial sector, we present a minimal level of risks and no harmful agents in our workplaces. These conditions have remained constant over the years, with no significant variations. In 2024 there were no recorded fatalities or work-related injuries.

Employee care is instilled in our Occupational Health and Safety Management System, which includes a series of programs and initiatives implemented in compliance with legal requirements. These measures include the Risk Management Program (PGR), the Occupational Health Surveillance Program (PCMSO), an Ergonomic Work Analysis (AET) and a Technical Report on Workplace Environmental Conditions (LTCAT), including for employees working remotely.

Our occupational health and safety training and first aid and fire brigade training is mandatory for all employees. It covers best practices for maintaining physical and mental well-being, mitigating risks and preventing workplace accidents.

Since 2024, we have also established an Internal Accident Prevention Committee (CIPA). Committees are held regularly to discuss topics related to employee health, risk prevention and identification, and possible accident cases.

All elected CIPA members, including alternates, receive mandatory training on occupational health and safety, which includes:

- Study of the workplace, working conditions and production process risks.
- Basics of occupational accidents and illnesses arising from working conditions and exposure to risks, and prevention measures.
- Methods for investigating and analyzing work-related accidents and illnesses.
- General principles of workplace hygiene and risk prevention measures.
- Knowledge of labor and social security legislation applicable to occupational health and safety.
- Including people with disabilities and rehabilitated individuals in work processes.
- Organizing CIPA and other relevant topics for the Commission's duties.
- Preventing and responding to sexual harassment and other forms of workplace violence.

Organizational Health Index (OHI)

In 2024, we also began using the Organizational Health Index (OHI), a tool developed by McKinsey & Company to measure and enhance organizational health. It evaluates metrics such as alignment, execution and renewal capacity, and provides insights on management practices, employee experience and organizational outcomes.

This tool formed the basis for our organizational health agenda, aiming to establish a sustainable approach to improve performance and employee well-being. The process involved conducting surveys, analyzing data, identifying gaps and defining priority management practices to align organizational behaviors with the Company's strategies and drive meaningful cultural change.

Proactive Health Measures

GRI 403-3 | GRI 403-7

Our medical team is always available to provide care, including specialized professionals such as ergonomists who advise on proper posture and ideal working conditions to reduce the risk of injury and fatigue. We also conduct periodic occupational exams and provide training on health and safety, ensuring that all employees have access to relevant information and best practices.

Mental health is another fundamental focus. Our leaders are trained to recognize signs of emotional overload and provide appropriate support to employees. We also offer psychological assistance and specialized medical consultancy services to monitor critical cases and ensure comprehensive well-being. In daily operations, we have a dedicated social worker who supports our employees, providing professional guidance on all matters related to physical and mental health.

The strengthening of these actions is made possible with the support of the Internal Accident Prevention Committee (CIPA), which helps implement and communicate health and safety policies. Elsewhere, we are constantly working to expand the benefits we offer, making it easier for each employee to access medical care and financial support, promoting a sustainable cycle of well-being both inside and outside the workplace.

Benefits

GRI 401-2 | 403-6

Health and Dental Plans

Employees, apprentices and interns can use two health and dental plan options fully covered by XP Inc., ensuring broad coverage across Brazil, travel insurance, reimbursements and access to an extensive network of doctors, hospitals and labs.

Life Insurance

Provides financial security for employees and their families in difficult times. Coverage includes natural or accidental death, partial indemnity for the death of a spouse or children, and funeral assistance.

Wellhub

Through Wellhub, employees have access to platforms such as Gympass and Live Run, offering a range of options to support physical and mental health—including fitness classes, wellness programs, events and challenges that promote a healthy lifestyle.

Meal Vouchers and Food Vouchers

All employees, including apprentices and interns, receive monthly meal and food vouchers.

Partnerships

We have established partnerships with companies to offer employees favorable terms when purchasing products and services, and to encourage physical exertion, which improves their overall well-being.

Mental Health

We have a partnership with a Company specializing in mental health support. Employees can attend one free session per month with psychologists, therapists, psychoanalysts and coaches on the platform and can enjoy further sessions at reduced rates.

Daycare Allowance

To support employees with young children, we offer childcare assistance through a monthly reimbursement for daycare or a caregiver.

XP Educação Courses

We offer employees free courses or discounts of up to 80% through our partnership with Udemy Academic. In addition, there are learning and development programs with pre-allocated places based on internal criteria, along with investment consulting and access to exclusive funds.

Paid Leave

All employees are entitled to paid leave under the Collective Bargaining Agreement, such as time off to vote, five business days for bereavement, and five business days for marriage.



Parenthood

All employees who become parents—by birth or adoption—are entitled to paid leave in accordance with the law, with no impact on their position or salary. As a participant in the Citizen Company program, XP provides extended maternity leave of 180 calendar days and paternity leave of 20 days.

Parental leave

GRI 401-3

	Men	Women
Total employees entitled to parental leave	4,843	2,599
Total employees who took parental leave during the current year	105	96
Total employees who returned to work after parental leave ended	105	99*
Rate of return	100%	100%
Retention rate	100%	100%

*The number of women who returned to work is higher than the number of women who took parental leave because some employees who went on leave in 2023 returned in 2024.

Work-related Injuries

GRI 403-9 | 403-10

There were no reported deaths, work accidents or occupational illnesses of employees or non-employee workers in 2024. We recorded two cases of occupational illness, both of which were monitored by the respective team. In 2023, we recorded two commuting accidents involving employees traveling between home and work. There were no accidents in 2021 and 2022.

Freedom of Association and Trade Unions

GRI 407-1

We respect and promote freedom of association and union representation among our employees. As required by law, all employees are union members, ensuring their rights and an active say in collective bargaining. We did not record any incidents that compromised union freedom or the right to collective bargaining across our operations or suppliers.

Collective Bargaining Agreements

GRI 2-30

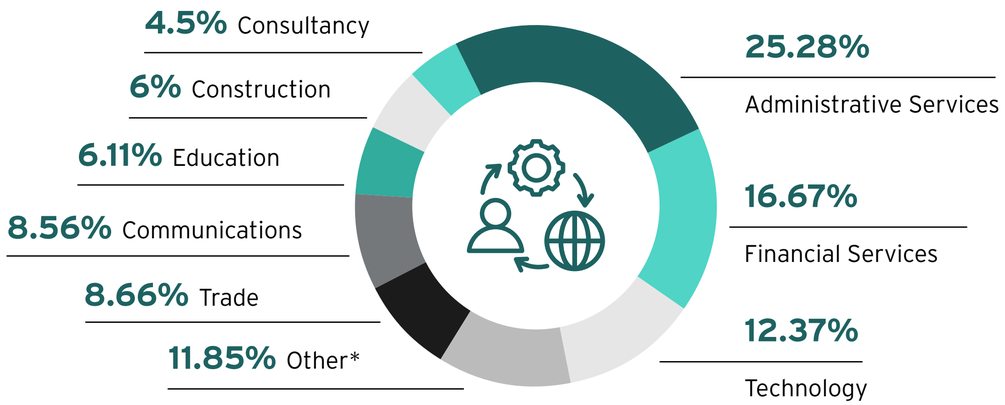
In 2024, 94.53% of our active employees were covered by the collective bargaining agreement of the union representing them at their Company. The remaining 5.47% are interns, statutory employees and employees who work outside Brazil.

Suppliers

GRI 204-1

We promote best practices throughout our supplier chain, which included more than 3,971 approved companies and 2,052 active suppliers in 2024. These companies operate primarily in technology, marketing and consulting. During the year, payments to suppliers totaled more than R$ 6 billion, with 86% of this amount spent on local suppliers.

Local Suppliers (Brazil) by Sector



* Other: suppliers accounting for less than 2%

Proportion of spending on locally-based suppliers

GRI 204-1

	Amount (R$ billion)	%
Suppliers based in Brazil	5.9	86
Overseas suppliers	0.9	14
Total	**6.8**	**100**





Ethics in Supplier Relations

GRI 308-1 | 414-1

From the onset of their relationship with XP, our suppliers are briefed in our Code of Ethics and Compliance, Human Rights and Social, Environmental and Climate Responsibility (PRSAC) Policies, as well as our Integrity Guidelines. We prohibit any dealings with companies that violate human rights as defined by the Federal Constitution, the Rights and Fundamental Guarantees, and the United Nations (UN) Guiding Principles on Business and Human Rights.

To ensure ethical business practices across our value chain, we adopt monitoring mechanisms that help identify and mitigate risks of illegal or unethical activities. The General Terms and Conditions for the Supply and Provision of Services (TCG) include social and environmental clauses. We take a proactive approach to raising awareness and training suppliers.

They receive a copy of our Integrity Guidelines upon onboarding, which they must read and acknowledge. This document outlines best practices in compliance and the ethical standards expected of our service providers and product suppliers. All suppliers receive training in topics such as Anti-Corruption, Code of Ethics and Conduct, Conflict of Interest, Reputation, Anti-Money Laundering, Risk Culture, Information Security, Data Privacy (LGPD) and the Whistleblowing Hotline.

In addition to accepting the terms of these guidelines, 100% of suppliers undergo a social, environmental and climate risk assessment during the contracting process, with the depth of analysis depending on their classification in the National Classification of Economic Activities (CNAE). Suppliers with medium or high potential impact based on the nature of their activities are subject to rigorous scrutiny. For those with low potential impact, the process is more straightforward.

Throughout the year, the supplier area is subject to SOX controls audit, external audit and internal audit, including more targeted processes such as Anti-Money Laundering and Procurement.

Additionally to supplier training, our employees also receive annual training on supplier onboarding and procurement processes. This training prepares them to conduct proper due diligence at the early stages of supplier engagement. It is part of the Compliance Regulatory Training Path, which is mandatory for all employees. We closed 2024 with 100% of active employees trained on this topic.

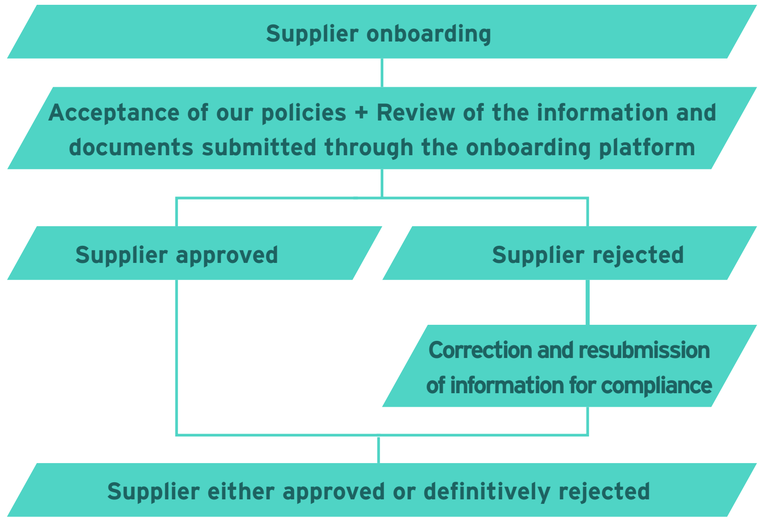
Supplier Screening

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

We enhanced our risk analysis, making it more efficient and systems-based through the use of a specialized supplier management platform for the onboarding process. This process involves a thorough assessment of companies based on a range of indicators:

- Environmental compliance and licensing, using both public and private data.
- Labor compliance, including certificates and records of regulatory adherence.
- History of violations involving forced or compulsory labor or child labor.
- Violations of Indigenous peoples' rights.
- Other critical factors associated with illegal or unethical business practices.

Supplier validation process



We assign an ESG rating to each supplier, ranging from 0 to 10 based on the compliance of the collected information and adherence to the requirements outlined in our policies and standards. This rating defines the level of risk associated with each provider and guides our decision to engage or not engage with these companies. Of the total suppliers onboarded in 2024, 0.38% (15 in total) were flagged for child labor risk and 1.86% (74) for risk of forced or compulsory labor. Among our clients, 2.61% (55 companies) and 4.85% (102 companies) were classified within the risk category of child labor and slavery, respectively.

It is important to mention that, although we classify these suppliers as being at risk of forced or slave-like labor and child labor due to the higher potential for incidence of cases in the textile and farming industries, no active or operational suppliers had any incidents of such practices.

- No negative environmental impacts caused by our suppliers were identified in 2024
- We had no cases of active suppliers demonstrating non-compliance with social or environmental issues
- No cases were recorded of suppliers involved in child labor or forced or compulsory labor

After validation, active providers are systematically monitored by the Supplier Management department, which continuously reassesses the supplier base. Whenever there is a pending issue related to public documentation, for example, the system automatically actions the department. Suppliers with private documents, such as expiring clearance certificates, are alerted 60 days in advance to have them renewed. This approach allows us to act pre-emptively, reducing exposure to non-compliance risks.

If a Company is flagged for damaging media coverage or critical findings, actions are taken such as root cause analysis, escalation to appropriate approval levels, implementation of an action plan or, depending on the severity, contractual termination. By ensuring an agile and efficient process with constantly updated data, we foment an ethical and sustainable supply chain aligned with our commitments to human rights and the environment.

100% of suppliers screened for social, environmental and climate risks

100% of suppliers undergo RSAC analysis during screening

936 suppliers validated in 2024

R$ 6.8 billion paid to providers

86% of spending on local suppliers contracted in Brazil

To enhance the experience and relationship with our existing and potential suppliers, we created the website Be an XP Supplier ("Seja um Fornecedor XP"). Intuitive and informative, the site helps potential suppliers understand the criteria, requirements and steps needed to become an XP provider.



Social Impact

Social Investment

GRI 3-3

A more powerful and sustainable future begins by providing equal opportunities for all Brazilians. We believe that access to knowledge and information can transform lives, helping produce a more informed population that is better equipped to manage their finances, thus fostering a more stable and sustainable economy.

With this belief, we created the XP Institute in 2021 to expand our social impact through financial education and the development of socio-emotional skills—essential tools in a country where more than half the population is in debt and has no savings.

The Institute works collaboratively to empower thousands of children, young people and entrepreneurs, with a special focus on public school students, women and other socially vulnerable groups. We operate through in-house initiatives and in partnership with social organizations in strategic collaborations.

To ensure that knowledge is shared in an accessible and inclusive way, we invest in diverse methodologies and formats. We deliver content through digital platforms, in-person gatherings, theatrical performances and other cultural events, making sure that people of different backgrounds, ages and realities can connect with and engage in the content.

We also earmark funds and resources to social projects through incentive laws, direct donations and volunteering. Projects supported by incentive laws are selected through public tenders and carried out within a set time frame.

R$ 6.4 million+ donated for social impact, social development and fighting hunger

R$ 12 million+ In tax-deducted funds allocated to projects in 2024

Our Transformation Cycle

Ability to transform

We build strategic alliances to train educators and nurture essential financial skills, impacting communities and promoting inclusion.

Inspiring to move

We engage employees, educators, researchers, social leaders, entrepreneurs and clients to embrace the cause, raising awareness and encouraging large-scale engagement.

Acting consistently

We adopt professional management with clear goals and monitored results to ensure a consistent performance and give a long life to the movement.

Mobilizing to co-create

We connect individuals, public institutions and civil society to develop innovative solutions and establish new practices and policies that advance the cause.



Instituto XP Projects

GRI 203-2

Our private social investment initiatives prioritize the promotion of entrepreneurship, financial education, empowerment through sports and the well-being of children, adolescents and older adults—the focus of our main sponsored projects.

Entrepreneurship Project

Focused on income generation and the legalization of businesses led by teenagers, young people and women, it fosters the development of entrepreneurial skills and financial autonomy. Through financial education and entrepreneurship training, the project directly reached 131 people and indirectly impacted another 654, surpassing the initial goal of serving 120 adolescents.

Support for the Elderly

Through support for the Pio XII Foundation, this project funds comprehensive care for the elderly, promoting health and well-being. The initiative strives to benefit north of 157,000 people aged 60 and over by providing medical assistance, psychosocial support and humanized care. In 2024, 147,130 elderly individuals directly benefited.

Physical Assessment and Training for High-Performance Athletes

This project provides specialized technical support for elite athletes, focusing on physical health, athletic performance and overall well-being. It directly assisted 65 athletes and indirectly impacted around 1,500 people by spreading best practices in sports training.

Technological and Social Tea

Aiming to promote digital inclusion for the elderly, this project administers workshops teaching the use of digital tools and technologies in everyday life. To date, 475 older adults have benefited directly and another 1,500 indirectly, supporting digital autonomy and strengthening social bonds.

Development and Unleashing the Potential of Students from Cidade dos Meninos

This project focuses on the holistic development of socially vulnerable children and adolescents by sponsoring educational, cultural and sports activities. With a goal of directly impacting 4,760 people, the initiative reinforces the commitment to transformative education and is awaiting final data consolidation to measure the results.

Financial Education and Female Entrepreneurship in Later Life

This project empowers elderly women through financial education and income-generating activities. It includes training sessions and the production of a documentary, having directly impacted 272 participants and reached an additional 400 indirectly, reinforcing female leadership in later life.

Financial Education

GRI 3-3

We are committed to transforming the lives of Brazilians through financial education, helping to reprogram a cultural mindset that has resulted in high levels of debt, low savings capacity and minimal knowledge about investments. In 2021, we set a goal to reach 50 million people with financial education by 2030, cultivating a more conscientious, healthy and sustainable relationship with money.

XP Educação consequently offers open and free courses on financial education. We also grew our network by creating exclusive tracking links for various partners already engaged in this area, increasing the reach and effectiveness of initiatives across different social contexts. Additionally, we deliver lectures on the topic at our Espaços XP located throughout Brazil.

The objective is to create opportunities for Brazilians to improve their relationship with money, gaining security and autonomy to plan the future.

3,857,470 people directly impacted by our financial education initiatives in 2024

15 million people impacted between 2021 and 2024

Flagship initiatives

- ***Beabá Financeiro:*** designed for beginners, this course covers basic financial concepts such as interest rates, inflation and the Selic rate, helping participants take their first steps in the world of investing.
- ***Dinheiro sem Tabu:*** tackles limiting beliefs about money and how they affect financial life. The goal is to reprogram these beliefs and break taboos around money so people can pursue financial prosperity.
- **Financial Education for Youth:** teaches how to lead a financially healthy life from an early age. It urges participants to prepare for the challenges and responsibilities of adulthood by understanding how limited rationality affects daily financial decisions.
- **The Power of Financial Self-awareness:** encourages personal reflection and analysis of one's finances, showing how financial self-awareness can lead to prosperity.
- **Prosperity Challenge for Couples:** helps couples learn how to achieve their dreams together. The content covers the psychology of money, financial mindset and other essential concepts for planning and living life as a couple.



Incentive Laws

GRI 201-4

We use incentive laws as a strategic tool to sponsor projects that engender meaningful transformations in communities. In 2024, over R$ 12 million in tax-deducted funds were allocated to 28 projects, directly impacting more than 1.8 million people and boosting inclusion, human development and sustainability.

All tax incentives XP Group is eligible for are based on the variation of the Company's taxable earnings in 2024. Certain Group companies qualified for tax benefits provided under Brazilian Corporate Income Tax legislation, such as the Rouanet Law, Sports Incentive Law, Pronon and other programs. We also used tax incentives related to the Municipal Services Tax (ISSQN), with allocated funds sponsoring social projects.

Incentive Law contributions

	R$ (in million)	%
Rouanet	4.4	37%
Esporte	2.2	19%
FIA*	1.14	9%
Idoso	1.14	9%
Pronas**	1.14	9%
Pronon***	1.14	9%
ISS RJ	0.7	6%
Total value of tax-deducted funds	**12**	**100%**

* Youth Fund (FIA)

** National Health Care Program for People with Disabilities (Pronas)

*** National Cancer Care Program (Pronon)

Providing assistance to the State of Rio Grande do Sul

In 2024, a climate catastrophe struck our home state of Rio Grande do Sul. In response, we launched a donation campaign to support the victims and recover the communities affected by the floods. We mobilized our brands, employees, clients and partners, resulting in a total donation of R$ 1.8 million, including direct contributions to NGOs União BR and Gerando Falcões, both of which played a crucial role during the crisis. In addition, we committed to matching the amount donated by our network up to the amount of R$ 3 million. The campaign was widely publicized, engaging our clients and employees across the country and expanding its impact.



Pact against Hunger

We partnered with Pact Against Hunger, an initiative led by Geyze Diniz, to fight hunger and reduce food waste. In 2024, we sponsored the Pact Against Hunger Awards for the second time in as many years, promoting ethics and transparency in the selection of winners through compliance reviews conducted by XP. In addition to technical support, we sponsored financial mentorship for the six successful initiatives, amplifying the social impact of the recognized efforts. The awards ceremony extolled the collaboration between the private sector, public authorities and civil society. Guilherme Benchimol attended, emphasizing the importance of collective engagement in the fight against hunger.

Governance of Social Initiatives

In our private social investment activities, we follow a set of standards that apply to all XP Group companies, ensuring that sponsorships of events and projects and charitable donations are made with integrity and transparency, guiding the behavior of our employees and partners. These guidelines are mandatory in cases involving legal or regulatory violations, conflicts of interest, corruption risks or any element that could pose a reputational risk to XP Group.

All sponsorships—whether institutional or tax deductible—are reviewed by Compliance, which has specific approval levels. Charitable donations are governed by a set of rules designed to prevent misuse and must be reported in advance to the Anti-Money Laundering and Counter-Terrorism Financing (AML/CTF) area.

Monitoring the Impact of Supported Initiatives

Ours is a results-oriented approach, with regular reporting to monitor the direct and indirect impacts of our social initiatives, ensuring consistent execution and lasting outcomes. The following indicators measure the progress of our actions:

- Percentage of participants in literacy initiatives, courses or projects
- Proportion of those who affirm they are more prepared to manage their budget and financial planning after completing courses
- Percentage of people who start investing after taking part in projects or courses
- Proportion of individuals who reported being in debt or default at registration and declared improvements in their financial situation after completing the course

The effectiveness of these measures is evaluated through financial literacy assessments conducted before and after the projects, and through the Net Promoter Score (NPS) to assess satisfaction with financial education sessions. We also monitor initiative impacts through partner surveys and reports.





Sponsoring Sports

Sports have a lot in common with investing. They inspire us to push boundaries, demonstrate persistence and consistency, and show that we can compete with the best—a source of pride for our country. But to make this possible, it is essential to provide the right conditions for our athletes to develop and shine in any discipline.

