



cielo

Integrated Annual Report

2023



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About the Report

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Welcome to another Cielo Integrated Annual Report!

The annual Report publication is part of our commitments to transparency and accountability to our stakeholders regarding our performance and management of an environmental, social and governance (ESG) practices agenda.

The document presents stock-taking for the entire year of 2023, as well as how we have evolved in our value generation proposal, including our actions to mitigate impacts and advances in public commitment agendas.

The material presented herein brings together accounting, financial and socio-environmental

information presented in an integrated manner, considering the Company's strategy, corporate risks and opportunities, as well as externalities - both positive and negative -, in order to connect all the factors that affect our ability to generate value.

Once again, this effort meets the Standards of the Global Reporting Initiative (GRI) and the guidelines of the Integrated Reporting Framework, and takes into account the indicators of the Sustainability Accounting Standards Board (SASB) for the Software & IT Services sector.

The data presented herein refers to the period from January 1st to December 31st, 2023 (the same as the Company's financial reports) and is consolidated, reflecting all Cielo controlled and subsidiary companies.

This report went through a limited assurance process by KPMG, an external and independent company. Additionally, the information presented herein is validated by the Executive Board members, in addition to being assessed by the Sustainability Committee. The Committee, in turn, submits its opinion to the Board of Directors.



If you have any questions or doubts about this report, please contact us by email:

sustentabilidade@cielo.com.br

We have evolved in the way we communicate our value generation

In this edition, Cielo's Integrated Annual Report has evolved and is organized into two fully interrelated sections, namely:

- » The **Main Report** presents a strategic and synthetic vision of our value creation processes, with an emphasis on strategy, progress within the Company's Transformation Movement (learn more on **page 19**), risk and opportunity management and performance.
- » The **Supplementary Index** presents a map with the key ESG indicators (including historical series), as well as the GRI and SASB indexes, in addition to data and information to comply with market indices and ratings.

Reading Tools

In both documents, the reader can choose to read the contents sequentially, directed to sections of interest through redirection links presented in the pages.

Or the reader can choose to navigate between content in accordance with the reporting guidelines adopted. Namely:

Material themes: these are the priority themes raised by stakeholders and the market and serve as a basis for defining the scope of the report (learn about the process for defining Cielo's material themes on **page 22**).

At the beginning of each chapter, we identify which material themes are covered in the chapter in question.



GRI and SASB indicators: After defining the scope of the report based on material themes, we selected the GRI and SASB indicators to be reported. Throughout the document, the addressed indicators are shown through tags.

The reader can also browse through GRI and SASB indicators by consulting their respective indexes. In these sections, we explain the content of each indicator, in addition to pointing out the page on which they are reported.

Enjoy your reading!

Message from the CEO

GRI 2-22

Interview with Estanislau Bassols, Cielo CEO

1. How do you assess the year 2023 for Cielo?

2023 was a year of hard work, in which we achieved major objectives, consolidated processes that had been implemented and laid the foundations for initiatives that will allow us to consolidate our company on several structuring front.

I could mention our financial results, which alone would indicate a good year. Cielo recorded a profit of R\$2.1 billion in 2023, the highest result since 2018. However, the numbers were just a consequence of the work of a team committed to transformation.

With the aim of making the company more agile, we redesigned our structure, mainly in the areas of products and technology. We also intensified efforts to improve our

customers' experience and launched the **"Pra Cima Cielo"**, a program that aims to accelerate the Company's transformation, allowing us to work on a greater number of projects, in an ongoing search for excellence.

Nothing has changed regarding the spirit of serving. We continued working to offer the best experience, always focusing on data use and seeking constant innovation, without losing sight of everything we have already built.

2. What was accomplished/what are the results from 2023 to boost Cielo as the best for Brazil?

We had important results in 2023 to position Cielo as the best company for Brazil. We made strides on all three macro themes chosen as priorities for



the year: improving our customers' experience; maintaining the focus on profitability; and further advancing digital transformation and new products.

When it comes to customer experience, we reached an all-time high in the satisfaction indicator: in our customer satisfaction survey carried out in December 2023, we recorded 86% satisfied customers. This result is a 6-percentage point increase compared to the previous survey. For those familiar with this subject, I dare say that rapid improvements in this indicator are rare, so I can affirm that Cielo did something truly extraordinary in this regard.

We made progress in service indicators and continued to evolve in optimizing the logistics system, which we believe is among the best in the industry. We have used artificial intelligence to monitor equipment and optimized our portfolio, allowing us to achieve historically low maintenance rates.

With these efforts focused on experience, our customers have a better perception of services. I am confident that we are on the right path to achieving our objective, which is to position Cielo as best in class in service and quality of services.

3. Cielo launched the “Pra Cima Cielo” program, with the aim of ensuring sustainable value generation. What is its importance in the context of the Company’s transformation?

“Pra Cima Cielo” is vital in the company’s transformation journey. The program challenges the entire team to make changes with actions that bring greater efficiency and value generation and that help evolve our experience at a better cost and price, in addition to accelerating solutions that go beyond the heart of acquiring, such as financial services.

Within this program, we have eight areas of operation, which are led by the various departments of the company. These fronts help to accelerate the results necessary to achieve our strategic objectives, and for this

reason, we consider our transformation as a compass, at least until 2025. It is the map to capture the impact of this change process.

I believe that transformation is not a static exercise. From time to time we have new ideas and new initiatives that need to be tested. And our entire team can and should participate, replenishing the initiative pipeline. Thus, we began to create a culture of identifying errors, what can be improved and correcting the course. The great transformation is in making every detail better all the time, in seeking excellence in everything we do. This is what I expect from "Pra Cima Cielo" from now on.

4. You've talked a lot about putting the customer at the center, product excellence and innovation. What was this trajectory like in 2023? And what will be the next steps?

Placing the customer at the center of decisions is a guide for everything developed at Cielo. Our trajectory in 2023, in addition to being based on experience and a journey of excellence, also brought significant results in terms of products.

We launched Cielo TAP, a product that transforms your cell phone into a payment machine. We expanded our operations in urban mobility in new locations in Brazil, in different areas and modes, in addition to innovations in our receivables anticipation products, among other improvements in the portfolio and system structure.

Our customer satisfaction indicator has grown substantially and this evolution is associated with improved services through more agile calls, optimized solutions and intensified use of Artificial Intelligence. It allows us, for example, to increase the level of changing machine batteries before problems arise and customers request service. We increased the proactive maintenance rate for changing terminals by 4.1 percentage points. With these experience-focused efforts, our customers have presented a better perception of services.

As for the next steps, we have some important challenges: making new leaps in the penetration of term products and accelerating commercial productivity in the small and medium-sized business segment. We are looking for new levels in service quality, advancing new solutions - especially when it comes to e-commerce -, with special attention to our transformation process.

All of this while maintaining a focus on commitment to profitability, results growth and operational efficiency and, primarily, to our people: **customers and employees.**

5. What has Cielo been doing to operate as a leading tech company?

Cielo is at the forefront of innovation in the payments universe. In a constantly evolving scenario, being a reference company in technology requires investment in people and processes. We continue to invest to improve our technological portfolio, which will allow us to expedite products launch, whether in the payments core or in the financial and value-added services agendas.

As a reflection of our broad transformation process, the year 2023 was marked by redesign in the products and technology areas, and the internalization of employees in strategic areas. This helped us reduce product launch time by 20%. Success was achieved in less than a year.

Operating as a leading technology company is also an objective. It's about being an employer brand, a place where people look and say: "what do I need to do to work at Cielo?". To this, we need to innovate. Innovate in what the customer wants, in the experience and in changes according to Brazilian retailers' needs.

6. In your opinion, what does it mean to simplify and boost business?

Simplifying and boosting business means making retailers' lives simpler through innovative solutions that make managing a business easier. In a certain way, it has to do with making dreams come true.

Few people know small and medium-sized business (SMB) as Cielo does. We are a reference in ethics and efficiency, we have solutions for all types of business and a huge capacity to innovate. But our greatest strength is our team. Our team is our fortitude. We deliver results, we are proud to belong and we have the freedom to be who we are.

We want to be the best company for Brazil and not the best in Brazil. Because when we provide agility and make entrepreneurs' lives easier, we consequently contribute to job creation and economy movement. By being better "for", we impact the lives of thousands of people who believe they can undertake and make a difference.

7. What message would you like to leave to those reading the Report?

The message I leave is for readers to believe in a Cielo committed to transformation and a journey of excellence, always focusing on people. My personal purpose is to make everyone work as a team, innovating and preparing the company for the coming years. All this is based on a team with diverse experiences, which helps to deliver more comprehensive and disruptive solutions for Cielo and the society.



About Cielo

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RECOGNIZED BRAND
28 years
of operation



COMPLETE ECOSYSTEM
Diversified portfolio of technology solutions and services



Top of Mind for the second consecutive year

ROBUST INFRASTRUCTURE

7.9 bi transactions captured in 2023

*One of the most valued Brazilian brands **

** Interbrand survey*

Profile

GRI 2-1 | 2-6

Cielo S.A. – Instituição de Pagamento (“Cielo” or the “Company”) – has a consolidated trajectory, and is a leader in the electronic payments market.

It has been operating for a total of 28 years, providing Brazilian commerce with a diversified portfolio of technology solutions and services developed to meet the complex needs of everyday life in all segments.

We are present in 99% of the national territory, serving customers ranging from small entrepreneurs to large retailers.

Our activities aim to simplify the daily lives of millions of consumers and companies, boosting business for everyone in the market economy. That's why we seek to enable diversity, encouraging processes and relationships to be facilitated through innovation.

Thus, we work to be recognized as the most desired exponential platform in Brazilian small and medium-sized business (SMB), integrating the entire value chain into broad and personalized solutions.



A REFERENCE BRAND

In 2023, we were granted awards that recognize the value of our brand and fill us with pride:

Top of Mind: For the second year in a row, Cielo is the most remembered brand in the POS Machine category of the Top Of Mind award, from Folha de S. Paulo.

Interbrand (2022/2023): We are one of the most valuable Brazilian brands by Interbrand, ranking in the Top 25.

Brand Finance Brazil 100: Brand Finance awarded Cielo as the 43rd most valuable brand in Brazil in a ranking made up of 100 companies.

A complete ecosystem

We are a diverse ecosystem, which goes far beyond the POS machine.

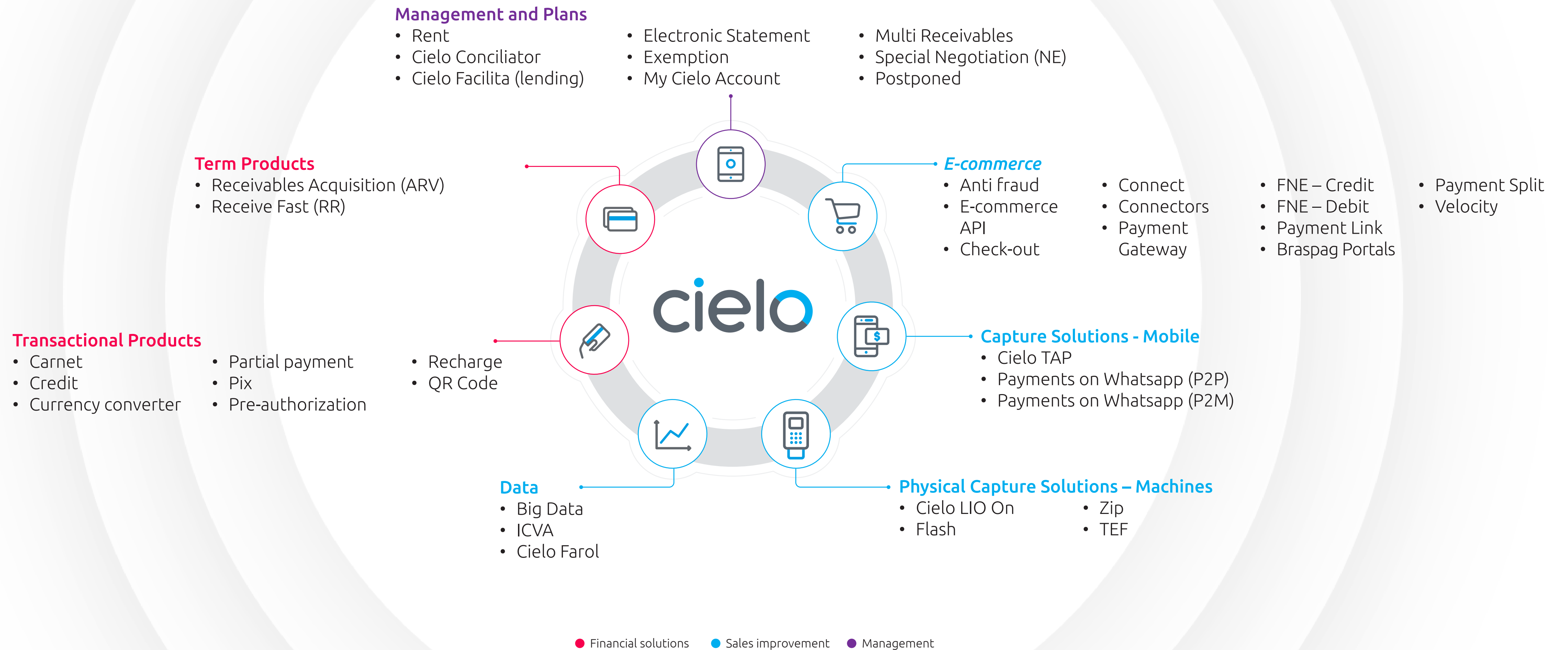
We have a comprehensive platform of technological solutions for the accreditation of commercial establishments to carry out payment transactions.

We also offer our customers options for renting and lending solutions for capturing and processing data related to credit and debit card and Pix transactions, in addition to providing installation and maintenance services.

We provide receivables anticipation from credit card transactions, which allows our customers to have early access to amounts that would be received later, providing greater financial flexibility and liquidity for the business.

In 2023 alone, we were responsible for capturing 7.9 billion transactions and R\$816.1 billion in financial volume.





Learn more about how our products and services generate value and impact our customers in the chapter **“Customer-focused transformation”**

Sectoral context

GRI 203-2

Trends

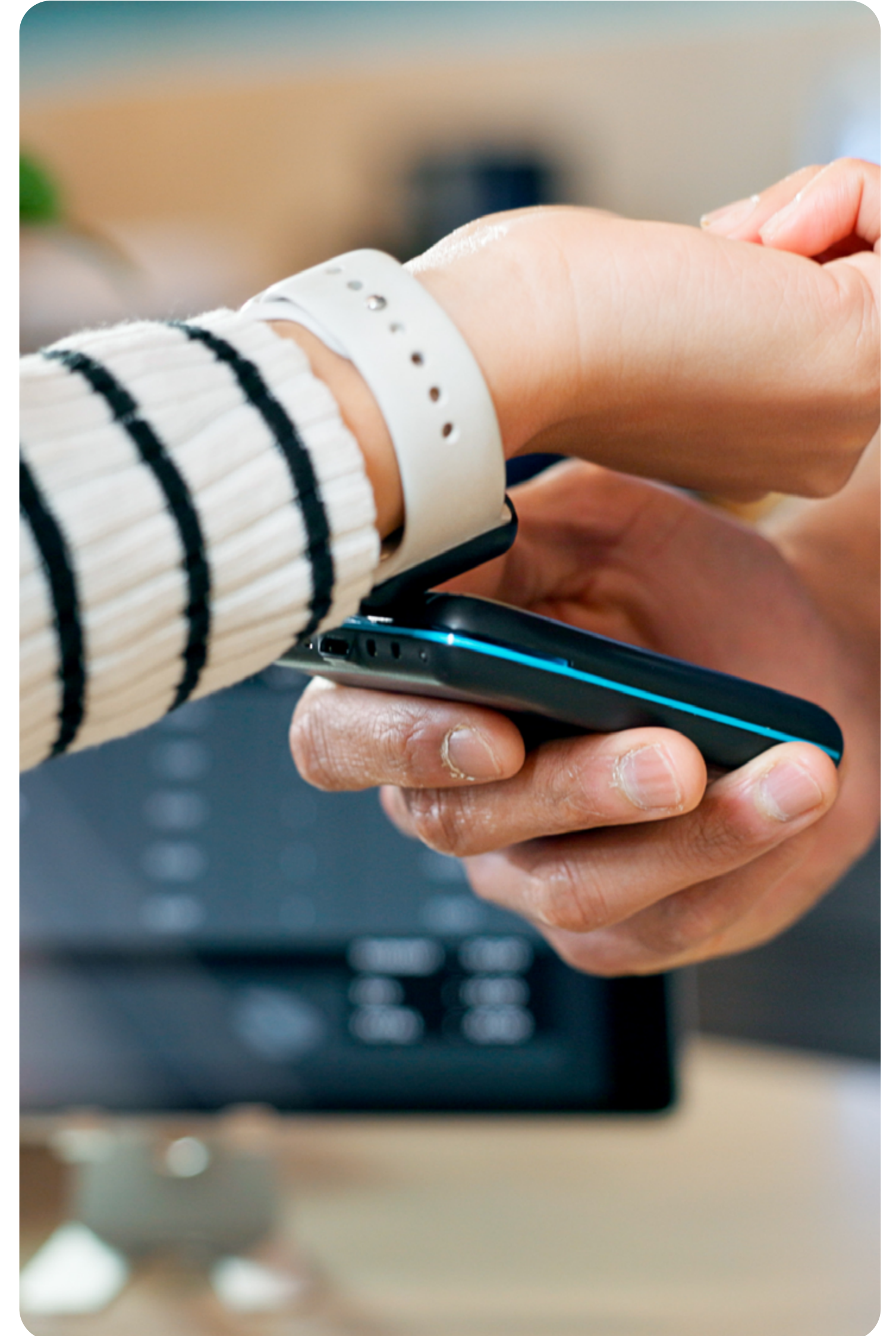
Accelerated technological transformations and regulatory changes have intensely impacted the way the people make their payments. On the global scenario, digital payment options have grown and spread rapidly, making the use of cash an inconvenient practice.

Observing global trends, alternative solutions are emerging, such as digital currencies, the use of virtual cards, contactless payments (NFC) and, specifically in Brazil, the adoption and advent of Pix and the Central Bank's plans to implement a digital version of the real, called DREX.

In addition to these alternatives, other solutions such as Open Finance and the Receivables Counter have allowed greater flexibility and opportunities for consumption and business management, influencing Brazilian habits and contributing to the acceleration of the process of digitalizing payment methods in Brazil.

In order to adapt to changes and a range of consumer profiles, companies in the sector have invested in omnichannel, seeking to integrate all their communication and sales channels, with a focus on the customer, and providing a more fluid purchasing experience.

Artificial Intelligence (AI) has also shown great potential to impact the payments sector, delivering more realistic and ultra-personalized solutions. AI tends to be even more integrated into payment systems, improving security, detecting fraud and personalizing shopping experiences.



The Sector

Data released by the Brazilian Credit Card and Service Companies Association (ABECS) corroborates this trend, reaffirming that the Brazilian scenario follows the global movement.

In 2023, the association's balance sheets recorded a 13.2% increase in remote purchases, which reached R\$830 billion, as well as a 70.1% increase in NFC payments, which reached R\$986 billion by the end of the year.

ABECS data also shows that, for the first time, Brazilians made more payments through NFC than traditional cards when making in-person purchases. A total of 54.7% of in-person transactions in December 2023 were carried out via NFC.

To keep up with the pace of transformation and stay ahead in this scenario, companies in the payments sector have been working to make their delivery cycles shorter, investing heavily in innovation and technologies, with the aim of developing products

and solutions that simplify customers' lives and commercial establishments routines.

In the midst of a highly competitive market scenario, companies have driven a revolution through the use of data and analytics, with the aim of understanding the behaviors of their customers and users, thereby improving their products in the search for scale and loyalty.

In recent years, the use of artificial intelligence has played an important role in boosting this process. The adoption of this technology has contributed to maximizing the capacity of technology areas to process and analyze huge volumes of data in real time, also improving cost management and company efficiency through process automation.

Cielo


Cielo, as a reference in the payments market in Brazil, has driven an extensive transformation program, which positions it as a competitive player in this scenario, reinforcing its performance as a customer-oriented and data-driven technology company, with high integration between areas to reduce products and solutions delivery cycles.




At the same time, the Company has promoted a culture focused on innovation, with specific programs to accelerate the internal transformation process. Additionally, it has reinforced its employer brand, working on aspects linked to technology and innovation, investing in its development and training programs, in order to attract and retain excellent professionals to join the teams.

Business model and value generation

GRI 3-3 | 203-2

 **PURPOSE**
Simplify and drive business for all

 **VISION**
Being the most desired smart platform in Brazilian commerce.




Accessed Capitals	RESOURCES – entries	IMPACTS – results
 Financial	<ul style="list-style-type: none"> » R\$ 816 billion of traded volume. » 7.9 billion transactions captured. » Solutions that allow customers to anticipate their receivables flows (term products). » Transformation Program supported by operational efficiency and profitability, among other factors. 	<ul style="list-style-type: none"> » R\$ 1.9 billion recurring Net Profit. » R\$ 4.04 billion recurring EBITDA. » R\$ 128.9 billion in anticipated volume. » Largest distribution of profits to shareholders since 2018: R\$ 764 million via Interest on Equity.
 Intellectual	<ul style="list-style-type: none"> » Strategy that guarantees the launch of definitive and robust solutions in a shorter period of time. » Work model in multidisciplinary teams (squads) using agile methodologies. » Data-driven to evolve products and improve customer experience and satisfaction. 	<ul style="list-style-type: none"> » Portfolio of solutions to meet the complex needs of each customer profile. » Enabling value for the business and customers through technology. » Efficiency in internal processes and agility in the delivery of new products. » Technology prepared to scale and transform, in an efficient and safe manner.
 Manufactured	<ul style="list-style-type: none"> » Resolute, attractive digital channels with the potential to convert audiences into actual businesses. » Salesforce as a tool for Customer Relationship Management (CRM). » Enabler of safe businesses for all. 	<ul style="list-style-type: none"> » Financial volume of Single Anticipation on the same day (ARV) increased by 41.8% in 2023, compared to 2022. » Availability and stability of systems certified by ISO 22301.

