



2014 Sustainability Report

.....

start

Summary

2	Presentation	29	Business strategy
3	Mission and values	32	Information security
4	Messages	35	The People behind Cielo
7	2014 highlights	49	Financial performance
10	Awards and recognition in 2014	53	Environmental performance
12	Profile	56	Social performance
19	Governance for sustainability	62	About the report
25	Ethics and integrity	63	GRI Index
		70	Corporate information and credits

Presentation

.....

In this Sustainability Report – the third published in Global Reporting Initiative (GRI) format – Cielo presents major events of 2014, in continuation of its decision to communicate the company's strategies and results to all its stakeholders in a transparent manner.

This year there is a novelty in the report: the material was prepared based on the latest version of the GRI guidelines, the G4 - Core option. The content shows Cielo's performance in relation to the relevant topics indicated in the materiality matrix: operational capacity and availability; innovation in payment solutions; management of environmental impacts caused by the use of equipment and consumption of resources; information security; formalizing parts of the economy previously considered informal; governance for sustainability; the company's economic performance; strategic challenges and regulatory risks; competition; ethics, integrity and anti-corruption practices; and employee education, training and development.

Should you have any doubts or suggestions, please send an email to sustentabilidade@cielo.com.br **G4-31**

Enjoy it!



Mission and values G4-56

Mission

- To be an international reference in transaction solutions and network services

Values

- Employees with attitude, team spirit and passion in everything they do
- Surpassing customer expectations
- Ownership posture
- Ethics in all relationships
- Excellence in execution
- Innovation oriented to results
- Sustainability and Corporate Responsibility

Message from the chairman of the Board of Directors

G4-1

Year after year, competition in our industry becomes more intense, and 2014 was no exception. This, however, is precisely the ingredient that stimulates us to go that extra mile.

We have a very clear ambition, which is to ensure Cielo remains the leader of the Electronic Means of Payment industry. In this respect, complementary businesses, organic growth, diversification of sources of income and greater operational efficiency are the levers which will enable us to do this.

The future we visualize will be based on a strong financial capacity and a consistent strategic direction. We have consolidated our position as a multibrand company, accepting the broadest range of domestic and international cards in the market; multichannel, present at the physical point of sale, via the internet and via mobile phone; and multiservice, because in addition to receiving card payments, we offer our customers services that help boost their sales.

To this end, throughout the year we established a series of partnerships aligned with our future vision, an example of which is the Smiles program. Our terminals can now be used to consult and redeem miles in the company's loyalty program.

We also announced a joint venture with Banco do Brasil. The new company resulting from this arrangement will manage Ourocard credit and

debit card operations. Worth R\$11.6 billion, the capital of the company will be divided, with a 70% stake for Cielo and 30% for Banco do Brasil.

Innovation is part of Cielo's DNA. Every year we create new products, develop technologies and solutions and enhance our logistics system, offering quality and tools that drive sales for the more than 1.6 million customers we served nationwide in 2014. Our greatest pleasure is to promote growth for our customers and, by extension, for the Brazilian economy.

Another major source of pride is to see Cielo featured in the best places to work rankings year after year. Investing in individual development and engaging our teams are strategic thrusts for the company, prioritized in the organization's leadership agenda and budget. Constant recognition by the market is proof that we are on the right track.

We believe that our decisions regarding Cielo's businesses are being interpreted positively by the market. At least this is what the performance of the company's shares on the stock exchange indicate. In 2014, Cielo shares (including dividends and interest) traded on the BM&FBovespa appreciated by 31.5%, while the Bovespa index decreased by 2.9%. For the second year running we were listed on the BM&FBovespa Corporate Sustainability Index (ISE), comprising publicly traded companies showing differentiated economic, socio-environmental and corporate governance performance.

We celebrate all our accomplishments in 2014, advances fully aligned with our business model and strategy. We reaffirm our commitment to the company's future and to the creation of value for all our stakeholders, encompassing shareholders, investors, employees, customers and others. May we continue to advance!