That's why, in 2024, we renewed our commitment to national sports across four high-impact areas. We have been official sponsors of the Brazilian Olympic Committee and Team Brazil since the 2022 Tokyo Games and Winter Olympics, including the 2023 Pan American Games and the 2024 Paris Olympics. We became the official long-term sponsor of tennis player João Fonseca, supporting his promising future. We also sponsored the NBA House and the historic first National Football League (NFL) game held in Brazil, reaffirming our support for sports in all its forms.

NFL São Paulo Game

XP's sponsorship of the NFL SP Game, the first time an American league game took place in Brazil, was a highly prestigious opportunity for our brand, generating wide public and media coverage. Our visibility strategy aimed to maximize brand exposure on the field, at side events and in national broadcasts, resonating strongly among XP clients—as evidenced by the results.

Both XP pre-sale and general sale tickets sold out in under three hours. Over 400,000 clients joined the waiting list. Over 13,000 of the 47,000 spectators at the stadium were XP clients. We hosted around 2,600 guests in the XP lounge.

Television and media coverage

750,000 people reached

NPS 89

Social media coverage

50 million+ people reached

24,000+ new followers



NBA House 2024

We sponsored the sixth edition of NBA House, a celebration for Brazilian basketball fans. Held in a 5,000-square-meter venue at Parque Villa-Lobos, fans had the opportunity to watch the American league finals in an immersive experience. The pre-sale for our clients sold 1,800 tickets. Our brand was cited in over 95 news articles and reached a potential audience of 12 million on social media.



Support for the Brazilian Olympic Committee

Our brand featured prominently at the Paris Olympic Games as an official investor in the Brazilian Olympic Committee (COB). This sponsorship supported our strategic goal of reinforcing XP's brand strength by promoting Brazilian sports. The sponsorship campaign included a series of exclusive XP events and activations, such as the Elite Team XP program, which featured six episodes with conversations between advisors and Olympic athletes, along with behind-the-scenes content shared before and during the competitions.

16.8 million full views

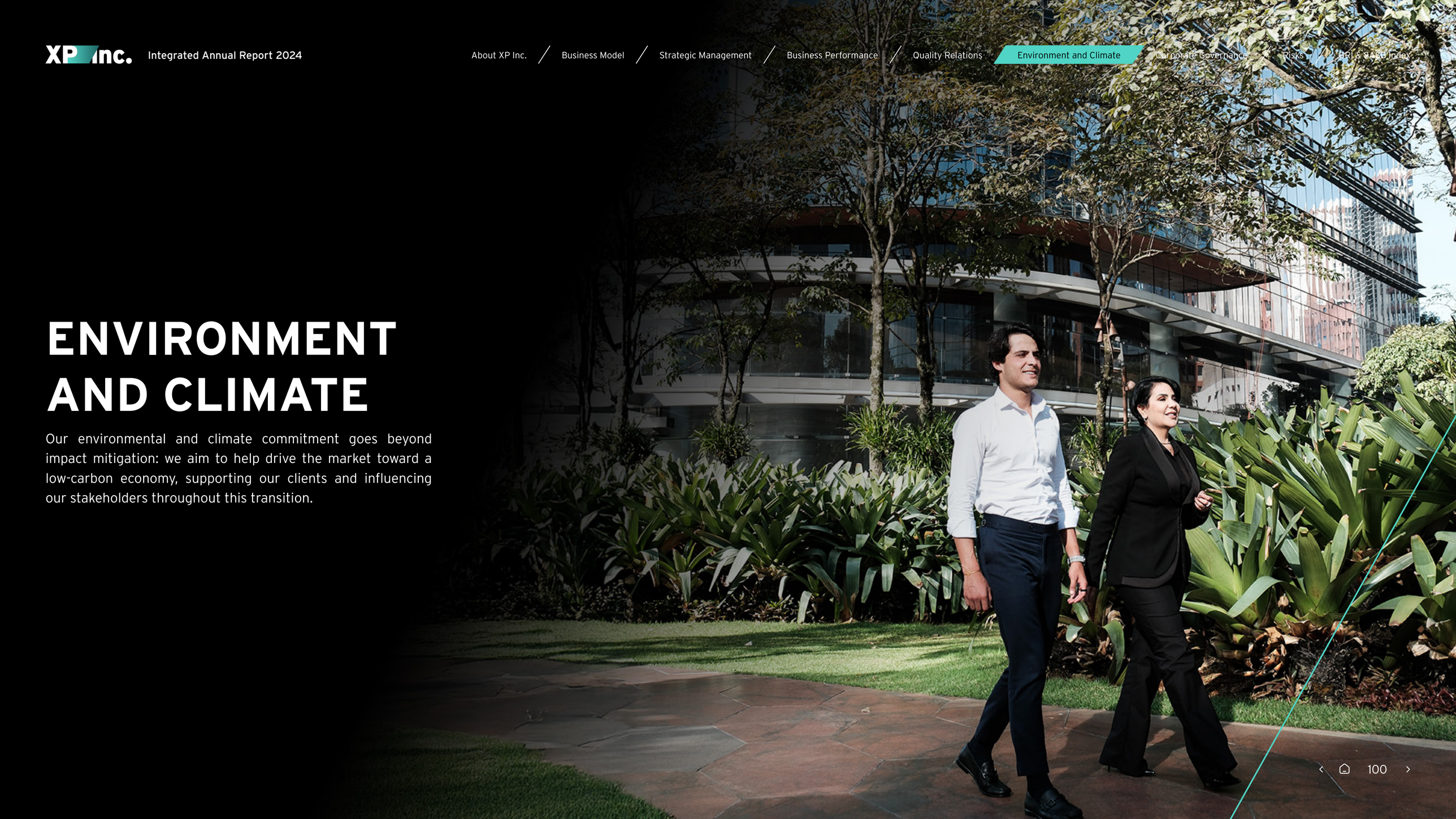
1.43 million engagements

29.3 million people impacted



ENVIRONMENT AND CLIMATE

Our environmental and climate commitment goes beyond impact mitigation: we aim to help drive the market toward a low-carbon economy, supporting our clients and influencing our stakeholders throughout this transition.



Climate Change

The financial sector is playing a key role in the transition to a low-carbon economy. Our main impact in this transformation lies in how we allocate funds, especially those directed toward financing companies' activities and projects. More than just managing climate-related risks, we continuously invest in strategies to reduce financed emissions in our portfolio, support our clients in their transition journeys and identify opposite opportunities.

We simultaneously strive to minimize our direct and indirect environmental impacts, with an approach that balances risks and opportunities. This reaffirms our commitment to the Paris Agreement, as we continue to take steps to align our portfolios with science-based targets and mobilize our ecosystem around this agenda.

We aim to reduce the financed emission intensity of our credit portfolio and have introduced metrics to monitor it. We strengthened this approach by conducting Climate Stress Testing on our credit portfolio and by measuring the portfolio's climate sensitivity.

To monitor progress on this agenda, we rely on strategic governance bodies such as the Board of Directors, the Executive Committee, the Audit Committee and the Risk, Credit and ESG Committee, which meet regularly to address key topics. In addition to these bodies, we also have the Social, Environmental and Climate Risk Commission, which reinforces oversight and ensures that these guidelines are fully embedded into risk management and decision-making.

Our Strategy

- Mapping our exposure to climate risks and potential impacts for the Company.
- A climate transition strategy, with internal goals and respective deadlines for compliance defined.
- Targets for reducing our own emissions and financed emissions.
- Calculating internal carbon prices for offsetting emissions.
- Promoting the carbon market in the country.
- Climate-related financial products and services.
- Measuring and neutralizing **100%** of Greenhouse Gas Emissions from our activities (scope 1, 2 and 3).

Climate Risks Management

Climate risk management is embedded in our risk strategies and decision-making processes. We engage our clients in mitigating the impacts of climate change to help strengthen the resilience of their businesses in light of these challenges. Moreover, 100% of our credit clients and operations undergo a climate risk assessment using a proprietary methodology that directly influences their credit rating.

We monitor and manage climate risk in our portfolio through management indicators and included a climate risk indicator in our Risk Appetite Statement (RAS) in 2024. We also conduct a Climate Stress Tests considering three transition scenarios, assessing potential impacts on revenues exposed to climate change. Learn more about the Climate Risks Test on page 146.

GHG Emissions

GRI 305-4 | 305-5

Our Greenhouse Gas emissions inventory follows the GHG Protocol methodology, ensuring accurate calculations, continuous monitoring, and comparability and transparency in reporting emissions across Scopes 1, 2 and 3.

Since 2023, we have improved our emissions calculations by expanding the scope to include all sources and business units. We also began submitting our GHG inventory to third-party verification as of 2023, thereby bolstering our commitment to reduce impacts and enhance data reliability. Our emissions inventory is published in the Public GHG Emissions Registry of Fundação Getulio Vargas, and we have been awarded the Gold Seal—the highest recognition granted by the Brazilian GHG Protocol Program to companies that meet all program requirements.

To calculate emissions intensity, we used the gases CO_2, CH_4, N_2O and HFCs (R-407C and R-410A), scope 1, 2 and 3 emissions and the total number of employees in 2024 as the denominator. This yielded a GHG emissions intensity of 1.22 TCO_2e in 2024.

The higher emissions across several monitored items compared to the previous year was due to the growth of our operations, with nearly 1,000 new employees, and the increasingly frequent return to in-person work. Another key aspect in Scope 3, category 7, which saw a notable increase in our inventory, was the gradual return to office-based activities in the second half of 2023, culminating in 100% of employees returning in 2024.



100% of emissions associated with our activities (Scopes 1, 2 and 3) are offset



100% of our Scope 2 emissions are neutralized by purchasing I-RECs

Scope 1, 2 and 3 GHG emissions

Emissions (tCO_2e)	2022	2023	2024
Scope 1	3,238	1,410	1,123
Scope 2	143	522	755
Scope 3	3,214	4,390	7,215
Total Greenhouse Gas Emissions	**6,597**	**6,322**	**9,094**

Sum of CO_2 emissions Bio

Emission Type (ton)	2024
Scope 1	10.59
Scope 2	0.00
Scope 3	626.24
Total Bio Emissions	**636.83**

Scope 1

Covers all categories of direct emissions under our operational control, including stationary combustion, mobile combustion and fugitive emissions.

The main source of Scope 1 emissions is mobile combustion related to our private jet, whose emissions increased in 2024 due to the resumption of in-person activities and client engagement. Fugitive emissions eased by 39.7%, despite being the second largest category in Scope 1. This decrease is attributed to a technical inspection conducted in 2024 and a meeting with the supplier responsible for air conditioning management and maintenance, which allowed for improved data accuracy in calculations.

It is important to note that the air conditioning system installed in the SPCT/SP building is exclusive to XP. At this location, we have more effective data management and control, ensuring zero leakage during annual maintenance.

Scope 2

We account for indirect GHG emissions arising from the acquisition of electricity for consumption in our facilities. Since 2023, 100% of our energy consumption in Brazil has been neutralized by purchasing I-RECs, ensuring traceability of the energy used in our operations. We also account for and offset emissions from our U.S. offices.

In addition to the increase in staff and the gradual return to in-person work, in 2024 we mapped all Espaços XP, which were fully included in our Scope 2 emissions. (Learn more about Espaços XP on page 60).

Direct Greenhouse Gas Emissions (Scope 1) GRI 305-1

Scope 1 (tCO_2e)	2022	2023	2024*
Stationary Combustion	**0.88**	**4.19**	**10.53**
Generators	0.88	4.19	10.53
Mobile Combustion	**0.00**	**539.35**	**590.38**
Internal vehicle fleet*	n/a	113.51	36.98
Private Jet	n/a	425.84	553.41
Fugitive Emissions	**3,237.66**	**866.55**	**522.68**
Refrigerant gas recharging - R-410A	3,237.62	866.40	522.52
CO_2 Recharging in Fire Extinguishers	0.04	0.14	0.16
Total direct GHG emissions	**3,238.54**	**1,410.08**	**1,123.60**

*Included in 2024: kilometers traveled converted into fuel/gasoline. Total kilometers traveled = 311,823 km. Gases included in the calculations - CO_2, CH_4, N_2O and HFCs (R-407C and R-410A)

Indirect Greenhouse Gas Emissions (Scope 2) GRI 305-2

Scope 2 (tCO_2e)	2022	2023	2024**
Total absolute Scope 2 emissions			
Location based	143.77	522.27	755.23
Market based	143.77	440.96	573.34
Total absolute Scope 2 emissions in Brazil			
Location based	66.98	81.31	181.89
Market based	66.98	0	0

** Gases included in the calculations in 2024 - CO_2, CH_4, N_2O and HFCs (R-407C and R-410A)

Scope 3

To calculate Scope 3 emissions, we counted indirect GHG emissions resulting from our activities, but which are not directly controlled by us. Our inventory encompasses emissions related to trips made by motorcycle couriers, waste generated in operations, business trips and commuting emissions, with the business trips category having the greatest impact on the result.

The increase witnessed in 2024 was due to the rise in in-person activities and headcount. To obtain more accurate data, we implemented an action plan with the Compliance team and attached a mandatory questionnaire to the registration update and annual training forms. This allowed us not only to gather more precise information about each employee's commuting patterns but also to establish estimates for the following year.

Indirect Greenhouse Gas Emissions (Scope 3) GRI 305-3

Scope 3 (tCO_2e)	2022	2023	2024*
Upstream transportation and distribution	**5.55**	**0.01**	**0.74**
Trips by motorcycle couriers	5.55	0.01	0.74
Waste Generated	**291.11**	**161.31**	**369.86**
Net wastewater	264.77	54.05	49.38
Solid waste directed to landfilling	26.34	107.26	320.48
Business Travel	**2,412.39**	**2,962.34**	**3,635.02**
Taxi and Ride-Hailing App Trips	109.69	68.73	124.03
Air travel	2,302.70	2,893.62	3,510.98
Employee commuting	**503.95**	**1,266.17**	**3,209.90**
Total indirect GHG emissions	**3,208.80**	**4,389.83**	**7,215.52**

*Gases included in the calculations in 2024 - CO_2, CH_4, N_2O and HFCs (R-407C and R-410A)

Internal Carbon Pricing

Since 2021, we have calculated the internal price per metric ton of carbon based on the average price of the carbon credit purchased in the year. In 2024, the average price was R$ 15.41 per metric ton. This price is used to calculate the carbon footprint of our operations, serving as a parameter for the cost of emissions, and guiding offset and mitigation strategies and risk and opportunity assessments related to our portfolio.

Carbon Market

We have contributed to the voluntary carbon market since 2019 by purchasing carbon credits and the origination of investment products. We contributed to strengthening this market by engaging in advocacy efforts and participating in working groups organized by Febraban and Anbima focused on the regulated market. We signed up to the Climate Commitment in 2024, an initiative of Ekos Brasil Institute that connects companies wishing to offset their Greenhouse Gas emissions (GHG) and projects dedicated to producing social and environmental benefits. We also participate in the initiatives of the Partnership for Carbon Accounting Financials (PCAF).

Financed Emissions

FN-AC-410b.3 | FN-AC-410b.4 | FN-CB-410b.3 | FN-CB-550a.2 | FN-IB-550a.2 | FN-CB-410b.1 | FN-CB-410b.2 | FN-CB-410b.3 | FN-CB-410b.4

The greatest climate impact in the financial sector comes from financed emissions—i.e., those generated by the assets in our credit portfolio, which account for 93% of our total emissions. These emissions originate mainly from the loans and financing supporting our clients' activities and projects.

We ramped up our commitment to this agenda by joining the Partnership for Carbon Accounting Financials (PCAF) in 2022, formally adopting the PCAF methodology to calculate financed emissions. This enabled us to quantify the GHG emissions related to our credit granting activities.

Emissions Profile

130,375.02
Total emissions

121,281 (93.02%)
Financed emissions



9,094 (6.98%)
Own emissions

How have we progressed

We have made continuous progress in reducing the intensity of financed emissions, with the goal of achieving a substantial reduction by 2030. Since our first measurement in 2021, we have managed to lower emissions intensity, even amid significant growth in our corporate credit portfolio[5]. Our commitment is to further deepen the strategy of expanding the portfolio applicable to the PCAF methodology, while prioritizing a significant improvement in its climate quality.

Financed emissions

GRI 305-3

	2021	2022	2023	2024
Financed emissions (tCO_2e)	37,214	64,621	58,701	121,281
Financed emissions intensity (MM tCO_2e)	12.05	9.23	6.24	6.58
Weighted quality score	4.80	4.58	4.59	4.30
Corporate credit portfolio exposure (R$ billion)	3.2	6.99	9.39	18.44
Corporate credit portfolio coverage* (%)	100	100	100	100

* Coverage of the corporate credit portfolio with applicable methodology.

[5] The total credit balance of corporate clients includes credit operations and securities that carry credit risk for the XP Group.

Score Improvement

The PCAF methodology assigns a score from 1 to 5, indicating the quality of the reported information. The closer to 1, the higher the quality of the information and the more accurate the financed emissions calculation, since the data used is reported by the Company and audited by a third party. The closer to 5, the lower the accuracy of the calculation, as estimates are based on the Company's financial information.

In 2024, we observed a 10.42% reduction in our score relative to the 2021 baseline, reaching 4.30. This increase in calculation accuracy is due to our internal efforts to collect increasingly primary data on the GHG emissions of the companies within our corporate credit portfolio.

Score used to calculate financed emissions		**2024**
Score 1	Emission reported by the client and audited	1.5%
Score 2	Emission reported by the client and not audited	0.4%
Score 3	Emission estimated based on physical factors	-
Score 4	Emission estimated based on revenue	5.4%
Score 5	Emission estimated based on financial exposure	92.7%

We continue to improve the methodology for calculating financed emissions, increasing both the precision and the scope of the information regarding our clients' activities. In 2024, following PCAF recommendations, we expanded and segmented the calculation by asset classes, considering business loans and corporate bonds, with all assets originating from operations in Brazil. Since 2023, by adopting the TCFD sector classification, we have been able to engage our clients more effectively, providing us with a more detailed view of the environmental impact of our business. Our engagement strategy aims to support risk mitigation and capture opportunities on the path toward a more sustainable economy.

Type of asset	**Corporate credit portfolio exposure (R$ billion)**	**Financed emissions (tCO_2e)**	**Financed emissions (MM tCO_2e)**
Business Loans	8.02	48,432.75	2.63
Corporate Bonds	10.42	72,848.28	3.95
Total*	**18.44**	**121,281.02**	**6.58**

* The total credit balance of corporate clients includes credit operations and securities that carry credit risk for the XP Group.

Financed emissions by activity sector

GRI 305-3 I 305-4

	Corporate credit portfolio exposure (R$ billion)	**Financed emissions (tCO_2e)**	**Financed emissions (MM tCO_2e)**
Agriculture	0.18	20,595.04	1.117
Financial Services	0.15	3,511.62	0.190
Energy	0.19	333.80	0.018
Petrochemical and chemical	0.95	6,766.41	0.367
Oil and Gas	0.04	36.24	0.002
Metals and Mining	0.83	979.33	0.053
Trade	0.10	167.02	0.009
Food and Beverages	1.56	15,066.22	0.817
Administrative Services	0.01	175.28	0.010
Industry	0.46	1,174.04	0.064
Transportation	0.17	4,079.72	0.221
Real Estate Management and Development	0.03	797.24	0.043
Paper and Forest Products	0.45	9,519.20	0.516
Construction	0.11	13,586.67	0.737
Wood and Furniture	0.02	54.89	0.003
Textile	0.08	1,083.96	0.059
Healthcare	0.53	15,019.47	0.814
Sanitation	0.00	415.91	0.023
Recycling	0.18	455.65	0.025
Sports Activities	0.57	550.80	0.030
Motor Vehicles and Auto Parts	2.73	4,454.10	0.242
Technology	8.44	19,063.16	1.034
Pharmaceuticals and Cosmetics	0.06	251.88	0.014
Education	0.06	712.76	0.039
Others	0.48	2,070.79	0.112
Communication	0.01	21.40	0.001
Tourism and Leisure	0.06	338.43	0.018
Overall Total	**18.44**	**121,281.02**	**6.58**

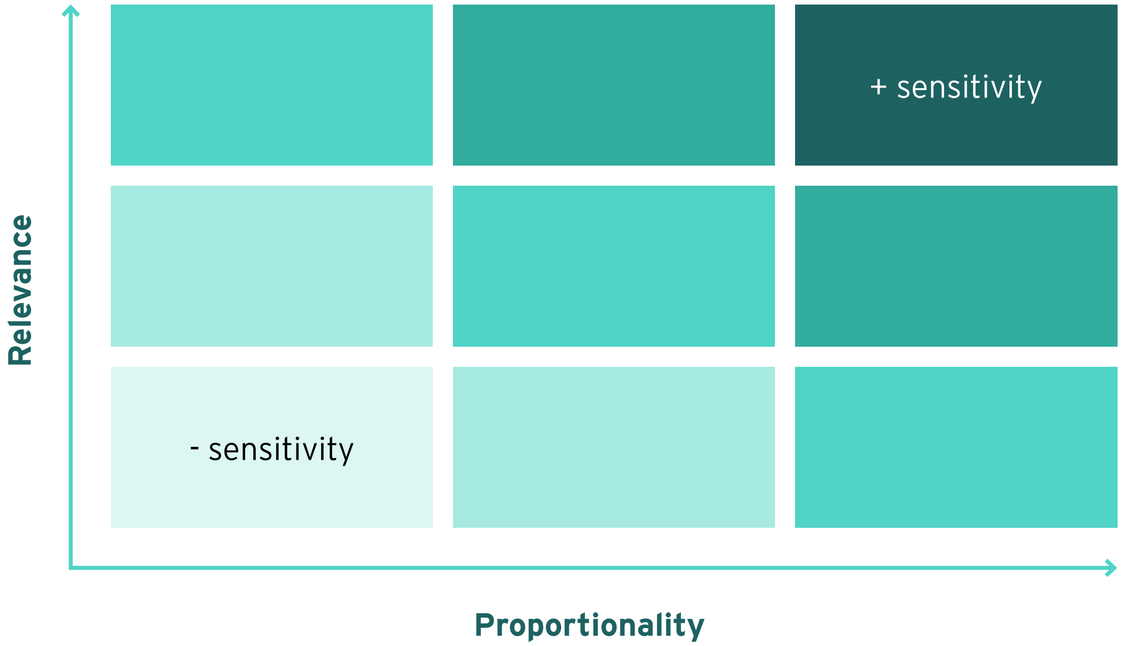
Climate Sensitivity

GRI 305-3

Climate risk analysis is a key pillar of our risk management process. One of the main tools in this process is the Climate Risk Sensitivity Scale, which allows us to assess the vulnerability of our portfolios to physical and transitional impacts caused by climate change.