Business model and value generation

GRI 3-3 | 203-2

 **PURPOSE**
Simplify and drive business for all.

 **VISION**
Being the most desired smart platform in Brazilian commerce.

Accessed Capitals	RESOURCES – entries	IMPACTS – results
 Social and Relationship	<ul style="list-style-type: none"> » Massive use of data to reformulate the service journey. » 15.262 calls to the Ombudsman's Office. » Terminal performance monitoring. 	<ul style="list-style-type: none"> » 6 percentage points growth in customer satisfaction. » 14.3 percentage points reduction in the index that monitors reactive maintenance. » 4.1 percentage points increase in the index that monitors proactive terminal maintenance. » R\$418 thousand in investments in social impact and financial education projects.
 Human	<ul style="list-style-type: none"> » 6,368 people in the team. » R\$ 1.2 billion distributed to the team in the form of remuneration and benefits. » Cielo University, for training and development. » Commitment to Diversity, Equity and Inclusion. 	<ul style="list-style-type: none"> » Score of +84 in Employee Experience (eNPS). » 39.6% of women in leadership positions. » 34.8% of people self-declared as black and brown. » R\$7.1 million invested in training.
 Natural	<ul style="list-style-type: none"> » Environmental management system (EMS) certified by ISO 14001. » Structured management for the reverse logistics of electronic equipment. » Climate Strategy in line with the Task Force on Climate Related Financial Disclosures (TCFD). 	<ul style="list-style-type: none"> » 100% of Scope 1 and 2 emissions offset. » 100% of electronic waste recovered through reverse logistics correctly disposed of for recycling.

2

Strategy

Consistent strategy and vision for the future	18
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CONSISTENT STRATEGY

5 strategic pillars

TRANSFORMATION OFFICE

as a catalyst for the transformational process

Transformation Program organized on 10 fronts

#PraCimaCielo



ESG MANAGEMENT

ISE B3

We were listed on the B3 Corporate Sustainability Index, for the 11th consecutive year.

DUAL MATERIALITY MATRIX

prepared considering the socio-environmental and financial perspectives, in addition to stakeholders' perception.

SUSTAINABILITY YEARBOOK 2023

We are part of the sustainability yearbook prepared by S&P Global.

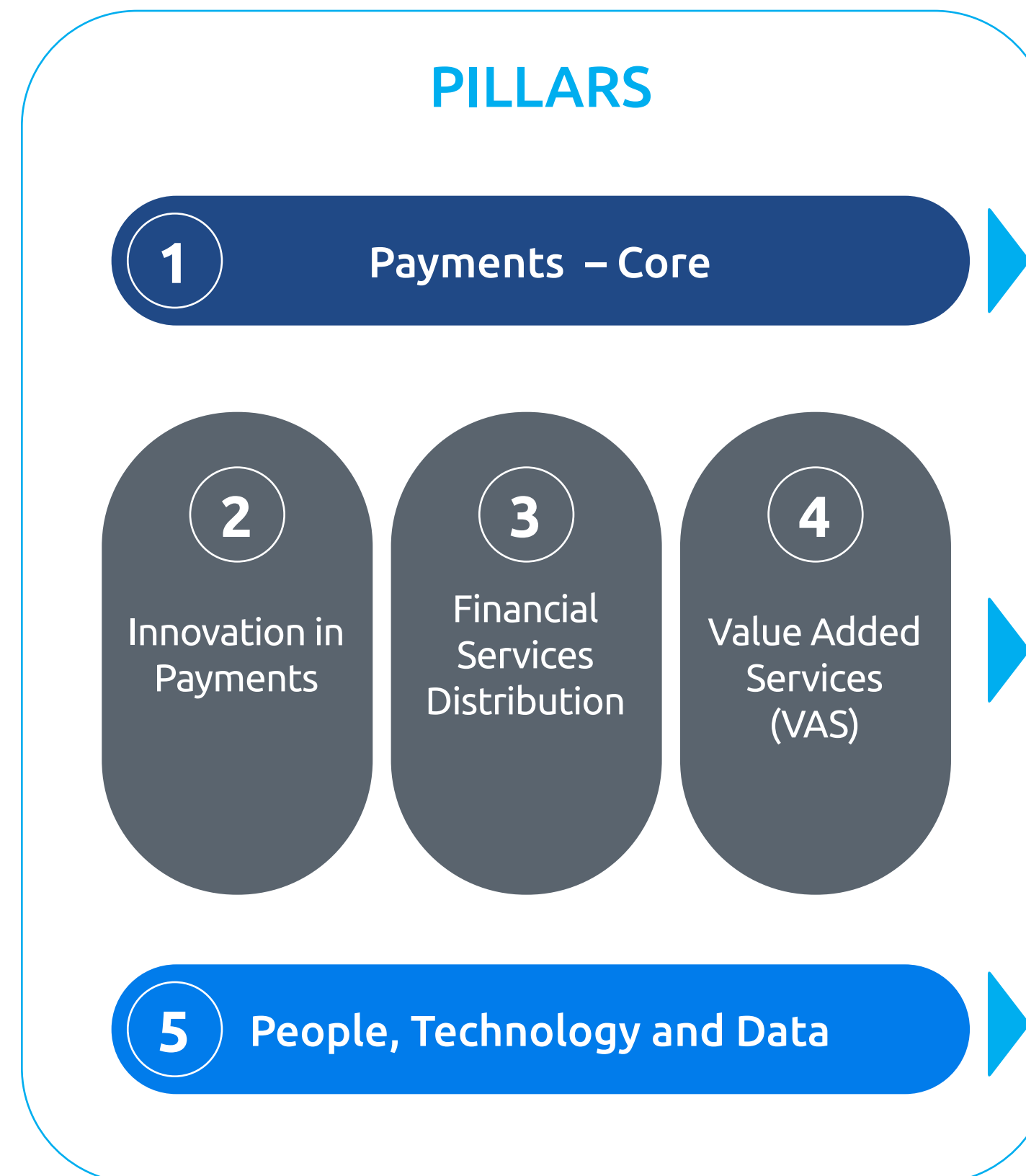
Consistent strategy and future vision

GRI 203-2

We strive to establish ourselves as the ideal partner for companies of all sizes, in any corner of the country, serving our customers with a complete portfolio of services and solutions to boost their sales, while also improving the management and finances of their businesses. All this with guaranteed quality, safety and stability.

To continue to evolve, we organize our strategy into 5 pillars, which support the Company's entire transformation process. These pillars reflect our ambition to remain relevant in the core business, while innovating and exploring opportunities in new frontiers.

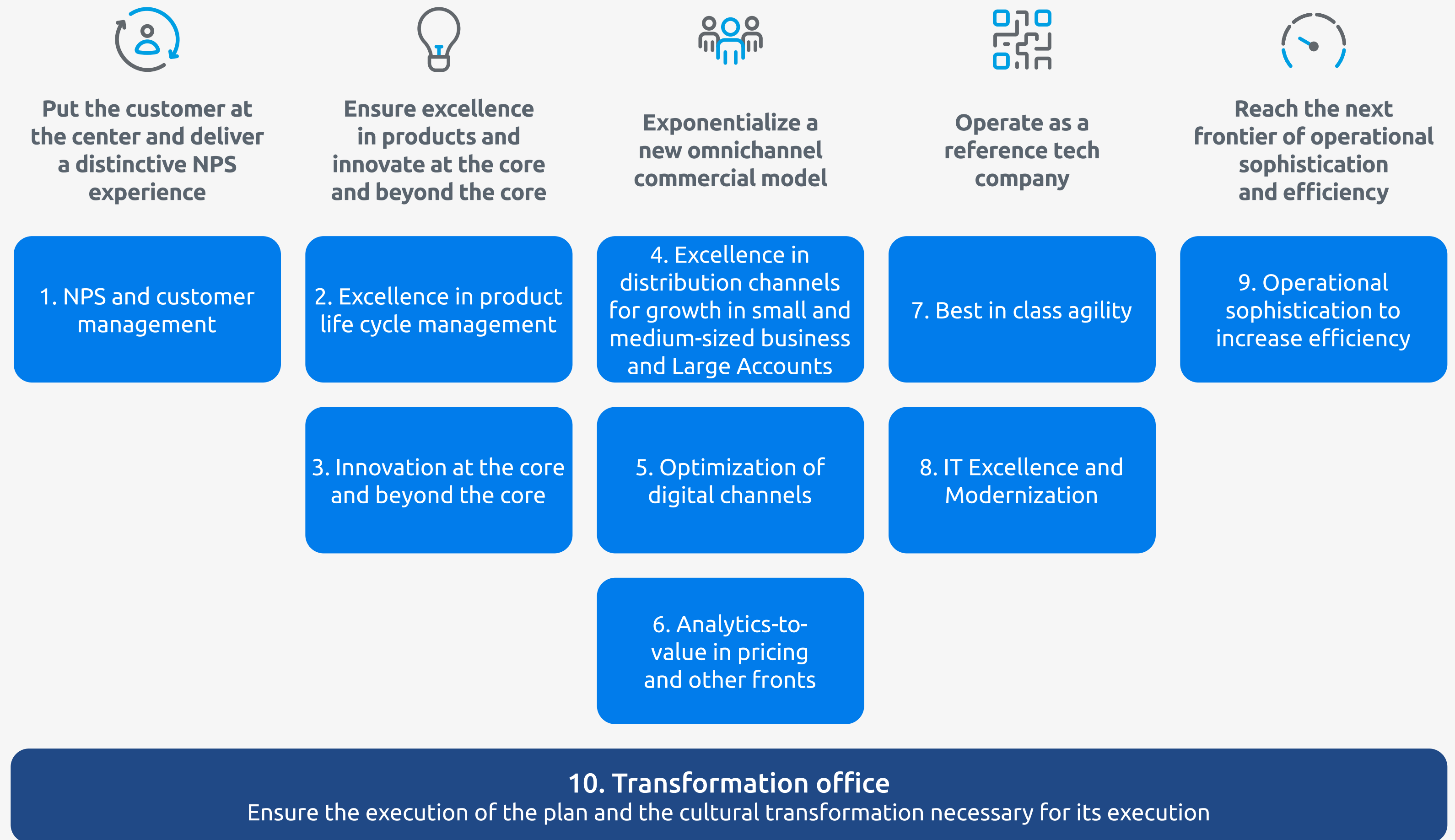
For this to be executed in a disciplined manner and with the expected quality, we believe that the path involves investing in our team, promoting a data-driven culture, with technological support that enhances our delivery capacity.



#PraCimaCielo

With an eye on the future and attentive to the challenges emerging in the sector, in 2023, Cielo launched the #PraCimaCielo transformation program. Organized on 10 fronts, it aims to accelerate the Company's transformation journey to reach new levels of excellence.

Furthermore, #PraCimaCielo aims to revolutionize Cielo's execution capacity and delivery pace. To this end, also in 2023, we consolidated cultural attributes and skills (learn more on [page 50](#)) that are fundamental to this journey of transformation.



Sustainability management

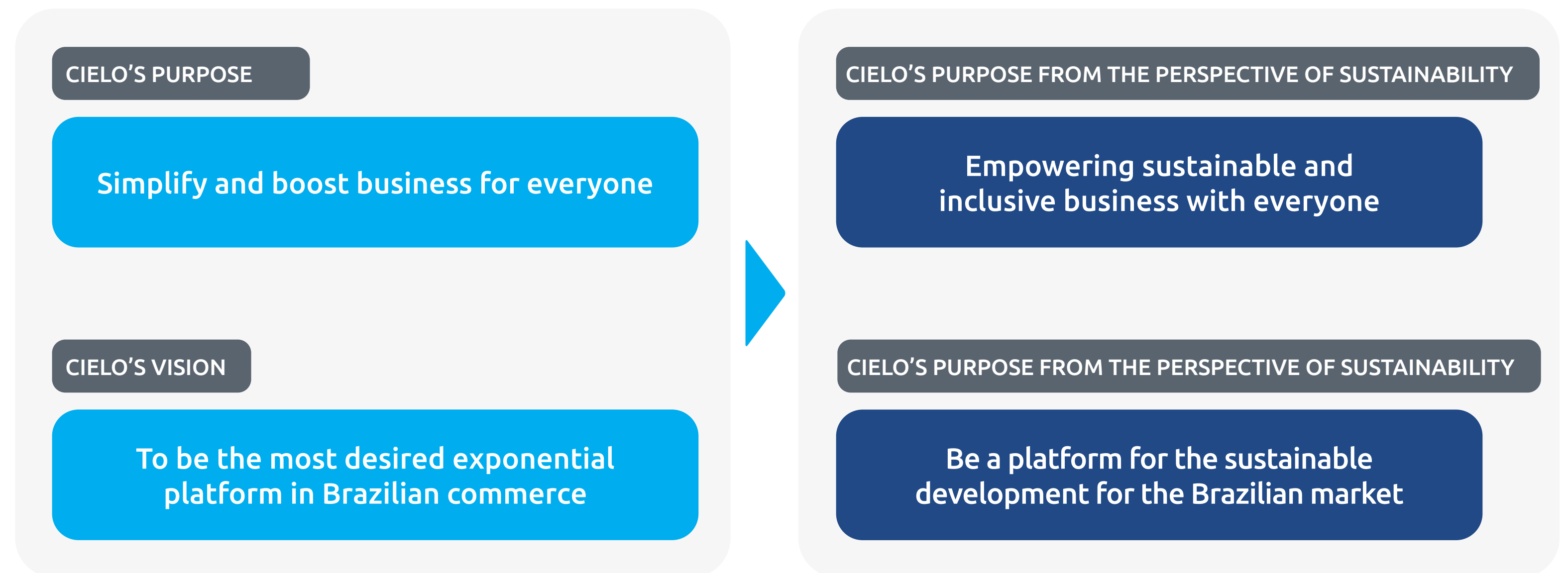
GRI 2-23 | 2-24 | 203-2

Cielo's actions aimed at promoting sustainable development are guided by the Sustainability Policy.

Its implementation aims to generate value by making the long-term success of the business compatible with the promotion of economic development, the construction of a fair society and the environment conservation.

To organize actions and put into practice the commitments made in the policy, we have structured a Strategic Sustainability Plan, the objectives of which reflect the Company's purpose and future vision from the perspective of sustainability.

[Discover our Sustainability Policy in full.](#)



The Plan defines the strategic objectives for Sustainability, which are broken down into initiatives and actions to be developed and implemented by the Company's different fronts.

The Executive People, Management and Performance Vice Presidency monitors the execution of the Plan and, periodically, the Sustainability Committee reports its progress to the Board of Directors.

ESG STRATEGY AND ENGAGEMENT

1 Influence business strategy by engaging stakeholders in ESG practices

DIVERSITY, EQUITY, INCLUSION AND SOCIAL IMPACT

3 Leverage leadership to build an inclusive culture

4 Improve processes that increase diversity with equity

5 Promote social impact with financial, entrepreneurial and digital education

6 Encourage volunteering as a lever for empathy

ECO-EFFICIENCY AND CLIMATE CHANGE

7 Incorporate eco-efficiency into operations and business solutions

8 Leverage decarbonization opportunities

MANAGEMENT OF ESG RISK AND OPPORTUNITIES

2 Manage social, environmental and climate risks and opportunities



ESG MANAGEMENT RECOGNIZED IN MARKET INDEXES

ISE B3: in 2023, for the 11th consecutive year, we were listed in the B3 Corporate Sustainability Index portfolio, strengthening our high commitment to ESG practices.

Sustainability Yearbook 2023: we are part of the sustainability yearbook prepared by S&P Global, which brings together companies listed on the New York Stock Exchange that are benchmarking for sustainability practices in the sector.

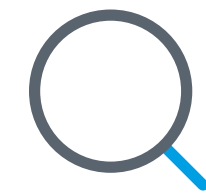
Impact Materiality

GRI 2-14 | 3-1 | 3-2

To clearly define the priorities of our sustainability agenda, we have structured a Materiality Matrix, which follows the dual materiality methodology, taking into account sustainability aspects from three perspectives:

- » **Socio-environmental:** Cielo’s impacts on society and the environment.
- » **Financial materiality:** considering socio-environmental risks and opportunities and the impacts related to them.
- » **Stakeholders’ perceptions of relevance.**

The identification, analysis and prioritization of material themes in Cielo's materiality matrix followed the following steps:



Identification

- » We analyze the contexts of The Company’s operations.
- » We map the topics on the ESG agenda present in the market and in the sector.
- » We consult market frameworks and guidelines on potentially material topics.



Analysis

- » We group potentially material themes according to affinities.
- » We hold discussions in focus groups with internal areas of risk management, strategic planning and sustainability. The objective was to understand and converge the main risks and current or potential impacts, both positive and negative, of the identified themes, from the perspective of these areas in Cielo's business, operations and value chain.



Stakeholder consultation

- » We follow the guidelines of our Stakeholder Relationship Policy and carry out interviews with audiences who may influence or be influenced by our business and operations.
- » Thus, the Stakeholders consulted were: employees, leaders, executive vice-presidents, coordination of the sustainability committee, customers and suppliers.





Prioritization and validation

- » We prioritize themes in terms of relevance in impacts.
- » We submit the topics for consideration by the Sustainability Committee and approval by the Executive Board.
- » Based on the perceptions of the consulted stakeholders, we correlated the material themes with the potential UN Sustainable Development Goals (SDGs).

MATERIAL THEMES

As a result, we obtained a list of 12 material themes in terms of relevance and impact.

Material Themes	Potential SDG
A Attracting and developing people	 
B Responsible and sustainable value chain	   
C Education, Citizenship and Financial Inclusion	   
D Diversity, Equity and Inclusion	  
E Eco-efficiency in Operations	  
F Entrepreneurship	 

Material Themes	Potential SDG
G Risk Management and Business Continuity	
H Governance, Integrity, Ethics and Transparency	
I Climate Change	  
J Technology, Innovation and Systems Availability	  
K Customer Relationship	  
L Information Security and Fraud Prevention	  

3

Customer-focused transformation

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SERVICE EXCELLENCE

26.5%
growth in URA navigation time

+37%
of customers served by voice in up to 10 seconds



DATA-DRIVEN

Intelligent terminal targeting



+4.1 p.p.
in proactive maintenance

those in which Cielo informs in advance about performance failures

Information Security and Privacy Systems certified by **ISO 27001** and **ISO 27701**

86%



OF SATISFIED CUSTOMERS*

* sum of the percentages of customers who rated us from 7 to 10



SDG

- 8 DECENT WORK AND ECONOMIC GROWTH
- 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
- 11 SUSTAINABLE CITIES AND COMMUNITIES
- 16 PEACE, JUSTICE AND STRONG INSTITUTIONS



Capitals

- SOCIAL AND RELATIONSHIP
- INTELLECTUAL
- MANUFACTURED

E aí, bora juntar forças?

(So, Let's Join Forces?)

“So, let’s join forces?” is the signature of Cielo's new campaign, which debuted in 2023 in the main Brazilian media outlets. Its objective is to be an invitation for those who have a business to join forces with Cielo's sales, finance and management solutions and, thus, enhance their company.

The campaign is directly linked to the #PraCimaCielo transformation movement (learn more on **page 19**) by highlighting the diversity and complementarity of our integrated solutions portfolio.

Reinforcing the idea of an ideal partner, the campaign portrays Brazilian retailers as true marathon runners, who do everything from customer service to management, and highlights the varied options offered by the Company to simplify business.

The campaign also reinforces the power of the Cielo brand, emphasizing company attributes that are essential for customers, such as security, availability, innovation, trust, partnership and presence.

Find out more about the campaign at
<https://blog.cielo.com.br/institucional/campanha-bora-juntar-forcas/>

Knowledge of the Cielo Brand

With the aim of measuring the strength of our brand and the results of the new positioning, we commissioned a survey, carried out by the Datafolha Institute, which interviewed more than 2 thousand people, distributed in 131 municipalities.

The data shows that
Cielo is known by
around 90% of the
Brazilian population*.

The study also revealed that the Company was successful in its communications by emphasizing the concept of an ecosystem of solutions, to the point that people have already internalized that Cielo goes far beyond the POS machine, offering a variety of payment options.

*The maximum margin of error for the total sample is 2 percentage points, plus or minus, within the 95% confidence level.

Customer experience

GRI 3-3

Evolution of Satisfaction

In our customer satisfaction survey carried out in December 2023, we recorded 86% satisfied customers (considering the sum of the percentages of customers who rated us from 7 to 10).

This result represents a 6 percentage point increase compared to the previous survey in 2022, showing that our strategy has been successful, to the point where the improvements implemented in our service model have been perceived positively.

The improved performance also reflects the results of the initiatives resulting from **#PraCimaCielo**, our transformation program, as well as the high engagement of our team, which embraces Cielo's value proposition and disseminates an innovative culture determined to simplify and boost business for all segments.

% customer satisfaction



Excellence in service

In terms of service, the year was one of relevant advances that allowed us to improve customer experience when accessing our channels, culminating positively in achieving historic satisfaction rates for the Company. The progress achieved is a direct reflection of the work carried out to review service processes, which led to greater simplification of various journeys.

This revolutionized the way Cielo serves its customers, and was possible thanks to the massive use of data and technological tools, which allow cross-direction of information and the production of insights that support informed decision-making.

Thus, we saw a significant improvement in the service level. Cielo became even more available to customers accessing its channels, making access faster, simpler and more targeted.