Domingos Figueiredo de Abreu

Chairman of the Board of Directors

Message from the CEO

G4-1

.....

2014 saw another important step in Cielo's strategy to differentiate the company in the market. Since we went public in 2009, we have underscored that our goal is to invest continually in the sustainability of the business, prioritizing results while paving the way to the future. Our growth in market share, therefore, would be a natural consequence of this commitment.

We continue to lead our segment, delivering solid, consistent results. Our net operating revenue increased 14.7%, totaling R\$7.7 billion and our net income was R\$3.2 billion, 20% up on 2013. Transaction volume totaled R\$517.6 billion, equivalent to approximately 9.9% of Brazil's GDP (considering the year-to-date figure for the first nine months), and, once again, we beat the statistical challenge of outperforming ourselves, given the company's excellent results the previous year.

In the capital market, Cielo shares also showed outstanding performance, appreciating 31.5%. The company's market value in the last trading session of the year reached R\$65.5 billion, placing Cielo among the top ten Ibovespa companies in terms of market value.

Throughout the year, we sought to integrate economic and socio-environmental performance. Yet again, we conducted our greenhouse gas (GHG) inventory based on Brazilian GHG Protocol Program guidelines. In the social area, we continued to invest in and use tax incentives to support a series of initiatives in the areas of education, vocational training for young people, health, culture and sport. We also maintained our support for the Global Compact, the United Nations Organization (UNO) initiative to which Cielo became a signatory in 2011 and reaffirmed its commitment in 2012, 2013 and 2014.

In 2014, we announced a series of initiatives and partnerships aimed at driving the organic growth of the company

.....

In spite of its industry leadership and prominence on the Brazilian business scene, Cielo does not rest on its laurels. On the contrary, as demonstrated by our results, we continue to strive to add further value for Cielo and for the businesses that constitute our base of more than 1.6 million active points of sale. With competitive differentials such as investment in technology, distribution – an almost nationwide presence –, innovation and people who make a difference and who are committed and passionate about what they do, Cielo has been able to overcome the challenges that have arisen and continues to pursue new avenues of growth.

As such, in 2014 we announced a series of initiatives and partnerships that exploit complementary facets of our business, aimed at driving organic growth, greater operational efficiency and diversification of our sources of revenue, in line with our strategic planning.

In April, we signed a memorandum of understanding with Cia Brasileira de Soluções e Serviços (CBSS) for a stake in Stelo S.A., a company that facilitates online and digital payments both in the physical world and in e-commerce. In June, Cielo and Linx, a leader in retail business management technology, announced the signing of a memorandum of understanding for the creation of a joint venture – subject to the approval of the pertinent regulatory authorities – which will be focused on developing and commercializing a single,

integrated solution for small retailers in Brazil which incorporates commercial automation, management software and an electronic payment platform.

The following month, we announced a partnership with Smiles, which will enable retailers to access the Smiles loyalty program via Cielo POS terminals. In November, we announced a joint venture with Banco do Brasil to manage Ourocard credit and debit card operations.

We are certain that these changes will enable the company to offer the best services available globally in our industry – with innovation and technology, Cielo's DNA. In parallel, we will continue to provide fully reliable basic services for our customers, ensuring quality, the best products and services and the best customer support, attributes that enable us to deliver results for our shareholders and stakeholders.

