



Somos Todos Um



ANNUAL

REPORT

2020



SHORT VERSION - CUSTOMERS



Message from the CEO

The year of 2020 challenged us, but at the same time, it strengthened us. In order to overcome difficulties and remain steadfast in our commitment to better serve, we have chosen the path of relationships.

Among the search for excellence, innovation and competitiveness, the current times demand attention to profitability, efficiency, human capital management as well as the expectation of helping to build an increasingly better society.

Here at Cielo, we challenge ourselves every day in this regard and, in 2020, we faced the test of fire, as everyone else, as we experienced an unprecedented moment in our generation. Efforts to combat the Covid-19 pandemic have brought changes in the behavior of people and companies that we are still identifying, understanding, and adapting to.

With the strength of a brand that has 25 years of existence and a prominent presence in the means of payment segment, we have not shied away from our role of meeting the new demands of society and when possible anticipating them.

We invest in the relationship with our customers to

deliver the best experience, in the training and safety of our employees, and in ethical and transparent partnerships with our suppliers and different Brazilian companies. Our digital and cultural transformation, which was already underway, was streamlined by the pandemic that imposed more dynamism and presented us with new challenges.

More and more, we have been offering solutions for digital products and services, such as Cielo Super Link and WhatsApp payment transactions, without forgetting the use of Contactless, NFC and QR Code technologies.

Thus, day after day we keep building a company capable of making a difference and contributing to the sustainable development of our country.

Gustavo Sousa
CEO



2020 Highlights

We have simplified and boosted business in 5,564 Brazilian municipalities, covering 99.99% of the national territory with our products, services, and solutions

Faced with the unprecedented challenges brought on by the Covid-19 pandemic, we have acted to mitigate its impacts on our employees, customers, and communities.

Over 1.4 million

customers, ranging from individual entrepreneurs to large retailers

8.38%

of the Brazilian GDP catalyzed by payments made on our platforms

R\$ 957,600.00

in donations to counter the pandemic

R\$ 1.253 million

invested in initiatives aimed at the health and well-being of employees

R\$ 669 million

distributed to shareholders

Leaders

in the electronic payments segment in Latin America

R\$ 5 billion

in advance of receivables for trade

70 thousand

entrepreneurs digitalized in partnership with SEBRAE

11.186 billion

in revenue

R\$ 631.5 million

of net profit

Over 1,000%

increase in new accreditations to use Super Link

1.5 million

of card readers eligible to receive Emergency Aid payments

R\$ 644 billion

of raised financial volume

Review

In our Strategic Sustainability Planning 2021-2025



Check out the full **Sustainability Report** here.



Solutions Portfolio

Cielo is more than a payment machine. Our business model includes a wide portfolio of products and solutions to meet all types of business and the needs of customers, bringing about the democratization of means of payment.

PAYMENT MACHINES

CIELO ZIP

portable and fast machine that does not require a cell phone, aimed at professionals who need mobility.

CIELO LIO

much more than a card machine, it allows one to control inventory in the palm of one's hand, place orders, close accounts, issue invoices and close the cash register, all integrated with the store system.

CIELO MINI ZIP

a portable machine that does not require a cell phone and does not use paper, offering agility and ease for sellers to operate anywhere.

Solutions Portfolio

Cielo is more than a payment machine. Our business model includes a wide portfolio of products and solutions to meet all types of business and the needs of customers, bringing about the democratization of means of payment.

SERVICES

TO SELL MORE

MOBILE RECHARGE

Cielo machines can be used to recharge cell phones, thus increasing sales.

CURRENCY CONVERTER

Cielo machines are enabled to pay in more than 80 foreign currencies.

TO MANAGE BUSINESSES

CIELO APP

allows the management of sales and receipts of the business in a simple and practical way.

CIELO DIGITAL WALLET

allows tracking account operations in real time, in addition to receiving and sending money in an uncomplicated manner.

CIELO FAROL (“LIGHT HOUSE”)

it offers information on customers' income profile and buying behavior, as well as comparisons with similar businesses.