HUMAN SERVICE AND SELF-SERVICE INDICATORS (URA)

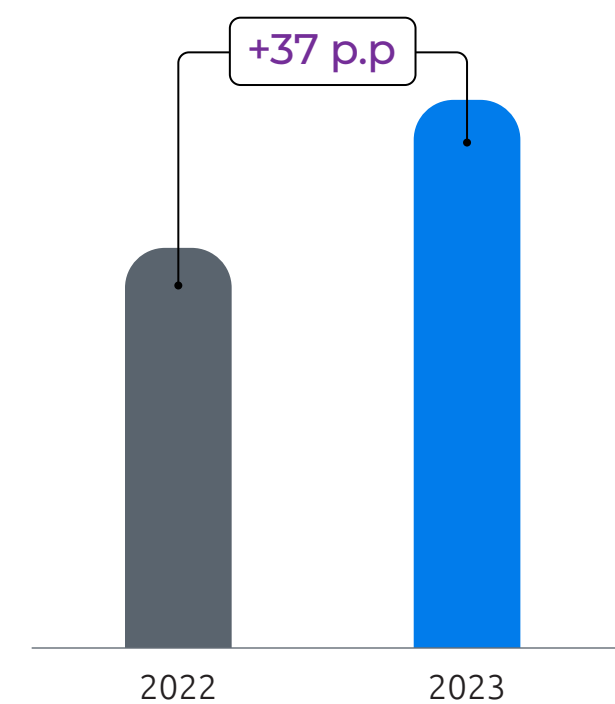
We make service faster, reducing customer waiting time and promoting human service. The evolution in indicators shows a 37% growth in human services in up to 10 seconds compared to 2022.

As a result of this speed, we reduced by 26.5%, in the same period, the customer's average browsing time in the Automatic Response Unit (ARU), which is the initial phase of automated electronic service.

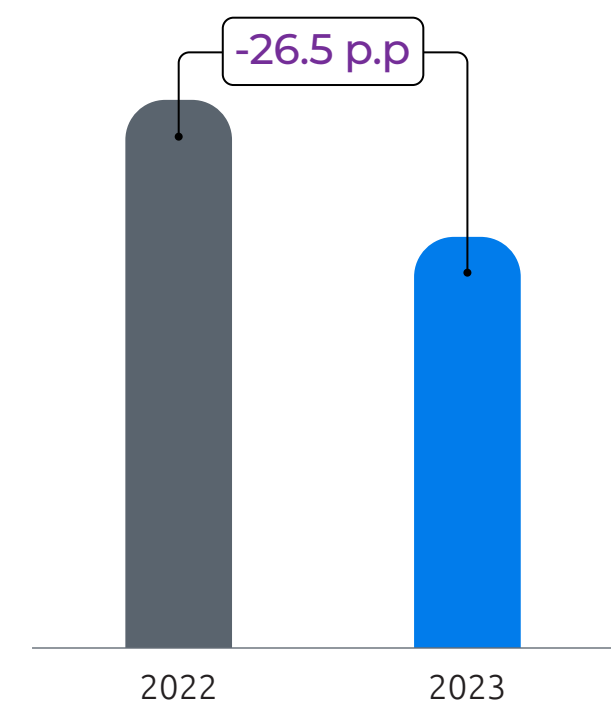
We also improved the resolution rates in our channels, especially increasing the first call resolution rate, which grew 4 percentage points since last year.

Service improvement actions are part of the transformation process, which focuses on the customer, and reflect our teams' obsession with understanding their pain points to build an even more empathetic, proactive and uncomplicated service model.

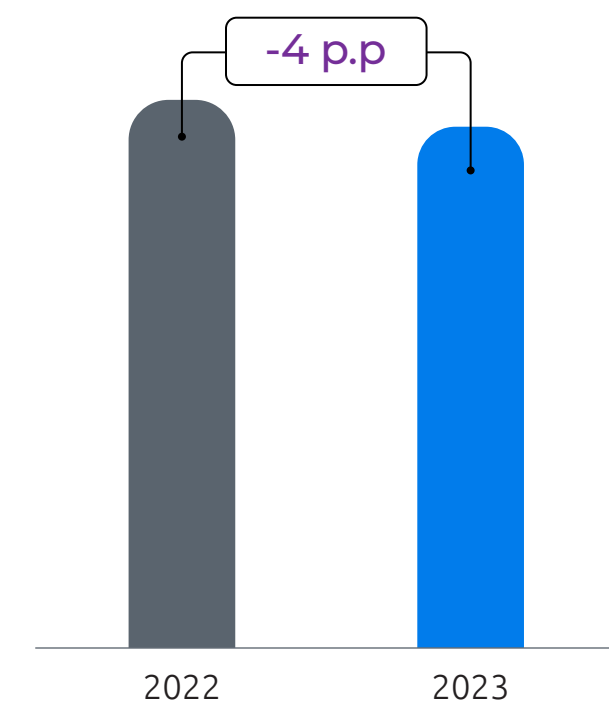
% of customers served by voice within 10s
% of Customers who were served within the waiting period determined for the channel



Average Navigation time in the URA
Time in seconds



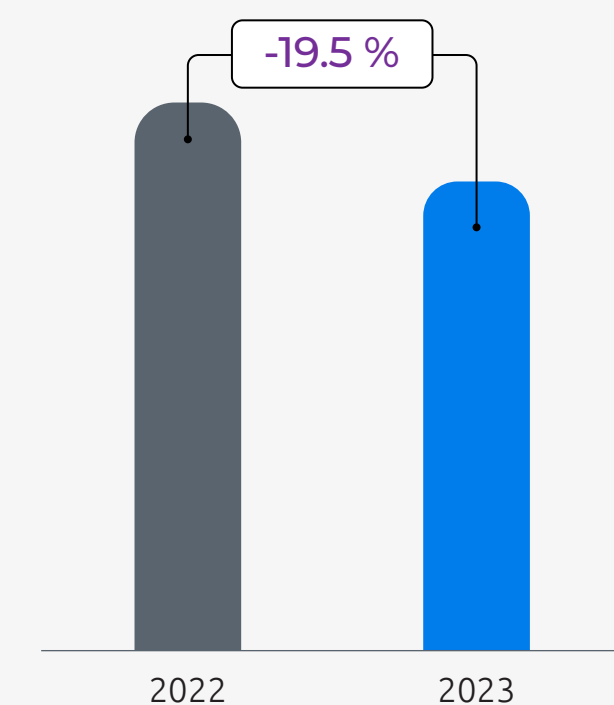
% First Call Resolution
% of Customers who had their request resolved in the first contact



EARLY CHURN

As a result of the various actions carried out with a focus on the customer experience, last year we saw a 19.5% reduction in Early Churn, a type of early cancellation, which occurs shortly after contracting a Cielo product or service.

Early Churn



Ombudsman

GRI 2-25

The Ombudsman is one of the service channels offered by Cielo to its customers. Its role is to be the last internal instance for these people to communicate their complaints, which, after being reported, receive the appropriate analysis and treatment by the channel operator team, in an independent and impartial manner.

In addition to its service function, Cielo's Ombudsman plays a strategic role by providing detailed data and information to the Company's areas about processes, products and services that require improvements and adjustments. This corrective and consultative action favors the business development and continuous improvement, avoiding reoccurrences, while contributing to improving our customers satisfaction level.

CIELO OMBUDSMAN INDICATORS

SERVICES

	2022	2023
Services performed	17,111	15,262
Customers Served	11,147	8,967

COMPLAINT MECHANISMS

	2022	2023
Cielo Ombudsman	65%	61%
Procon	16%	19%
Central Bank	10%	10%
Consumidor.Gov	9%	10%

In recognition of the quality of the work carried out, Cielo's Ombudsman's Office was recognized in 2023 with important awards for its way of operating:



2023 "Ouvidorias Brasil" (Brazil Ombudsman)

Award: for the third consecutive year, Cielo was the only acquirer to win the Ombudsman Award Brazil, promoted by the Associação Brasileira das Relações Empresa Cliente (Brazilian Association of Company-Customer Relations - ABRAREC).

» **Brazilian Central Bank:** Cielo is not listed among the companies with the highest rate of complaints in the BACEN ranking.

» **PROCON:** Cielo does not appear on the list of companies with the most consumer complaints to the Consumer Protection and Defense body.

Improvement in service level

GRI 3-3

The improvement in Cielo's customer satisfaction (learn more on [page 26](#)) is a direct result of improvements in the level of services in several aspects:



» **More agile and efficient service**, with greater problem-solving capacity (learn more on [page 26 and 27](#)).



» **More fluid journeys on** digital channels (learn more on [page 31](#)).



» **Advances in the logistics model**, which is made possible thanks to the intensive use of data and artificial intelligence tools. These advances allow us, for example, to target services suited to customer profiles and anticipate problems that lead to sales losses.

See below, some of the improvements implemented that raised our operational standard:

PERFORMANCE MONITORING

With the aim of identifying failed machines and anticipating customer problems, we began proactive, real-time monitoring of terminals using machine learning. The initiative aims to improve our customers' experience, avoiding interruptions in the use of terminals and reducing the need to open calls on our service channels.

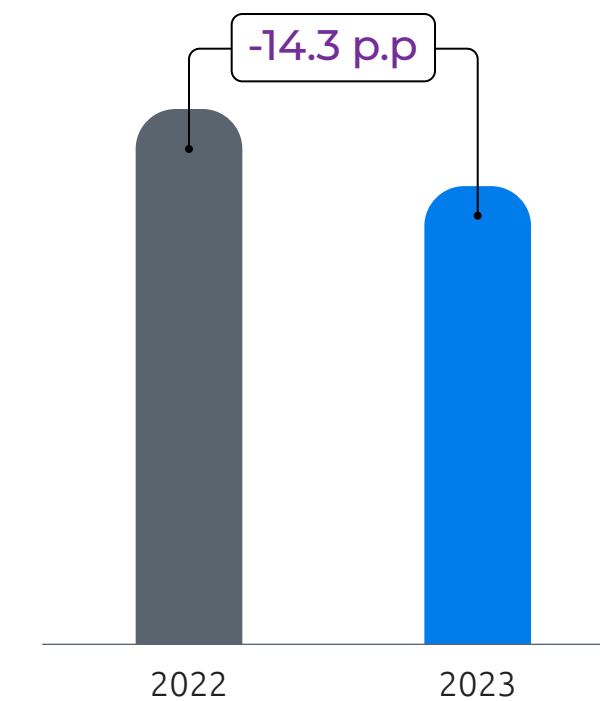
The model developed is capable of predicting whether or not a customer will open a ticket to report malfunctions. By collecting a series of performance data, the system identifies potential future failures. Based on this detection, the responsible teams proactively contact the customer to offer support or arrange for the replacement of equipment or batteries.

Terminals

Monitoring led to a reduction in the rate of reactive maintenance calls (those requested by the customer), which fell 14.3 percentage points (p.p.) in 2023. Simultaneously, there was an increase in proactive maintenance (those in which Cielo informs in advance on performance failures), which grew 4.1 p.p. in the same period.

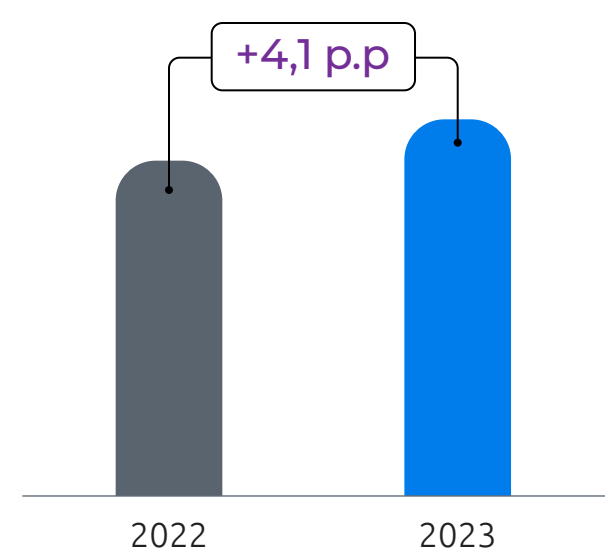
Reactive Maintenance

% of calls in relation to the active terminal fleet



Proactive maintenance

% of calls in relation to the active terminal fleet



Furthermore, monitoring also contributed to the drop in the number of maintenance revisits, which fell 2.4 p.p. in its respective index compared to the previous year.

Maintenance revisit

% of maintenance revisits in relation to the total number of calls for the month



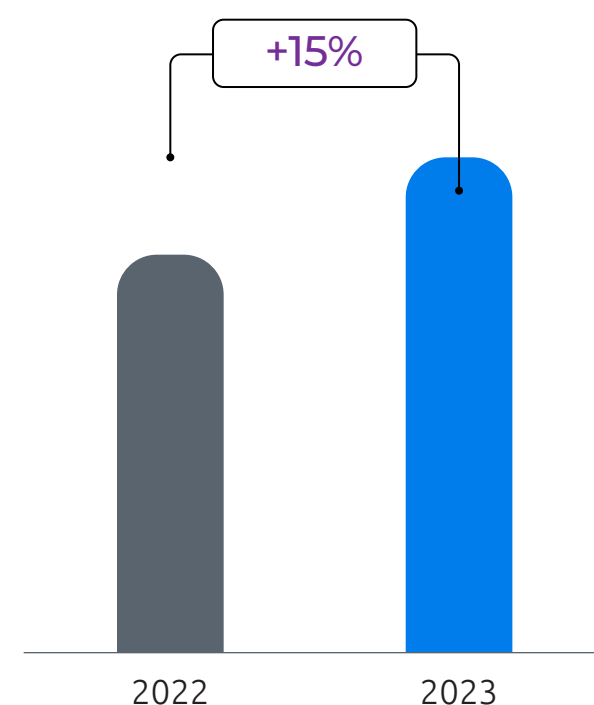
Batteries

From proactive terminal monitoring, we generate a second line of analysis: proactive battery failure monitoring. We were, therefore, the first acquirer in the Brazilian market to adopt this practice, which contributes to reducing machine inoperability.

With this implementation, it was possible to increase so-called proactive calls by 15% in the year to date.

Battery calls

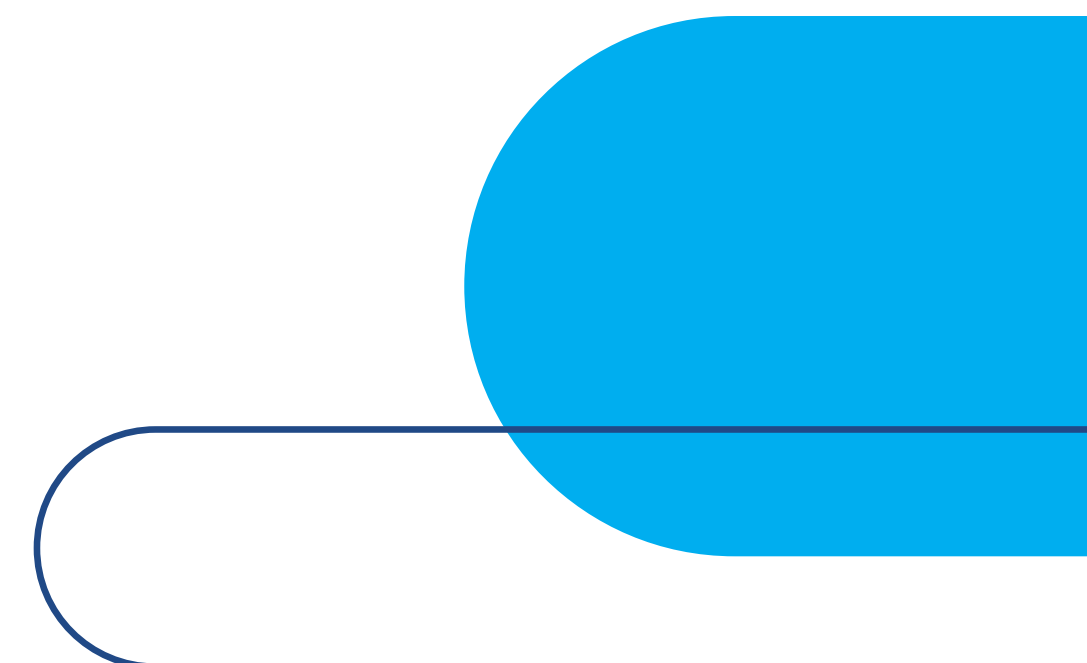
Normalized volume of battery calls (calendar days)



INTELLIGENT TERMINAL TARGETING

Intelligent targeting aims to ensure that the most appropriate terminal is sent to each customer profile, considering the volume of transactions carried out. The initiative allowed for greater assertiveness in forecasting high transaction customers, which reached 82%.

Another objective was to ensure optimization between proactive and reactive calls, contributing to the reduction in the rate of proactive and reactive calls (IDC) for customers who transact the most, from 11.1% to 8.1%.



Digital Channels

Cielo wants to provide its customers with the best digital experience and, to this end, in 2023 we dedicated to integrating technologies and using data. Furthermore, over the last year, we have made new features available that allow customers to self-serve through our digital channels.

With the mission of generating relevance through increasingly complete and effective digital channels, Cielo aims to transform audience into sales. To achieve this, we adopted a value mechanism made up of three pillars:

1. **Increase the range of services:** invest in solutions that make channels more efficient, providing customers with a complete and satisfactory experience.
2. **Expand the audience and recurrence of use:** attract more users to Cielo’s digital channels and encourage frequent use of these platforms.
3. **Create sales opportunities:** use the data and insights obtained to identify opportunities to offer customers with new services and products, converting audience into concrete business.

EVOLUTIONS IN DIGITAL CHANNELS

In 2023, Cielo advanced in the dissemination and availability of new functionalities so that customers can self-serve through digital channels. Deliveries included:

- » **Virtual Manager on WhatsApp**, implemented to bring more transparency to business management and day-to-day support.
- » **Tracking of all machine and technical support orders**, carried out through the website and App.
- » The customer can now serve themselves more easily with a **new statement of receivables**, a **new dispute process** and an automatic and digital flow of cancellation letters.
- » The receivables anticipation journey now has more personalization, with a **simulator and new methods to anticipate**, such as anticipation by brand.

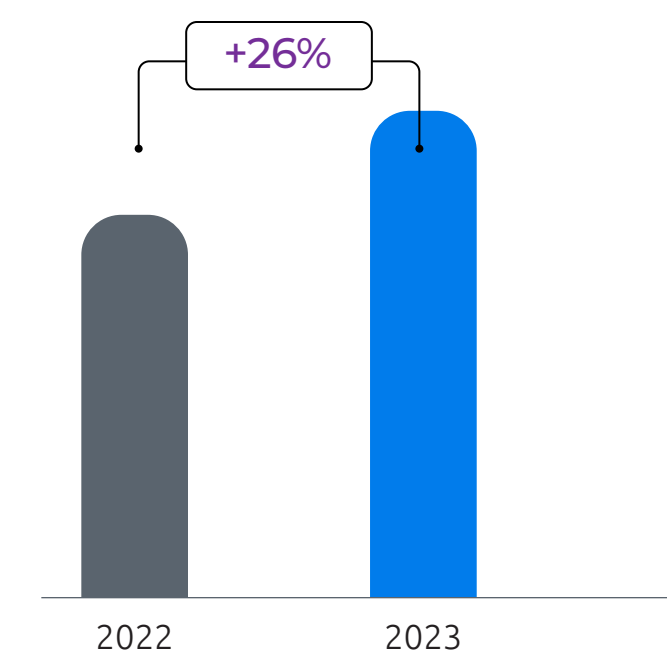
The review of term product journeys, in addition to the availability of new anticipation functionalities, contributed to the achievement of record

anticipation rates and the growth of the channel's importance within the Company.

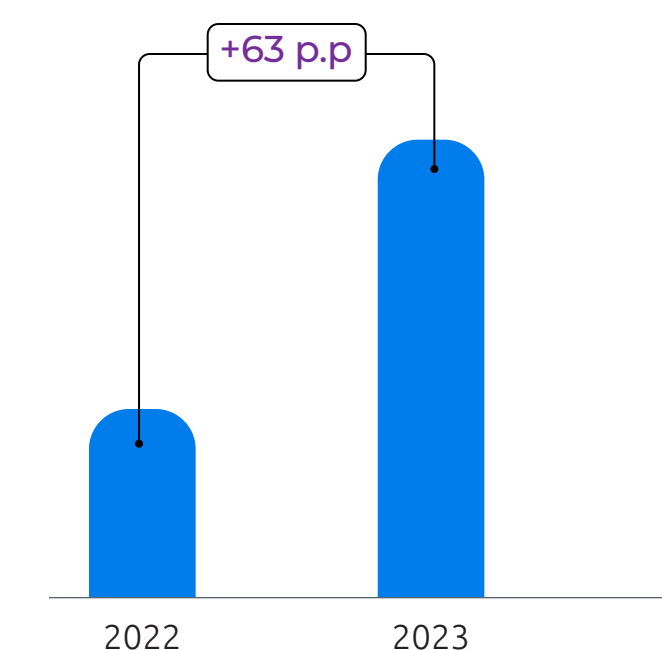
The volume of Single Anticipation on the same day (ARV) via digital channels reached a 26% growth compared to 2022.

The improvements implemented also had a positive impact on advancing the implementation of digital identity (a set of measures and technologies that aim to increase security in financial transactions and combat fraud). Based on improvements in digital channels, we advanced 63 percentage points compared to 2022, in terms of customers who adopted this practice.

Anticipated Volume (bi)



Digital Identity



Value generation for the customer

The essence of our proposal to create value for the customer is to meet the complex day-to-day needs of their businesses and contribute to boosting their growth, moving the economy in every corner of the country.

To this end, we seek to strengthen ties, acting as true business partners by providing a portfolio of innovative and technological payment solutions, also offering an empathetic and agile service model, available whenever and wherever it is most convenient.

We conduct our operations with a focus on operational consistency and financial strength, driving a culture centered on people and management, while investing in innovation, systematically integrating new forms of payment and personalized technologies for different segments into the portfolio.

As our customers have varied needs and expectations, we have established a service model, based on a comprehensive and complete strategy to serve customers in the following segments with excellence: **Entrepreneurs (Long-Tail), small and medium-sized business (SMB), and large accounts.** See below the highlights of our service model in each of them.