We jointly developed this methodology within Febraban and have installed it in our risk management cycle. The tool considers factors such as the Company's sector, credit quality, average term of the operation and the representativeness of the sector or client in the portfolio. Using these variables, we are able to classify the portfolio's climate exposure into three levels of sensitivity (high, medium or low), identifying clients most exposed to climate risks and helping guide decisions on business viability.

In 2024, our analysis indicated a climate sensitivity of 10.63% in our portfolio, representing a decrease of approximately four percentage points compared to 2021, when we began this measurement.



Climate sensitivity of our corporate credit portfolio*



* Also see how our social, environmental and climate risk analysis process works on page 152.

Stress Testing

The Social, Environmental and Climate Risk area conducts a comprehensive analysis of all clients in our portfolio. Portfolio quality is monitored according to its exposure to the Social, Environmental and Climate Rating. The Stress Test is updated at least once a year and its guidelines and results are evaluated and approved by the Executive Board.

In 2024, the Stress Test began incorporating scenarios that consider changes in climate patterns and the transition to a low-carbon economy, allowing for a broader view of climate-related risks and opportunities (learn more about the Stress Test in the Risk chapter, page 146).

TCFD Recommendations

Published in 2017, the recommendations of the Financial Stability Board's Task Force on Climate-Related Financial Disclosures (TCFD) aim to encourage the disclosure of financial information related to climate risks and opportunities, allowing investors to make more informed decisions. We recognize their relevance and firmly support this commitment, advancing our adherence to the recommendations throughout 2024 in each of the four disclosure pillars.

Governance

- The Board of Directors, the Executive Committee, the Audit Committee and the Risk, Credit and ESG Committee monitor the performance of the ESG agenda as a whole, including the Company's climate agenda, with pre-defined periodicity and agendas.
- In addition to these governance bodies, the Social, Environmental and Climate Risk Committee monitors the climate agenda with pre-defined periodicity and agendas.
- Our corporate policies link employee compensation to compliance with climate-related guidelines, including at the executive level.
- We carry out training and disseminate the topic across the Company, through training, live sessions and pointers related to the topic.

Strategy

- We map our exposure to climate risks and potential impacts for the Company.
- We have a climate transition strategy, with internal goals and respective deadlines for compliance defined.
- We have targets for reducing our own emissions and financed emissions.
- We calculate the internal carbon price.
- We have contributed to promoting the carbon market in the country, participating in sectoral working groups and other initiatives.
- We develop climate-related financial products and services.
- We measure and neutralize 100% of Greenhouse Gas Emissions from our activities (Scope 1, 2 and 3).

Risk Management

- We carry out climate risk analysis for 100% of our customers and credit operations.
- We develop a proprietary climate risk assessment methodology that impacts the credit rating.
- We manage the climate risk of our credit portfolio through climate risk management indicators.
- We have a specific climate risk indicator in the Company's RAS.
- We monitor the climate risk of our credit portfolio.
- In 2024, we redesigned the Climate Stress Test, covering both physical and transition risks.
- We engage our customers to reduce the impact of climate change on our business.

Targets and Metrics

- We have our own emissions reduction targets.
- We establish targets for reducing the intensity of financed emissions in the credit portfolio.
- We implement financed emission intensity and climate sensitivity metrics of the credit portfolio.
- We report our climate sensitivity and financed emission metrics under the TCFD.

Eco-efficiency

We have focused our efforts on the responsible management of resources and the neutralization of emissions, continuously working to minimize the environmental impacts of our operations. Our practices include improving water and energy efficiency, proper waste and wastewater disposal and reducing Greenhouse Gas (GHG) emissions. We offset 100% of the emissions associated with our activities, covering Scopes 1, 2 and 3.

When selecting and allocating properties, such as the new Espaço XP, we prioritize sustainable buildings that meet strict eco-efficiency standards. Our main office in São Paulo is housed in a building certified with LEED Platinum 3.0 Core and Shell, ensuring high standards of energy efficiency and sustainability—including a rainwater harvesting system used for watering gardens. The Rio de Janeiro office features a bicycle parking area to encourage green transportation, along with a selective waste collection system. In Minas Gerais, we operate in a complex that uses photovoltaic energy in all common areas.

Water

GRI 303-1 I 303-5

In 2024, our operations consumed more water overall, mainly due to the gradual return to in-person work and the expansion of commercial offices. We remain committed to adopting best practices to optimize the use of this precious resource.

In Brazil, water is primarily supplied by public utilities responsible for drawing, treating and distributing potable water to the population and businesses. Treatment follows strict quality standards established by regulatory bodies, ensuring the water provided is safe for consumption. All wastewater generated by our operations is treated by the local utility, which suitably discharges it to minimize environmental impacts. We do not directly withdraw water.

Our São Paulo headquarters also features a rainwater harvesting system used for non-drinking purposes such as irrigation and restrooms. In 2024, the total volume drawn was 2,361.57 m^3, averaging 196.80 m^3 per month. Our Rio de Janeiro office is also planning to implement a similar solution, reinforcing our commitment to water efficiency.

The water consumption intensity rate in 2024 was 0.0025. For the calculation, the denominator used was the total number of employees. We considered the total volume of water consumed, in megaliters, across offices in São Paulo, Rio de Janeiro, Belo Horizonte, Espaço XP, Miami and New York.

Water Stress

GRI 303-5

The Integrated Drought Index (IIS) is a tool developed by Brazil's National Center for Natural Disaster Monitoring and Early Warnings (Cemaden). This index is used to monitor and assess drought severity around the country. It harnesses multiple sources of information, including meteorological, hydrological and soil moisture data, to provide a comprehensive view of drought conditions in a given area. According to the IIS, as of December 2024, none of our offices or Espaço XP were located in regions of extreme drought.

Our goal

Reduce water consumption based on a 2020 baseline

Water consumption

GRI 303-5

	2022	2023	2024*
Total water consumption (m^3)	5.229	11.232	18.580

*The offices in São Paulo, Rio de Janeiro and Belo Horizonte, the Espaço XP in Brasília, Campinas and Faria Lima, and the offshore offices in Miami and New York were included.

Energy

GRI 302-4

In 2024, our total energy consumption increased due to the gradual return to in-person work, which naturally leads to higher energy use in office spaces, along with headcount growth. We also enhanced our energy consumption calculation methodology last year by incorporating data from our external offices in New York and Miami, and energy use by the seven Espaços XP.

The building housing our São Paulo office is certified to LEED (Leadership in Energy and Environmental Design)—one of the world's most recognized labels for sustainable construction. This means it complies with strict energy efficiency standards, including low-consumption lighting, motion sensors and advanced HVAC systems.

In Belo Horizonte, we continue using photovoltaic energy in the building's common areas. To offset 100% of Scope 2 emissions, we purchase International Renewable Energy Certificates (I-REC) for solar energy, ensuring traceability and confirming that our electricity comes from clean, sustainable sources.

When choosing technology service providers, such as data centers and cloud infrastructure, we prioritize those that adopt best practices in renewable energy use, conservation and energy efficiency.

Our goals

Reduce electricity consumption based on a 2020 baseline

100% of the electricity consumed in Brazil comes from renewable sources, based on the purchase of I-RECs

Energy consumption

GRI 302-1

Energy consumption from non-renewable sources

GJ	2024	%
Diesel	189.04	2.46
Aviation kerosene	7,506.73	97.54
Total	**7,695.77**	**100**

Energy consumption from renewable sources

GJ	2023*	2024
Purchase of wind energy	7.60	0.00
Purchase of solar energy	0.00	11.63
Total	**7.60**	**11.63**

*The historical data was updated to GJ for better alignment with GRI and to maintain comparability.

Internal energy consumption (GJ)

GJ	2022*	2023*	2024
Electricity	5,710.30	7,601.17	17,283.23
Total	**5,710.30**	**7,601.17**	**17,283.23**

*The historical data was updated to GJ for better alignment with GRI and to maintain comparability.

Total energy consumption

GJ	2022	2023	2024
Energy consumption from non-renewable sources	-	-	7,695.77
Energy consumption from renewable sources	-	7.60	11.63
Electricity	5,710.30	7,601.17	17,283.23
Total	**5,710.30**	**7,601.17**	**24,990.63**

Energy intensity

GRI 302-3

Our energy intensity rate was 3.36 in 2024. For the calculation, the denominator used was the total number of employees. We used the total energy consumed within the organization (including renewable fuel, non-renewable fuel and electricity).

Waste

GRI 306-1 | 306-2

Responsible waste management is a key pillar in easing environmental impact and optimizing resource use across our operations. Each site follows a rigid collection and monitoring process to ensure proper disposal and appropriate routing for recycling. At our São Paulo office, for instance, recyclable and organic waste is collected by 2A Sistema Ambiental, which is responsible for proper disposal. In 2024, 10% of all recyclable waste was donated to Cooperativa Crescer, a cooperative registered and licensed in the CTRE System. The remaining 90% was sent to recycling companies, in accordance with current legislation.

Waste is measured monthly based on the number of 10-liter trash bags used per floor. This volume is then converted into tons to standardize the data. Until 2022, only the São Paulo offices were included in the measurement. Since 2023, we have expanded the scope to include the Botafogo and New York units.

In 2024, the volume of waste generated increased due to the gradual return to in-person work. There was a proportional rise in the amount of waste directed for recycling, reinforcing the Company's commitment to proper waste disposal and the circular economy. No hazardous waste was incinerated.

Because packaging waste is not a material topic for us, we do not have a specific packaging waste management program. However, we do maintain a process for tracking this indicator. This year, we began using a digital platform to record waste data, which is reported monthly to the Risk, Credit and ESG Committee.

The waste generation intensity rate in 2024 was 0.06. For the calculation, the denominator used was the total number of employees. We considered the total volume of waste generated, in tons, across offices in São Paulo, Rio de Janeiro, Belo Horizonte, Miami and New York.

Our goal

Reduce solid waste generation based on a 2020 baseline

Waste generated and disposal

GRI 306-3 | 306-4 | 306-5

Total waste, by composition (t) | Non-hazardous

Destination	Classification	Type	Compositions (metric tons)	2022	2023	2024*
Recycling	Non-hazardous	Class 2A	Paper	39.25	51.88	93.88
Recycling	Non-hazardous	Class 2A	Plastic	26.84	34.18	65.26
Recycling	Non-hazardous	Class 2A	Metal	3.00	3.53	12.98
Recycling	Non-hazardous	Class 2A	Glass	1.51	2.55	5.79
Recycling	Non-hazardous	Class 2A	Mixed	-	-	1.38
Recycling	**Non-hazardous**	**Class 2A**	**Total recyclables**	**70.60**	**92.14**	**179.29**
Landfilling	Non-hazardous	Class 4	Organic	89.99	128.6	257.54
			Total waste volumes	**160.59**	**220.74**	**436.84**

*Espaços XP were not included as they are located in shopping centers, which manage their own waste independently.

Electronic Waste

We carry out reverse logistics and correct disposal of our electronic waste classified as environmentally hazardous, which consists of IT equipment, such as monitors, desktops, cables and others. Approximately 20 devices were donated to employees or direct third parties. To ensure proper disposal, we maintain a partnership with a Company specialized in electronic waste management. This Company purchases XP's obsolete equipment and uses the proceeds to donate native tree seedlings, which are sent to Instituto Refloresta, an organization focused on rehabilitating disturbed land.

2,218 kg directed to disposal through companies that meet social and environmental criteria

Waste generated and disposal

GRI 306-3 | 306-4 | 306-5

Total waste, by composition (t) | Hazardous

Destination	Classification	Type	Composition	2023	2024
Recycling	Hazardous	Electronics	Disposal and Sale (tons)	3.43	2.73
Recycling	Hazardous	Electronics	Donation (Equipment)	-	20
Recycling	Hazardous	Electronics	Leasing Contracts Returned (Equipment)	-	4,775



CORPORATE GOVERNANCE

In 2024, we completed a cycle of governance enhancement and the adoption of best practices in Risk and Compliance, strengthening transparency and the independence of our management.



Corporate Governance

In this reporting cycle, XP is in the initial phase of its operations as a regulated entity under Segment 2 of the Brazilian National Financial System, and is therefore subject to prudential regulation by the Brazilian Central Bank (Bacen). This segment includes financial institutions whose size represents between 1% and 10% of the Gross Domestic Product or that carry out internationally relevant activities.

In early 2024, the Central Bank approved a restructuring of our corporate organization, transferring the corporate control of XP to Banco XP, which became the group's lead entity before the regulator. It also approved a capital increase from R$ 1.61 billion to R$ 9.75 billion.

This concluded a cycle of changes that included enhancements in governance and the integration of processes in the Risk and Compliance areas—part of a strategic move to strengthen transparency and administrative independence. In a further milestone, our Board was restructured to have a majority of independent members, and we enshrined the rule that each Statutory Officer must be individually elected by the Annual General Meeting (AGM), thereby increasing their accountability to shareholders.

As anticipated in the previous report, we completed the transition of Bruno Constantino in mid-2024, who stepped down as CFO to focus exclusively on his role as a Board member. Victor Mansur was appointed as the new CFO.

To support the Board, we established two additional bodies: the Risk, Credit and ESG Committee and the Strategy and Performance Committee. See page 119 for each committee's responsibilities. We also expanded the remit of the Compensation Committee, which is now called the Compensation, People, Nomination and Governance Committee, and is tasked with broader oversight of talent management.

Ownership structure*

Shareholder	Total shares	Voting rights
XP Controll LLC	19.15%	70.43%
Free Float	80.41%	29.60%
Treasury	0.44%	-

*12/31/2024

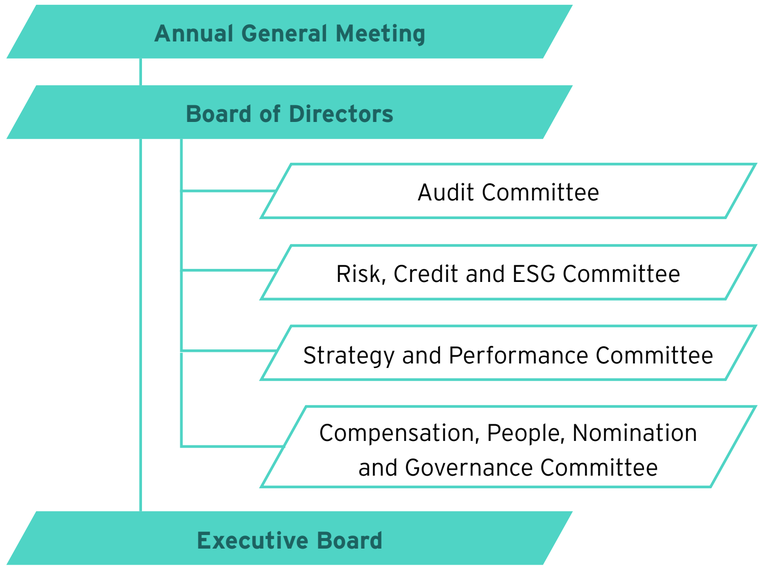




Governance Structure

GRI 2-9

Our governance system is guided by a framework of principles, policies and regulations anchored in market best practices. Through internal charters, decision-making bodies operate in a disciplined and cohesive manner, with clearly defined responsibilities and interrelations. A set of compensation, incentive and evaluation policies ensures that decision-making and monitoring mechanisms are aligned with the Company's long-term strategies.



General Meeting

This body is responsible for decisions regarding changes in the governance structure and medium- to long-term investments, and approving the Company's financial results and statements. Meetings may be regular –held annually– or extraordinary, whenever shareholders deem it necessary to convene. The minimum quorum for either type of meeting is the attendance of shareholders representing at least 50% of voting shares.

Board of Directors

GRI 2-10 I 2-11 | 2-12 | 2-17

With the restructuring ratified at the AGM in May 2024, our highest governance body expanded its oversight remit, increasing representation for non-controlling shareholders. Although the minimum requirement is three independent members, XP opted—based on best practices and investor relations—to appoint five independent members, resulting in a majority-independent Board. The remaining four directors, including the chair, do not hold executive roles within XP Group.

Board members are elected by a majority of XP Inc. shareholders at the general meeting. The recruitment process for new Board members was supported by an independent consultancy firm.

The Board meets at least quarterly to discuss strategy, the business plan and the annual budget. It also addresses potential changes in policies and other matters, including social, environmental and governance topics that are part of our strategic agenda. Meetings are attended by the CEO of XP Inc. and the CEO of Banco XP as guests, meaning decisions can be taken and delivered faster.

One year after the Board's restructuring, the new composition reflects the strengthening of the body's core responsibilities: guiding long-term strategies, advising management and leadership, safeguarding and enhancing XP's culture as the Company grows and evolves, and ensuring consistent succession planning.

In 2024, 13 meetings were held, most with 100% attendance by Board members (with an average attendance rate of 99.15%).

Board Independence and Diversity

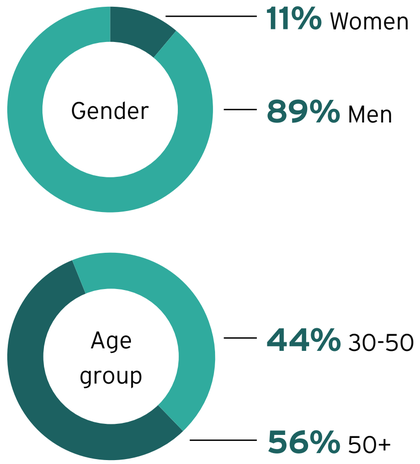
GRI 405-1

In 2024, our Board of Directors underwent a transformation, increasing the number of independent members, who now represent 55.5% of the total. This change also aligned with our new Board Diversity Policy, which establishes the guideline that the Board must include at least one woman and one member from an underrepresented minority group. This goal is reflected in the current Board composition.

The new members brought valuable contributions to help us cut through complexity. The attributes they bring include expertise in key areas for our future, such as risk management, retail banking, talent management and diversity and inclusion.

Diversity of Governance Bodies in 2024

Board of Directors



5 independent members

4 non-executive directors

1 woman

1 member of an underrepresented ethnic group

Board of Directors' members

In accordance with governance best practices, Board members are elected individually at the Annual General Meeting (AGM) for a two-year term. Although the chairman is not an executive, he is not independent either and performs roles distinct from the CEO. Board members are elected and re-elected on an individual basis each year.



Guilherme Benchimol

Chairman of the Board*



Bruno Constantino

Member*



Gabriel Leal

Member*



Bernardo Amaral

Member*



João Roberto Teixeira

Independent member



Melissa Werneck

Independent member



José Luiz Acar Pedro

Independent member



Oscar Rodriguez Herrero

Independent member



Martin Escobari Lifchitz

Independent member

*Non-executive directors

Guilherme Benchimol | Chairman of the Board*

Founder of XP Group, he served as CEO for 20 years, until 2021, and as Chairman of the Board since 2019. At XP, he defined the bank's mission, consolidated its culture, and established the structure that drove its growth.

Bernardo Amaral | Member*

At XP Group since 2007, he served as CRO, and has been a Board member since 2019.

José Luiz Acar Pedro | Independent member

Held senior leadership roles in the banking sector, including serving as Chairman of the Board of Banco Safra, as well as acting as a Board member for several organizations. He also served as Vice President of Febraban and as President of the Brazilian Institute of Investor Relations (IBRI).

Bruno Constantino | Member*

More than 26 years of financial industry experience. He joined XP Group in 2012, serving as CFO until 2024. He has served on the Boards of Directors of multiple companies.

João Roberto Teixeira | Independent member

Has an extensive track record in the financial sector and was CEO of Copersucar S.A. and Banco Votorantim S.A. He also has broad experience as a Board member of corporate and social organizations.

Oscar Rodriguez Herrero | Independent member

Brings over 27 years' international experience in risk management, private equity and strategic consulting within financial services companies. He held the position of CRO for Santander's Global Wholesale Banking Business and was a member of Nubank's Risk Committee.

Gabriel Leal | Member*

At XP Group since 2006 and on the Board since 2019. Held various executive positions within the group until 2023, having built the current distribution channel.

Melissa Werneck | Independent member

Executive Vice President and Global Chief Personnel Officer at The Kraft Heinz Co. since 2013, she has built a national and international career dedicated to People Management and the promotion of Diversity & Inclusion. She also served on the Board of the Kraft Heinz Foundation.

Martin Escobari Lifchitz | Independent member

Board member at XP Group since 2019 and an independent member since 2023. Actively involved as an investor focused on innovation, he serves as Vice President at General Atlantic. He has held positions in various companies within the financial and technology sectors and has extensive experience as a corporate Board member.

*Non-executive directors

Committees

Audit

Composed of three independent members, the committee meets quarterly. It is responsible for assisting the Board in overseeing the quality and integrity of XP's Financial Statements and internal controls, as well as preparing reports to comply with Securities and Exchange Commission (SEC) regulations, among other duties. It is in charge of managing external audits, producing Financial Statements, overseeing disclosures, and addressing other matters related to Risk Management and Compliance, including quarterly reporting to the Board of Directors and conducting Internal Audit activities. It holds monthly meetings with various departments of the bank and monitors the quarterly reports submitted by the Risk Committee to the Audit Committee. The committee regularly communicates critical concerns to the Board, makes recommendations to XP Inc.'s departments, and monitors their implementation. It is also responsible for overseeing compliance matters, the confidential Whistleblowing Hotline, the evaluation of related-party transactions and other topics required by law.

Risk, Credit and ESG

Responsible for supporting the Board in overseeing, reviewing, and managing risk-related policies and practices, the committee is tasked with monitoring the bank's critical areas. It is in charge of tracking and reporting to the Board on activities related to credit, market, and liquidity, as well as risk management. It supervises internal control systems and financial risk compliance, in conjunction with the Audit Committee. It is also responsible for ensuring procedures related to ESG, Climate, and Cybersecurity are in place. In addition to ensuring compliance with the ESG strategy, it monitors the progress of indicators, targets, and projects, evaluates the adherence to and effectiveness of actions implemented to fulfill ESG policies and strategy, and oversees regulatory compliance related to the subject. It also defines, in coordination with the Audit Committee, the bank's risk appetite. Meetings are held quarterly.

Strategy & Performance

Composed of three members who meet as needed, this committee assists the Board in fulfilling its oversight responsibilities regarding the development and implementation of business strategies, as well as directly monitoring and evaluating the progress of these strategies. Appointed for two-year terms, members are tasked with reviewing the business plan, budget, company capital structure, and significant matters related to capital, organizational structure, and new business initiatives.