Rômulo de Mello Dias

CEO



2014 Highlights

8 Cielo numbers

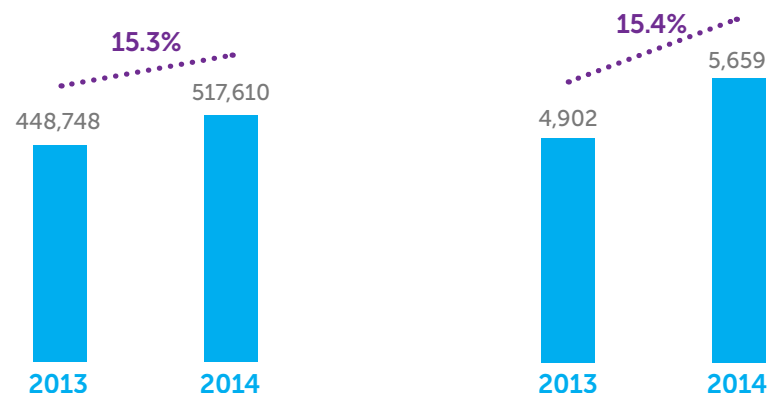
Cielo numbers G4-9

Operational highlights G4-9

Credit and debit cards

FINANCIAL VOLUME OF TRANSACTIONS
(R\$ MILLION)

NUMBER OF TRANSACTIONS
(MILLION)



CREDIT CARDS

	2013	2014	VARIATION (%)
Financial volume of transactions (R\$ million)	279,617	312,624	11.8
Number of transactions (million)	2,284	2,525	10.6

DEBIT CARDS

	2013	2014	VARIATION (%)
Financial volume of transactions (R\$ million)	169,131	204,986	21.2
Number of transactions (million)	2,618	3,134	19.7

Financial highlights G4-9

MAIN INDICATORS

	2013	2014	VARIATION (%)
Net Operating Revenue (R\$ million)	6,734.2	7,725.6	14.7
Ebitda (R\$ million)	3,575.3	3,838.9	7.4
% margin Ebitda	53.10	49.70	(3.4 p.p.)
Cielo Net Income (R\$ million)	2,673.6	3,219.8	20.4

Sustainability highlights G4-9

- 1,999 employees (57% men and 43% women) in 2014, with more than 50% of the team working at the company's headquarters in Barueri (São Paulo).
- Recognized for the 14th time by the magazine Você S.A. as one of the Best Companies to Work for (Melhores Empresas para Você Trabalhar), coming first in the Banks and Financial Services segment, and for the 4th time running rated one of the Best Companies to Start One's Career (Melhores Empresas para Começar a Carreira), by the same publication. For the 6th time running, recognized in the newspaper Valor Econômico's Best in People Management (Melhores em Gestão de Pessoas) ranking.
- Cielo invested R\$12,753,413.19 in its Corporate University, a total of R\$ 7,049.98 per employee.
- Addition of another independent member to the Board of Directors; which now number three.

GROWTH IN NUMBER OF CIELO EMPLOYEES

	2013	2014	VARIACÃO (%)
Number of female	673	863	28

MAIN ENVIRONMENTAL INDICATORS

	2013	2014	VARIATION (%)
Water consumption m ³	17,126	16,377	-4.4
Greenhouse gas emissions (Scopes 1 and 2) tCO ₂ e	1,671.33	2,361.42	29
Number of discontinued POS terminals co-processed	171,804	154,833	-11

Highlights for year Launch of Cielo Broad Retail Index (ICVA)

- An indicator based on Cielo network data which has become a reference for tracking the results of the broader Brazilian retail trade.

Business Strategy

- Memorandum of understanding with Cia Brasileira de Soluções e Serviços (CBSS) for an interest in Stelo S.A., indicating the company's entry into the digital wallet business.
- Memorandum of understanding for the creation of a joint venture between Cielo and Linx, leader in retail trade business management technology.
- Commercial agreement with Smiles enabling retailers to consult and redeem Smiles loyalty program miles on Cielo POS terminals.

- Creation of a joint venture between Cielo and Banco do Brasil for management of Ourocard credit and debit transactions (consumer purchases using all the credit and debit cards issued by Banco do Brasil under the Visa, Mastercard, American Express and Elo brands, among others. This does not include cards for prepaid solutions, means of payment solutions supplied to government bodies and private label cards.

Capital Market

- Market value of R\$65.5 billion (December 30th, 2014).
- Listed for the second time running on the Corporate Sustainability Index (ISE), valid from January 5th, 2015 to January 2nd, 2016.
- Inclusion in the OTCQX ADR 30 Index, which covers the 30 largest companies listed on the over-the-counter market in the United States, in accordance with market value, volume traded and liquidity.