Small and medium-sized business (SMB)

In the SMB segment, we work to provide customers with quality equipment and logistics and technical support services. We also offer options that improve your finances, ensuring greater balance in cash flow, to increase your negotiating power and keep your accounts up to date.

In 2023, we worked to expand our reach to transform more businesses across the country and launch products and solutions focused on improving the finances of SMB customers.

Input (Context)	Actions	Output	Value Generated	Outcome (Impact)
<ul style="list-style-type: none"> » Need to expand the customer base, capillarity and competitiveness. » Maximize the growth potential of the base through partnerships with controlling banks. » Increase sales. 	<p>Sales force expansion</p>	<p>We reinforced our commercial team by hiring 450 people across the country.</p> <p>With this increase, by the end of 2023 our sales force had 683 employees supporting the Company in reaching more customers.</p>	<ul style="list-style-type: none"> » The increase in the sales force was allocated strategically, mainly with the controlling banks, which are important partners in expanding our customer base. » In addition to providing greater capillarity, the expansion of the commercial team is also an important vector for the consolidation of our logistics model, as a logistics hub for the delivery, installation and activation of equipment. 	<ul style="list-style-type: none"> » Improvements in human and digital services (learn more on page 26). » Greater qualification in customer entry (learn more on page 30).
<ul style="list-style-type: none"> » Reduce the time to make receivables available to the customer. » Expansion of anticipation business. » Building customer loyalty in a highly competitive scenario. 	<p>Evolution of new term products</p>	<p>Expansion of Single Anticipation on the same day (ARV).</p> <p>Possibility to anticipating money from other acquirers at Cielo, with ARV Market.</p>	<ul style="list-style-type: none"> » Greater financial flexibility for the customer. » Greater cash flow and ability to renew stock and invest in business growth. » The process is online, with no IOF fees. 	<ul style="list-style-type: none"> » Immediate access: When requesting an anticipation by 7pm, the money will be added to the account on the same day. » More freedom to negotiate the receivables schedule and keep cash flowing.
<ul style="list-style-type: none"> » Need to expand customer knowledge about the benefits and functionalities of products and solutions. » Expand the concept of the ideal partner. » Bring institutional language closer to the language of our customers. 	<p>Change in product names</p>	<p>We carried out neurolinguistic research that allowed us to capture the perception of our products and their benefits, as well as testing receptivity and understanding of terms and nomenclature used in communication materials.</p>	<p>The results obtained changed the way Cielo talks to its customers, even impacting the names of some of its products, which became more attractive and simple, communicating their benefits to customers in a more assertive manner.</p> <p>The renamed products include:</p> <ul style="list-style-type: none"> » Super Link: became Payment Link; » Receive Fast: became Automatic receipt in 2 days (RR); » ARV: became Single Anticipation on the same day. 	<ul style="list-style-type: none"> » Clearer, more objective and attractive communication to the customer. » Greater ability for customers to memorize and identify products and solutions.

Entrepreneurs (Long-Tail)

For our customers in the entrepreneurial segment, we work with a focus on offering a portfolio suited to their needs, providing autonomy, digital service and self-service.

Last year, we launched new products dedicated to expanding sales possibilities through new channels and forms of capture, in addition to evolving digital service, providing new relationship tools.

Input (Context)	Actions	Output	Value Generated	Outcome (Impact)
<ul style="list-style-type: none"> » Need to expand spaces and opportunities for exchanging experiences between entrepreneurs. » Expansion of active engagement with entrepreneurs throughout Brazil. » Work and deepen the concept of “join forces”. 	<p>Business on the Move Community</p>	<p>We launched the Business on the Move community, an open space for entrepreneurs from all over Brazil to interact and share experiences and access dynamic and complete content, tailored to accelerate their sales and improve business management. (For more details visit Cielo’s blog via the link).</p>	<ul style="list-style-type: none"> » In 2023, the platform connected more than 900 entrepreneurs, who were able to follow mentoring sessions with experts, learn how to use social networks to increase the visibility of their business and learn tips on marketing, finance and business management, among other important topics for those who face the daily challenge of entrepreneurship. 	<ul style="list-style-type: none"> » Realization of the ideal partner concept, by inviting the retailer to rely on Cielo’s experience to boost their businesses » Expanded access for entrepreneurs to tips and educational content on finance, business and management. » Impact on customers and non-customers, as it is an open space.
<ul style="list-style-type: none"> » Entrepreneurs (Long-Tail) seek quick and convenient solutions to receive payments » Simplify access to payment methods. 	<p>Launch of Cielo TAP: cell phones as a means of contactless payment.</p>	<p>Cielo Tap is an innovative solution that transforms cell phones into POS machines, allowing entrepreneurs to make sales in a practical and safe way. (For more details, access Cielo’s blog via the link).</p>	<ul style="list-style-type: none"> » With the solution, the consumer can pay by debit, credit or in installments just by touching the card to an Android smartphone with the contactless payments (NFC) function activated. » To ensure the security of transactions, the solution has a security and privacy protection structure, which guarantees the cryptography. » There is no rental or monthly fee to use Cielo Tap. 	<ul style="list-style-type: none"> » Agility in collections by simplifying the payment and receipt process. » Customers can pay for their purchases more quickly and easily, improving their shopping experience. » Security equivalent to that of physical cards. » Expansion of the portfolio of solutions offered to entrepreneurs (Long-Tail).

Entrepreneurs (Long-Tail)

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Last year, we launched new products dedicated to expanding sales possibilities through new channels and forms of capture, in addition to evolving digital service, providing new relationship tools.

Input (Context)	Actions	Output	Value Generated	Outcome (Impact)
<ul style="list-style-type: none"> » Entrepreneurs look for simple and accessible ways to receive payments. » Separate communication channels, such as Whatsapp, from payment channels can lead to lost sales opportunities. » Transaction security is a constant concern for entrepreneurs. 	<p>Sales via Whatsapp</p>	<p>WhatsApp P2M (peer-to-merchant) is an innovative feature that allows Cielo customers to use WhatsApp Business as a sales channel. Whatsapp, widely used in Brazil as a means of communication, becomes a valuable tool for boosting sales, improving customer experience and strengthening business competitiveness. (For more details, access Cielo's blog via the link.</p>	<ul style="list-style-type: none"> » By capturing and processing credit and debit card transactions from individuals, entrepreneurs who already use WhatsApp to interact with their customers can also make their sales in the same environment, with guaranteed convenience and security 	<ul style="list-style-type: none"> » Strategic partnerships with BigTechs to develop and offer innovative solutions. » Communication and payments in a single place, in an integrated manner. » Portfolio diversification. » Convenience for entrepreneurs.



Large Accounts

In Large Counts, our objective is to evolve by offering personalized and integrated solutions that meet the complex needs of our customers, while seeking to promote a culture of high availability and a sense of urgency in solving problems.

In 2023, we gave Large Account customers an even greater voice and continued to develop customized technology solutions to boost their businesses and improve their consumers' experience. We also pave new avenues of profitability with the approach of the franchise sector.

Input (Context)	Actions	Output	Value Generated	Outcome (Impact)
<ul style="list-style-type: none"> » Difficulty purchasing tickets for access and visiting tourist attractions. » Queues to purchase tickets. 	<p>Cielo technology boosting ticket sales for tourist attractions</p>	<p>With Cielo's solutions integrated into a fluid and connected ecosystem, tourism traders in Rio de Janeiro increased their profits and simplified tourists' travel by offering them the possibility of purchasing tickets for tours such as the Bondinho or Cristo Redentor, with practicality, anticipation and without facing queues, via cell phone, computer or on-site totem. (For more details, access Cielo's blog via the link)</p>	<ul style="list-style-type: none"> » The success of the system led to the solution being scaled up to kiosks, hotels and other points frequented by tourists in the city, which began selling tickets on the tourism platform. » Sales generate commissions passed on to the store owner, who now has a new source of income for their establishment, contributing to boosting the local economy. » The solution promotes a more fluid and connected experience with Rio's tourist scene, in addition to encouraging the formalization of the sector. 	<ul style="list-style-type: none"> » Simplify tourist life in the capital of Rio de Janeiro. » New revenue front for traders in the tourism sector.
<ul style="list-style-type: none"> » Need to expand market. » Exploration of new revenue generation avenues. 	<p>New business opportunities in the franchise area</p>	<p>In 2023, we signed a partnership with the Brazilian Franchising Association (ABF), which bore fruit such as holding an unprecedented event focused on the franchise sector. To serve this sector in the best way, we have a franchise area, offering a relationship manager, exclusive call center, differentiated onboarding, standardization and guarantee of negotiation application for the entire chain.</p>	<ul style="list-style-type: none"> » Cielo Farol Brands, adaptation of Cielo Farol, designed exclusively for the franchise sector. The solution, among other insights possibilities, allows the franchisee to compare transactions carried out between establishments of the same brand. 	<ul style="list-style-type: none"> » Market expansion and brand strengthening. » Personalized service. » Customer loyalty.

Innovation and Technology

GRI 3-3

Product innovation

In 2023, we restructured the Executive Vice Presidency of Technology and Business as part of the Company's strategic transformation process (learn more on [page 19](#)).

With the change, we further reinforced Cielo's positioning as a technology-based company, starting to work on the topic in a more integrated and agile way, looking for ways to simplify processes and enhance the cycle of delivering value to the customer.

PRODUCTS AND SOLUTIONS PORTFOLIO

We constantly seek to innovate and offer the best solutions for our customers and, to meet this objective, we have implemented a series of product and solution launches. This is a flow that ensures excellent quality in the final delivery of new products and services, in addition to ensuring their alignment with Cielo's strategic objectives.

The portfolio is made up of pre-defined stages, in which the solution is developed gradually, as each stage has specific requirements shared by the areas responsible for participating in the product development.

Throughout these stages, the solutions undergo testing in order to understand whether they have good support, scalability and conversion. For each stage, approval of the requirements and a collegial assessment, called a validation gate, are required. The portfolio was integrated into an official Cielo tool, in which all documentation and approvals are recorded, ensuring transparency and traceability in the process.

This way, we eliminate technical debt and launch robust solutions more quickly, duly in line with our customers' needs.



INNOVATION THAT INSPIRES

In 2023, we were recognized with Innovation awards, which attest to Cielo's work to maintain and disseminate a culture focused on innovation. Find out more about the awards won below:

“Valor Inovação” (Innovation Value)

2023 Award: we were considered the most innovative company in the Financial Services sector by the Innovation Value award, from Valor Econômico.

Open Startups: we achieved Top 3 in the 100 Open Startups in Financial Services, which indicates the leading corporations in Open Innovation with Startups.

The 100 most influential companies in mobility: the Jornal O Estado de S. Paulo, recognized us, in the Technology & Innovation for Mobility category, as one of the most influential companies in this topic.

Data & Analytics

At Cielo, we place the customer at the center of decisions, working to understand their needs and expectations, implementing improvements that make their experience more agile, simplified and fluid. To achieve this, we rely on the use of data, enabling an advanced platform that enables decision-making based on in-depth analysis.

Our approach includes the use of analytical-statistical models and artificial intelligence to provide relevant insights. This allows us to closely monitor performance indicators and identify opportunities for product improvement, with a focus on improving customer experience and satisfaction.

To advance Cielo's transformation as a technology-based and customer-focused company, in 2023, we migrated our technological platform to the cloud, creating the Cielo BigData Cloud Platform. The objective is to bring benefits such as scalability and flexibility, allowing you to take advantage of cloud services to optimize costs and improve operational efficiency, as well as offering a greater independence and self-service architecture.

DATA GOVERNANCE

We consider data governance an essential component to develop and execute innovative strategies, supervise specialized policies and programs, aiming to guarantee the quality, security and value of the Company's data.

That's why we qualify, monitor and democratize access to data throughout the Company, ensuring that each team can make the most of the value of the information.

Check out below some of the analytics tools and approaches we adopted in 2023 and that support teams in transformational challenges, helping to anticipate problems and generate insights that enhance value delivery:

» **Cielo BigData Cloud Platform:** We implemented a data governance program focused on managing the Cielo BigData Cloud Platform. The tool not only enables the development and execution of innovative strategies, but also allows the supervision of

specialized policies and programs, with the purpose of guaranteeing the quality, security and value of the Company's data.

- » **Data catalog:** it defines the roles of data owners and curator, promoting transparency and offering support to users for informed decision-making. Furthermore, we have established a rigorous process for granting access to data, with informed policies and continuous monitoring to prevent unauthorized access.
- » **FinOps Process:** its objective is to enable teams to identify opportunities to optimize expenses, promoting an organizational culture that values financial efficiency.
- » **Golden Source:** in order to promote data reliability, consistency and integrity, we started to use this approach that allows us to designate main and authoritative sources of a certain type of information, enabling all interested parties within the Company to use it as a reference.

DATA-DRIVEN CULTURE

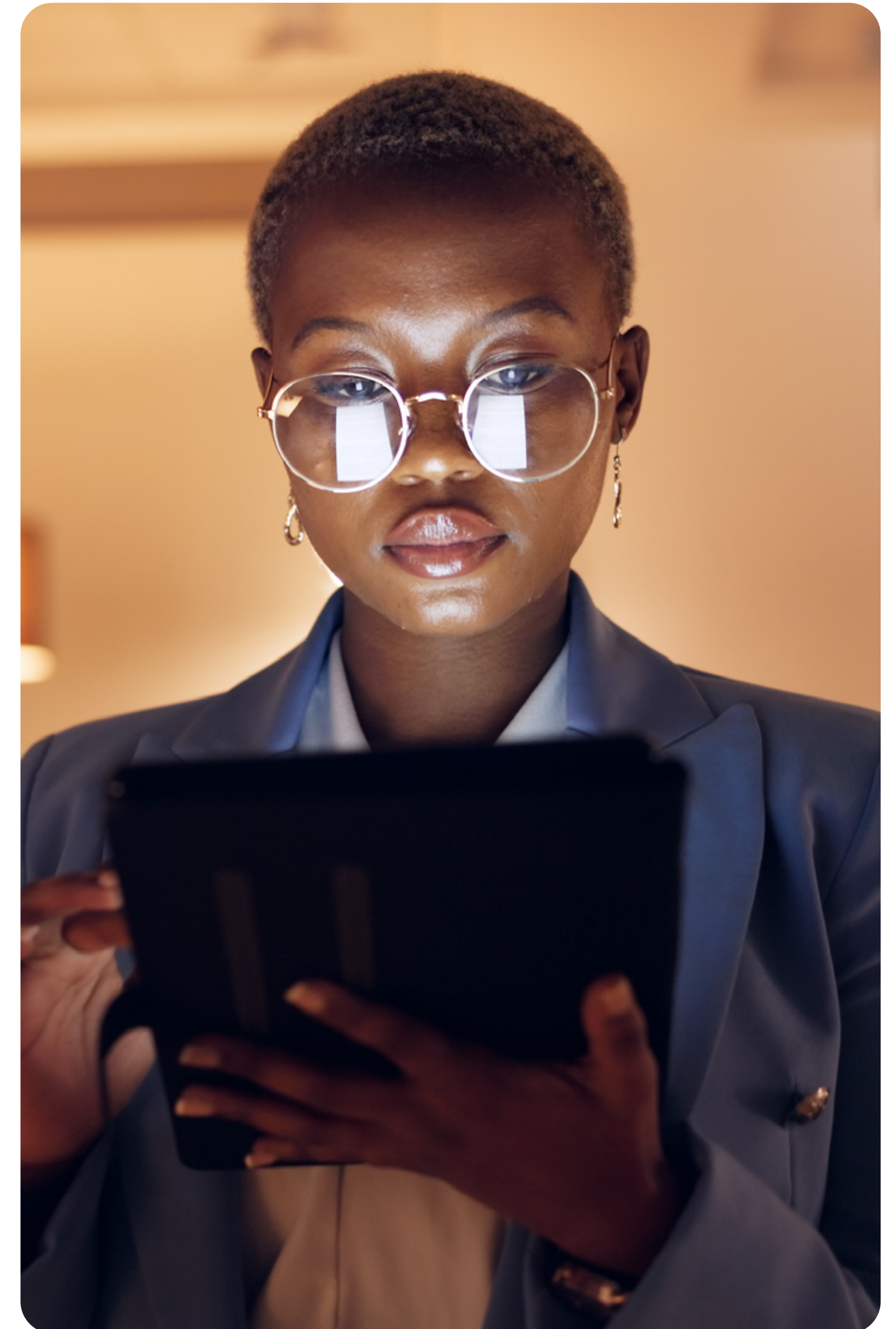
We promote a data-driven culture through the engagement of teams in initiatives that, in addition to supporting the Company in strengthening its technological base, reinforce collaboration between areas and our employer brand.

In this sense, we launched the Data Community to support the process of fostering a data-driven culture at Cielo. The community is a collaborative channel between people on the team who work or are interested in working with data.

In 2023, the data community held more than 40 trainings and workshops, totaling more than 130 hours and more than a thousand participants trained.

We also launched the Advanced Analytics and Artificial Intelligence Community, aimed at discussing more complex statistical modeling topics, even contributing to leveraging the topic within the Company. To date, six meetings have been held, with the active participation of 31 areas.

In addition to these initiatives, we built the **Data Portal**, with over 300 pages containing all the processes, standards, policies and documentation necessary for teams to self-serve on the Cielo BigData Cloud Platform.



Data Hackathon

In partnership with FIAP and AWS, we promoted the Data Hackathon, an event that acted as a catalyst for transformative ideas, engaging our team to dive into an analytical and collaborative challenge, with the aim of finding solutions to our customers' real problems.

The Hackathon was not limited to solving challenges: it served as a base for advanced training. Participants enriched their understanding in fundamental areas such as data analysis, technology, business strategies and product development.

Cielo Dev Bootcamp

Cielo Dev Bootcamp offered practical training in the areas of Full Stack Web, Front-End and Back-End for 125 technology professionals. The initiative included the participation of renowned experts in the market and created an innovative learning environment.

Of the 125 participants, 60 had the possibility of being hired by Cielo after the end of the program. This was a way to value the potential and work of the professionals who stood out in the program and to strengthen Cielo's technology team.

DATA PRODUCTS

Cielo Expanded Retail Index (ICVA) emerged in 2014 and monitors the evolution of Brazilian small and medium-sized business (SMB) on a monthly basis based on sales made by thousands of establishments in 18 sectors mapped by Cielo.

It allows monitoring whether small and medium-sized business (SMB) sales are growing or decreasing in the domestic market, presented in both nominal and deflated form, which makes it possible to analyze real sales growth, discounting the effects of inflation.

The ICVA is still adjusted for seasonal effects, offering a more accurate comparison between different periods. Furthermore, it complements other economic indices by providing specific insights that would not be captured by more general measures of economic activity.

Currently, the product is fully implemented on Cielo BigData Cloud Platform, which allowed the improvement of its processes, with a 75% reduction in data processing time, in addition to providing easier integration between services, scalability, performance, stability and specialization.

To find out more about ICVA, access the [link](#)

ARTIFICIAL INTELLIGENCE POWERING MARKETING CAMPAIGNS

In 2023, we expanded the use of artificial intelligence tools to better interact with our customers. Through massive data analysis, we evaluated both the creative aspects of the parts and the performance during binding.

This approach allowed us to test the audience's receptivity to the pieces and make adjustments to the ad elements. As a result, our communications and marketing teams were able to identify the elements that made the most sense for each objective.

Information Security

GRI 3-3 | 418-1

Our vision is that customers who use our solutions recognize us as an acquirer that, in addition to offering quality and fair prices, also enables safe business.

To this end, we adopt a series of preventive measures to reduce the risk of service interruptions, as well as to protect our customers from fraud and cyber threats.

To guide our actions, we rely on the Privacy and Data Protection Policy and the Information and Cybersecurity Policy, which include guidelines to protect the company's information assets and guarantee data confidentiality, integrity and availability.

The implementation of this set of practices not only increases the Company's credibility, but also strengthens customers' trust, ensuring the protection of their personal and financial data.

Over the last year, we have continued to disseminate a culture of security through mandatory training, such as Information Security and the Privacy and Data Protection Track, aiming to increase the knowledge of all our people about our policies and develop a preventive stance in facing digital threats.



See the **Privacy and Data Protection Policy** and the **Information and Cybersecurity Policy** in full.

INFORMATION SECURITY STANDARDS

In 2023, for the 14th consecutive year, we renewed the **PCI DSS certification** of our transaction processing environment, once again demonstrating our commitment to protecting information shared between entities participating in the payment arrangement. This certification aims to ensure the protection of confidential information and guarantee the security of sensitive data in financial transactions.

We also maintained the **PCI PIN Security certification**, a security standard renewed every two years and used to enable the protection of consumers' passwords when entered at points of sale in commercial establishments affiliated with Cielo.

Privacy and Data Protection

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

All initiatives are structured through the **Privacy Governance Program** and periodically monitored by the **Privacy and Data Protection Forum**, an advisory body to the Executive Board, which has the participation of several areas.

In 2023, Cielo recorded no violations related to the privacy of personal data of customers, employees, suppliers, service providers or commercial partners.

Moreover, no monetary losses were registered as a result of legal proceedings associated with user privacy.

CERTIFICATIONS

Over the last year, we have increased the maturity of information security and privacy risk management by obtaining ISO 27001 - Information Security Management System and ISO 27701 - Information Privacy Management System certifications.

The certification process was conducted by BSI, a global standardization company, certifying the Company's compliance with the requirements and guidelines of both standards.

TRAINING AND AWARENESS

In parallel with the initiatives to align internal practices with internationally recognized standards,

we periodically carry out awareness raising actions with our employees and third parties, aiming to promote a culture of privacy. The actions involve various methods, such as communications, training and workshops.

All privacy awareness actions are carried out by a dedicated team, under the management of the Data Protection Officer (DPO).