Compensation, People, Nomination and Governance

With three members who meet as often as necessary, this committee supports the Board in matters related to executive and employee compensation and hiring, including implementing compensation and benefits policies, stock-based compensation plans, and processes for recruitment, development, promotion, and retention. It oversees executive director nomination processes and corporate governance practices. It is responsible for assessing risks related to human capital, people management, clawback procedures, succession processes, leadership development, and diversity programs. The committee is also in charge of reviewing the Code of Conduct and incorporating best practices, among other activities.



Executive Board

GRI 2-13

Composed of 12 members, including the CEO, officers and partners, the Executive Board is responsible for implementing the strategies and guidelines set by the Board of Directors, and managing and monitoring institutional policies. It is also tasked with implementing business strategy and ensuring the creation of sustainable value for the Company and its stakeholders.

Members of Executive Board



Thiago Maffra

CEO XP Inc.



José Berenguer

CEO Banco XP



Cristiano Ayres

Banking Products Officer



Fabrício Almeida

Legal, Compliance and ESG Officer



Guilherme Sant'Anna

Channels Officer



Gustavo Pires

AMS and Security Officer



Leonardo Cardoso

CRO



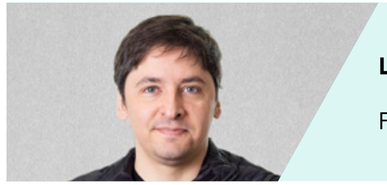
Lisandro Lopez

CMO



Luiza Ribeiro

People Officer



Lucas Rabechini

Financial Products Officer



Marino Aguiar

Technology, Operations and Customer Service Officer



Victor Mansur

CFO

Senior Management Compensation

GRI 2-19 | 2-20

The compensation model for the members of the Board of Directors and the Executive Board is defined in XP's Compensation Policy. The Board of Director's annual compensation includes a base amount for all members, with different weights for independent and non-independent members, and additional compensation for those who also chair or serve on the Audit and Compensation Committees.

The Executive Board's compensation, in turn, is indexed to a set of goals related to short-term financial performance and another set indexed to the long-term health and sustainability of the business. Resolutions on this topic fall under the responsibility of the Compensation, People, Nomination and Governance Committee.

Performance Assessment of Governance Bodies

GRI 2-18

The Board of Directors is continuously evolving and adapting, as reflected by its restructuring in 2024 and the creation of dedicated committees to support the Board on key matters. As part of the improvement process, Board members conduct an annual self-assessment, coordinated by the Audit Committee, to identify, rank and evaluate how their performance impacts the organization's economic management, environmental practices and people.

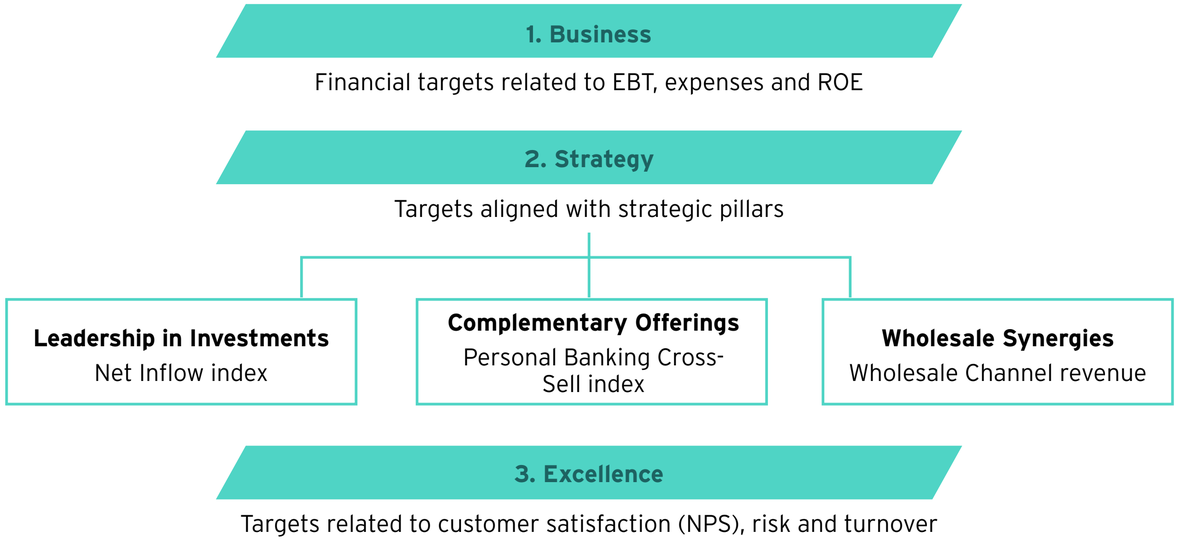
Once the self-evaluation cycle is complete, the directors meet to discuss opportunities for improvement and, when appropriate, the realignment of both composition and organizational practices.

Clawback Policy

Since November 2023, the Company follows a compensation recovery policy in compliance with new SEC and Nasdaq regulations. According to the policy, specific executive compensation may be subject to clawback in the event of a restatement of financial information resulting from a material breach of financial reporting requirements.

CEO Compensation

To define the CEO's variable compensation, we adopt corporate performance indicators relevant to our long-term strategy. The CEO's goals are broken down into specific goals for each officer serving on the Executive Committee and, from there, for Company departments, be they business or supporting areas. Goals are classified into three groups:



ESG Governance

The management and oversight of our ESG agenda and social, environmental and climate risks are overseen by the highest bodies within XP's corporate governance structure. Activities are integrated around the Board of Directors and the Executive Board. ESG is a regular item on the agenda of both bodies. In 2024, the creation of the Risk, Credit and ESG Committee, reporting to the Board of Directors, more broadly integrated ESG into XP's governance processes.

The Legal, Compliance and ESG Executive Office supports the Board of Directors and executive leadership in decisions related to the Social, Environmental and Climate Responsibility Policy (PRSAC) and is the party responsible before the Brazilian Central Bank. This role reinforces our commitment to managing Social, Environmental and Climate Risk (RSAC) in an integrated manner, alongside other Company-managed risks. Brazilian regulators have also established specific requirements, by industry segment, for ESG governance, with which we are also in compliance.

With the 2024 update of the PRSAC, we began managing our material topics (see page 9) under the scope of the policy, strengthening governance. We also expanded our internal regulation with the release of three new policies: Board of Directors Diversity, Human Rights, and Financial Education and Vulnerable Clients.

See below the responsibilities of each governance body involved in advancing our ESG agenda, and an organizational chart outlining the decision-making structure of ESG governance.



Board of Directors

Monitors the progress and major initiatives related to ESG and social, environmental and climate risks. Learn more about the Committee on page 119.

Risk, Credit and ESG Committee

Monitors ESG-related actions and receives semiannual reports on the development of the strategy across the organization. Learn more about the Committee on page 119.

Audit Committee

Advises the Board of Directors on defining, implementing and monitoring the ESG strategy. Receives semiannual reports on ongoing topics. Learn more about the Committee on page 119.

Social, Environmental and Climate Commission

Monitors exposure to these risks, resolving the definition of exposure limits and risk appetite. Tracks management indicators and compliance with industry regulatory and self-regulatory standards. It discusses, resolves and approves policies and procedures related to risk management, prohibited or sensitive sectors, climate risk management in the portfolio and climate transition plans. It monitors progress toward targets and helps deepen the integration of ESG factors into decision-making and business processes.

Credit Decision Committee

Responsible for approving credit limits and transactions, including resolutions on credit risk arising from social, environmental and climate-related events. It inputs RSAC assessments into decision-making.

Corporate Initiatives Committee

Resolves requests for the implementation of new strategic projects, including but not limited to new products and services, and decisions regarding the creation of new businesses, platforms, channels and experiences, taking into account ESG factors and Social, Environmental and Climate Risk, among other things.

Credit Product Distribution Committee

Ensures effective credit risk assessment and monitoring for the selection and subsequent tracking of securities eligible for client allocation. This involves a fundamental analysis of private bond issuers and the assessment of their collateral structures and/or payment sources, also considering RSAC evaluations.



Compliance

GRI 2-23 | 2-24 | 2-27 | 3-3

Compliance and the promotion of ethical conduct are coordinated and managed centrally by Compliance, with support from senior management. They aim to foster an ethical and transparent organizational environment. All rules are clearly defined and accessible to all. In 2024, we strengthened our internal controls and enhanced our compliance practices in alignment with financial sector standards. We formally introduced new public policies to complete the framework of conduct and transparency standards that guide our activities (Board Diversity, Human Rights and Financial Education).

Everyone involved in our operations—from frontline staff to the Board of Directors, independent agents and suppliers—are subject to our Code of Ethics and Conduct. The principles outlined in this document are the foundation that props up our internal culture of compliance with laws, regulations and sound business practices. Its guidelines establish the standards for ethical conduct across all our activities and relationships. It defines behaviors for preventing and combating illicit practices, ensuring information confidentiality and addressing conflicts of interest.

The rules set forth in the Code shape our Compliance Policy, which establishes disciplinary measures for non-compliance with the outlined guidelines. They are complemented by a set of specific policies that all our employees and partners must fully adhere to. These policies cover Anti-Money Laundering and Counter-Terrorism Financing (AML/CTF), Anti-Corruption, Human Rights, Conflicts of Interest and Social, Environmental and Climate Risk.

Approved in 2024, our Human Rights Policy consolidates the main actions and processes to safeguard fundamental and universal rights, ensuring that all individuals are respected regardless of their origin, beliefs or traits.

More than 60 professionals are assigned to technical groups within Compliance, which is responsible for formalizing procedures, internal controls, monitoring policy obedience, auditing and conducting due diligence in cases of irregularities. These professionals also lead employee and service provider training programs and regular communications on the subject, helping to foster a culture of compliance across our network.

The Code of Ethics and Conduct and other policies are approved by the Board of Directors and provide for processes to identify and mitigate risks in our different interactions and relationships. These processes are managed and audited periodically.

Remediation Mechanisms

We have internal processes in place to prevent and address illicit or suspicious activities through proprietary systems that monitor operations and continuously supervise employee activities. If involvement in practices such as corruption, bribery or money laundering is identified, the case is escalated to the Ethics Committee. Those involved are subject to disciplinary measures and/or penalties, as applicable, which may include fair dismissal or removal from managerial roles. The right to a defense is guaranteed before any penalty is imposed.

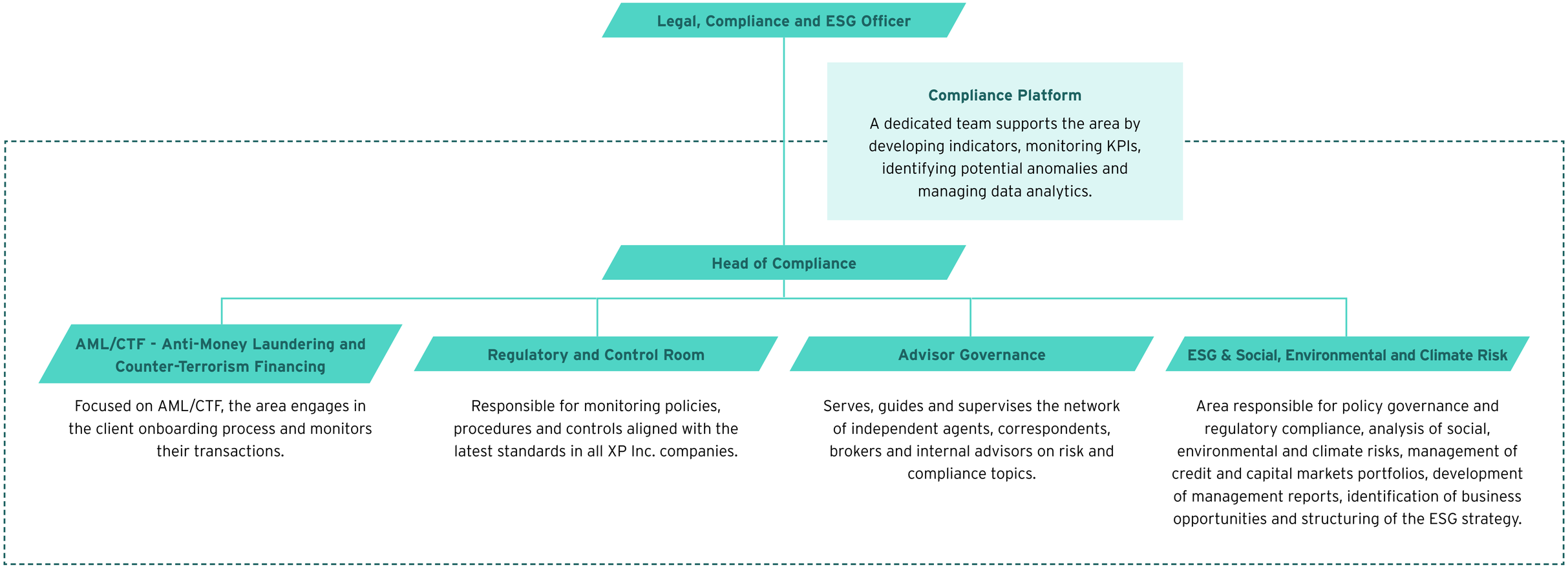
Every two months, members of the Ethics Committee, Board of Directors and Audit Committee receive reports with statistics on reported cases, involved departments and recurrence rates. When internal factors are identified as contributing to substantiated cases, the responsible teams promptly implement remediation measures such as setting up internal commissions, communication plans, consequence management actions and training sessions.



Find out more

Compliance documents and policies are public and available at www.xpi.com.br/compliance/.

Compliance Framework



Compliance Platform

Responsible for supporting all Compliance areas and Legal in a cross-functional manner, the Platform provides technology-driven solutions for the development of methodologies, creation and maintenance of indicators and KPIs, and conducts smart monitoring to identify potential anomalies in daily transactions.

The system behind our proprietary compliance platform (BUDEX) features more than twenty internal sources of transactional, onboarding and reputational data from customers and investment advisors, as well as APIs from external bureaus to capture historical information from customers, creating mathematical models for assigning risk scores.

It thus provides simple and intuitive data to the Compliance and Legal teams, enabling a holistic analysis of client onboarding, reputation and transactions, while building a solid data foundation for decision-making.

Constantly improving, the tool supports the units in the centralized management of risks associated with non-compliance with codes, policies, laws and regulatory frameworks. Among the monitored topics are anti-money laundering, social, environmental and climate risk, and behavioral monitoring of investment advisors.

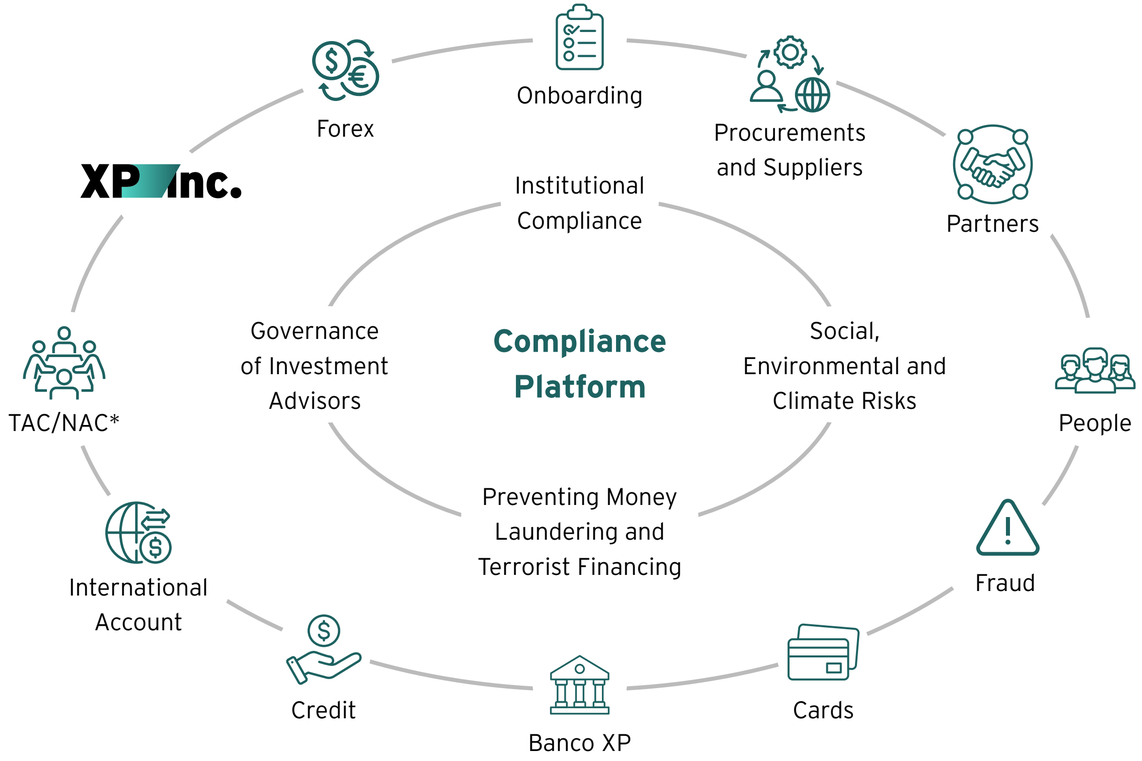
The system includes a dedicated module for Social, Environmental and Climate Risk, connected to XP's client database and to external data bureaus that provide information on sensitive issues such as inclusion on restricted lists for forced or compulsory labor, embargoed areas, illegal deforestation, contaminated sites, and indigenous or *quilombola* territories. It also monitors adverse press related to social, environmental or climate issues, as well as legal and administrative proceedings on these matters.

Business areas and processes embedded in the Compliance Platform

100 million+
pieces of information to populate compliance controls each month

R$ 200 million+
saved with rating generation and prevention of illicit activities and operating efficiencies

3+ terabytes of data
used in the analysis processes



*TAC = Transaction Approval Committee | NAC = New Activities Committee

Whistleblowing Hotline

GRI 2-16 | 2-26 | FN-CB-510a.2 | FN-AC-510a.2 | FN-IB-510a.2

Our Whistleblowing Hotline is open to anyone who interacts with XP, including the general public. The system receives and handles reports of violations of the Code of Ethics and Conduct, laws, regulatory norms and our internal policies. Reports are kept confidential and can be submitted either anonymously or personally.

Those involved in receiving, investigating and deciding on such reports are required to protect the confidentiality of the information and the whistleblower's identity. Our policy ensures that no individual will face retaliation for filing a report or disclosing misconduct to the Company or for cooperating with an investigation. Failure to comply with this rule results in disciplinary action, including possible termination.

All reports are analyzed and investigated. After investigation, the cases are discussed by the internal committee if any irregularity is identified that requires the application of disciplinary measures. Every two months, Compliance reports the volume and the details of cases received and handled to the Ethics Committee and the Board of Directors.

In mandatory and regular training sessions on the Code of Ethics and Conduct, employees are informed about the Whistleblowing Hotline procedures.

Whistleblowing Hotline

24/7 Online Access

www.canalconfidencial.com.br/xpinvestimentos

Call center

0800 721 0744 | Monday through Friday, from 9:00 am to 5:00 pm.

Assistance provided in English and Portuguese.

Fighting Discrimination and Harassment

GRI 2-16 | 406-1

The Code of Ethics and Conduct prohibits any type of discrimination and psychological and sexual harassment and encourages the use of the Whistleblowing Hotline when any person in our network has had their dignity violated. The hotline is managed by Compliance, which maintains a formal reporting mechanism to inform senior management about the reports received. Reports are submitted bimonthly to members of the Ethics Committee, as outlined in its Terms of Reference, and to the Company's Board of Directors. They include the total number of cases received and analyzed, the actions taken and a detailed breakdown of critical cases.

In 2024, two cases of discrimination were recorded and classified as substantiated. Both occurred outside XP's environment, involving B2B investment advisors who were promptly notified. Additionally, five cases of harassment were recorded and classified as substantiated—two originated in B2B advisory offices, and three were reported by employees.

All notifications were investigated and closed within the year. In the case of the investment advisors, the consequence management measure applied was contract termination. Internally, the substantiated employee cases resulted in dismissal for cause.

Client Feedback and Complaints

In our relationship with clients, the Ombudsman Office is responsible for addressing and forwarding issues received through our various communication channels. Once reviewed, the relevant XP department is contacted to provide information that supports a clear and complete response. The maximum resolution time is 15 days. In 2024, 100% of the 23,860 requests received were addressed and responded to.

They are consolidated monthly and taken to customer forums, serving as a basis for the adoption of improvement plans for processes, products and services. Complaints submitted through the Brazilian Central Bank, the Consumidor.gov.br portal and other channels follow the same process.

Improvements in our service processes led to an increase in internal Service Level metrics (+26%) and a reduction in Average Response Time (ART) (-17%). These results positively impacted XP Group's position in the Central Bank's Complaints Ranking, moving from 10th to 31st place among the institutions with the most complaints—a more than 50% improvement in the score.

Our Ombudsman Office participated in 37 meetings with industry associations and regulatory bodies in 2024.

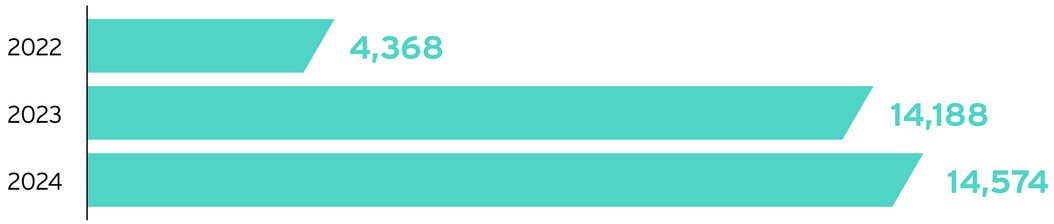
Complaints registered in 2024 – by channel

FN-CB-510a.2 | FN-AC-510a.2 | FN-IB-510a.2

Channel	Total
Internal channels (0800 and Ombudsman Office Form)	11,406
Consumidor.gov	4,279
CVM and/or Bacen	5,603
Consumer Protection Services	1,810
Other channels	762
Total	**23,860**

History of requests received

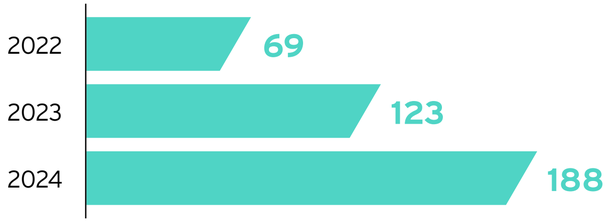
XP



Banco XP



XP Vida e Previdência



Contact our Ombudsman Office

0800 722 3730 (Monday to Friday, from 9:00 am to 6:00 pm)

www.xpi.com.br/ouvidoria

Compliance Culture

GRI 205-2 | 410-1

As we do every year, we reviewed 100% of the training programs provided to XP Group employees to ensure they remain up to date and aligned with market best practices and current regulations. As in the past three years, we achieved 100% training coverage of active employees.