Awards and recognition in 2014

Institutional

- Company of the Year (Empresa do Ano) and first place in the Services category of the Anuário Época 360º, published by Época Negócios magazine – third time running
- 1st place in the Specialized Services category of the Valor 1000 ranking, produced by the newspaper Valor Econômico – seventh time
- 1st place in the Services category of the Biggest and Best (Maiores e Melhores) ranking published by Exame magazine – Awarded for the eighth time running
- 1st place in the Financial Services category of the Dinheiro Best (Melhores da Dinheiro) ranking, published by IstoÉ Dinheiro magazine, for the fourth time running.
- 2nd place among the Most Innovative Companies in Brazil (Empresas Mais Inovadoras do Brasil) ranking published by the magazine Info Exame
- 1st place in the Community Relations (Large companies) category in the Most Aware Companies (Empresas Mais Conscientes) award, granted by IstoÉ Dinheiro magazine



Brand

- 17th most valuable brand in the BrandZ ranking, elaborated by Millward Brown and Wire and Plastic Products (WPP)
- 16th in the Most Valuable Brands in Brazil (Marcas Mais Valiosas do Brasil) ranking prepared by Isto é Dinheiro magazine in partnership with BrandAnalytics/MilwardBrown; among the 10 brands that most appreciated in value in 2013
- One of the 100 most prestigious brands in Brazil according to Época Negócios magazine

People management

- For the sixth time running among The Best in People Management (As Melhores em Gestão de Pessoas) ranking produced by the newspaper Valor Econômico's Valor Carreira magazine, coming 2nd in the category 1,001 to 2,000 employees
- For the 14th time running as one of the Best Companies to Work For (Melhores Empresas para Você Trabalhar) and in first place in the category Banks and Financial Services in the Você S/A magazine ranking
- Chosen as one of the Best Companies to Start your Career (Melhores Empresas para Começar a Carreira) in the guide published by Você S/A magazine, for the fourth year running
- One of the Best Companies in Corporate Citizenship (Melhores Empresas em Cidadania Corporativa), with a distinction in Quality of Life, awarded by the publisher Editora Gestão e RH

The awards and recognitions achieved in 2014 are evidence of Cielo's continuous pursuit of excellence

.....

Investor relations

- Best company in 2014 Executive Team Latin America award from Institutional Investor magazine.
- Among the top 100 in the award "Agência Destaque Empresas", granted by Agência Estado
- 2nd place in the corporate governance ranking The 100 Best in Brazil according to the IGC (As 100 Melhores do Brasil segundo o IGC) (published by América Economia magazine)



Profile

14 Cielo Products and Services

Cielo S.A. (Bovespa: CIEL3 | OTC: CIOXY) is the leader in electronic payment solutions in Latin America and one of the largest in the sector worldwide. Responsible for acquiring commercial establishments to accept card payments, as well as for the transmission, processing and settlement of transactions, Cielo captures the main Brazilian and international brand cards. **G4-3, G4-4**

With a multiservice, multibrand and multichannel strategy, Cielo is present in commercial establishments, in mobile telephones and in e-commerce, with a portfolio of products and solutions that add value for its customers' businesses, ranging from small merchants and self-employed professionals to major retailers. The terminal park is spread throughout more than 1.6 million active points of sale.

G4-4, G4-6, G4-8

With its headquarters in Barueri (São Paulo), Cielo is a corporation whose shares have been listed on the São Paulo BM&FBovespa exchange's Novo Mercado, an index for companies committed to best corporate governance practice, since 2009. **G4-5, G4-7**

International presence

In addition to its operations in Brazil, Cielo has been active in the North American market since 2012, when it acquired Merchant e-Solutions (MeS).

G4-6, G4-8, G4-13

With innovation in its DNA, Cielo has the mission of being an international reference in what it does. The company is results oriented and focused on excellence for customers through quality service and efficient logistics.