For more information, read our **Data Protection Policy** and the **External Privacy Notice**, in full, available on Cielo website.

Learn more about Cielo's initiatives to ensure Privacy and Data Protection by accessing **the Supplementary Index**.

Business continuity

GRI 3-3 | SASB TC-SI-550A.2

The stability and availability of our systems are essential for us to continue delivering value to our customers. After all, it is through stable and available systems that they can maintain their sales and receipts safely and reliably, even in situations of crisis or adversity.

In order to make this possible, we invest in being a resilient Company, with structured processes capable of facing and recovering from possible disruptions and incidents.

To guide our management of the topic, we have established a Corporate Business Continuity Management Policy, the objective of which is to support the planning, implementation, adoption and testing of Business Continuity Plans (PCNs).

Such plans follow international standards and best market practices, establishing the instruments that Cielo must adopt to maintain its activities at an acceptable level in episodes of unavailability.

For more details on how we ensure Business Continuity, see our **Corporate Business Continuity Management Policy** in full.



PROVEN SYSTEMS RESILIENCE

Cielo's ability to recover in cases of disruptions and incidents is attested by the ISO 22301 certification, obtained in 2022, being the first acquirer in the country to have the resilience of its systems proven by BSI, a pioneering global company in the field of certifications.

In 2023, we strived to maintain the certification, demonstrating our commitment to continuous improvement and adherence to internationally recognized high continuity standards.

Learn more about the certification by accessing our blog via the [link](#).

Performance

Operational performance 45
 Economic-financial performance 46

SOUND RESULTS



R\$ **2.1 bi**

Net Profit at the subsidiary
the highest since 2018



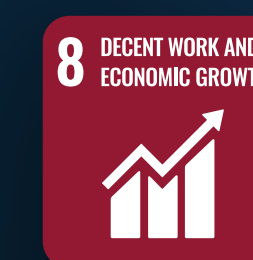
R\$ **4.4 bi**

consolidated EBITDA
growth of 15.7% per year



RECORD IN ANTICIPATED VOLUME

Term Products reaching R\$128.9 billion in anticipated volume,
an 11.5% increase compared to 2022.



FINANCIAL

Operational performance

In 2023, we reinforced our commitment to operational sophistication and efficiency, focusing on generating value for our shareholders and customers. To this end, we sought to improve the level of services offered (learn more on **page 29**), delivering new solutions and higher quality.

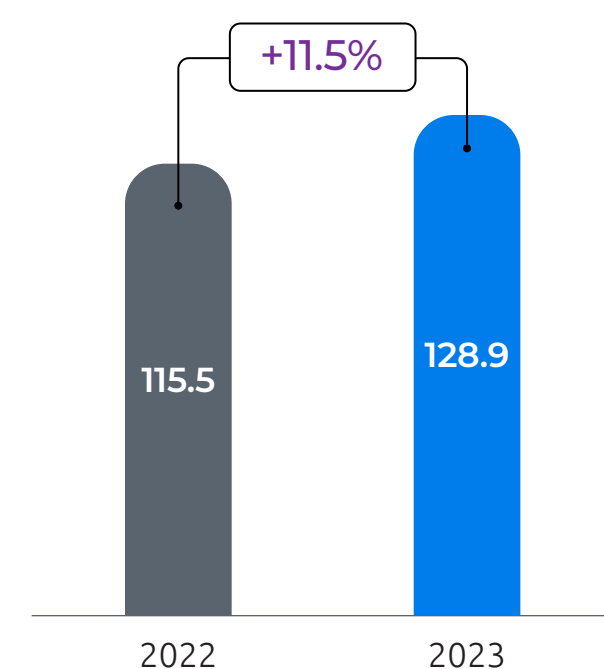
These efforts were noticed and recognized by our customers, as revealed by the results of satisfaction surveys, which reached historic levels (find out more on **page 26**). See below the highlights of our operational performance.

By the end of the year, we reached a **record in anticipation volume**, with Term Products reaching R\$128.9 billion, an 11.5% increase compared to the previous year. This growth was driven by the Company's efforts to expand its advance business, with emphasis on the 41.8% growth in single anticipation payments (ARV), as a result of operational improvements and favorable market conditions.

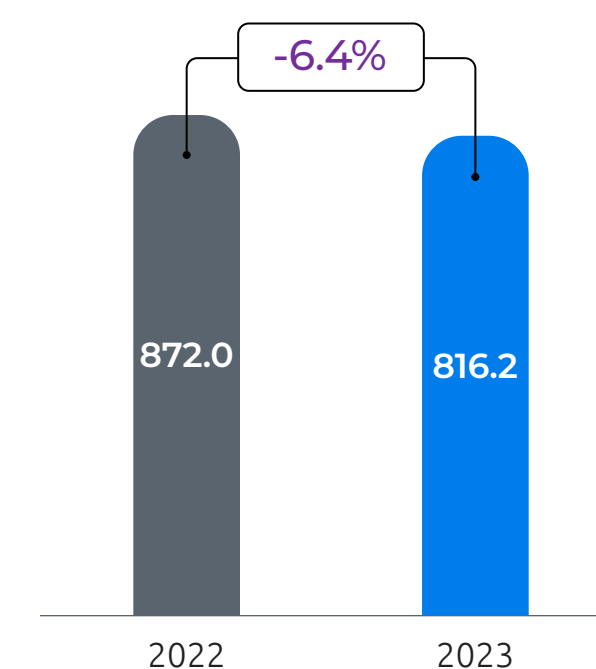
The **financial transactions volume** showed a 6.4% reduction compared to that recorded at the end of 2022, reaching R\$816 billion, while the **number of transactions** was reduced by 5.1% per year, reaching 7.9 billion.

Regarding the active customer base, we ended 2023 with 870 thousand active customers¹.

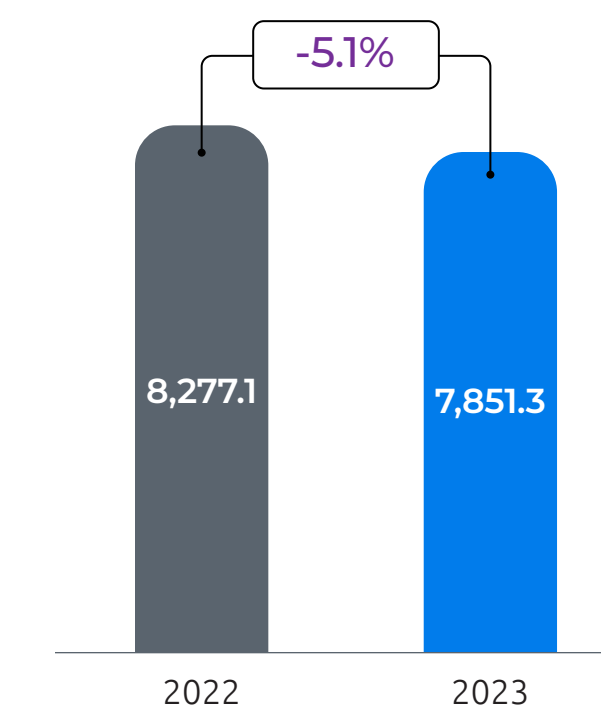
Anticipated volume
(in R\$ billion)



Financial volume of transactions
(in R\$ billion)



Number of transactions
(in billion)



¹ In order to be characterized as active customers, commercial establishments must have carried out at least one transaction with Cielo within the last 90 days.

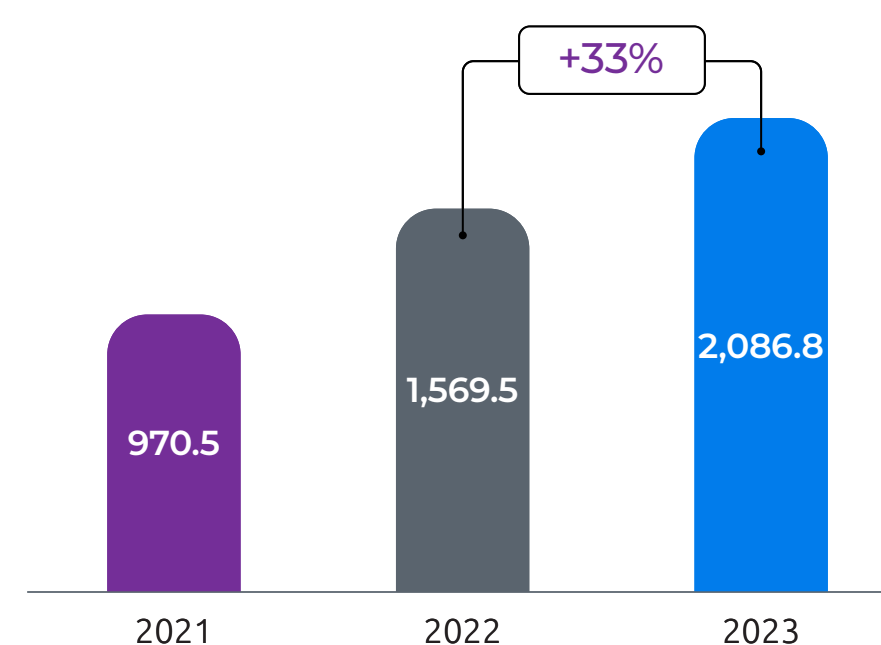
Economic-financial performance

The year 2023 marks an important advance in Cielo's profitability recovery trajectory, driven by the execution of our profitability, efficiency and revenue diversification strategy.

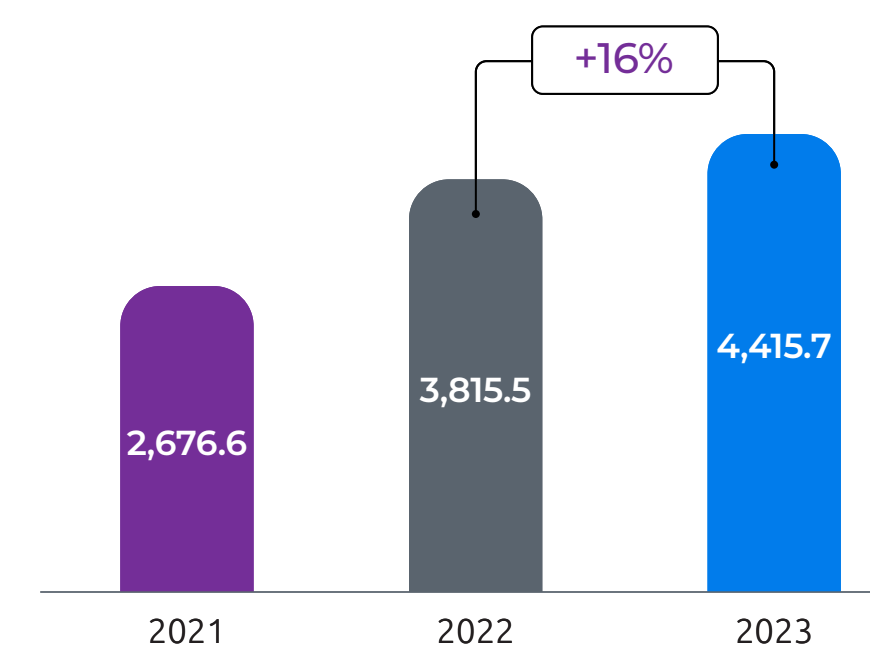
These efforts resulted in a **Net Profit at the Parent Company** of R\$2.1 billion, the highest since 2018, representing a significant growth of 33% compared to 2022. **Consolidated EBITDA** in 2023 also recorded a considerable increase, reaching R\$4.4 billion, which is equivalent to a 15.7% growth year on year. On the other hand, Net Operating Revenue reached R\$10.6 billion, a 4.7%² increase year on year.

At the end of the year, the Company recorded a **balance of cash and financial instruments** of R\$1.4 billion. The reduction compared to the same period of the previous year is mainly explained by the increase in resources allocated to Term Products.

Net income in the Parent Company
(in R\$ billion)



Consolidated EBITDA
(in R\$ million)



FINANCIAL PERFORMANCE AND EBITDA (R\$ MILLION) – CONSOLIDATED*

	2021	2022	2023
Net operating revenue	11,685.4	10,693.1	10,601.1
EBITDA	2,676.6	3,815.6	4,415.7
Financial Result	(74.5)	(384.3)	(153.0)
Consolidated Net Income	970.5	1,569.5	2,086.8
Income Tax and Social Contribution	(342.9)	(584.0)	(881.9)
Depreciation and amortization	(1,100.7)	(974.5)	(912.7)

* Results consider Cielo, Cateno and other affiliates. Financial values are presented in accordance with the Accounting Plan of Institutions of the National Financial System (COSIF) and accounting practices adopted in Brazil.

² Excluding the non-consolidation impacts of MerchantE.

5

Team Cielo

People and Culture	48
Team Experience	51
Development	52
Diversity, equity and inclusion	57
Health and quality of life	61

ENGAGED AND SATISFIED PEOPLE



84 eNPS points

Second highest result among all surveys ever carried out

96.1%

people proud to work at Cielo



RECOGNIZED EMPLOYER BRAND

Great Place to Work

We were recognized in 4 award categories



BOOSTING TALENTS

39.6%

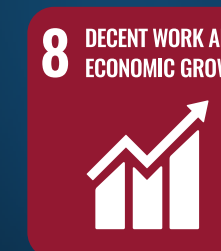
of women holding leadership positions

R\$ 7.1 mi

invested in team training



SDG



Capitals



SOCIAL AND RELATIONSHIP

People and Culture

GRI 3-3

Faced with an increasingly dynamic and innovative market, driven by the expansion of digital solutions, companies operating in the payments sector face the challenge of remaining at the forefront of digital transformation.

To achieve this objective with quality and keep up with the speed of change, Cielo understands the strategic relevance of strengthening its employer brand. This also means expanding its ability to attract and keep talent engaged in driving the Company's transformation plan (learn more on [page 19](#)).

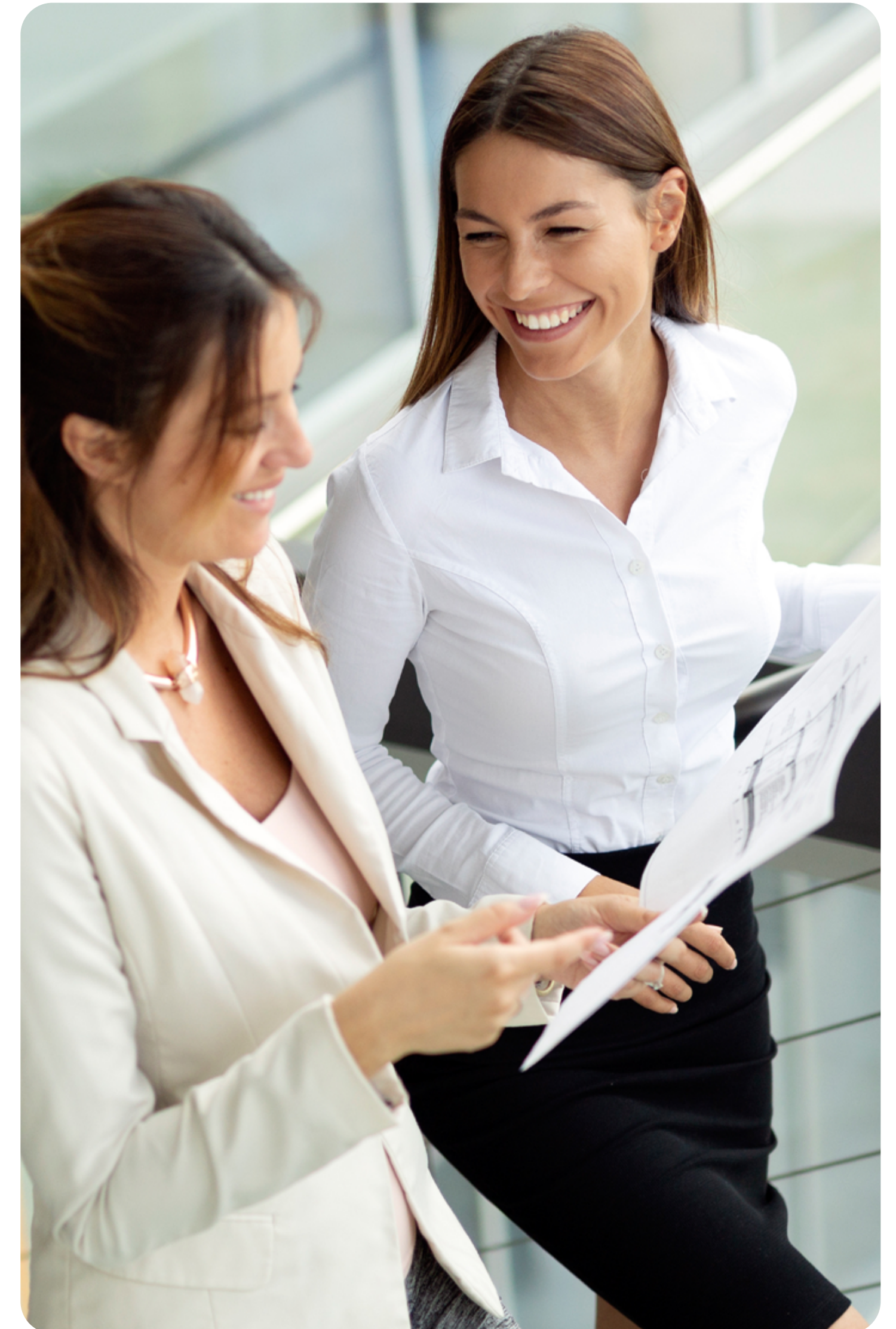
At the same time, Cielo invests in the strength and commitment of its team, promoting an organizational culture that encourages innovation, offering development opportunities and valuing diversity, in favor of an environment free from prejudice.



RECOGNIZED EMPLOYER BRAND

Check out below the acknowledgement obtained by Cielo in the Great Place to Work (GPTW), which confirm the strength of our Employer Brand:

- » 30th position in the ranking of the 150 Best Companies to Work for in Brazil.
- » We are one of the country's Best Companies for Women.
- » **GPTW – Barueri:** we are among the Top 3 Best companies to work for in the "Barueri and region" category.
- » **Financial GPTW:** we were recognized as the Best Company to Work for in the Financial Institutions category

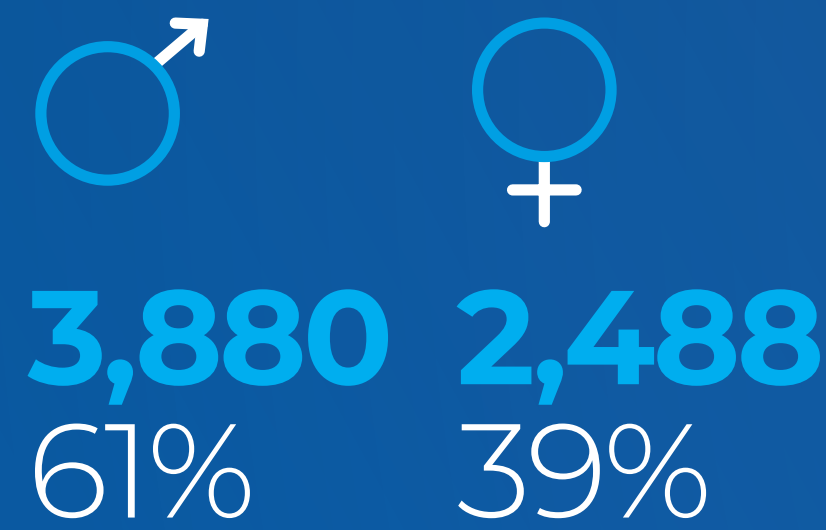


Our people profile

GRI 2-7 | 405-1

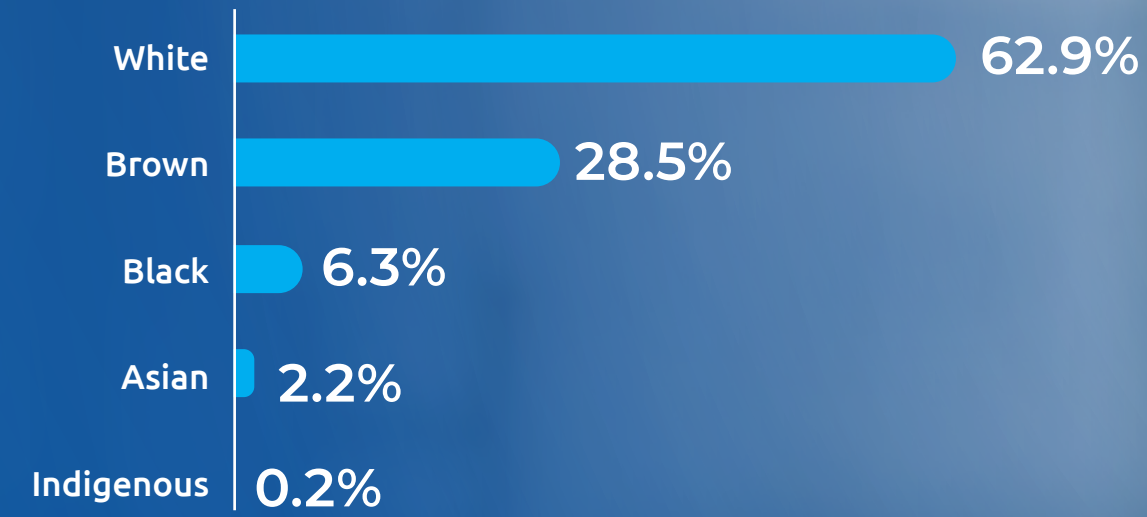
BY GENDER

Indefinite term contract

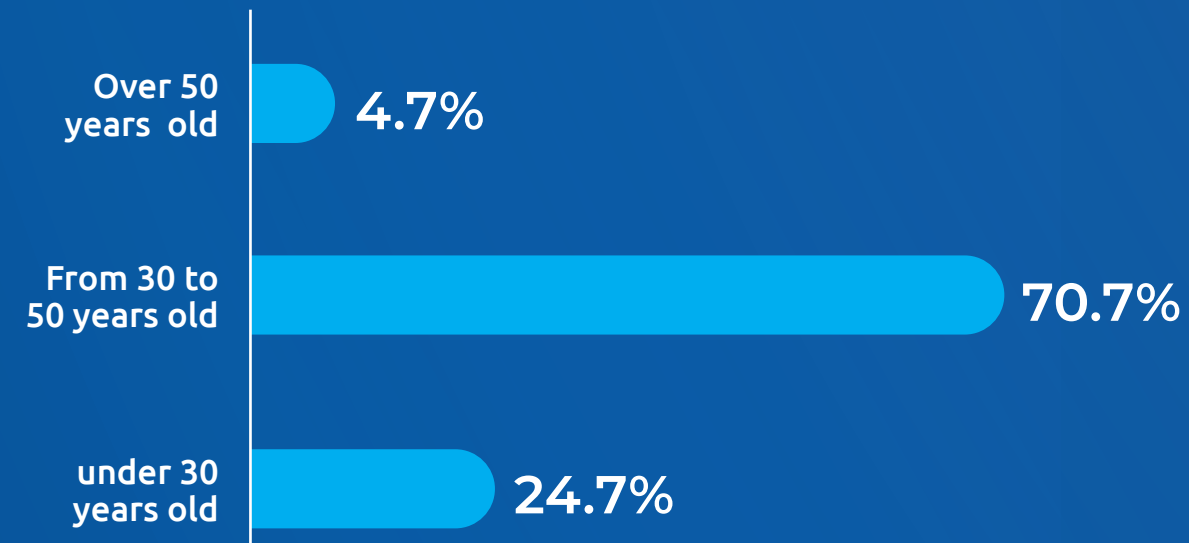


TOTAL
6,368

BY RACE/ETHNICITY



BY AGE GROUP



DIVERSITY IN LEADERSHIP/MANAGEMENT POSITIONS



New Team Competencies

Aiming to further reinforce Cielo's purpose - which is to simplify and boost business for everyone -, in 2023, we carried out a review of our team's skills. This action aimed to align the skills and knowledge of employees with the positive impact they can generate in the lives of each customer and partner of the company. Discover each of them below:

Assertive Empathy: we genuinely care about each other, we are interested in knowing about the difficulties, the contexts and the daily lives of the people we interact with. We practice assertive empathy through quick, clear, direct and sincere feedback, always in a constructive way, because we know that this way we make a difference in each other's lives.