XP Group training programs are developed internally by the Compliance team in collaboration with other relevant departments, such as Information Security and Legal. There are at least two training opportunities each year: onboarding and Annual Refresher. During onboarding, new employees have a 45-day window to complete their training. If they fail to meet the deadline, their system access is automatically blocked.

As a result, training completion for employees who joined in 2024 reached 100%. For the annual refresher, employees who joined the Company by December 31 of the previous year are included. We also reached 100% completion for this group, except for 72 employees who were on medical leave during the campaign. Training is administered through an online platform, with a content retention test and a certificate issued at the end.

The annual training routine is mandatory for all professionals, including executives and senior management. Failure to meet the deadlines set by Compliance for completing the training triggers Consequences Management measures, as defined by the Conduct Score, a key XP Group indicator to raise employee awareness.

Required training

- Anti-Corruption and Compliance Procedures
- Code of Ethics & Conduct
- Sexual and Psychological Harassment and Confidential Channel
- Personal Investments
- Suitability
- Prevention of Money Laundering and Terrorist Financing (AML/CTF)
- Information Security and the General Data Protection Law (LGPD)
- Financial Risks and Risk Management, including Social, Environmental and Climate Risks
- Circulation of Information
- Reputation and Social Media
- Occupational Health and Safety

Professionals working in specific business areas such as Investments and Foreign Exchange are required to have a series of certifications. Suppliers, including outsourced security personnel, are provided the Integrity Booklet, reinforcing awareness of compliance and human rights among service providers. This material is part of the supplier validation process.

Compliance Week

The 2024 Compliance Week was held from October 21 to 25, for the first time in a hybrid format. Throughout the week, XP Group's Compliance teams hosted four live streams and two in-person events, totaling more than nine hours of live content. The central theme was “Compliance as a Trust Factor,” emphasizing the synergy between Compliance and business areas. Topics included the role of the lines of defense, ESG in the financial market, betting regulation for financial institutions and CVM Resolution 179 on compensation transparency. The campaign encouraged employees to update their records and participate in mandatory annual training, with over 3,400 participants in the events and more than 5,000 employees trained.



Conduct Score

GRI 404-1

A key indicator for consequences management measures, the Conduct Score is implemented by Compliance. The tool aligns with the Company's growth strategy by tracking the quality of services and products offered to end clients and giving leadership a reference point for employee alignment with XP's culture. One of the main goals of the Conduct Score is to comply with regulations on financial misconduct, which require monitoring of employees within financial institutions.

Any violations identified (such as advisor supervision, monitoring of personal investments, Whistleblowing Hotline or abusive market practices) are referred to the responsible departments. If deemed substantiated, consequences management measures are applied, ranging from guidance to formal warnings of varying levels. Individually or combined, these measures may result in reductions to variable compensation or even termination, fairly or unfairly.

Total and average number of hours of compliance training per year, per employee*

	2024	
	Total hours	Average hours
Total	22,107	3

* Mandatory training for all employees.

Advisor Governance

Our network of investment advisors, insurance and pension brokers, and banking correspondents is subject to the same obligations as our employees with regard to capital market rules, internal policies and the procedures outlined in the Code of Ethics. These commitments are consolidated in the Investment Advisors' Code of Ethics and Conduct. The document defines behavioral standards and practices to resolve conflicts of interest, guarantees the security and confidentiality of information and promotes practices to prevent and combat illicit activities.

We have a dedicated team that closely monitors the activity of these professionals—from onboarding to ongoing oversight of partners and employees performing these functions. The Advisor Governance Team is responsible for ensuring regulatory compliance across XP Inc.'s financial and investment product distribution channels, whether through third-party investment advisors (B2B), employees acting as investment advisors (B2C), insurance and pension brokers or banking correspondents.

B2B (Business to Business) means product distribution by a representative of XP, i.e., an external advisory firm. B2C (Business to Consumer) means product distribution by an internal employee who also serves as an advisor.

The Investment Advisor Compliance Manual provides our network members with all policies and guidelines governing the companies and professionals who serve our clients. Adherence to the manual is formalized at the time of establishing a contractual relationship.

The Advisor Governance team identifies atypical events in the operations and services provided to clients by advisors using data and analyses, and monitors, audits and performs due diligence to ensure compliance with good business practices. When applicable, alerts are issued to Compliance teams and punitive measures adopted. It also works to raise awareness, train and guide professionals.

The Advisor Governance Team is structured into four areas

Onboarding & Partner Maintenance

Onboarding & Partner Maintenance

Consists of assessing the reputational risk that distributors may pose during the course of their relationship with XP.

Education and Communications

Responsible for guiding, training, and clarifying queries related to the Investment Advisory, Insurance Brokerage and Banking Correspondents activities, through the dissemination of market regulations and our internal policies.

Regulatory Alerts, Indicators & Investigation

Uses data analytics to identify atypical events in operations and services provided by Investment Advisors in relation to their clients.

Communications Monitoring

Applies forensic investigation practices to ensure compliance with fair commercial conduct, capital market regulations and XP's internal policies.

In addition to ongoing improvements and the implementation of new controls, in 2024 the Advisor Governance department also intensified oversight of commercial relationships across channels to ensure a fair, ethical and competitive environment.

Investment Advisor Training

We provide intensive learning support to our network of investment advisors across technical, commercial and regulatory areas of expertise. Full completion of compliance training is a mandatory requirement for candidates to gain access to our internal tools.

Training covers the following topics: Preventing Money Laundering and Terrorist Financing; Information Security and Protection of Clients' Personal Data; Social, Environmental and Climate Risk; Advisors' Conduct on Social Media; Rules on the Intermediation of Financial Products; and Advisor Compensation Transparency.

In addition to the training completed during onboarding, these topics must be fully reviewed by advisors each year to refresh their knowledge. All training requires the full viewing of videos, completion of all presentation steps and answering of questions to test understanding of the content. Training is only considered complete if 70% of the questions are answered correctly.

Governance and Integrity Label

We developed an investment advisory office qualification program to mitigate possible risks and engage the network of advisors, on an ongoing basis, in legal compliance and compliance with the rules, internal policies and guidelines of XP. In 2024, 8,848 advisors were trained (63% of the network).

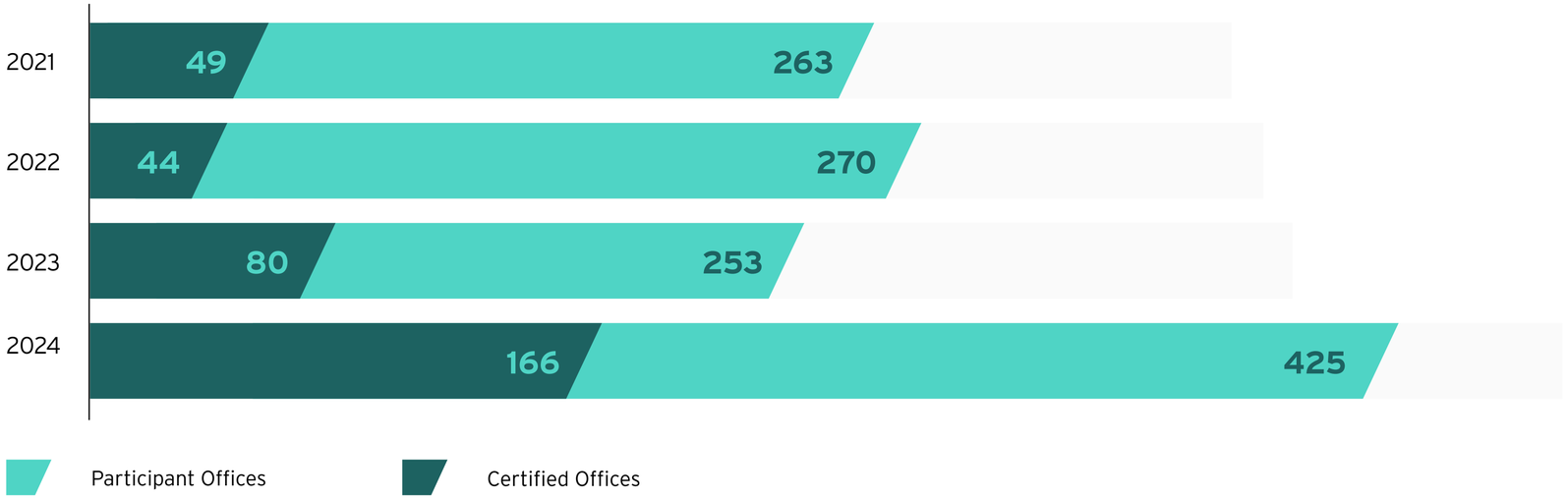
Following the periodic assessment of advisors, the initiative grants a certification label to those who demonstrate strong performance in the following criteria:

- Internal controls and best corporate governance practices (self-assessment).
- Integrity in activities and relationships in the 12 months prior to the assessment carried out by Compliance.
- Engagement in the training carried out (presence and grades from advisors in assessments).



166 Governance and Integrity labels awarded to partner offices in 2024

XP Network Training – Compliance Progress



Preventing Money Laundering and Terrorist Financing

GRI 2-25 | FN-CB-510a.2 | FN-AC-510a.2 | FN-IB-510a.2

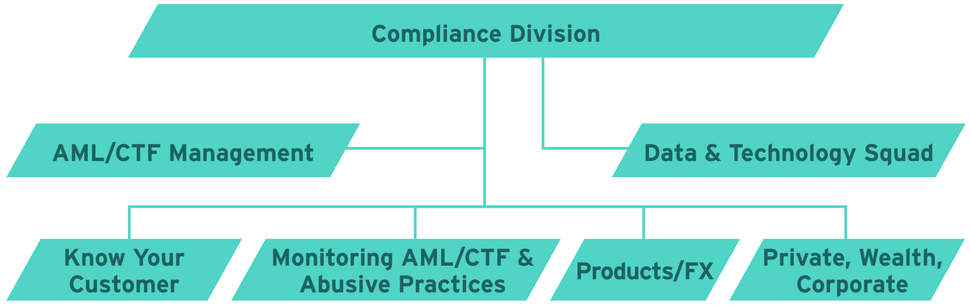
XP has developed and implemented Policies and Procedures based on a Risk-Based Approach (RBA), in which higher-risk relationships are subject to enhanced due diligence (EDD). The procedure includes special analyses and monitoring, and its approval or continuation is determined by designated approval levels. These range from Committees to the AML/CTF Committee, an executive body with meeting frequency, members, quorum, responsibilities and formalization defined in its Terms of Reference.

The appointment of the AML/CTF Committee is the responsibility of the Statutory Officers in accordance with the Anti-Money Laundering, Counter-Terrorism Financing and Proliferation of Weapons of Mass Destruction Policy (AML/CTF Policy). The committee meets every two months and regularly reports on the highest-risk situations identified by the cells that make up the AML/CTF Department.

The AML/CTF Department reports to the Compliance Division and is subdivided into four units: Know Your Customer (KYC), Products/FX, Monitoring AML/CTF & Abusive Market Practices, Private/Wealth & Corporate. Their joint efforts cover all processes aimed at mitigating the risks inherent in business relationships necessary for XP's activities, products and services.

Responsibilities include: ensuring compliance with applicable laws, regulations and standards; knowing clients, suppliers and business partners; identifying the ultimate beneficial owners of relationships with Group companies; continuously monitoring transactions and suspicious activities; promoting the AML/CTF culture through mandatory training and consequences management; and ensuring compliance with updates to Restrictive Lists, Sanctions, Politically Exposed Persons (PEPs) and adverse media.

Structuring AML/CTF



The monitoring process we adopt, grounded in the Risk-Based Approach (RBA) methodology, is integrated into the operational systems of our companies. There are specific classifications for operations based on rules and parameters established for each product or service (checking account, foreign exchange, investment funds, fixed income, variable income, derivatives, credit, among others).

The system is managed by the Data and Technology team. Using data analysis techniques, automated screening processes and machine learning, the system tracks suspicious patterns of financial activity, unusual behavior and atypical transactions, and issues alerts to the Compliance team. Whether these operations proceed and/or are reported to regulatory authorities is determined by various escalation levels, based on the identified risk.

For sensitive transactions, we increase the scope of review to detect atypical activities and irregular practices. In the AML/CTF system, high-risk products undergo enhanced due diligence, such as in Foreign Exchange, Credit and Derivatives transactions. If signs of illegal activity are identified, the risk treatment and mitigation measures may include termination of the relationship, listing of the individuals in restrictive databases and notification to the Financial Oversight Authority (COAF).

All Group departments receive regular training on the subject through annual training and continuous refreshers for commercial areas directly involved in Know Your Customer (KYC) procedures. AML/CTF processes also extend to our network of independent advisors from XP-accredited offices.

AML/CTF Intelligence Unit

As part of the AML/CTF Program, we have a Working Group created to guide the ongoing review of AML/CTF Policies and Monitoring Mechanisms, ensuring improvements in parameters, assessment criteria and the risk-based methodology, so that the team and the topic are constantly evolving at XP. The working group includes one member from each AML/CTF subunit—Know Your Customer, Monitoring, Products and FX—and one from the Data Squad. In parallel to their regular duties, the teams bring their Risk perspective to the Intelligence Unit.

The Intelligence Unit's structure underwent several improvements in 2024, which contributed to streamlining processes and increasing security in onboarding corporate and individual clients, simplifying overall client portfolio management.

Anticorruption Practices

GRI 205-1 | 205-2

As part of the Compliance Program, we evaluate the reputation of everyone involved in business with Group companies, including customers. The objective is to avoid discrediting situations in terms of reputational, competitive, socio-environmental risk and corruption.

The Code of Ethics and Conduct, the Anti-Corruption Policy and other Company policies establish clear rules for combating bribery, kickbacks, extortion and other forms of corruption. The policies apply to XP Inc.'s companies and subsidiaries, and to all individuals and entities that have business or employment relationships with our companies.

Among the determinations, employees must comply with rules for receiving gifts, sponsorships, participation in external events and relationships with the Government, and receiving any improper invitations that could be characterized as bribery and corruption are prohibited.

In compliance with Brazilian law, the US Foreign Corrupt Practices Act, and the UK Bribery Act, among others, we also carry out work to assess corruption risks in the Know Your Customer (KYC), Know Your Employee (KYE) and Know Your Partner (KYP) reputational analysis flows and in evaluating relationships with politically exposed people.

Likewise, operations involving public entities are evaluated and monitored within money laundering prevention flows. The data is reported to regulatory bodies. All our operations underwent corruption-related risk assessments, and there were no cases involving XP Group in 2024.

Every year we reinforce the anti-corruption topic as part of the regulatory training track, so that employees, investment advisors and professionals from partner offices are periodically trained on these issues. In 2024, 100% of employees participated in this training program. We also strive to raise awareness via communication campaigns, including communications on regulatory issues, awareness capsules and reinforcement of guidance.

Throughout the year, 100% of the Board of Directors' members and all our employees in Brazil and abroad received training and were informed about the anti-corruption policies and procedures adopted by the organization.



Conflicts of Interests

GRI 2-15

Everyone at XP is aware of our Conflicts of Interest Policy, which defines rules that must be observed by all executives, employees and investment advisors. To ensure compliance, we supervise employees' personal investments, carry out due diligence in partner offices, conduct reputational analyses and promote an annual campaign to update the Know Your Employee Form.

Through the Personal Investments Policy, we inform employees of the rules that govern this practice. The policy's tool regularly evaluates the portfolio and alerts advisors about any misalignment with the investor's profile. Whenever a conflict is detected that could compromise business integrity, the counterparties involved in the transactions are informed, so we can uphold the highest levels of transparency and ethics with our business partners. Depending on the sensitivity and risk associated with the identified conflict of interest, the cases are submitted for review and evaluation by our Ethics Committee.

Suitability

FN-AC-270a.3

Through a questionnaire completed by the client, we conduct the suitability process during account opening and review of onboarding information. This includes gathering data on the client's financial situation, assets and regular income. Based on this information, we identify and classify the investor's profile, assigning risk scores: conservative, moderate or aggressive, according to Anbima rules and CVM Resolution 30/2021, thereby determining which products to recommend to them.

Clients can update the questionnaire at any time. Furthermore, we periodically re-evaluate product recommendations and maintain a public Suitability Policy that explains, step by step, our analysis methodology. Learn more about the Policy on the XP website.

The suitability process includes innovative tools developed by XP to simplify, reduce risk and provide confidence in the client's investment experience.

The XP Gênio tool (Portfolio-Based Suitability) gives investors the freedom to choose their investments with greater risk control by evaluating the portfolio and issuing alerts to advisors whenever there is a misalignment with the investor's profile. The client is thus always aware of what the risk to their portfolio is and how much the risk increases or decreases when making a movement. In practice, the tool assigns a score ranging from 1 to 100, taking risk factors into account, without disregarding the minimum criteria established in CVM Resolution 30/21. There is an extra advantage in that the tool also allows profile customization, providing a diversified portfolio that is more suitable for each investor. Learn more about the suitability system in the Client-Centricity chapter (page 61).

Matcher XP allows offices to specify the traits they are seeking in an advisor, and the system connects them to the most suitable profiles. The goal is to resolve one of the primary challenges faced by financial offices: hiring qualified professionals.

Tax Approach

GRI-207-1 | 207-2 | 207-3 | 207-4

We are committed to ensuring accuracy, compliance and proper tax reporting to the tax authorities, in all our geographies, including offshore units.

The area is composed of a multidisciplinary group of specialists, who answer to the Oversight Board. This body validates the guidelines, which must be followed across all products and services and by the different business lines. The team is constantly updated and monitors and discusses key tax issues that may impact XP Group's companies.

We hold regular meetings with internal and external stakeholders to review and adjust our tax strategy, prioritizing transparency and cooperation with tax authorities. To this end, we actively participate in associations that discuss public policy topics with significant social and economic impact on the sector.

We annually submit the Country-by-Country Report in compliance with the information required by legislation and regulations issued by the Brazilian Tax Authorities, especially Normative Directive 1681/16. This report includes all data required by international best practices related to XP Group's operations through its international structure, actively cooperating with local tax authorities to promote greater tax transparency in each jurisdiction and to support global tax revenues.

In our social projects related to sports, culture and technology, we use tax incentive laws that allow a portion of income tax to be allocated to these initiatives, among others.

Monetary Losses Resulting from Legal Proceedings

FN-AC-510a.1 | FN-IB-510a.1 | FN-CB-510a.1

In 2024, we recorded four cases of monetary losses resulting from financial sector regulations. Fines and financial settlements were calculated based on the analysis of regulatory bodies, detailed as follows:

- Under the Loss Reimbursement Mechanism (MRP), administered by BSM, a payment of R$ 1.04 million was made, as determined by the self-regulatory Board, for cases opened between 2018 and 2021.
- Following an administrative proceeding by the CVM against XP CCTVM S.A., we proposed a R$ 5 million Compensation Agreement, which was accepted and signed. The case involved investor complaints about platform instability at Clear between 2019 and 2020.
- The absence of prior orders at XPI CCTVM S.A., identified by BSM during the 2023 Operational Qualification Program (PQO), resulted in a second Settlement Agreement in 2024, with an additional payment of R$ 240,000.
- At SUSEP, reviews related to the technical reserve coverage of XP Vida e Previdência S.A. resulted in a fine of R$ 54,000.



Technology and AI

As a financial Company born from a fintech model, technology is one of the main pillars supporting our activities and is crucial to executing our business strategy. We maintain a continuous investment pipeline to ensure XP remains at the forefront of world-class companies. Technology permeates all our processes and operations.

We have a team of over 1,400 professionals who support all Company departments, with an emphasis on Service Quality and Information Security. In addition to delivering the best client experience, our IT infrastructure supports the activities of the Risk, Compliance, Product, Commercial, Legal and Cybersecurity departments.

An example of XP's effective technology management is the Compliance Platform (BUDEX), which uses proprietary technology (see page 126) to detect and monitor potential anomalies in daily transactions. It harnessed more than twenty internal sources of transactional, onboarding and behavioral data from clients and investment advisors, in addition to APIs from external bureaus.

Our ongoing commitment to staying updated on new technologies drives our current investment strategy to build an Artificial Intelligence (AI) ecosystem. These efforts include defining regulations that ensure the ethical and secure use of AI as we enter this new frontier of knowledge.

In 2024, we established the AI Ethics and Risk Committee, composed of representatives from Corporate Risk, Audit, Legal, Information Security and IT departments. The committee's goal is to draft our AI Usage Policy, outlining development principles and evaluation processes that will guide XP on this path.

Development parameters include alignment with risk appetite, human accountability, maximizing transparency, minimizing bias, security and privacy and consent, among other essential topics.

A dedicated AI security framework was developed given the potential high impact on clients and operations and the risks posed by this technology. Decisions and requirements follow the risk management guidelines that underpin our organizational structure.



31.1% Women in STEM roles (Science, Technology, Engineering and Mathematics)

Jarvix, our Generative AI Platform

Faced with the challenges of scalability and the implementation of Generative AI solutions—which require continuous innovation along with high standards of governance and efficiency—we developed Jarvix, our proprietary Generative Artificial Intelligence platform. Jarvix has enabled the rapid expansion and deployment of more than 20 AI-based solutions directly within strategic business areas.

Since its launch, the platform has delivered significant benefits. Its implementation has already saved over 9,000 working hours per month across 12 business areas and reduced external software licensing costs by R$ 1.6 million annually. Additionally, we anticipate a further R$ 3 million in savings related to customer service.

The platform combines high reliability and performance, employing robust fail-fast mechanisms, redundancy, and error handling, while also enabling the creation of multiple generative AI agents using advanced technologies. All operations are conducted in full compliance with our stringent governance and compliance processes, ensuring risk mitigation and data security.

The success of this initiative was recognized with the 2024 Ideia Award, promoted by the Brazilian Association of Banks (ABBC), which highlighted XP's excellence in applying generative AI to transform and optimize strategic business areas.

TechXPert

Our celebration of technology, an integral part of our culture, has a dedicated moment in our calendar every year. An internal event for our IT community, TechXPert brings together XP employees for two weeks to access and refresh knowledge about the technology that drives us. The event offers opportunities to take part in live streams, bootcamps, lectures and practical challenges designed to nurture innovation in our teams.