CIELO STORE

it offers a series of applications that streamline the daily routine of businesses.

TO GET TO KNOW THE MARKET

ICVA

the Cielo Retail Expanded Index (ICVA) tracks the evolution of trade on a monthly basis according to the nominal revenue of small store owners to large retailers.

Solutions Portfolio

Cielo is more than a payment machine. Our business model includes a wide portfolio of products and solutions to meet all types of business and the needs of customers, bringing about the democratization of means of payment.

E-COMMERCE SOLUTIONS

CIELO SUPER LINK

it allows one to make online sales on social networks, without needing a store and without a membership fee.

CIELO CHECKOUT

payment solution that allows you to monitor 100% of sales in real time.

CIELO E-COMMERCE API

complete payment solution for any type of business, which allows a quick integration for developers.

CREDIT PRODUCTS

NON-GUARANTEED CREDIT

Receba Mais (Working Capital).

ANTECIPATING DUPLICATES

RECEBA RÁPIDO

Receiving in advance.

Protagonism and Innovation

If innovation and technology were already intrinsic to our DNA, during the Covid-19 pandemic they were accelerated due to the changing behavior of markets and consumers, who started to use more and more digital technologies to do their business.

In 2020 we believed and invested in the further growth of e-commerce, which opens up important opportunities for our business.

Digital Bitz Wallet

Partnership of Cielo Code™ Pay, our solution for payment via QR Code, with the Digital Bitz Wallet, an innovative solution for making and receiving payments online, via smartphone. With the launch, we started to receive this type of transaction both in machines and in e-commerce.

Emergency Aid

We have made it possible to use Emergency Aid for e-commerce purchases during the social isolation period, using the Caixa virtual card, helping people who do not have a bank account.

WhatsApp

Besides these developments, during the year, we announced another innovation through a partnership with Facebook to enable payment transactions via WhatsApp in the country, authorized by the Brazilian Central Bank (Bacen) in March 2021.



Our innovation hub

To drive innovation in our business, we have Garagem, a structured innovation hub to discover, test and implement new solutions.

2020 RESULTS

CO-CREATIONS

31 Co-creations in 2020

MENTORSHIP PROGRAM



143

enrolled startups



21

startups selected



21

mentors



OPEN INNOVATION

+100

startups in Radar Cielo

5

contracts closed

Positive social impact

Besides acting to fight the Covid-19 pandemic, we also took actions to expand the impact of our business on society in 2020:



Over 80% of those approved are black or brown and 50% LGBTQIA and intersectionalities



Elaboration of Cielo's Diversity & Inclusion Manifesto



46 thousand people impacted by volunteer actions



98.5% of products and services purchased locally, developing the communities



82% Customer Satisfaction Index



Over 3.27 million to support cultural and sports projects via Incentive Laws

Ecoefficiency

We have an Environmental Management System (EMS) certified by the ISO14.001 standard, which establishes the frequent monitoring of the impacts generated by our activities. We seek to implement the best environmental management practices through a preventive approach, in order to mitigate potential impacts related from our operations, products and services, focused on the continuous improvement of our processes.



In 2020, we neutralized scope 1 emissions with the purchase of Carbon Credits, REDD+, and scope 2 emissions with the purchase of I-REC.



550.12 tCO₂e of emissions avoided by fueling the fleet with ethanol.



Consumption of 2.03 liters of water per person/day among employees at the Head Office (Headquarters), meeting the target of 10 liters per person/day

Credits

Corporate information

Cielo Head Office:

Alameda Xingu, 512 – 21º ao 31º andar
Alphaville – Centro Industrial e Empresarial
CEP: 06455-030 – Barueri (SP) – Brasil

Contact:

sustentabilidade@cielo.com.br

Coordination

People, Management and Performance Executive Board

Consulting for gathering disclosures according to the GRI Standard guideline, materiality review, writing, design and review

Ricca Sustentabilidade

Photos

Cielo Image Bank, Unsplash and Adobe Stock

Audit

KPMG

Publication date

06/21/2021