Transformative Ambition: We challenge ourselves in our deliveries, we have a learning perspective throughout the journey and we deliver more and better. We are inspired by the best and

develop actions that positively transform our daily lives, those of our employees and customers. We give our best, we work as a team, because we know that together we achieve the best results.

Sense of Ownership: We are proactive, concerned, restless and responsible for resolving problems, committed to results and seeking excellence. We have a flexible and constructive stance, as we believe that this way we can find the best solution for the Cielo team and our customers. As owners, we perform or ask for help long before delivery is expected.

Collaboration: We are a team that understands the Company's main objectives and works together to achieve them. We believe in the power of teamwork, we support and welcome each other to build innovative solutions and go further. Trust is the basis of our relationship with all partners in the value chain, and allows us to

seek positive conflicts, fully committed to the decisions made.

Sense of urgency: We know how to establish our priorities. We plan all our deliveries with agility, collaboration and focus on the customer. We assume risks inherent to the business, and adopt measures to minimize or even eliminate them, considering the generation of value for customers and the company. Furthermore, we know that we will not always get it right, but we quickly adjust the course and believe that all initiatives serve as a learning experience.

Reinforcement of commercial and technology teams

With the expansion of commercial teams, we reinforced our ability to attract and win customers by exploring new opportunities and niches, in addition to contributing to loyalty, with more personalized and quality service.

By strengthening technology teams, our expectation is to create greater synergy and communication between areas, facilitating integration, collaboration and innovation. Furthermore, the decision also allows greater flexibility and agility to adapt and implement technological solutions that meet customer needs.

By the end of 2023, 450 new employees joined the commercial team and 723 joined the technology and business team.

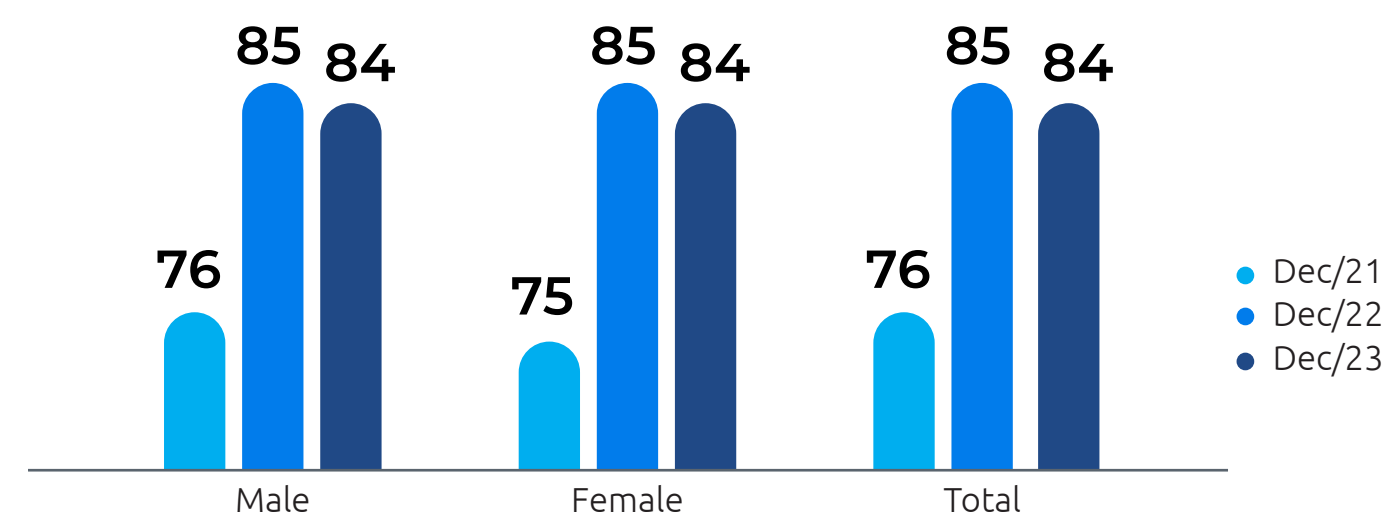
Team experience

GRI 3-3 | SASB TC-SI-330A.2

In order to evaluate how our team feels about the journey, leadership and organizational climate, we carry out an experience survey every six months, which follows the eNPS (employee Net Promoter Score) methodology.

The most recent survey, carried out in December 2023, showed a +84 score, which represents an one-point reduction compared to the previous year, but still the second highest eNPS of all surveys ever carried out at the Company.

ENPS Scores



Further details about eNPS scores by functional category and age group can be found in the **Supplementary Index**.

Favorability assessment

In addition to eNPS, we also evaluate our team's favorability ratings. The following themes stood out in the last survey:

- » **Valuing Diversity** - rate of 96.6%, the result of our efforts to promote theme within the Company (learn more on [page 57](#)).
- » **Proud to Work at Cielo** - rate of 96.1%, indicating that our people feel happy and motivated at Cielo.
- » **Manager acts in accordance with the Company's directions** – rate of 94.6%, showing that people trust leaders and their actions.

Development

GRI 3-3 | 404-2

With the aim of developing our talents so that they can reach their potential and contribute to the Company's strategies and objectives, we promote a culture of learning and training for our team, building tracks and programs dedicated to the team's evolution.

Cielo University (UC)

To enable a culture of learning and training, we have Cielo University (UC): a space that connects, shares and builds knowledge so that people can develop their skills and boost the business.

It provides all areas of the Company with a set of tools, methodologies and actions that support the growth of our people and accelerate the Company's transformation process.

Its development products include customized training, the edUCa Platform, informal learning content, actions and campaigns for the Cielo team, Individual Development Plan (PDI) workshops, educational subsidies and partnerships with educational institutions.



A PLACE OF GROWTH AND LEARNING

- » **Top Companies 2023:** LinkedIn Brasil recognized us as one of the 25 best Companies for those who want to develop professionally, being the only acquirer in the ranking.
- » **Lens Award:** Cielo University was recognized by the international award, with the Modo Turbo program, developed on the edUCa platform.

TRAINING & DEVELOPMENT INDICATORS

GRI 404-1

We have edUCa, a modern and innovative learning platform. It offers various types of content, as well as various features that make the learning experience more attractive and personalized.

In 2023, we carried out approximately 178 thousand training hours, with a total investment of R\$9.8 million.

AVERAGE TRAINING HOURS BY GENDER

	Total hours			Average hours per employee		
	2021	2022	2023	2021	2022	2023
Male	52,479	63,514	107,106	15.5	18.0	25.65
Feminino	36,560	47,757	70,778	16.0	16.5	25.89
Total	89,039	111,271	177,884	15.9	17.0	25.75

	2021	2022	2023
Value invested in training	R\$ 2,085,354.0	R\$ 8,445,139.0	R\$ 7.101.241,22
Average investment in training per person	R\$ 372.0	R\$ 1,289.9	R\$ 820,67

HIGHLIGHTS OF CIELO UNIVERSITY IN 2023

 Program

Inclusive Leadership

 Goal

To develop a leadership that acts actively and protagonistically in promoting Diversity and Inclusion is our commitment. For us, inclusive leadership is one that knows how to respect, value and take advantage of the differences between people, creating a healthy, safe and collaborative work environment, and that acts actively to promote equity, whether combating bias or creating opportunities for minority groups.

To achieve this, we have the Inclusive Leadership Program, dedicated to developing leaders capable of promoting diversity in their teams.

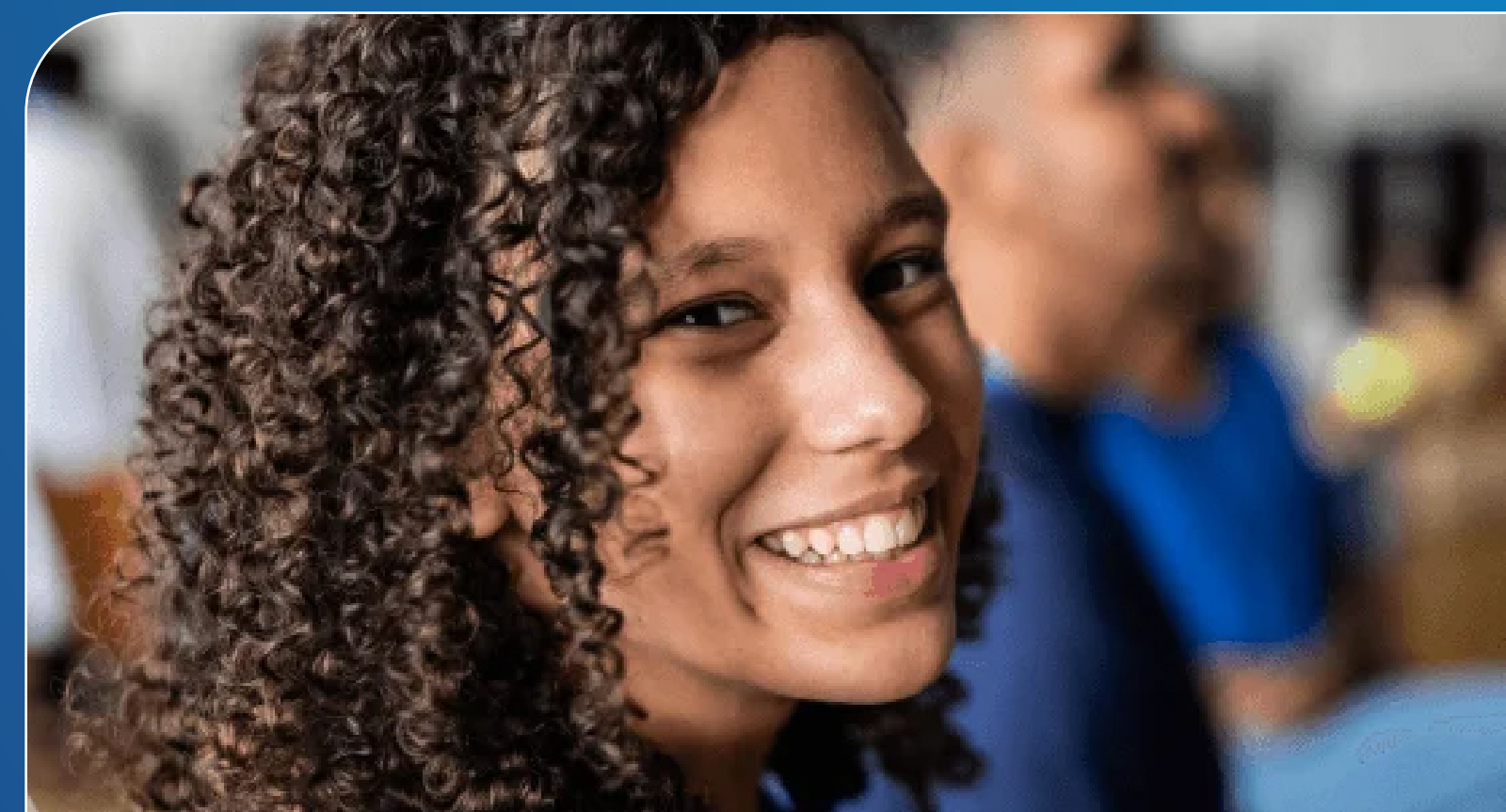
 Results

193
leaders were trained

88
training hours per leader

63%
adhesion (considering eligible people)

88
NPS



 Program

Enchant & Conquer

 Goal

Focused on consultative sales techniques to promote better service to our customers.

 Results

63
Regionalized Classes

40
internal multiplier people

1,753
employees trained

88%
Adhesion

97
average NPS

HIGHLIGHTS OF CIELO UNIVERSITY IN 2023

 Program

PwD Business Manager Training Program

 Goal

To train professionals with disabilities to work in the commercial area, in addition to raising awareness and training leadership to act in an ethical, welcoming and inclusive manner in the development of assistants in training.

 Results

94
Average NPS

98%
Adhesion

25
people trained



 Program

Líder Lab Comercial

 Goal

Training aimed at all Commercial Leadership for better performance in people management and team development.

 Results

81
Average NPS

98%
Adhesion

12
Classes

288
employees trained



HIGHLIGHTS OF CIELO UNIVERSITY IN 2023

 Program

Regional Team Building

 Goal

Working individually in each Region with the aim of transforming united and committed teams with a focus on: Integration, Collective Vision, Psychological Safety.



 Results

234
employees trained

18
Classes

99%
Adhesion

98
Average NPS



 Results

27
people trained

28
Online Meeting hours

88%
Adhesion

100
Average NPS

 Program

Leader by Example

 Goal

Training journey with the Service Leadership to create an environment for interpersonal relationships, showing the importance of a sense of teamwork, integration and good communication to contribute to the good results of the Superintendency.

Diversity, equity and inclusion

GRI 2-23 | 3-3 | FS14

Cielo believes that innovation and growth in its business also depend on creating environments that value diversity, inclusion and respect. This allows everyone to express their identity and feel part of the Company, cooperating so that Cielo can successfully achieve its objectives.

With the aim of disseminating a diverse and inclusive culture, we develop actions aimed at increasing our people's knowledge regarding the strategic relevance of the topic, as well as defining practices and initiatives that promote equity and inclusion.

The results are monitored with the direct involvement of Senior Leadership, through the Diversity Forum, coordinated by the CEO, which guides the Executive Board in decisions on the topic.

To support the development of initiatives, we have made six commitments to diversity, equity and inclusion:



Learn more about our commitments in: **Cielo's Diversity and Inclusion Policy.**



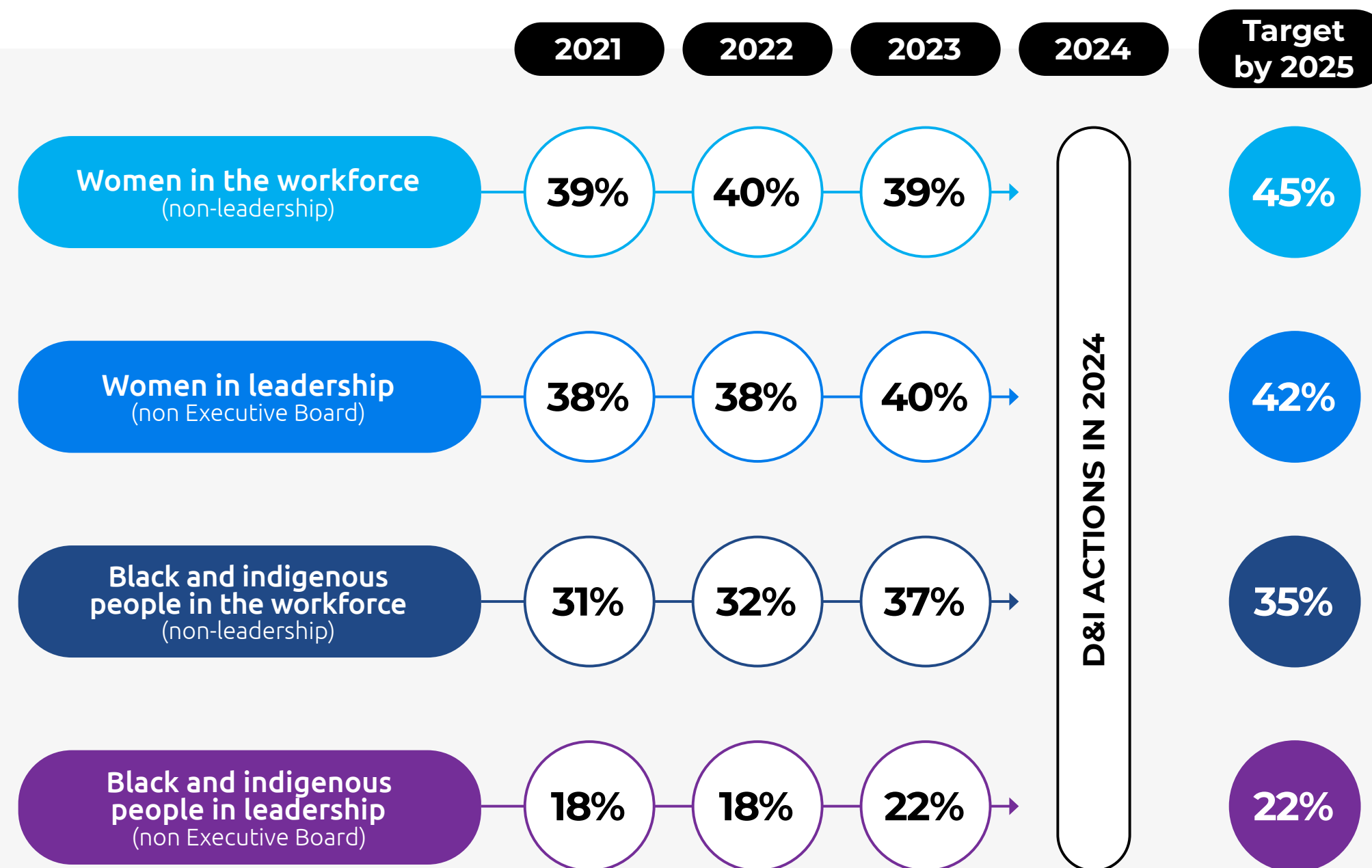
AWARDS AND RECOGNITION IN DIVERSITY

IDIVERSA B3: We were selected by B3 to compose the first IDIVERSA B3 portfolio, the first Latin American index composed of companies that stand out in terms of gender and racial diversity in their workforce.

Guia de Rodas: We renewed our Guia de Rodas certification, reaffirming our commitment to building inclusion and accessibility.

REPRESENTATIVE TARGETS

As a way of supporting the Company in meeting its equity, diversity and inclusion goals, we have structured a set of targets with the aim of making our general workforce and leadership more representative. The targets were approved by the Company's Board of Directors in 2021.



In 2023, we joined the “Brasil sem Misoginia” (Brazil without Misogyny) campaign, an initiative by the Ministry of Women that aims to mobilize various sectors of society to combat hatred, discrimination and violence against women.

Find out more about the campaign through the [link](#).

Affirmative openings

At Cielo, we make selection processes a lever to increase representation. Therefore, in the search for new talent, we adopted the practice of reserving affirmative openings exclusively for people who often face discrimination and segregation in the market, such as women, people with disabilities, black people, LGBTQIA+.

FEMALE MENTORING PROGRAM

Last year we held the second edition of the Female Mentoring program, which aims to accelerate the careers of employees with high potential, offering opportunities to expand their professional connections and establish a solid support network. This not only favors the growth of their skills, but also ensures that this development is in line with Cielo's cultural attributes.

We allocate 50% of openings affirmatively to black and indigenous women. In total, 38 women were selected to participate in the Program.

PROGRAMS FOR PWDS TALENTS

FS14

In 2023, we intensified our efforts to create an even more welcoming and inclusive work environment. We expanded opportunities for people with disabilities, facilitating their access to the job market and providing paths for career development.

The programs dedicated to PwD talents are presented below:

PcD talents in the commercial area

We promoted another edition of the Talent Training Program in the Commercial area, aimed exclusively at people with disabilities. The program continues the various actions that Cielo has implemented to create equitable working conditions and respect people's individualities.

The selection process was carried out in partnership with an external consultancy, with the aim of filling 34 openings in the Commercial team.

Learn more about the Program by accessing the [link](#).

Cielo Tech BootCamp

In collaboration with an institution in the field of technological education, we developed the Cielo Tech BootCamp, dedicated exclusively to People with Disabilities (PwD).

The program had 30 openings for the position of junior analyst, focusing on Python and cybersecurity.