The central topic in 2024—*Data and AI: the ambition to deliver with quality*—brought valuable insights shared by speakers from companies leading this transformation.



Information Security

GRI 3-3

We follow a framework of standards, regulations and policies that guide our information security, data protection and privacy processes for both the Company and our clients, in line with international best practices. This process is supported by adequate controls at all levels of the IT infrastructure, regular risk and vulnerability assessments, prevention, detection and incident response measures.

We strive to engage all our employees and business partners in a strong culture of cybersecurity, reinforced through ongoing awareness and training efforts. We are guided by the belief that investments in this field contribute to the business' enduring success and sustainability.

From the perspective that technology transforms business, we have a dedicated Information Security Governance team focused on mapping the skills to be developed in the coming years to further enhance the Company's maturity and capabilities in this field.

Protecting Personal Data

We have a Privacy Policy, available on our Investor Relations website, that transparently explains how client data collected in our environment is handled. It provides an overview of data collection, usage purposes, legal bases, storage and sharing, and specifies the rights of data subjects and the channels available for exercising those rights. There are dedicated versions of this policy for employees and suppliers. We apply a zero-tolerance principle for violations of these rules.

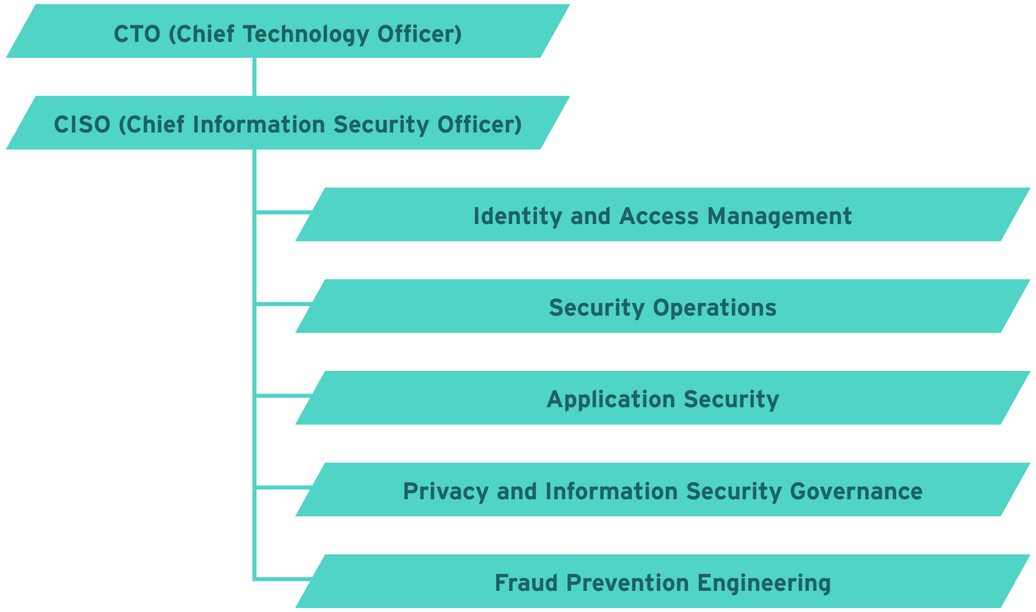
Our Privacy safeguards include global monitoring of privacy-related sanctions applied to companies, to use as benchmarks for improvement; studies on the effectiveness of tools to help us stay current with new privacy technologies; and a Security Incident Response process with clear and objective guidelines for analyzing and quickly handling any occurrences in our operations.

Find out more

You can find our security and information privacy policies on the Investor Relations website: Privacy Policy, Personal Data Privacy and Protection Policy, and Cybersecurity Policy

Information Security Governance and Management FN-CB-230a.2

The Group's Information Security department is on permanent standby to protect our information assets against internal and external threats, ensuring the confidentiality, integrity and availability of data. Governance is structured as described in the following chart:



Identity and Access Management

A dedicated team manages the granting, modification and revocation of access across all XP systems. It defines policies and controls user access to systems, applications and data seamlessly with security and identity management systems. It performs audits and adopts security measures to protect users' identity data against unauthorized access, theft or compromise.

Security Operations

The department tests, designs, implements and continuously monitors the security of the organization's infrastructure, networks and systems. It detects and responds quickly to incidents, implements security and traffic control measures, and performs analysis to identify suspicious activity or anomalies that may indicate a security breach.

Application Security

The team works to ensure that projects, systems and APIs are planned, built and delivered in accordance with information security requirements. In addition to guiding developers to create secure code that adheres to best security practices, it reviews code, carries out tests to identify vulnerabilities in applications and systems and coordinates correction.

Privacy and Information Security Governance

This practice focuses on actions to meet data privacy requirements (LGPD) at XP Group in our service providers. The team manages Regulatory Compliance and security guidelines by measuring performance indicators and continuous improvement, maintaining policies and standards for suppliers and affiliates.

Fraud Prevention Engineering

Responsible for developing and implementing models, algorithms and systems to detect and prevent fraudulent activities. It analyzes large volumes of data, develops rules and heuristics and implements real-time detection systems. Continuously tests and validates detection models and mitigation strategies, and keeps the Company up to date on trends in fraud and prevention technologies.

Training and Prevention Culture

From onboarding, employees are introduced to content on Information Security and data privacy. As part of the onboarding procedures, employment contracts include confidentiality clauses and a clear definition of responsibilities.

Employees follow a regular training routine provided by Compliance and receive related information through our communication channels. Phishing simulations are also carried out in order to identify and mitigate potential risks.

Our business partners and technology service providers undergo an information security and data privacy assessment by a forum of experts. The contract contains clauses that require compliance with requirements and the adoption of controls, processes and care regarding the topic.

For our clients, we have developed a monthly communication plan with updates on the most common scams and fraud schemes and tips on how to prevent them. We also disclose features that contribute to the security of personal data, such as hiding assets in the application, blocking access, facial biometrics and others. Content on these topics is available on XP's website.

Cybersecurity

We use indicators to gain a detailed view of the performance of implemented security tools and the types of attacks and blocks faced by XP Group. Real-time analysis of both quantitative and qualitative data enables us to identify patterns and trends, which are essential for adjusting the rules of our security tools. This ongoing adjustment is critical to reducing the risk of cyberattacks and data breaches, ensuring our practices remain aligned with emerging threats and industry best practices.

Reporting Critical Information Security Incidents

GRI 418-1 | FN-CB-230a.1

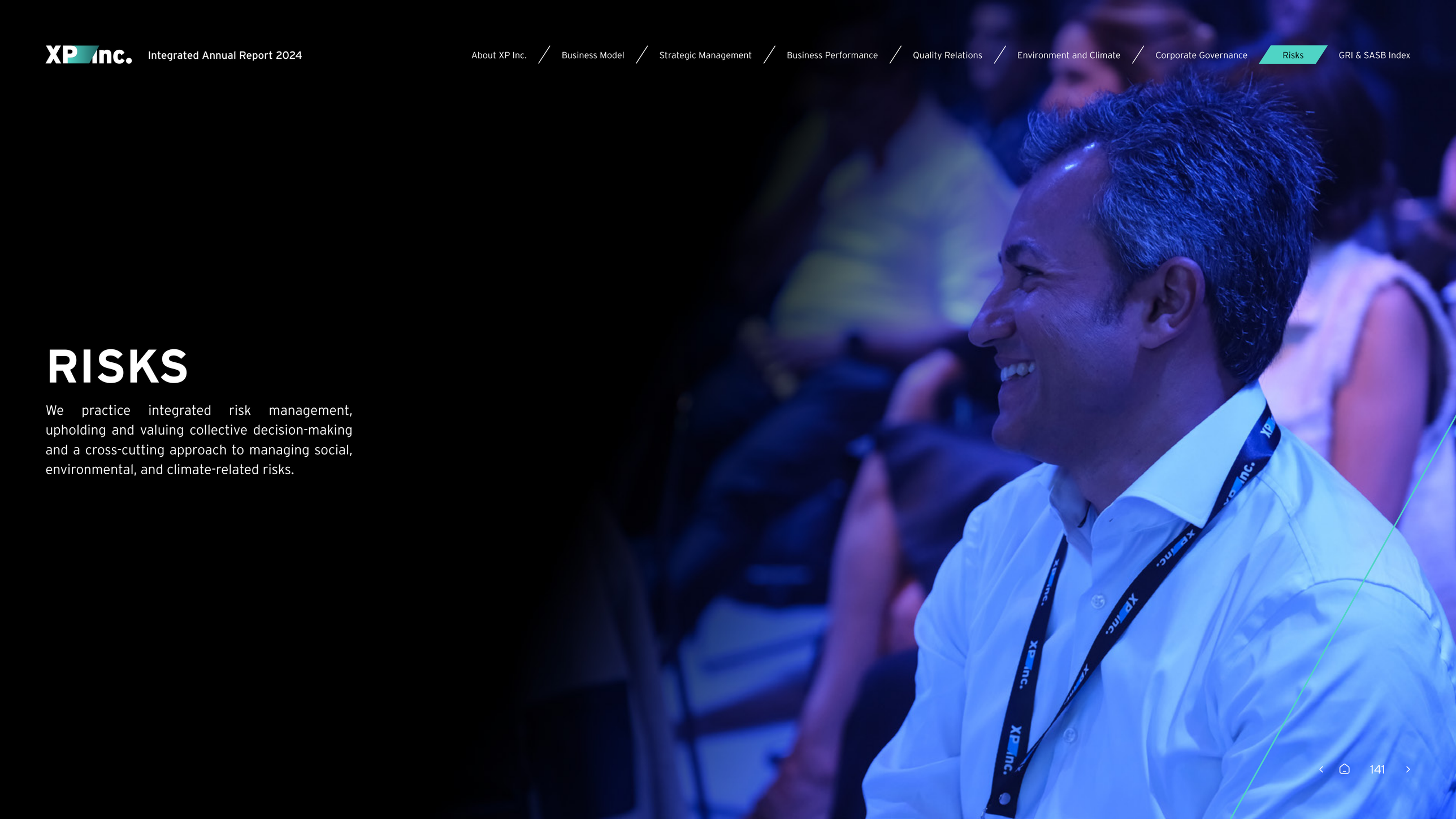
Our active Information Security processes ensure continuous monitoring and response to external attacks on XP Group's systems. If general and/or sensitive personal data are transferred outside the Company's systems, the process must undergo validation and approval according to LGPD requirements. No customer data breaches, theft or losses were recorded in 2024.

Thanks to educational initiatives and employee commitment to best practices, we saw a decrease in incidents affecting general and/or sensitive personal data. While there were three reports to the National Data Protection Authority (ANPD) in 2023, there was only one in 2024.

Our security systems are periodically audited by the Corporate Risk and Internal Audit departments to assess the effectiveness of implemented measures and achieved results. This process is complemented by independent audits to certify the efficiency and effectiveness of XP Group's Privacy and Information Security controls.

RISKS

We practice integrated risk management, upholding and valuing collective decision-making and a cross-cutting approach to managing social, environmental, and climate-related risks.



Integrated Risk Management

In 2024, we completed the adjustments required to keep Banco XP in compliance with Central Bank prudential regulations applicable to institutions in the S2 segment. We moved to this segment after reaching total assets equivalent to more than 1% of domestic GDP. This new classification requires adherence to prudential regulation proportional to the risk profile of an institution of this size, directly impacting our risk management framework.

We exercise risk control in a seamless and independent manner, preserving and valuing a collegial decision-making environment. We are committed to maintaining the highest standards of governance and compliance, conducive with preserving the trust of our clients and stakeholders and, above all, fully meeting regulatory obligations.

We have a framework of norms and policies to guide our practices and control mechanisms to identify, measure, mitigate, monitor and report the risks inherent to our operations. Risk management is a continuous process that spans our organization and aims to ensure transparency and adequate understanding of existing and emerging risks, while providing a holistic view of XP's inherent and residual risks.

Since we began the transition from the S3 to the S2 segment, we have implemented several improvements in our integrated risk management tools. In addition to updating the Risk Policy, we strengthened the foundations of the Risk Appetite Statement (RAS) to meet new guidelines and included social, environmental and climate risks in the RAS.

To enable closer supervision of the bank's activities, we established a new body: the Risk, Credit and ESG Committee, which supports the Board of Directors. This measure has enhanced the control and risk management mechanisms led by our leadership.

To meet the demands of the new regulatory status and maintain service quality, we expanded the department's team from 70 to 100 specialists, spanning various subdivisions.

With increased regulatory requirements, new risks have come under our focus. As part of our Model Risk Management, we created a Model Validation department and strengthened the management of priority risks, including ESG risks. We also factored non-financial risks—strategic and reputational—into our risk matrix.

The strategic importance of this topic is underscored by the decision of XP Inc.'s CEO to include Risk indicators among the performance targets indexed to his compensation, aligning the Company's efforts around this matter. The indicator, a strategic topic for XP, allows not only the mitigation, but also the maturity of the risks in each Company department.

Main Risks Monitored

We operate in an industry that requires the continuous identification and monitoring of a broad spectrum of risks, to which we must respond in line with our risk appetite. At XP, we define as priorities:

- The levels of risk that the Risk Management department is willing to assume.
- The department's ability to manage risks effectively and prudently.
- The department's strategic objectives.
- The competitiveness conditions and regulatory environment in which we operate.
- The results of the Stress Testing Program (see details on the Stress Test on page 146).

Risk Appetite

In 2024, we updated the RAS guidelines applicable to our operations, establishing a new classification with ten risk categories and their respective indicators, including four new ones. We began monitoring the NPS indicator under reputational risk and the investments market share indicator under strategic risk.

As an essential document for XP's operations, the RAS defines the acceptable levels of risk we are willing to take on in order to execute our strategy. Risk appetite and the prioritized risk categories are defined and approved by the Board of Directors, following a detailed review by the Risk, Credit and ESG Committee and other relevant committees in the bank's Risk area.

In daily operations, data provided by these indicators and their metrics allow us to identify, measure and monitor the risks to which we are exposed, quantifying our level of exposure.

We have a dedicated team responsible for analyzing this data and identifying trends and changes in our exposure levels. Based on the results, we may adopt corrective or preventive actions when necessary. This ongoing review also provides insight into the effectiveness of our control measures. The system directs the risk management units and indicates whether each Company department is in compliance with the established guidelines.

Risk Appetite is monitored through control processes conducted monthly by the Risk Department and the committee. These bodies monitor risk exposures, RAS indicators and their compliance with established limits. Reporting is conducted at least monthly through the RAS Dashboard, under the responsibility of the Risk Officer.



Material risks

Credit Risk

Entails the possibility of losses associated with non-compliance by the borrower or counterparty. The non-compliance may be due to the respective financial obligations under the agreed terms, the devaluation of the credit contract resulting from the deterioration in the borrower's risk classification, the reduction in earnings or compensation, the advantages granted in the renegotiation and the recovery costs.

Credit Risk covers other risks, including:

- **Counterparty Credit Risk:** possibility of non-compliance, by a given counterparty, with obligations relating to the settlement of operations involving the trading of financial assets, including those relating to the settlement of derivative financial instruments.
- **Sovereign Risk:** possibility of losses associated with non-compliance with financial obligations under agreed terms by a borrower or counterparty located outside the country, as a result of actions carried out by the government of the country where the borrower or the counterparty is located, and Transfer Risk understood as the potential for obstacles occurring in the exchange rate conversion of amounts received.
- **Concentration Risk:** the possibility of losses associated with significant exposures to the same counterparty; to counterparties operating in the same economic sector, geographic region or product and service segment; to counterparties whose revenues depend on the same type of merchandise or activity; to financial instruments whose risk factors, including currencies and indexes, are significantly related; to the same type of financial product or service, and whose risk is mitigated by the same type of instrument.

Liquidity Risk

Associated with the possibility that the institution will not be able to efficiently honor expected and unexpected, current and future obligations, including those arising from binding guarantees, without affecting daily operations and without incurring significant losses. Or, even, that the institution will not be able to trade a position at market price, due to the large size in relation to the volume normally traded or due to some discontinuity in the market.

Market Risk and IRRBB

Market risk is the possibility of losses resulting from fluctuations in the market values of assets and liabilities held by a financial institution, including the risk of changes in interest rates, stock prices, exchange rates, and commodity prices.

Interest Rate Risk in the Banking Book (IRRBB), on the other hand, refers to the current or potential risk of adverse interest rate movements impacting instruments classified within the banking book.

Capital Risk

A monitoring process through which we identify, measure, assess, monitor and communicate XP's available capital levels in relation to regulatory requirements and the risk appetite defined in the RAS.

Social, Environmental and Climate Risk

The likelihood of losses arising from exposure to environmental and social events related to the Company's economic activities that have a higher potential to cause socio-environmental harm. This also includes climate risks that could disrupt our operations and those of our clients, leading to financial losses for the organization.

Operational Risk

The possibility of losses occurring due to external events or failures, flaws or deficiencies in internal processes, personnel or systems. Events include: internal or external fraud; labor claims and unsafe workplaces; improper practices with end users, clients or key services; disruption of critical business processes; and failures in cybersecurity, systems, processes or IT infrastructure.

Strategic Risk

May arise from changes in market conditions, competition or failures in strategy execution.

Reputational Risk

Losses stemming from negative perceptions of the institution by clients, counterparties, shareholders, investors or regulators, which may damage the bank's reputation, brand value and/or result in financial losses.

Model Risk Management

Model risk arises from losses due to the use of models that deliver results inconsistent with expectations, a situation intensified by the growing use of models in decision-making, driven by new technologies.

Emerging Risks

These are new risks that lack sufficient data or references for decision-making, with potential medium- to long-term impact on business. They arise from technological, social or organizational changes or from events that significantly reshape the risk landscape. Current examples include: the outbreak of a new pandemic, cybersecurity incidents and breaches, terrorist attacks, wars, trade policies, military conflicts, climate-related events or other natural disasters. The occurrence of such events can create economic and financial disruption, leading to operational difficulties that may hinder XP's ability to manage its business effectively. The identification, management and monitoring of these risks are an inseparable part of the Company's integrated risk management process.

Geopolitical and Military Conflict Risks

The outbreak of geopolitical and military conflicts can lead to instability and negatively impact the global economy or specific markets, which may adversely affect the financial services sector as a whole, as well as our operating results and financial condition. Among other effects, geopolitical tensions can trigger increased volatility in commodity and energy prices, cause supply chain disruptions and lead to instability in financial markets.

Risks of New Pandemics

The spread of diseases or pandemics has caused—and may continue to cause—illness, quarantines, shutdowns, reduced business activity and financial transactions, labor shortages, supply chain disruptions and overall economic and financial market instability. Government responses to such incidents may further disrupt supply chains and affect international trade and commercial activity.

These impacts can also result in higher unemployment rates in Brazil, reducing the flow of funds into investments and increasing redemptions from investment funds and other financial products, with negative consequences for our business. This could lead to changes in the fair value of assets and liabilities recognized in our statement of profit or loss.

Economic slowdowns and market downturns triggered by pandemics, epidemics or similar crises may also negatively affect specific portfolios due to rating downgrades and greater-than-expected losses, preventing us from achieving our financial targets.

How We Mitigate Emerging Risks

Stress tests are conducted based on scenarios with the highest potential impact for XP, taking into account both local and global adversities. Macroeconomic variables—such as GDP, base interest rate, exchange rates and inflation—are projected using exogenous shocks. The economy and market are highly sensitive to external impacts, and under current conditions, a moderate recession is the baseline scenario. This includes slowing global growth, currency depreciation and resulting inflationary pressure. Combined with domestic challenges, these external shocks amplify internal economic deterioration. XP conducts these tests to assess its solvency under potential crisis scenarios and to identify vulnerabilities that can be addressed.



Find out more

For more information on the risks managed by XP, please refer to the 20-F filing available on the U.S. Securities and Exchange Commission (SEC) website.



Stress Testing

FN-CB-550a.2. | FN-IB-550a.2

XP conducts Stress Testing in compliance with CMN Resolution 4557/17, ensuring the development of economic and financial shock scenarios with appropriate levels of severity to estimate relevant and plausible impacts on the institution. As a key tool for integrated risk and capital management, the process evaluates the potential impact of alternative economic and business scenarios on results and capital, and helps define risk appetite metrics, the development of contingency plans, the revision of policies and strategies, and the evaluation of limits for risk management.

In addition to serving as a method for calculating capital and liquidity indicators in adverse scenarios, Stress Testing is a critical instrument for assessing the resilience of both the financial system and individual institutions. Scenarios are defined centrally and applied uniformly across all business lines, taking into account macroeconomic factors, global market shocks and idiosyncratic shocks. These scenarios are designed to highlight the Company's main vulnerabilities and risks.

In 2024, we revised the Stress Testing process to include socio-environmental and climate responsibility. As required by Resolution 4557, we conducted a climate risk analysis, covering both transition and physical risks.

The bank's exercise considered two main factors: the worsening of companies' socio-environmental ratings and the deterioration of the macroeconomic outlook, including the impacts of both physical and transition climate risks. Data from the Credit Risk team was accordingly used, which evaluates the Social, Environmental and Climate (SEC) rating of companies. Potential losses were calculated by applying shocks of 1 to 2 rating levels depending on each sector's sensitivity to climate change.

Regarding macroeconomic deterioration, we used data provided by the Network for Greening the Financial System (NGFS), which estimated the effects on global GDP under three carbon transition scenarios.

For XP's Stress Test, we adopted the "late transition" scenario, which presents the most severe impacts in terms of transition risk, adjusting the projected impacts for 2030, 2040 and 2050 to fit the three-year forecast period of the exercise. The Economics team used econometric models to recalculate other macroeconomic variables based on the revised GDP to construct the final scenario.

We view Stress Testing not only as a tool for regulatory compliance but also as a way to strengthen XP's resilience to economic, financial and socio-environmental challenges, supporting the institution's sustainability and longevity.

Risk Governance

Our governance framework adopts the three lines of risk management model:

Line One

Business and support areas. Responsible for managing risk exposure in accordance with XP's policies, Risk Appetite Statement (RAS) and other terms approved by XP's Executive Board. They must have the means to identify, measure, manage and report the risks assumed.