5.659

billion transactions were carried out by means of Cielo POS terminals in 2014, 15.4% up on 2013.

G4-9



Cielo Services and Products

Cielo's corporate value "Surpassing customer expectations" underpins decision making and focuses efforts on offering customers a product and service portfolio that helps them sell more.

The first condition is to ensure that our customers have security, availability and the most advanced equipment in the electronic payments industry. To do this, Cielo monitors operational routines closely, providing differentiated service, robust commercial capacity, efficient logistics and a first-rate team.

This is accompanied by a focus on innovation. With a multibrand, multichannel and multiservice operation, Cielo invests in developing products, services and cutting edge technology to ensure it remains ahead of the market, anticipating global trends and pursuing its mission to be an international reference in what it does.

One example is Cielo Mobile, aimed at diverse self-employed professionals, including doctors, dentists, lawyers, physiotherapists, taxi drivers, personal trainers, psychologists, small entrepreneurs and store owners, as well as freelance salespeople. This is a complete, secure solution for receiving debit card and meal voucher payments. It is also equipped with the *Crediário* function, permitting credit payments of up to 48 installments, or credit of up to 6 installments through the chip card reader and pin connected to the mobile phone (smartphone or tablet).

For the customer...

...boosting revenues

- **Telephone top up:** Every time a consumer tops up his mobile phone using the Cielo terminal, the customer is paid a transaction fee.
- **Payment by card in foreign currency:** this enables overseas visitors to make payments on Cielo terminals with a credit card in the currency of their country of origin. The exchange conversion is straightforward, occurring automatically in real time when the foreign card is inserted in the terminal. More than one hundred currencies are accepted.
- **SKY top ups and bill payments:** It is possible to pay SKY (TV subscription) bills and top ups directly on the Cielo terminal. The SKY subscriber may choose the plan on the terminal. After the operation, the user receives the SKY signal in up to 48 hours.

...reinforcing cash flow

- **Prepayment of receivables:** the solution offers customers advantages such as improved cash flow, enabling them to receive the proceeds of credit sales in advance. Recently, Cielo introduced automatic programming of the receipt of sales directly on the terminal, further facilitating the process.

...driving customer loyalty

- **Cielo Promo:** The solution enables segmentation of a campaign in accordance with the customer's requirements. The promotion can be managed automatically, reducing operating costs. Thus the merchant can promote customer loyalty using promotions controlled via the Cielo terminal.

- **Cielo Fidelidade:** With a simple and practical mechanism, the Cielo Fidelidade program was created especially for small and medium-sized customers who may accumulate points and choose their prize from the catalogue available in the program website.