“CONVERSAS PLURAIS” (PLURAL CONVERSATIONS) VIDEOCAST

In 2023, we launched the “Conversas Plurais” (Plural Conversations) VideoCast, our space dedicated to debating essential issues about diversity, equity and inclusion.

In each episode, we bring guests who talk about their experiences and knowledge, highlighting the role of leadership that promotes an environment of collaboration and openness, in which everyone feels truly included.

Watch the episodes through the [link](#).

AFFINITY GROUPS


Our four Affinity Groups remained active in 2023, strengthening safe spaces to discuss Diversity and Inclusion and generating transformation initiatives.

Throughout the year, each group developed engagement agendas to celebrate the themed months. The celebrations included lectures with the participation of guests, workshops and exhibitions. Check out the highlights below:


 **PRISMA**

 A place to discuss and promote the inclusion of the LGBTQIA+ community.

 **356**

 Commercial Executive Vice President – small and medium-sized business and Entrepreneurs (Long-Tail)

 **Pride Month**

-  » **Plural Conversations:** employability of people from the LGBTQIA+ community **301 participations**
- » **Workshops** of Theater, Creative Writing, Vogue Dance **59 participations**
- » **Cine Prista** with the screening of short films **30 participations**
- » **Photo exhibition** of the project “LGBT Pride and Resistance in the Dictatorship”

 **WE ARE ONE**

 Dedicated to delving deeper into issues related to people with disabilities

 **264**

 Executive Vice President Legal and Government Relations

 **People with Disabilities Month**

-  » **Plural Conversations:** Accessibility **257 participations**
- » **Workshops** of Brazilian Sign Language (Libras) and Bakery **49 participations**
- » **Cine Prista** with the screening of short films **30 participations**
- » **Exhibition “Mostre a sua potência” (Show your power)**, in which 10 people were honored with their photos on a panel at the entrance of the event, showing their powers to the entire Cielo Team.

 **BEYOND GENDER**

 Women's empowerment group, discusses issues related to the daily lives of women in companies with a majority male workforce.

 **359**

 Executive Vice President of Risks, Compliance, Prevention and Security

 **Women's Month**

-  » **Plural Conversations:** Empowerment through Self-Image **470 participations**

 **BLUE TO BLACK**

 Debate on ethnic-racial relations in the work environment and the most efficient ways to reduce inequality and create a corporate environment free from discrimination.

 **322**

 Commercial Executive Vice President - Large Accounts

 **Black Consciousness Month**

-  » **Plural Conversations:** Afrofuturism **354 participations**
- » **Workshops** of Afrofuturistic Writing and Afro Dance **23 participations**

Health and quality of life

GRI 403-6

Cielo is committed to improving the quality of life of its employees.

To this end, it develops initiatives focused on promoting comprehensive health, facilitating access to care and proactively encouraging the adoption of healthy habits among teams.

"De Bem com a Vida"

For two decades, Cielo's "De Bem com a Vida" Program has been a catalyst for initiatives aimed at improving the quality of life and well-being of our people.

The program supports Cielo in prevention, self-care and comprehensive health management, seeking not only individual well-being, but also the strengthening of an organizational culture focused on care.

The program is structured around three pillars. Check out, below, the focus of each of them and the initiatives that stood out in 2023:

HEALTH IN BALANCE

This pillar focuses on promoting awareness of the importance of comprehensive physical and mental health.

Highlights:

- » Expansion of Mental Health awareness communication. This action led to a 73% increase in in-company psychological care.
- » Application of the Emotional Check-Up, guaranteeing 30% adhesion.
- » Pink October and Blue November: exemption from co-participation for preventive exams.
- » Actions focused on parenting, with a 10 percentage point reduction in turnover within 12 months after returning from maternity leave.
- » "Bye Flu" campaign, with 2,090 people vaccinated.
- » We implemented training on mental health, Caring for Who Cares, and also created a trail on Empathy and Mental Health for the Commercial team. BY the end of the year, 46% of Cielo team were trained.

ALWAYS ON THE MOVE

This pillar aims to encourage employees to adopt an active lifestyle.

Highlights:

- » Expansion of prevention, emotional health and comprehensive health management programs.
- » Partnership with Gympass.
- » Promotion of in-office stretching.
- » Provision of a work gym trail through the corporate education platform.

AMENITIES FOR YOU

This pillar aims to provide employees with access to resources and services that facilitate the balance between work and personal life.

Highlights:

- » Second edition of the De Bem com a Vida Week event, with 6,195 in-person and online participations and a significant satisfaction index (4.7 out of 5.0).
- » Launch of two completely free self-care activations for employees (quick massage and manicure), with the aim of strengthening the importance of taking breaks to recharge.



WE ARE A REFERENCE IN HEALTH AND WELL-BEING IN THE WORKPLACE

Over the years, the De Bem com a Vida program has established itself as a reference by achieving good levels of satisfaction among our people and receiving external recognition, such as the National Quality of Life Award (PNQV) and the Jungle Seal of Emotional Health.

Social Impact

Boost Cielo..... 65
 Volunteering..... 66



SUPPORT FOR ENTREPRENEURSHIP

Second Edition of
"Impulsiona Cielo"

Program to strengthen businesses led by female Afro-entrepreneurs

30 participants

selected for intensive training in the second phase of the Program

11 participants selected to have their



businesses boosted

VOLUNTEERING

1,361 employees engaged - a 74% increase compared to the previous year

1,012 hours donated, an 30% increase compared to 2022



SOCIAL AND RELATIONSHIP

At Cielo, we work to be an instrument of social transformation, seeking to expand our impact through innovation in business and **the promotion of entrepreneurship, education, technology and diversity.**

To this end, we develop projects that promote socio-productive inclusion.

In order to support the definition of our social and cultural investment strategy and the selection of projects aligned with our values and purpose, we have the **Social and Cultural Investment Forum**.

The body, which is consultative in nature, meets on a regular basis to evaluate proposals for social and cultural initiatives that contribute to sustainable development.

Boost Cielo

GRI 3-3 | 203-1 | FS16

In 2023, we held the second edition of "**Impulsiona Cielo**", an initiative that integrates the Company's social impact actions and aims to strengthen businesses led by women.

This edition was aimed at black female entrepreneurs who work in the food sector. Thus, we provide participants with a complete learning journey in three phases:



1

In the first phase, we held a workshop for more than 370 female entrepreneurs on financial education.

2

In the second phase, 30 participants were selected for more intensive training, which included immersions and mentoring conducted by the talents of our team, who shared practical knowledge in sales, customer service and marketing.

3

In the third phase, after presenting their businesses in pitch format to an evaluation panel, the participants were selected for the boosting stage.

As a result, 11 participants were selected to have their businesses boosted with technical support and individualized monitoring in 2024.

In addition to technical knowledge, the initiative provided participants with valuable connections, allowing them to create meaningful relationships to boost their businesses.

Volunteering

GRI 413-1

We believe that, by encouraging our people to engage in voluntary actions, we are strengthening our ties with the communities where we operate, as well as contributing to the personal development of our team, allowing our people to acquire new skills and learn about other perspectives and realities.

We encourage participation, whether in free time or during working hours, providing up to four hours per month for these activities during the working hours.

In 2023, a total of 1,361 employees participated in our volunteering actions, a 74% increase compared to the previous year. This also enabled an increase in the number of hours donated, which reached 1,012, a 30% increase compared to 2022.

	Volunteering hours		Volunteer people	
	2022	2023	2022	2023
Engagement with volunteering actions	781	1,012	780	1,361

Donations

In 2023, we joined the “Natal sem Fome” (Christmas without Hunger) initiative, run by the NGO Ação da Cidadania. With the aim of raising funds and encouraging our team to engage in social impact actions, we encouraged each employee to allocate part or all of their Christmas vouchers to solidarity action.

The campaign resulted in a total collection of R\$ 149,050.00. Of this amount, R\$49,050.00 were contributions from the Cielo team, while R\$100,000.00 were institutional donations made by Cielo itself. With the amount raised, 2,600 basic food baskets were purchased, which were distributed throughout Brazil. This solidarity initiative reached 10,500 people, providing approximately 131,600 meals.

Waiver of differentiated values and fees

GRI 3-3

In the process of accreditation and operationalization of sales for Charitable and Social Services Organizations and Civic and Social Associations, different financial settlement deadlines, fees and commissions are applied, taking into account the positive impact they promote for society, aiming to contribute to the financial sustainability of these organizations.

In this way, in 2023 we benefited 17,911 customers, including small and medium-sized business (SMB), entrepreneurs (Long-Tail) and large accounts.



Environmental performance

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ENVIRONMENTAL MANAGEMENT ALIGNED WITH INTERNATIONAL STANDARDS



Environmental Management System certified by **ISO 14001**



417 tons of materials responsibly sent for recycling



NEUTRALIZATION AND REDUCTION OF EMISSIONS

Residual scope 1 and 2 emissions neutralized through the acquisition of project carbon credits



EQUIPMENT REVERSE LOGISTICS

Reverse logistics operation with standards for discontinuity of electronic equipment

RESPONSIBLE ACTION, dedicated to eliminating and mitigating impacts on the environment



SDG



Capitals



NATURAL

Environmental approach

GRI 3-3

To prevent the negative potential that our operations, products and services may generate, we adopt a preventive approach and seek to conduct our business in an environmentally responsible manner, based on an Environmental Management System certified by the ISO 14001 standard.

In our environmental management, we adopt an operational model that prioritizes eco-efficiency both operationally and in our solutions.

For more details about our environmental management, in addition to specific indicators, please refer to the **Supplementary Index**.

Waste and circularity

GRI 3-3 | 306-1 | 306-2

Our operation seeks to reduce environmental impact through structured and qualified management that enables the capture and recycling of obsolete terminals, transforming them in raw materials for other sectors of the economy. Therefore, we have established standards for discontinuation of electronic equipment, in accordance with the Brazilian National Solid Waste Policy (Law 12.305, of 2010). Therefore, our reverse logistics operation includes:

- » Receiving and directing equipment to our distribution centers.
- » Reuse system that:
 - restores machines that are in good condition;
 - properly disposes of those that cannot be reused.

- » Traceability of equipment receipt and destination flows.
- » Return of machine batteries to manufacturers.

Therefore, in 2023, we responsibly allocated 417 tons of materials for recycling. Of this amount, 52% refer to the reverse logistics of electronic equipment, which were reinserted as raw materials in other sectors of the economy.



To find out more details about Cielo's reverse logistics, please refer to the **Supplementary Index**.

Climate strategy

GRI 3-3 | 201-2

Aware of the risks and opportunities related to climate change, we have established a **Climate Strategy**, which guides us in managing carbon emissions, assessing impacts, establishing goals and engaging with our value environment for the low carbon economy.



We follow the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) for communicating and analyzing climate risks and opportunities.

To learn more about the topic, please refer to our TCFD Climate Report.



We also disclose information about our climate management in the Carbon Disclosure Project (CDP), strengthening our accountability for climate actions.



Emissions

We quantify our Greenhouse Gas (GHG) emissions following the guidelines of the Brazilian GHG Protocol Program, audited by an independent third party.

	2021	2022	2023
Direct emissions (Scope 1) (tCO ₂ e)	5,137.7	7,405.5	9,130.54
Indirect emissions (Scope 2) (tCO ₂ e)	333.5	116.5	77.6
Indirect emissions (Scope 3) (tCO ₂ e)	20,066.4	29,659.7	25,049.3
TOTAL	25,537.6	37,181.7	34,257.4

For more details on emissions, please refer to the **Supplementary Index**.

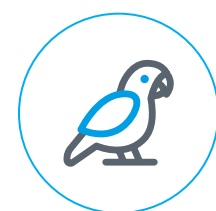
To read Cielo's report to CDP, visit the following [link](#).

NEUTRALIZATION OF EMISSIONS

We carry out actions to reduce these emissions in our activities. Residual scope 1 and 2 emissions are neutralized through the acquisition of carbon credits from projects that avoid the emission of greenhouse gases through actions aimed at forest conservation and/or energy efficiency.

The project's importance and effectiveness are recognized by validation and verification carried out by international certification standards for forestry projects, such as the Verified Carbon Standard and the Climate, Community & Biodiversity Standards. In August 2023, we carried out the expedition to the states of Pará and Amapá, with the aim of closely monitoring how families benefit from the project.

Discover the details of the impact of the Jari Pará REDD+ Project, selected by Cielo to neutralize its emissions:



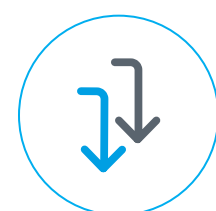
It is located in a transition zone between Pará and Amapá, surrounded by Conservation Units (UCs), forming an ecological corridor for the region's biodiversity.



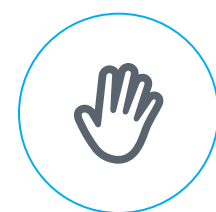
The Project aims to preserve the Amazon Forest and reduce GHG emissions with a local development model.



It protects more than 920 thousand hectares of forest, providing a refuge for 340 species of flora and 2,070 species of fauna, many of which are threatened with extinction.



It has the potential to reduce up to 600 thousand tons of tCO₂eq per year.



Over the 30 years of its existence, it has prevented the deforestation of more than 64 thousand hectares.



It benefits 303 families in 15 communities.



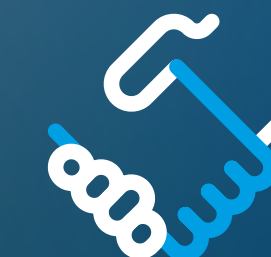
Corporate information

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GOOD PRACTICES IN CORPORATIVE GOVERNANCE

Cielo is among the companies in the sector with the best corporate governance practices, according to "Empresa Mais", an award organized and offered by Jornal Estado de S. Paulo.



RENOWNED LEGAL DEPARTMENT

the Best Brazilian Legal Department, according to the international ranking | Leaders League Alliance Summit - Law & Innovation



FIGHTING CORRUPTION

100% of the Cielo team communicated about anti-corruption regulatory policies



96.9% of the team completed the Anti-Corruption Regulatory Tracks

RESPONSIBLE SUPPLIER MANAGEMENT



Management in three stages, according to their criticality



Corporate Governance

GRI 3-3

The corporate governance system adopted by Cielo has as guiding principles transparency, equity, accountability and corporate responsibility.

Its objective is to allow the improvement of management, in a continuous and long-term process, as well as the harmonization of interests, business sustainability and the generation of value for the Company's longevity.

To protect Cielo's reputation, define responsibilities and guide strategies and conduct, we have a set of policies, codes and internal regulations.

All of the Company's governance guidelines and practices are consolidated in our Corporate Governance Policy. Our commitment to adopting best practices is an integral part of our corporate routine and we use as a reference the Code of Best

Corporate Governance Practices from the Institute of Corporate Governance (IBGC) and the Brazilian Code of Corporate Governance – Public Companies.

See our **Corporate Governance Policy** in full.



CIELO GOVERNANCE RECOGNIZED BY THE MARKET

In 2023, we were recognized as a highlight among companies in the sector with the best corporate governance practices, by Empresa Mais, an award organized and grant by the newspaper O Estado de S. Paulo.

DISCLAIMER

Cielo received, in February 2024, a communication from its direct controlling shareholders informing about the intention to convert the Company's registration from a public company from category "A" to "B", which would result in its exit from the special listing segment of the Novo Mercado of B3 S.A. – Brasil, Bolsa, Balcão ("B3").

This conversion may be carried out through a unified public offering for the acquisition of common shares (OPA), if approved, as provided for in applicable legislation and the Company's bylaws. The bidders' objective is to acquire up to all of the common shares in circulation issued by the Company.

For more information, access the **Company's Investor Relations** website.

Good governance practices

GRI 2-9 | 2-11

- » The Chairman of the Board of Directors and the other members of the Company's Corporate Governance bodies do not hold an executive role in the Company.
- » As provided for in the Nomination and Compensation Policy for members of the Corporate Governance Bodies and in the Company's Bylaws, the positions of Chairman of the Board of Directors and Chief Executive Officer cannot be held by the same person, in accordance with the provisions of the Novo Mercado regulations.
- » Cielo has a Policy on Transactions with Related Parties and Other Situations Involving Conflicts of Interest, which aims to consolidate the procedures to be observed in the Company's business involving related parties, as well as in situations involving potential conflict of interest.
- » It is worth noting that the policy provides that members nominated by controlling shareholders who are in a position of conflict of interest and members nominated by controlling shareholders who are not in a position of conflict of interest will not participate in meetings of the Board or Governance Committee, when the matter subject of deliberation refers to the strategic issue of the conflicting shareholder.



Administration structure

GRI 2-9 | 405-1

Cielo is managed by the Board of Directors and the Executive Board. Our structure aims to promote harmony of interests and guarantee the quality of decision-making, ensuring that they are technically supported and the result of a broad debate, as well as that they are in compliance with the set of normative instruments and values of the Company and its strategies and long-term value generation drivers.

BOARD OF DIRECTORS

The Company's Bylaws provide that the Board of Directors is composed of a minimum of seven and a maximum of 12 members, all elected by the General Assembly, with a unified two-year term of office, re-election permitted.

Furthermore, according to the Company's current listing (Novo Mercado), to protect its interests and those of its minority shareholders, four members of the Board are independent and can be appointed by the Administration, Controlling Shareholders or Minority Shareholders.

The Board of Directors establishes and defines the Company's business strategies, taking into account the impact of its activities on society and the environment, as well as electing the members of the Executive Board and overseeing its management.

COMITEES

The committees have the function of technically advising the Board of Directors members, supporting them in supervising the implementation of strategies, as well as providing them with data and information to support their decision-making.

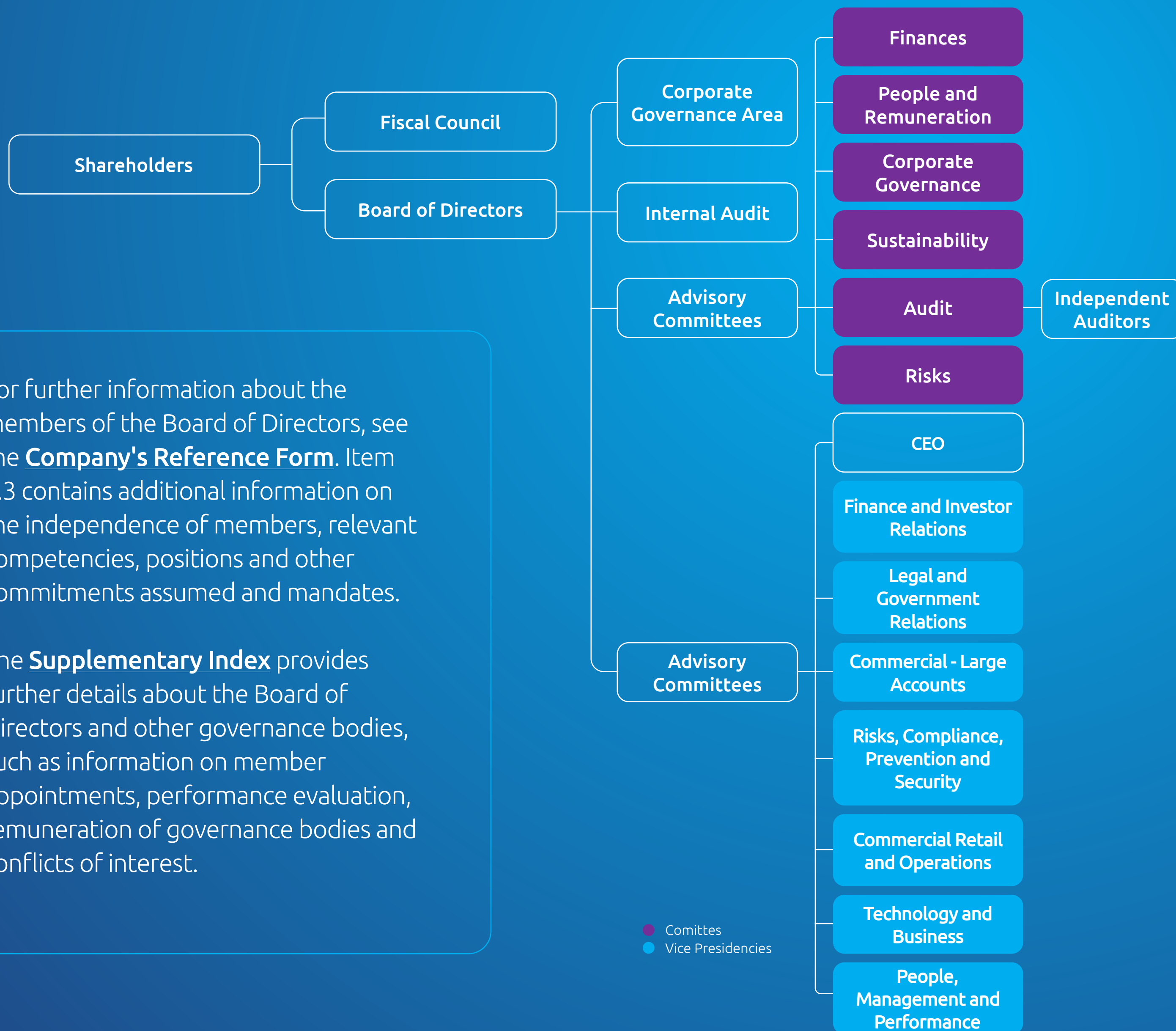
EXECUTIVE BOARD

The Executive Board is made up of a minimum of two and a maximum of 11 members, elected by the Board of Directors, with a two-year term of office, with re-election permitted. Currently, the body is made up of eight members.

FORUMS

The Forums are advisory bodies to the Company's Executive Board and act as an instrument of support and encouragement for the quality and efficiency of the Executive Board's performance, always respecting the corporate governance principles and best practice.

Currently, the Company has the following Forums: (i) Diversity Forum; (ii) Disclosure Forum; (iii) Ethics Forum; (iv) Innovation Forum; (v) Social and Cultural Investment Forum; (vi) Strategic Pricing Forum; (vii) Privacy and Data Protection Forum; (viii) Products and Services Forum; (ix) Information Security and Fraud Prevention Management Forum; and (x) ESG Forum.