Line Two

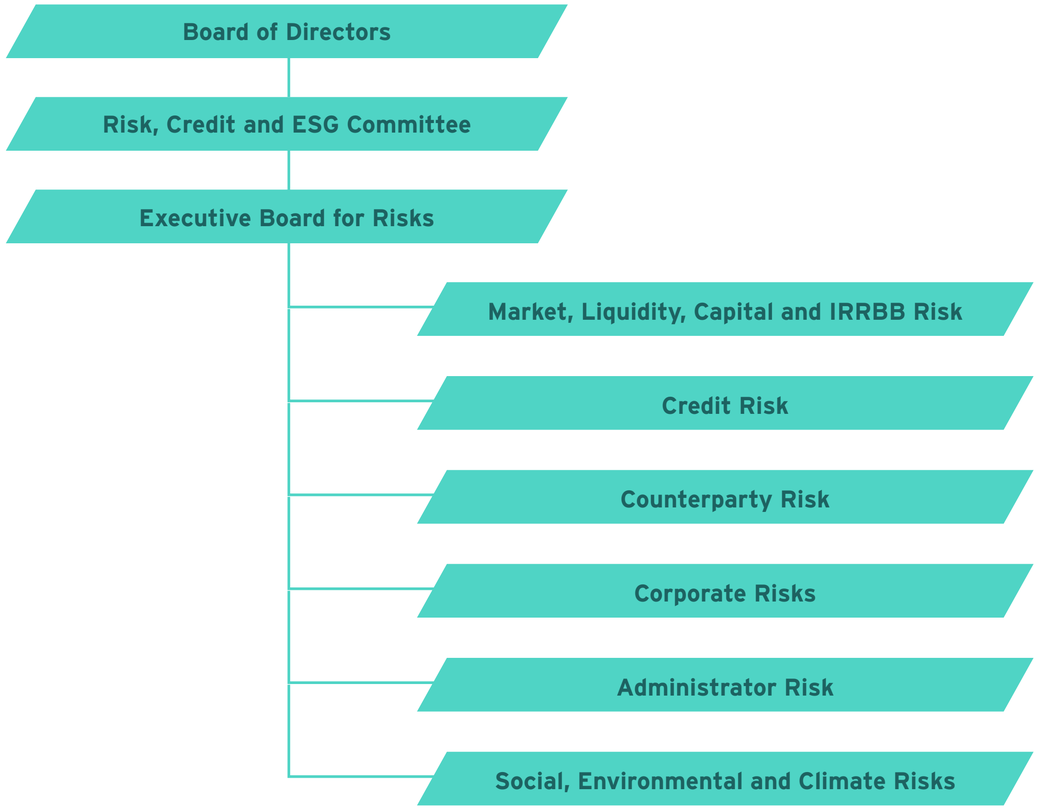
Control areas. Operate independently from the activities, processes and controls performed by Line One, and act in alignment with XP's Risk Appetite. Responsible for proposing risk management policies and methodologies and for overseeing the supervision performed by Line One.

Line Three

Internal Auditing. Independent assessments of the risk management framework, governance and internal controls.

As the highest authority on risks, the Board of Directors is advised by the Risk, Credit, and ESG Committee, as well as the Audit Committee. The structure is complemented by the Risk, Finance, and Legal departments, along with nine committees managed by these areas.

Risk Management Framework



Disseminating our Risk Culture

We are consistently committed to engaging employees in practicing risk management as a shared responsibility. Risk culture is promoted through various channels within XP to strengthen awareness and understanding of the risks we face in our daily operations.

The main sources of dissemination are the risk policies and manuals available on the intranet, and mandatory training programs for employees and third parties. This training is required for all employees and is hosted on an internal platform. For third parties, XP offers a publicly accessible platform.

As part of our strategy to promote and enhance risk culture, we have developed new communication formats to deepen engagement with the topic. One of the key initiatives was the creation of Risk Capsules—monthly video bulletins posted on our internal platform, featuring information and guidance on risk topics presented in a relatable and engaging format.

Targeted at the entire Company, each edition includes an introductory video followed by a written explanation of different types of risk, procedures and management standards. To make the content more tangible, each issue includes recommendations for books, films and articles for those who wish to explore the topic further. In 2024, there were a total of 848 interactions across the 11 episodes.

We also dedicate an annual event to the subject, Compliance Week, which includes discussions on risk-related topics. In 2024, the event introduced a new format in place of traditional lectures: a four-episode podcast series featuring executives discussing risk management across different departments of the bank. One episode addressed "The impact of gambling regulations on financial institutions". The relaxed tone helped listeners better understand the structure of risk departments and the executives' perspectives on risk culture at XP. The podcast series drew 340 engagements.

During Compliance Week, we also conduct the Annual Regulatory Training, which is mandatory for all employees, including officers. Delivered as an e-learning module, it covers basic concepts and risk management policies. In 2024, 7,368 employees took the mandatory training, including the new employees and those who completed the refresher course during the event.

Business Continuity Management

This comprehensive process identifies potential threats and the possible impacts on our operations if the threats materialize. Its objective is to build and continually improve organizational resilience, so that the Company is able to respond effectively to risks and safeguard the interests of the parties involved, its reputation, brand and value-added activities. The process is divided into five macro stages: identify, analyze, define, perform and monitor.



Social, Environmental and Climate Risk Management

GRI 201-2

For us, Social and Environmental Risk represents the probability of losses resulting from exposure to events related to these topics in the Company's activities. Climate Risk is understood as the possibility of losses caused by the materialization of physical risks, including extreme events and chronic changes in climate patterns, or transition risks, including reputational, legal and market risks, which may manifest themselves as a consequence of the transition to a low-carbon economy.

We accordingly take a proactive approach to managing these risks across all our activities and operations and in our relationships with clients and suppliers and in our products. This management involves several stages, including the identification, classification, analysis, monitoring, mitigation, control and recording of loss events related to social, environmental and climate-related factors. This comprehensive approach allows us not only to mitigate negative impacts but also to identify opportunities linked to the green economy.

Our process for managing social, environmental and climate risks follows an approach based on the PDCA (Plan-Do-Check-Act) cycle of continuous improvement. This enables us to achieve our strategic objectives by reducing the likelihood of social, environmental and climate events affecting our activities and operations, by embedding these practices into the Company's integrated risk management.





RSAC Governance

Recognizing the importance of effective risk management in business, we have a dedicated governance framework for handling social, environmental and climate-related matters. This structure is based on market best practices and is designed to preserve our entrepreneurial culture and the autonomy of our teams, while ensuring compliance with current regulations and alignment with our Social, Environmental and Climate Responsibility Policy (PRSAC). Its purpose is to mitigate risks and unlock opportunities related to these issues.

Governance of social, environmental and climate risks is overseen by the Board of Directors, which serves as the highest authority on the subject and includes it as a regular item on its meeting agenda. In 2024, the creation of the Risk, Credit and ESG Committee, reporting to the Board, more broadly integrated ESG into XP's governance strategy. At the executive level, the Risk Department, through the Executive Risk Committee, embeds social, environmental and climate topics into the Company's integrated risk governance and management process.

In addition, the Executive Department of Legal, Compliance and ESG supports the social, environmental and climate governance process by advising the Board and executive leadership on PRSAC-related decisions and serving as the primary liaison with the Central Bank on the policy. This role reinforces our commitment to managing Social, Environmental and Climate Risk (RSAC) in an integrated manner, alongside other Company-managed risks.

Our RSAC Policy is designed to uphold the principles and guidelines that steer our business, operations, processes and stakeholder relationships. It aims to prevent and mitigate negative impacts while enhancing positive impacts on the environment and society, based on the principles of relevance and proportionality and our specific internal policies.

The Social, Environmental and Climate Risk Procedure sets out the guidelines, rules and procedures for risk analysis and management, guiding our practices for identifying and managing risks and opportunities.

The guidelines take into account the principles of relevance and proportionality of these risks, with a synergistic vision of all activities and businesses.

Our Social, Environmental and Climate Risk Management System

We have been developing our proprietary Social, Environmental and Climate Risk Management System since 2021. This system is connected to the Company's registration database, which includes clients, employees and advisors, and is integrated with bureaus that provide information on watchlists, negative media and administrative or legal proceedings related to social, environmental and climate issues.

Through technology-driven modules, the system offers tools for analysis, monitoring, management, framework alignment, KPI definition and regulatory reporting on the Company's social, environmental and climate-related matters.

In the analysis module, we apply our proprietary RSAC rating methodology to our clients, allowing for either automated or manual assessments depending on the client's risk level, type of operation and business line.

This module analyses information on potential social, environmental and climate impacts, using references such as the Febraban Green Taxonomy, the Categorization List of the European Bank for Reconstruction and Development (EBRD), Conama Resolution 237 and Cetesb's Complexity Factor W. It also checks for red flags using media bureaus, watchlists and legal or administrative proceedings related to sensitive issues, applying a checklist to classify the client's capacity for social, environmental and climate management.

In the monitoring function, the system performs regular assessments of clients and operations, considering watchlists, negative media and lawsuits, across three intervals: weekly, quarterly and semiannual. The management module uses this data to calculate exposure to social, environmental and climate risks, generating management indicators and defining risk appetite across credit portfolios.

The system also enables alignment with frameworks, applying our proprietary ESG emissions framework for fixed income and credit classification methodology for green activities. In addition, the KPIs module automates data related to SLAs, approvals and rejections.

In 2024, we began developing a new module with regulatory reporting capabilities, initiating the reporting of social, environmental and climate risk management information in compliance with BCB Resolution 151/2022.

Constantly evolving, the Social, Environmental and Climate Risk Management System has been key to risk mitigation and identifying related opportunities. By combining technology and data, it enhances our ability to make agile and accurate decisions.

Prohibited and Sensitive Sectors

We prohibit any type of link or relationship with companies involved in slave labor or slavery, child labor and prostitution or any activity that violates human rights, as outlined in our Human Rights Policy and Code of Ethics. For companies classified under sensitive sectors, we conduct a detailed assessment carried out by the ESG & Social, Environmental and Climate Risk area.

Sensitive sectors

- Weaponry
- Tobacco and smoking products
- Asbestos
- Mineral coal[6]
- Slaughterhouses
- Mines
- Wood
- Steelmaking
- Agribusiness
- Oil and gas[7]
- Radioactive materials

[6] Coal is included in our list of sensitive sectors, and our Environmental, Social, and Climate Responsibility Policy outlines a gradual phase-out of credit exposure by 2030. In addition, we are committed to not financing new coal assets (greenfields), new coal projects, the expansion of existing projects or expanding coal companies, covering areas such as mining and infrastructure. Activities affected by these guidelines include credit facilities, infrastructure financing and project financing.

[7] The petrochemical sector is on our list of sensitive sectors, requiring specific ESG assessments for all related operations. We do not finance new projects or the expansion of existing projects involving the exploration of unconventional Oil & Gas in the Arctic or in Oil Sands either.

Social, Environmental and Climate Risk Analysis Methodology across business segments

Our proprietary methodology considers the potential social, environmental and climate impact of clients, product and service suppliers and the capacity they have to manage these topics. There is also a pillar on prohibited and sensitive sectors and flagged entities, which involves scanning media, lists and administrative and judicial processes to identify possible situations that discredit the companies with which we deal. The analysis is applied to 100% of relationships and products, such as foreign exchange, credit for individuals and legal entities and Investment Banking operations, such as Debt Capital Markets (DCM) and Equity Capital Market (ECM) issuances.

Risk Matrix

Once the three stages of the RSAC analysis have been completed, the system generates an opinion on the client or supplier and assigns the corresponding rating. There are five risk ratings—the higher the level, the higher the required approval authority.

Social, environmental and climate rating	Approval authority
very low risk A	ESG & Social, Environmental and Climate Risk Area
low risk B	
medium risk C	
high risk D	ESG Officer
very high risk E	

Stages of analysis

1. Potential social, environmental and climate impact

We use the Febraban Green Taxonomy, the Categorization List of the European Bank for Reconstruction and Development and Conama Resolution 237 and Cetesb's W Complexity Factor to classify the risk potential.

2. Social, environmental and climate management capacity

We make a qualitative assessment of the Company's ability to manage the key social, environmental and climate risks inherent to its activity. To do this, we use public information disclosed in sustainability reports, websites and ESG rating agencies, among other sources.

3. Flagged entities and restricted & sensitive sectors

We track media bureaus, lists and administrative and judicial proceedings compiled by the Money Laundering Prevention division to carry out a qualitative assessment of social, environmental and climate-related violations.

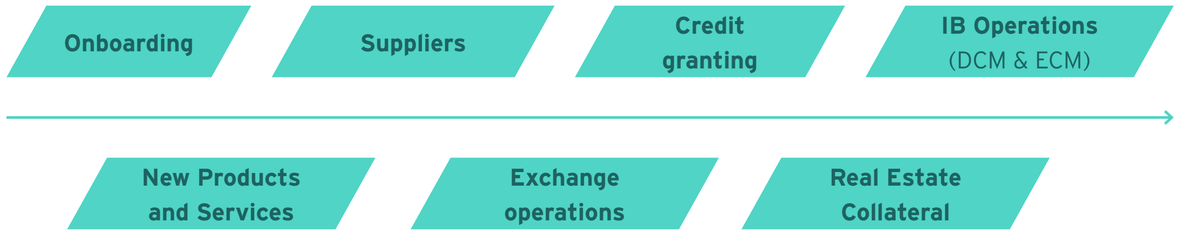
The assessment processes also identify negative media, administrative or judicial proceedings and blocklists, such as forced or child labor, prostitution, illegal deforestation, environmental crimes, pollution, contaminated areas, embargoed areas (IBAMA—Brazilian Institute of the Environment and Renewable Natural Resources, and ICMBio—Chico Mendes Institute for Biodiversity Conservation), activities in indigenous and traditional communities, and human rights issues, among others.

Application of RSAC Analysis to Business Areas

We have implemented RSAC analysis processes across all business areas, from a simple checking or investment account opening for individuals and companies, to the development of new products and services, supplier assessments, approval of foreign exchange and credit operations, and the issuance of debt securities and ECM transactions.

In line with the principles of materiality and proportionality, we have set up automated analysis processes for activities and business lines with low potential exposure to social, environmental and climate risk.

As activities and business lines present a higher potential exposure to social, environmental and climate risk, we conduct specialized, manual assessments, combining tools and technology to enhance our efficiency and evaluation capacity. In all business areas, the final decision on acceptance of the client or the operation rests with the ESG Officer, if the ESG & Social, Environmental and Climate Risk department disagrees with the approval.



Onboarding

Since 2021, we have incorporated social, environmental and climate topics into the onboarding process for individuals and legal entities, and adopted specific criteria for customer acceptance. Analysis is carried out on all new accounts opened, following the guidelines for prohibited activities and sensitive sectors. The assessment also covers the identification of negative media, administrative or judicial processes and restrictive lists.

Creation of new Products and Services

New businesses and products are assessed using the TAC-NAC (Transaction Approval Committee-New Activities Committee) Governance Process, which considers ESG and social, environmental and climate risk criteria. These factors are also observed by the Corporate Initiatives Committee, responsible for resolving requests to implement new strategic projects, such as the creation of products and services, businesses, platforms, channels and experiences.

Supplier Approval

All our suppliers undergo mandatory Social, Environmental and Climate Risk (RSAC) screening, as established in the Supplier Onboarding and Approval Procedure. This screening follows the guidelines on prohibited activities and sensitive sectors, in addition to our proprietary methodology, which is currently integrated into the Linkana Platform. The entire analysis is carried out through the platform, where automated bureaus conduct searches for negative media, administrative and legal proceedings, and screen against restricted lists.

Based on the main CNAE classification and the service to be provided, we check whether the activity in question requires licensing. If it does, we request the current environmental license and send out the ESG questionnaire. At the end of the analysis, a social, environmental and climate rating is assigned to the supplier. Those with higher risk are subject to higher escalation levels than those of the ESG & Social, Environmental and Climate Risk area. (Learn more in the chapter Suppliers page 88).

Exchange Operations

All of our foreign exchange operations are subject to scrutiny for prohibited activities and sensitive sectors and go through the automated flow of negative media research, administrative and judicial processes, and social, environmental and climate restrictive lists. Those related to the wood, mining (mainly linked to the extraction of gold, diamonds and other precious stones), tobacco, weapons and ammunition sectors are subjected to detailed manual analysis.

For companies in these sectors, environmental licenses, authorizations from the National Mining Agency (ANM), Kimberley Certification (specific to diamonds), FSC Certification and a list of suppliers, among others, are required.

We are thus able to mitigate the risk of foreign exchange transactions related, for example, to possible illegal practices and money laundering, and the export of illegal wood and ores extracted from protected areas. The final decision on approving the operation is made based on these assessments, and operations denied by the ESG & Social, Environmental and Climate Risk area are decided by the ESG officer.

Credit Granting

Since 2021, 100% of our credit operations have been subject to Social, Environmental and Climate Risk analysis. We follow the guidelines for prohibited activities and sensitive sectors, and assess the potential impact, the Company's social, environmental and climate management capacity, socio-environmental notes and prohibited sectors.

All operations are also subject to detailed analysis by the ESG & Social, Environmental and Climate Risk team. Often, at this stage, meetings are held with the credit team and the client to clarify labor, socio-environmental management, supply chain and other issues.

The social, environmental and climate rating assigned to the Company or operation is integrated into the qualitative credit rating calculation model, which may even impact credit rates and pricing.

Real Estate Collateral

All properties, whether urban or rural, used to secure a transaction are assessed from a social, environmental and climate risk perspective. We assess the regularity of environmental licensing and the Rural Property Registry (CAR), the IBAMA and ICMBio lists of embargoed areas, illegal deforestation activities, presence on the dirty list of work similar to slavery, public civil actions, presence in *quilombola* and indigenous territories and integral protection units, soil contamination and other topics.

DCM Operations

Debt Capital Market operations have been subject, in their entirety, to the social, environmental and climate risk analysis process since 2022. We follow the guidelines for prohibited activities and sensitive sectors and our proprietary analysis methodology, which measures the potential impact of the Company, its ability to manage these topics, socio-environmental notes and prohibited and sensitive sectors, with application of the Risk Matrix.

ECM Operations

Our Equity Capital Market operations have been undergoing Social, Environmental and Climate Risk analysis since 2022. All clients listed in sensitive and attention sectors, such as weapons industries, mining and agribusiness, are subjected to detailed analysis. The assessment also covers the list of prohibited activities and information checks in internal bureaus.

Other operations and activities analyzed

Other operations for which technical opinions are issued on Social, Environmental and Climate Risk are the issuance of Financial CPR (Rural Producer Certificates) and CCB (Bank Credit Certificates), energy trading, home equity operations, environmental collateral, project finance, guarantees and bridge, the constitution of XP Asset's funds and fund management, and asset issuances on our investment platform. We also analyze donations, events and partners benefiting from them.

Find out more

To learn more about the RSAC analysis procedures for each activity, see our Social, Environmental and Climate Responsibility Policy (PRSAC), available on our Investor Relations website.

RSAC Analysis Indicators

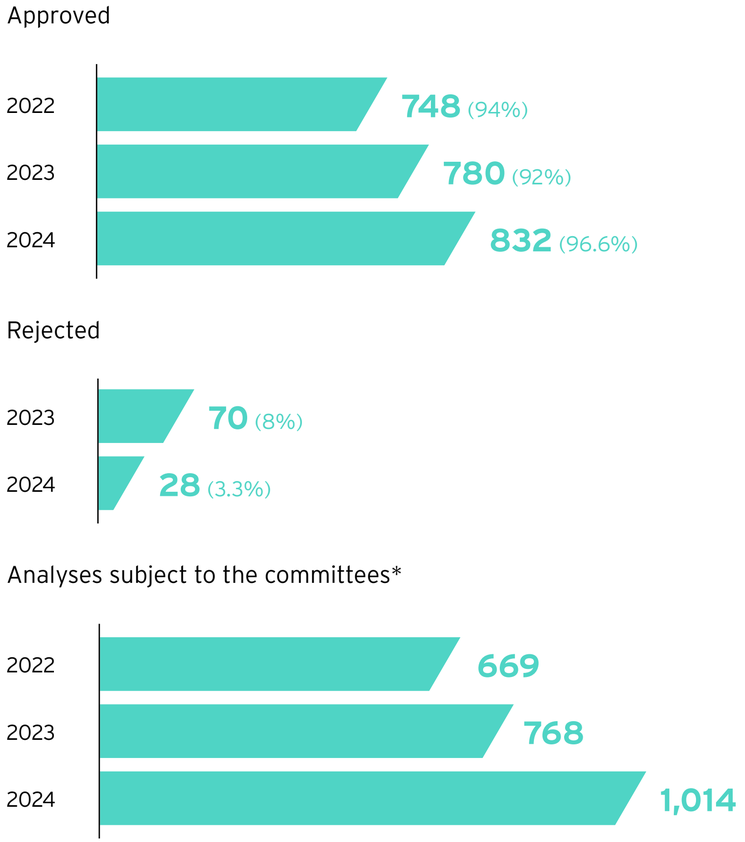
Between 2022 and 2024, we increased the number of assessments conducted by approximately 51.6%. Among the manual and mass assessments carried out in 2024, we performed 1,014 Company evaluations with assigned Social, Environmental and Climate Ratings, which were submitted to the Credit Committees and the Product Distribution Committee.

Our portfolio is expanding, and the RSAC team supports all product lines. We closed 2024 with 832 assessments completed across onboarding, foreign exchange, DCM, ECM, capital markets, energy trading, ACC, project finance, CPR, guarantees, environmental collateral, suppliers and partners.

Our risk assessment process includes a List of Prohibited and Sensitive Sectors, which bans any dealings with companies involved in slavery, forced or compulsory labor, child labor, prostitution or human trafficking, in line with our Human Rights Policy. We apply due diligence requirements and a proprietary methodology that considers the potential impact of our clients and products and their ability to manage social and environmental issues.

Of all assessments carried out in 2024, 3.3% were rejected due to social issues such as prohibited activities violating human rights, environmental or climate-related concerns—meaning the relationship with XP did not proceed. In 2023 and 2022, the rejection rate was 8% and 6%, respectively. The drop in the rejection rate reflects ongoing engagement with business areas. With an educational focus on frontline teams, assessments are concluded in a way that enables us to move forward with greater confidence in our relationships.

Analyses conducted (individual & corporate)



*Credit Decision and Credit Product Distribution Committees

Noteworthy Cases

The Social, Environmental and Climate Risk analysis processes have made it possible to anticipate risks and prevent XP from being exposed to negative situations that could violate our ethical and responsible policies and conduct. Additionally, they have helped to mitigate potential reputational, legal, regulatory and credit risks related to these topics and to prevent money laundering.

Mining is considered one such sensitive sector, and our activities include foreign exchange operations linked to this industry, with special attention to the risk of illegal mining of precious stones in protected areas. A notable case in 2024 involved the rejection of a foreign exchange transaction requested by a newly established Company.

Our analysis found that one of the partners was facing charges in international courts for alleged involvement in international ore smuggling, fraud related to the illegal gold trade and money laundering.

In total, we avoided over R$ 10 million in credit losses in 2024 due to social, environmental and climate-related events. We also mitigated exposure to reputational risks associated with these issues, avoided potential cases of money laundering tied to illegal activities and recorded no regulatory findings related to the topic.

Social, Environmental, and Climate Risk Monitoring

Since 2022, we have been periodically monitoring the Social, Environmental and Climate Risk of our customers and operations, in three layers:

Weekly Monitoring

Clients are automatically monitored through the Social, Environmental and Climate Risk System to track any potential inclusion on restricted lists related to forced or compulsory labor. When an issue is identified, we make an in-depth assessment and change the classification and opinion, which may result in the maintenance of the operation or relationship, change in client's risk, blocking of the operation and limits and, ultimately, the termination of the relationship.

Monthly Monitoring

Clients are automatically monitored through the Social, Environmental and Climate Risk System for potential negative media, administrative and legal proceedings, and inclusion on restricted lists, such as IBAMA and ICMBio embargoed areas. When a social, environmental and climate issue is identified, we make an in-depth assessment and change the classification and opinion, which may result in the maintenance of the operation or relationship, change in client's risk, blocking of the operation and limits and, ultimately, the termination of the relationship.

Semi-annual Monitoring

Monitoring of the credit portfolio of legal entities, running 100% of the portfolio in the Social, Environmental and Climate Risk system and reclassifying it. Customers reclassified with a "D" or "E" rating are reassessed on a case-by-case basis, with a new opinion being issued and analyzed by the relevant authority. The opinion may recommend maintaining the customer's operations and limits, monitoring the operations more closely, blocking possible operations and limits and, ultimately, requesting the termination of the relationship with the client.



Social, Environmental and Climate Risk Management

We manage the Social, Environmental and Climate Risk associated with our activities, customers, operations, suppliers and products, including the stages of identification, classification, analysis, monitoring, mitigation, control and recording of loss occurrences.

The goal is to keep exposure to these risks within the pre-established tolerances defined in our Risk Appetite Statement (RAS). The evolution of the monitored management indicators is reported to the Risk Department and the Risk, Credit and ESG Committee, Executive Board and the Board of Directors, following the guidelines of the Social, Environmental and Climate Responsibility Policy, the Integrated Risk Management Policy, and the Social, Environmental and Climate Risk Procedure.

Management Indicators

- Exposure to sectors with high potential for social, environmental and climate impact of the corporate credit portfolio.
- Financed emissions from the corporate credit portfolio.
- Credit exposure to green economy sectors.
- Fixed-income ESG bond issuances.

RAS Indicators

- Social, environmental and climate quality of the corporate credit portfolio.
- Climate sensitivity of the corporate credit portfolio.

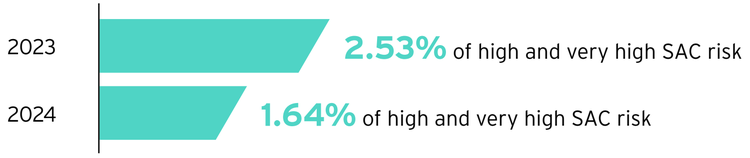
In 2022, we included climate variables in the definition of the social, environmental and climate rating, such as the potential physical or transition risk of the sector; history of extreme weather events; and the Company's climate management capacity, using information on eco-efficiency targets, public climate commitments, disclosure of Greenhouse Gas emissions, climate targets, incorporation of TCFD recommendations, existence of a climate change policy, and targets or guidelines for addressing climate risk.

We also became signatories to the PCAF and adhered to Febraban's Climate Sensitivity Rule, starting to measure, monitor and manage the exposure of the credit portfolio based on two managerial climate indicators: climate sensitivity and financed emissions.

Monitoring these indicators allowed us to establish our climate risk appetite metrics in 2023, with subsequent definition of targets for reducing the intensity of financed emissions and the portfolio's climate sensitivity. The target definition process was conducted together with the Social, Environmental and Climate Risk Commission, linked to the Executive Risk Committee. That year, we began assessing the credit portfolio's resilience to potential climate risks by simulating the deterioration of revenues from climate-exposed businesses. In 2024, we initiated Climate Stress Testing exercises (learn more about Stress Testing on page 146).

We ended 2024 with just 1.64% of the risk allocated to companies with high and very high Social, Environmental and Climate Risk in the credit portfolio, i.e., within our risk appetite limits. The financed emissions indicator had an intensity of 6.58 tCO_2e/R$ MM, with a reduction of 45.4% between 2021 and 2024. Only 10.63% of the risk allocated had a high climate sensitivity classification, within our RAS limits, with a reduction of roughly four percentage points between 2021 and 2024. These indicators show that our credit portfolio has grown together with the social, environmental and climate quality of the portfolio.

Variation in the Social, Environmental, and Climate Risk of the Corporate credit portfolio



Interaction between Social, Environmental and Climate Risk and other Risks

Social, environmental and climate risk is considered a cross-cutting risk that does not materialize on its own. A failure to anticipate and manage this risk may lead to consequences across the institution, including credit, legal, reputational, operational, market and underwriting risks.

As part of our integrated risk management framework, we have implemented the following mechanisms to address interactions between social, environmental and climate risk and the other risks to which the institution is exposed.

Credit Risk

a. We conduct social, environmental and climate risk assessments for credit operations using a proprietary rating methodology that feeds into our qualitative credit rating model, potentially influencing pricing and interest rates on credit operations.

b. We maintain a list of prohibited and sensitive activities that is an integral part of the social, environmental and climate risk assessment in credit operations.

c. Our Risk Appetite Statement (RAS) includes two social, environmental and climate risk indicators, each with defined exposure limits.

Market Risk

We apply social, environmental and climate risk assessments to all credit operations or financial credit assets on our balance sheet to mitigate credit spread risks stemming from social, environmental and climate-related events.

Liquidity Risk

a. Our portfolio of liquid assets, specifically government securities, is subject to social, environmental and climate risk assessments.

b. Funding sources, especially those involving individuals and companies, are also assessed for social, environmental and climate risk.

Operational Risk

We have a system in place to identify administrative and legal proceedings arising from social, environmental and climate events. In addition, the institution's risk management is fully integrated, as outlined in our Integrated Risk Management Policy. This approach enables the identification, measurement, assessment, monitoring, reporting, control and mitigation of adverse effects resulting from interactions among credit, market, operational, liquidity, social, environmental, climate and other relevant risks.



Main climate risks and impacts for XP, with their possible materialization time frames and actions taken to mitigate such risks

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Transition Risk: Regulatory

Materialization deadline	Impact	Materialization in other risks
Short-term	Possibility of fines resulting from non-compliance with regulatory requirements.	Legal, Credit, Reputational, Operational
	Need for climate adaptation measures.	Credit, Operational
	Costs on regulatory compliance.	Operational
	Possibility of enforcements related to the reduction of greenhouse gas emissions.	Credit
	Possibility of pricing and/or carbon taxation.	Credit
	Possibility of increased operating costs, with changes in prices due to structural changes or supply shocks.	Credit
Medium term	Possibility for the institution of losing market share due to changes in consumer behavior.	Market, Credit
	Possibility for client-companies of losing market share due to changes in consumer behavior.	Market, Reputational
	Possibility of losing market share due to the imposition of economic barriers.	Market, Credit
	Possibility of change in the demand and supply of products.	Market, Credit

Transition Risk: Legal

Medium term	Possibility of climate litigation unfavorable to the Company.	Legal, Credit, Reputational, Operational

Risk Tags: Legal, Market, Credit, Reputational, Operational

Transition Risk: Reputational

Materialization deadline	Impact	Materialization in other risks
Short-term	Greenwashing Risk.	
	Possibility of increasing climate liability when taking decarbonization actions.	

Transition Risk: Technological

Short-term	Need to incorporate new technologies with increased competitiveness and production costs.	
	Need to invest in new technologies.	

Acute Physical Risk: Extreme Climate Events

Medium term	Possibility of client companies losing productivity due to business interruption or asset idleness.	
	Possibility of damage or repricing of family and business assets.	
	Possibility of loss of/reduction in family income.	
	Possibility of reduction in productivity of the agricultural sector.	

Chronic Physical Risk: Long-Term Changes

Medium term	Possibility of reduction in productivity of the agricultural sector.	
	Possibility of impact on supply chains.	
	Possibility of impact on Company productivity.	

Risk Tags: Legal, Market, Credit, Reputational, Operational

How we Manage Climate Risks

- ESG and social, environmental and climate risks governance implemented at the institution.
- Periodic monitoring of the climate-related regulatory agenda.
- Management and monitoring of legal and regulatory compliance.
- Social, Environmental and Climate Risk analysis process implemented in the onboarding, suppliers, foreign exchange, credit, DCM and ECM processes, where we assess, among other factors, the regulatory compliance related to social, environmental and climate topics, in addition to possible processes and fines related to the topic.
- Social, environmental and climate monitoring process implemented for customers.
- Social, Environmental and Climate Risk management process in the institution's portfolios.
- Monitoring possible losses related to social, environmental and climate events.
- Contingency plan that considers climate events.
- Monitoring of the credit portfolio's climate sensitivity indicator.
- Monitoring the intensity of financed emissions from the credit portfolio.
- Application of Climate Stress Testing covering physical and transition climate risks.

Training in Social, Environmental and Climate Risk

We carry out periodic training on the topic of ESG and Social, Environmental and Climate Risk across the Company. The topic is included in the onboarding training path, which is mandatory for employees at all levels, and is addressed in the chapter on relationships with clients and suppliers. It is also part of the Advisors Training Path, an annual mandatory training program for all investment advisors in our network. In 2024, approximately 12,408 advisors (97%) completed the required training.

All areas involved in the management of social, environmental and climate risks undergo regular training on the topic. In addition, the Company raises awareness through initiatives such as Risk Capsules and Compliance Week.

Recording Social, Environmental and Climate Losses

We have established a detailed process for recording losses resulting from social, environmental and climate-related damage, whether in administrative or legal proceedings (Operational Risk) or in credit operations (Credit Risk), following the guidelines of the "Guide for Recording Losses Resulting from Social and Environmental Damages" by Febraban.

For losses related to administrative or legal proceedings, we track those that result in provisions and disbursements, covering topics such as improper waste disposal, non-compliance with environmental laws, environmental crimes (as defined in Law 6938/1981), workplace discrimination, human rights violations, forced and child labor, contamination and climate litigation.

In credit operations, we consider events such as environmental licensing, illegal deforestation and environmental fines. Losses are recorded in three phases: identification of operations with credit loss; social, environmental and climate screening of the companies involved; and analysis of the relationship between credit loss and social, environmental and climate issues. This approach aims to promote XP's responsibility and transparency in relation to the impacts of our operations and improve the Social, Environmental and Climate Risk management process.



We did not record any losses relating to events of this type in 2024, which demonstrates the Company's adequate management of Social, Environmental and Climate Risks.

GRI & SASB CONTENT INDEX

Statement of use: XP Inc. has developed its report in accordance with the GRI Standards for the period 01/01/2024 to 12/31/2024.

GRI 1 used: GRI 1: Foundation 2021

GRI Standard / SASB	Disclosure	Location / Response	SDGs
GRI 2: General Disclosures 2021	2-1 Organizational details	13	
	2-2 Entities included in the organization's sustainability reporting	03	
	2-3 Reporting period, frequency and contact point	03	
	2-4 Restatements of information	The calculation methodology for indicators 404-1 and 401-3 has been updated to ensure greater alignment with GRI standards. Regarding We have changed the grouping of employee categories, which explains the discrepancy between the 2024 data and that of previous years.	
	2-5 External assurance	There was no external verification for the year 2024.	
	2-6 Activities, value chain and other business relationships	13, 19, 24	
	2-7 Employees	64	8, 10
	2-8 Workers who are not employees	64	8
	2-9 Governance structure and composition	115	5, 16
	2-10 Nominating and selecting the highest governance body	116	5, 16
	2-11 Chair of the highest governance body	116	16
	2-12 Role of the highest governance body in overseeing the management of impacts	03, 116	16
	2-13 Delegation of responsibility for managing impacts	120	
	2-14 Highest governance body's role in sustainability reporting	03, 08	
	2-15 Conflicts of interest	135	16
	2-16 Communicating critical concerns	127	
	2-17 Collective knowledge of the highest governance body	116	
	2-18 Evaluating the highest governance body's performance	121	
	2-19 Remuneration policies	77, 121	
	2-20 Process for determining compensation	77, 121	
	2-22 Statement on sustainable development strategy	04	

GRI Standard / SASB	Disclosure	Location / Response	SDGs
GRI 2: General Disclosures 2021	2-23 Policy commitments	124	16
	2-24 Embedding policy commitments	124	
	2-25 Processes to remediate negative impacts	133	
	2-26 Mechanisms for seeking advice and raising concerns	127	16
	2-27 Compliance with laws and regulations	124	
	2-28 Membership of associations	24	
	2-29 Approach to stakeholder engagement	55	
	2-30 Collective bargaining agreements	87	8
GRI 3: Material Topics 2021	3-1 Process to determine material topics	08	
	3-2 List of material topics	09	
Embedding ESG in processes, products and services			
GRI 3: Material Topics 2021	3-3 Management of material topics: Embedding ESG in processes, products and services	47	
GRI 201: Economic performance	201-2 Financial implications and other risks and opportunities due to climate change	149	13
GRI 203: Indirect economic impacts 2016	203-1 Infrastructure investments and services supported	There are no investments in infrastructure and support for services.	5, 9, 11
	203-2 Significant indirect economic impacts	93	1, 3, 5, 8
GRI 302: Energy 2016	302-1 Energy consumption within the organization	110	7, 8, 12, 13
	302-4 Reduction of energy consumption	110	7, 8, 12, 13
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	103	3, 12, 13, 14, 15
	305-2 Energy indirect (Scope 2) GHG emissions	103	3, 12, 13, 14, 15
	305-3 Other indirect (Scope 3) GHG emissions	104	3, 12, 13, 14, 15
	305-4 GHG emissions intensity	102	13, 14, 15
	305-5 Reduction of GHG emissions	102	13, 14, 15

GRI Standard / SASB	Disclosure	Location / Response	SDGs
GRI 308: Supplier environmental assessment 2016	308-1 New suppliers that were screened using environmental criteria	89, 90	
	308-2 Negative environmental impacts in the supply chain and actions taken	90	
SASB Incorporation of environmental, social and governance factors in credit analysis	FN-CB-410a.2 Description of approach to incorporation of environmental, social, and governance (ESG) factors in credit analysis	48, 49	
	FN-AC-410a.1 Amount of assets under management, by asset class, that employ integration of environmental, social, and governance (ESG) issues, sustainability themed investing, and screening.	50	
	FN-AC-410a.2 Description of approach to incorporation of environmental, social, and governance (ESG) factors in investment and/or wealth management processes and strategies	48, 50	
	FN-IB-410a.1 Revenue from underwriting, advisory, and securitization transactions incorporating integration of environmental, social, and governance (ESG) factors, by industry.	48, 50	
	FN-IB-410a.2 Number and total value of investments and loans incorporating integration of environmental, social, and governance (ESG) factors, by industry.	50	
	FN-IB-410a.3 Description of approach to incorporation of environmental, social, and governance (ESG) factors in investment banking and brokerage activities.	50	
SASB Financed Emissions	FN-AC-410b.3 Percentage of gross exposure (AUM) included in the financed emissions calculation	105	
	FN-AC-410b.4 / FN-CB-410b.3 Description of methodology used to calculate financed emissions	105	
	FN-CB-550a.2 / FN-IB-550a.2 Description of approach to incorporation of results of mandatory and voluntary stress tests into capital adequacy planning, longterm corporate strategy, and other business activities	105	
	FN-CB-410b.1 Absolute gross financed emissions, disaggregated by (1) Scope 1, (2) Scope 2 and (3) Scope 3	105	
	FN-CB-410b.2 Gross exposure for each industry by asset class	105	
	FN-CB-410b.3 Percentage of gross exposure included in the financed emissions calculation	105	
	FN-CB-410b.4 Description of methodology used to calculate financed emissions	105	
Customer centricity, innovation and technology			
GRI 3: Material Topics 2021	3-3 Management of material topics: Customer centricity, innovation and technology	58	

GRI Standard / SASB	Disclosure	Location / Response	SDGs
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	58, 61	16
	417-2 Incidents of non-compliance concerning product and service information and labeling	There were no incidents of non-compliance relating to information and labeling of products and services.	16
	417-3 Incidents of noncompliance concerning marketing communications	There were no cases of non-compliance in relation to marketing communications.	16
SASB Transparent information and fair advice for customers	FN-AC-270a.3 Description of approach to informing customers about products and services	61	
Diversity and inclusion			
GRI 3: Material Topics 2021	3-3 Management of material topics: Diversity and inclusion	80	
GRI 405: Diversity and equal opportunity 2016	405-1 Diversity of governance bodies and employees	84, 116	5, 8
	405-2 Ratio of basic salary and remuneration of women to men	78	5, 8, 10
SASB Diversity and inclusion of employees	FN-AC-330a.1 / FN-IB-330a.1 Percentage of gender and racial/ethnic group representation for executive management, non-executive management, professionals, and all other employees.	64, 80	
Ethics, human rights, compliance and transparency			
GRI 3: Material Topics 2021	3-3 Management of material topics: Ethics, human rights, compliance and transparency	124	
GRI 202: Market presence 2016	202-1 Ratio of standard entry level wage by gender compared to local minimum wage	78	
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on locally-based suppliers	88	8
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	134	16
	205-2 Communication and training about anti-corruption policies and procedures	129, 134	16
	205-3 Confirmed incidents of corruption and actions taken	There were no reported cases of corruption involving XP Group in 2024.	16
GRI 206: Anti-competitive behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	The investigation under the CADE Administrative Inquiry involving XP was officially terminated in 2023. There were no cases in 2024.	16

GRI Standard / SASB	Disclosure	Location / Response	SDGs
GRI 207: Taxes 2019	207-1 Approach to tax	136	1, 10, 17
	207-2 Tax governance, control and risk management	136	1, 10, 17
	207-3 Stakeholder engagement and management concerns related to tax	136	1, 10, 17
	207-4 Country-by-country reporting	136	1, 10, 17
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	66, 67	5, 8, 10
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	86	3, 5, 8
	401-3 Parental leave	87	5, 8
GRI 403: Occupational health and safety 2018	403-1 Occupational health and safety management system	85	8
	403-2 Hazard identification, risk assessment, and incident investigation	85	8
	403-3 Occupational health services	85	8
	403-4 Worker participation, consultation, and communication on occupational health and safety	85	8, 16
	403-5 Worker training on occupational health and safety	85	8
	403-6 Promotion of worker health	86	3
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	85	5
	403-8 Workers covered by an occupational health and safety management system	85	5
	403-9 Work-related accidents	85, 87	
	403-10 Work-related ill health	85, 87	3, 8, 16
GRI 404: Training and education 2016	404-1 Average hours of training per year per employee	71, 130	4, 5, 8, 10
	404-2 Programs for upgrading employee skills and transition assistance programs	73	8, 10
	404-3 Percentage of employees receiving regular performance and career development reviews	73, 74	5, 8, 10

GRI Standard / SASB	Disclosure	Location / Response	SDGs
GRI 406: Non-discrimination	406-1 Incidents of discrimination and corrective actions taken	127	5, 8
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	87	8
GRI 408: Child labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	90	5, 8, 16
GRI 409: Forced or compulsory labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	90	5, 8, 16
GRI 410: Security Practices	410-1 Security personnel trained in human rights policies or procedures	129	
GRI 411: Rights of indigenous peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	There were no cases of violation of the rights of indigenous peoples. The risk due diligence process for evaluating clients and suppliers takes the issue of Indigenous peoples' rights into consideration.	2
GRI 413: Local communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	No operations with real and significant negative impact or potential impact on local communities were identified.	
	413-2 Operations with significant actual and potential negative impacts on local communities	No operations with real and significant negative impact or potential impact on local communities were identified.	1, 2
GRI 414: Supplier social assessment 2016	414-1 New suppliers that were screened using social criteria	89, 90	5, 8, 16
SASB Business ethics	FN-CB-510a.1 / FN-AC-510a.1 / FN-IB-510a.1 Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations.	136	
	FN-CB-510a.2 / FN-AC-510a.2 / FN-IB-510a.2 Description of whistleblower policies and procedures.	127, 128, 133	
Education and financial inclusion			
GRI 3: Material Topics 2021	3-3 Management of material topics: Education and financial inclusion	91, 94	

GRI Standard / SASB	Disclosure	Location / Response	SDGs
Data security and privacy			
GRI 3: Material Topics 2021	3-3 Management of material topics: Data security and privacy	62, 138	
GRI 418: Customer privacy 2016	418-1 Substantiated complaints regarding breaches of customer privacy and losses of customer data	There were no grievances registered and/or substantiated in 2024.	16
SASB Data security	FN-CB-230a.1 (1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of account holders affected	No data breaches were identified in the reporting period.	
	FN-CB-230a.2 Description of approach to identifying and addressing data security risks	62, 139	
SASB Customer privacy	FN-CF-220a.2 Total amount of monetary losses as a result of legal proceedings associated with customer privacy	In 2024, we did not incur any monetary losses resulting from customer privacy-related lawsuits.	
Not aligned with material topic			
GRI 201: Financial performance 2016	201-1 Direct economic value generated and distributed	41	8, 9
	201-3 Defined benefit plan obligations and other retirement plans	The Company does not have a specific retirement plan, but does operate in accordance with the Collective Bargaining Agreement and applicable legislation, ensuring the right to tenure prior to retirement.	
	201-4 Financial assistance received from government	95	
GRI 303: Water	303-1 Interactions with water as a shared resource	109	6, 12
	303-5 Water consumption	109	6
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	111	3, 6, 11, 12
	306-2 Management of significant waste-related impacts	111	3, 6, 11, 12
	306-3 Waste generated	111, 112	3, 6, 11, 12, 15
	306-4 Waste diverted from disposal	111, 112	3, 11, 12
	306-5 Waste directed to disposal	111, 112	3, 6, 11, 12, 15
GRI 415: Public Policy 2016	415-1 Political contributions	XP Group does not make financial donations to political organizations or causes	16

Acknowledgements

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