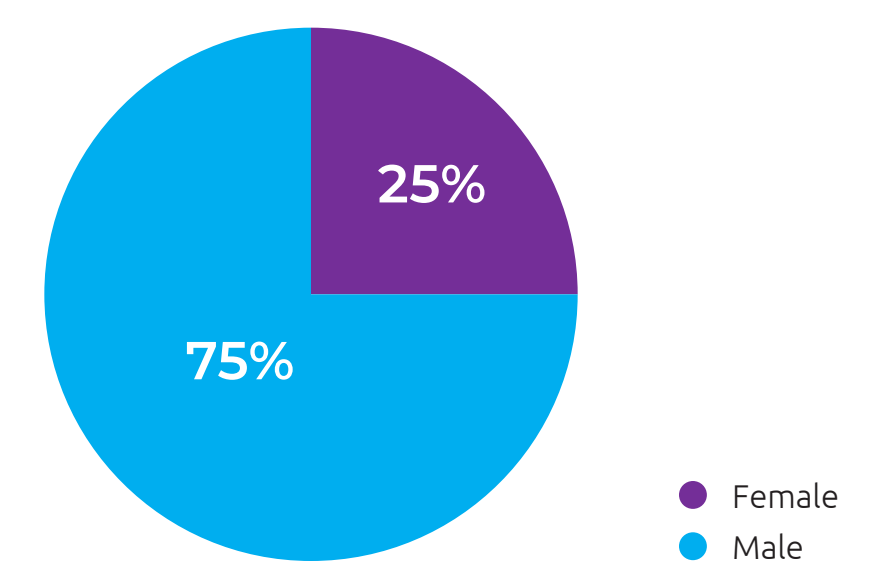
For further information about the members of the Board of Directors, see the **Company's Reference Form**. Item 7.3 contains additional information on the independence of members, relevant competencies, positions and other commitments assumed and mandates.

The **Supplementary Index** provides further details about the Board of Directors and other governance bodies, such as information on member appointments, performance evaluation, remuneration of governance bodies and conflicts of interest.

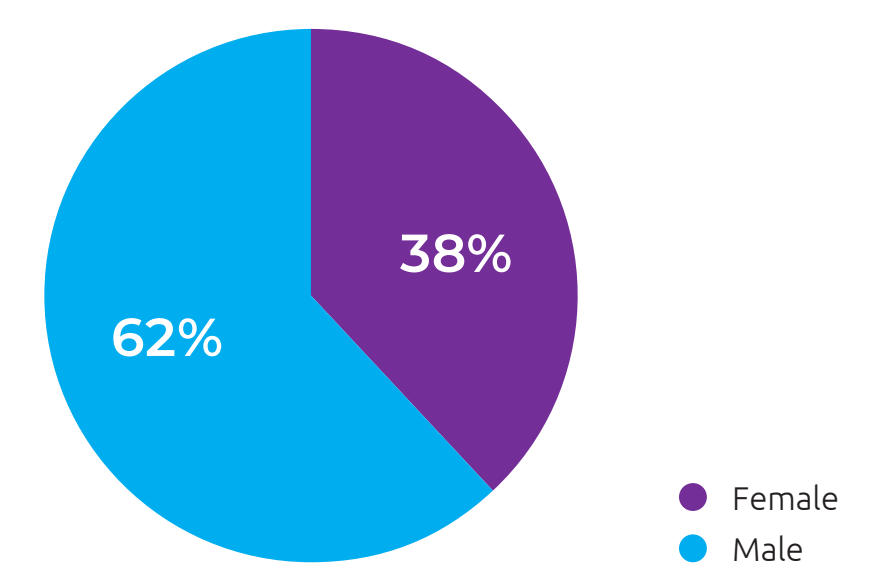
Composition of Governance Bodies

GRI 405-1

Composition of the Board Of Directors by gender



Composition of the Executive Board by gender



Integrity and Ethics

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

To generate value for stakeholders, we need to act with ethics and integrity in all relationships. That's why we have the **Cielo Compliance Program** (learn more on **page 24** of the Supplementary Index), which seeks to strengthen Compliance and Integrity actions, integrating them with other areas, to promote a culture of ethics, integrity, risk management and compliance throughout Cielo and its stakeholders.

The **Supplementary Index** provides further content on Ethics and Integrity, such as the Cielo Compliance Program, Code of Ethical Conduct and initiatives to combat corruption and prevent fraud, money laundering and terrorist financing.



"PRÓ-ÉTICA" (PRO-ETHICS) SEAL

For the first time, we were granted the Pro-Ethics Company seal, the greatest recognition of integrity and ethics in the corporate environment.

Carried out by the Brazilian Office of the Comptroller General (CGU) in partnership

with the Ethos Institute, the seal recognizes companies committed to implementing voluntary measures to prevent, detect and remediate acts of corruption and fraud.

Find out more by accessing the [link](#).

Code of Ethical Conduct

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

Members of the Executive Board, employees, interns and young apprentices formally sign their adherence to the Code upon hiring and annually renew their commitment to act in accordance with its guidelines. Sanctions for non-compliance with the Code and other Normative Instruments are evaluated and resolved by the Company's governance bodies, according to the jurisdiction applicable to each case. The Ethics Forum or the Board of Directors, as applicable, decides on violations and disciplinary sanctions in the last instance.

Discover our **Code of Ethical Conduct** in full.

Regulatory Training Track

GRI 205-2 | 205-3

As part of Cielo's Compliance Program, we have the Regulatory Training Track, which aims to ensure that our team acts in accordance with the Company's ethical guidelines. This track consists of annual, mandatory and valid training for all employees, interns, young apprentices and Executive Board members, without distinction of position. The topics covered are:

- » Code of Ethical Conduct;
- » Anti-corruption;
- » Regulatory Aspects;
- » Prevention of Money Laundering and Terrorism Financing;
- » Information Security and Cybernetics;
- » Privacy and Data Protection (PDPL);
- » Risk Management and Internal Controls;
- » Risk Occurrence Management;
- » Business Continuity Management;
- » Cielo Share Trading; and
- » Ombudsman.

The Regulatory Training Track was reformulated in 2023, with a new approach and new themes. Now, the content is more dynamic and didactic, with practical examples of everyday situations to facilitate the team's learning.

By the end of 2023, 96.9% of Cielo employees had completed the Regulatory Training Track.

EMPLOYEES INFORMED AND TRAINED ON THE REGULATORY TRAINING TRACK (INCLUDING ANTI-CORRUPTION)*

	Informed		Trained	
	Number of individuals	Percentage	Number of individuals	Percentage
Employees	6,513	100%	6,308	96.85%
Executive Board Members	8	100%	8	100%

* The calculation considers employees from Cielo, Stelo, Aliança and Servinet, hired until November/2023 and does not consider employees on leave.

ETHICAL AND HONEST DRIVING

To strengthen the ethical and honest management of the Company's business, our Legal Department works with a focus on ensuring that all activities carried out by Cielo are in compliance with the legal and regulatory framework that regulates the payment methods sector.

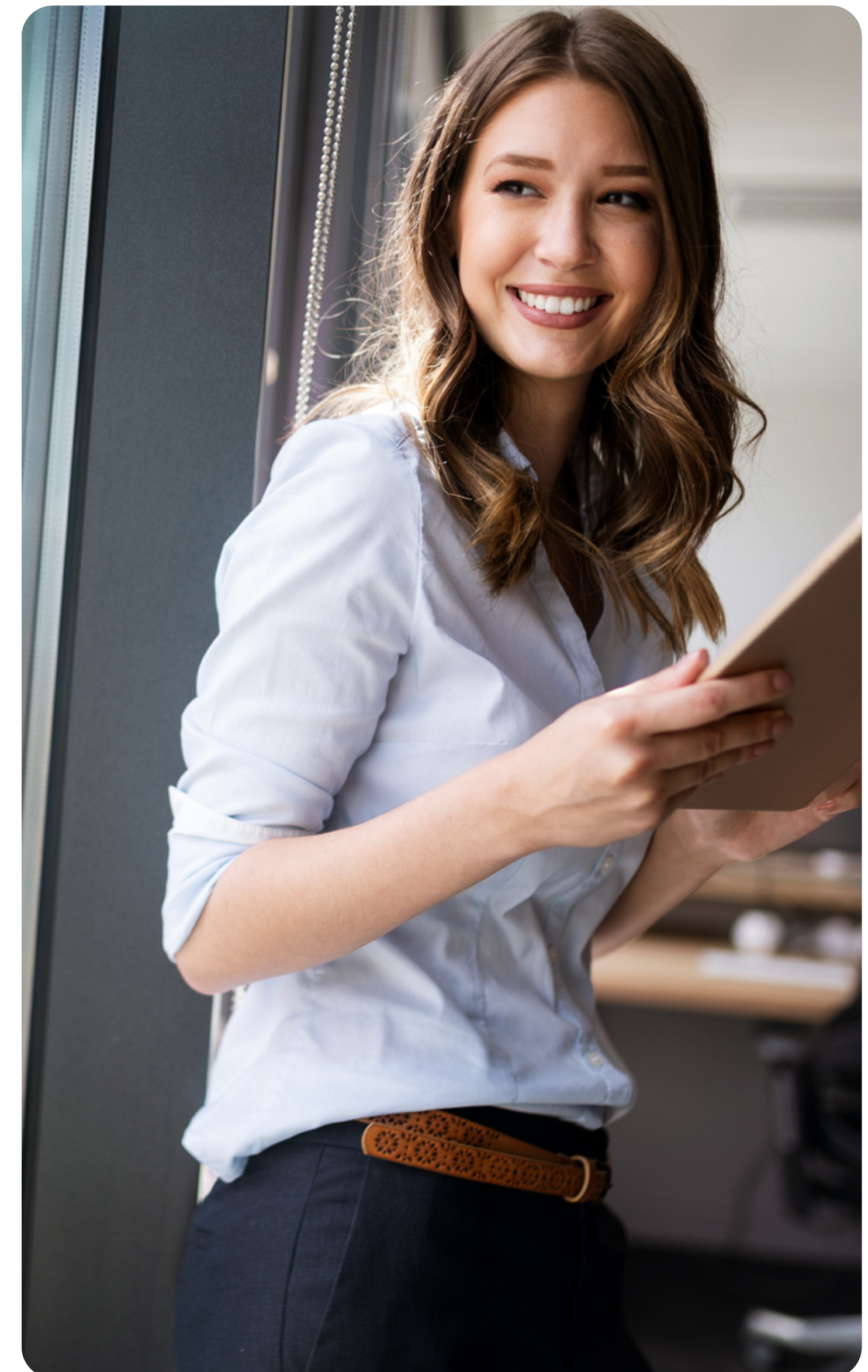
Thus, Cielo Legal ensures that the Company continues to generate value for its stakeholders. As a result, in 2023 we received recognitions such as:

Finance & Law Summit and Awards: the Company's legal area was awarded the title of

"Best Legal Department in Banks and Financial Services".

International Ranking | Leaders League Alliance Summit – Law & Innovation: we were recognized as the Best Brazilian Legal Department.

The Legal 500: Mrs. Louangela Bianchini da Costa Colquhoun, Executive Vice-President for Legal and Government Relations, was recognized by The Legal 500, in the banking law category, as one of the most relevant professionals in the segment.



Ethics Channel

GRI 2-16 | 2-25 | 2-26 | 205-3

Cielo's Ethics Channel is a resource for employees, suppliers, service providers, partners and other interested parties to report or consult issues related to ethics at the Company.

Complaints are treated with confidentiality, anonymity and secrecy by an independent company, and the Company does not tolerate any kind of retaliation against whistleblowers.

Access the Ethics Channel [here](#) or by calling 0800 775 0808.

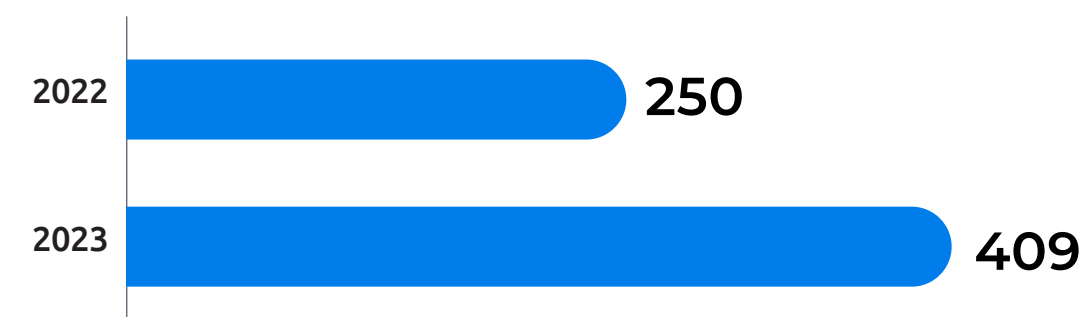
Cielo's Internal Audit area is responsible for investigating records and forwarding appropriate cases to the Ethics Working Group for deliberation regarding the application of applicable disciplinary sanctions to those involved in the practice. The Audit Committee monitors all records and indicators of the Ethics Channel on a monthly basis and reports this information to the Board of Directors.

TRANSPARENCY

In 2023, Cielo's **Ethics Channel** received 409 complaints, 33% of which were identified and 67% were anonymous. Of all the complaints filed, 40% were considered valid. As a result, 134 disciplinary measures were applied. The average treatment period was 30 calendar days.

The number of complaints received was 64% higher than that recorded in 2022, a result of the channel's

Complaints received



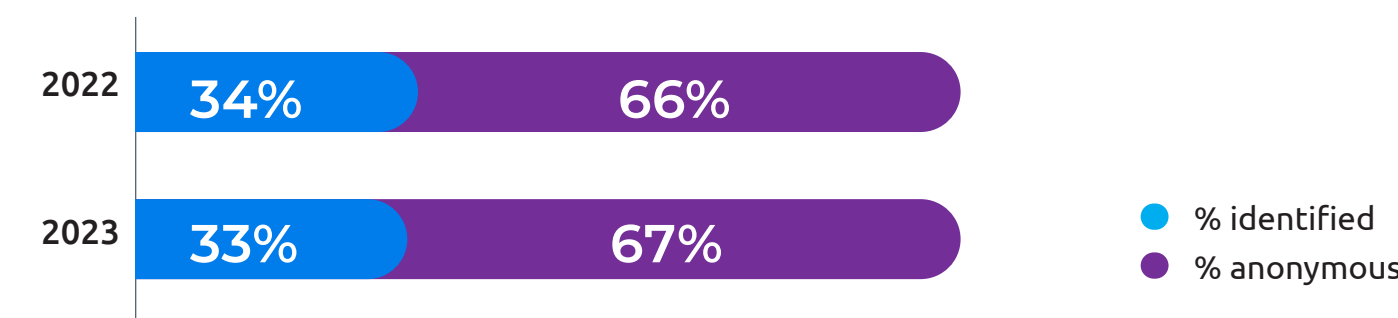
% Valid complaints



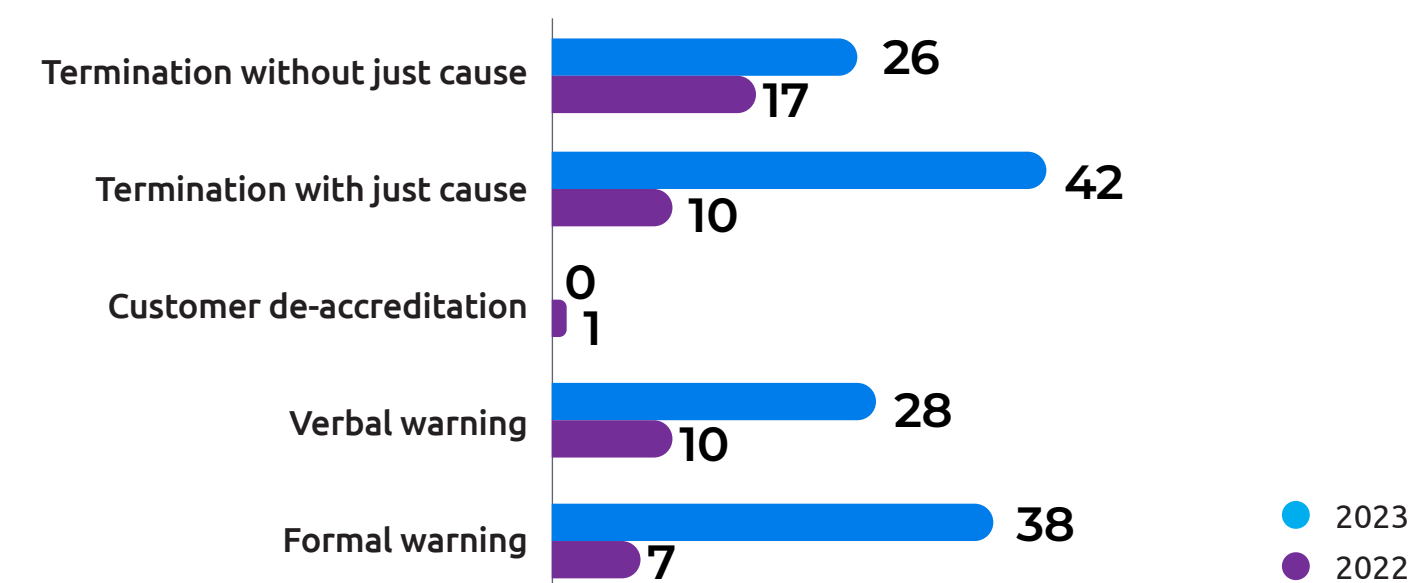
publicity work, the trust employees place in the mechanism and the increase in the number of employees at the Company in the period (find out more on [page 51](#)).

The reports recorded refer mainly to cases of internal fraud, moral harassment, non-compliance with internal policies, conflict of interests, discrimination or abusive gender practices and sexual harassment.

Identified and anonymous reports



Disciplinary measures applied



Risk management

GRI 3-3 | 416-1 | FS2

We work to promote a corporate risk culture aligned with regulations and good market practices, protecting the Company's business and economic-financial interests. This is the essence of our work and a responsibility of our entire team.

Therefore, we have processes to identify, evaluate, monitor, mitigate and report risks, aiming to keep them within levels acceptable to the Company, protecting both Cielo and its customers from operational failures, illicit practices and problems in the delivery of products and services.

Cielo's risk management model is made up of three lines of responsibility:

- » **1st Line of responsibility:** represented by the business areas, which are responsible for manage risks effectively within their organizational responsibilities.
- » **2nd Line of responsibility:** represented by the Executive Vice-Presidency of Risks, Compliance, Prevention and Security, which acts in a consultative manner with the business and support areas, but with independent evaluation and reporting.
- » **3rd Line of responsibility:** composed of Internal Audit, which has the function of providing independent opinions to the Board of Directors, through the Audit Committee, on the risk management process, the effectiveness of internal controls and corporate governance.

Risks are assessed and reported on a regular basis by the 2nd line of responsibility and by Internal and External Audits to governance bodies. Additionally, we review the Risk Appetite and Tolerance Statement on an annual basis.

Risk assessment

Through the periodic Risk Assessment process, we maintain a continuously updated corporate risk inventory, as well as the corporate risk heat map, through which it is possible to monitor the impact and probability of these risks materializing and changes in the business environment.

When unmitigated risks are detected, they are recorded as Risk Occurrences in the corporate risk management tool, with the respective action plans, deadline, person responsible and impact, to ensure that they reach residual levels of risks acceptable to the Company. Risk occurrences are reported for informational or deliberative purposes, if necessary, to the appropriate governance bodies.

Discover our **Corporate Risk and Internal Controls Policy** in full.

Supplier management

GRI 2-6 | 3-3

Our supply chain management aims to ensure competitiveness, quality, speed and sustainability in our relationships and partnerships. It includes suppliers of operations and logistics, technology services, telecommunications, customer service (contact center), legal and corporate services, among others.

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

The **Supplementary Index** provides further details on how Cielo manages its supply chain.

Process	Vendor Onboarding	Vendor Performance	Vendor Risk
Goal	Carry out supplier approval	» Improve the performance of suppliers and/or replace those that perform below expectations.	» Expand knowledge about critical suppliers.
Aplicability	100% of suppliers.	» Main suppliers in financial terms (Tier 1 + others).	» Tier 1 suppliers + those that pose risks to business continuity.
Actions	<ul style="list-style-type: none"> » Financial assessment based on billing criteria and contracted value » Application of questionnaires covering environmental, social and governance aspects. » Training on Diversity and Inclusion. » Thorough review of the documentation provided. » Supplier categorization into different levels (tiers 1, 2 and 3) according to their impact on the customer and the continuity of the Company's business. » Adherence to our core corporate policies. 	<ul style="list-style-type: none"> » Quarterly assessments to improve the quality of service provision. » Awards for the best. » Monitoring of suppliers with gaps. » Exclusion of non-compliant. 	<ul style="list-style-type: none"> » Preparation of improvement plans in deficient cases to be generated and monitored for resolution by responsible areas. » Mandatory audit, remote or in-person, of critical suppliers, including those participating in Vendor Risk and critical suppliers from an ESG perspective.
Results	<ul style="list-style-type: none"> » Throughout the year, more than a thousand suppliers went through this process. » ESG Assessment: In 2023, Cielo's Social and Environmental Assessment questionnaire was answered by 648 suppliers, with 48% of them obtaining a score equal to or above 70%. 	<ul style="list-style-type: none"> » In 2023, 149 suppliers were analyzed in the Vendor Performance program. 	<ul style="list-style-type: none"> » In 2023, 51 critical suppliers were evaluated within the Program. » Among them, 20% were assisted by the Company's Sustainability team with audits. » ESG audit: 80% of the critical suppliers audited obtained a score equal to or greater than 70%, a range classified as within Cielo's expectations.

cielo