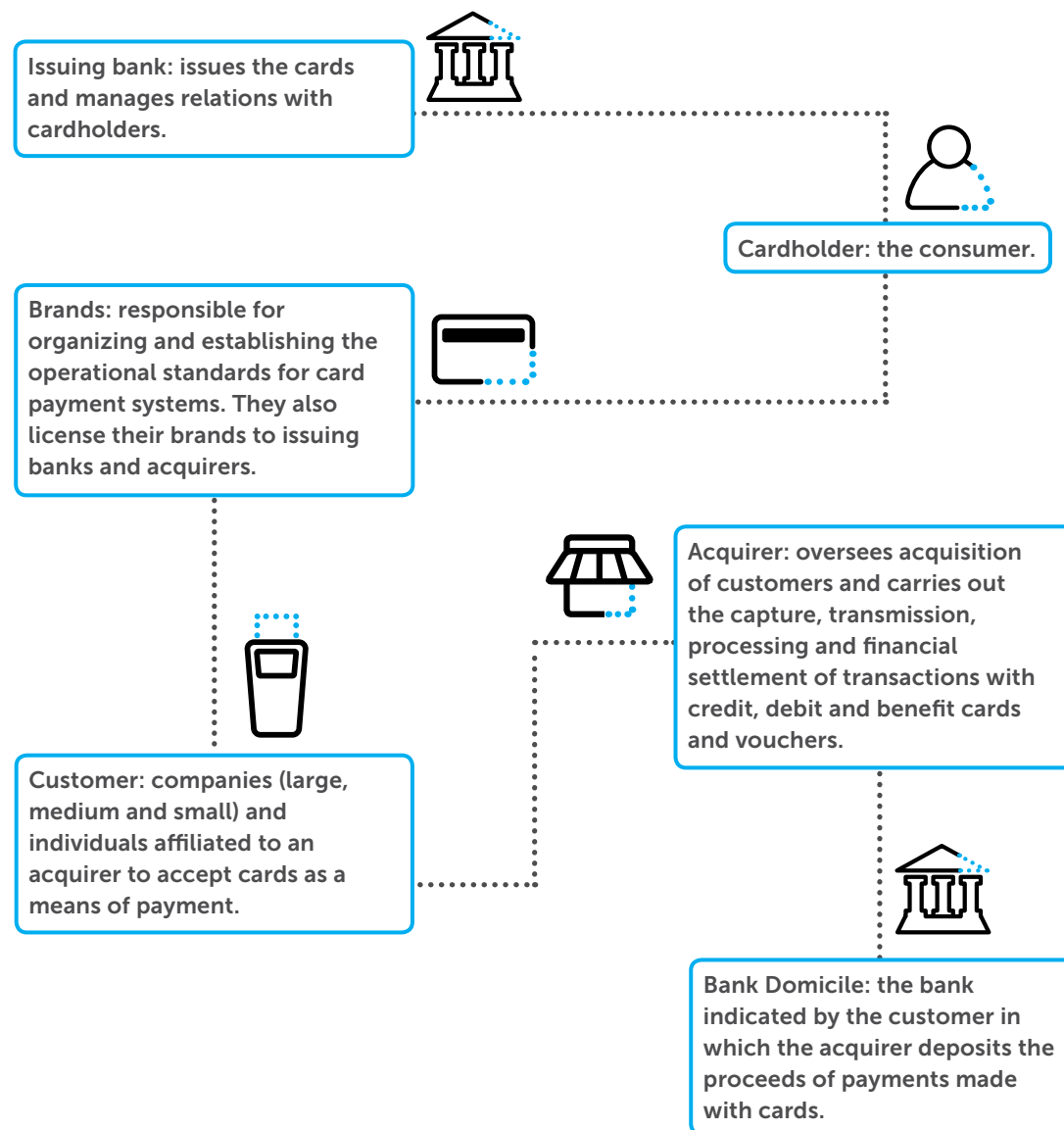
...managing business

- **Sales statement:** enables the customer to reconcile any financial event. Four types of statements are available on the Cielo website: Sales made, Amounts deposited, Programmed entries and Adjustments. The customer may also opt for a Personalized Statement, receiving other useful transaction information. It is also possible to request prepayment of credit card sales and request publicity materials and paper rolls.

... introducing new payment technologies

- **Payment with mobile telephone number:** the consumer can shop using a mobile telephone number or even pay for purchases remotely on Cielo POS terminals. Payment with the mobile telephone number employs secure technology, with payment only dependent on authorization of a pin. None of the information, including the password, remains stored either in the mobile phone or in the Cielo terminal.
- **Contactless:** Contact free payment technology. As well as fast, contactless technology is completely secure. The information generated is unique for each sale. A great success in a number of countries, this is yet another innovation Cielo has introduced in Brazil, streamlining the sales process for its customers.

The components of the card electronic payment chain



The electronic payment route



1 The transaction is initiated on the Cielo POS terminal, mobile phone or internet;



2 The information is transmitted via telecommunications providers to Cielo's partnering datacenter;



3 Simultaneously, the information goes through the exclusive intelligence system, a security solution that detects fraud, and through the Cielo Monitoring and Communication Center;



4 The sale is authorized by the brand or directly by the issuer bank. .

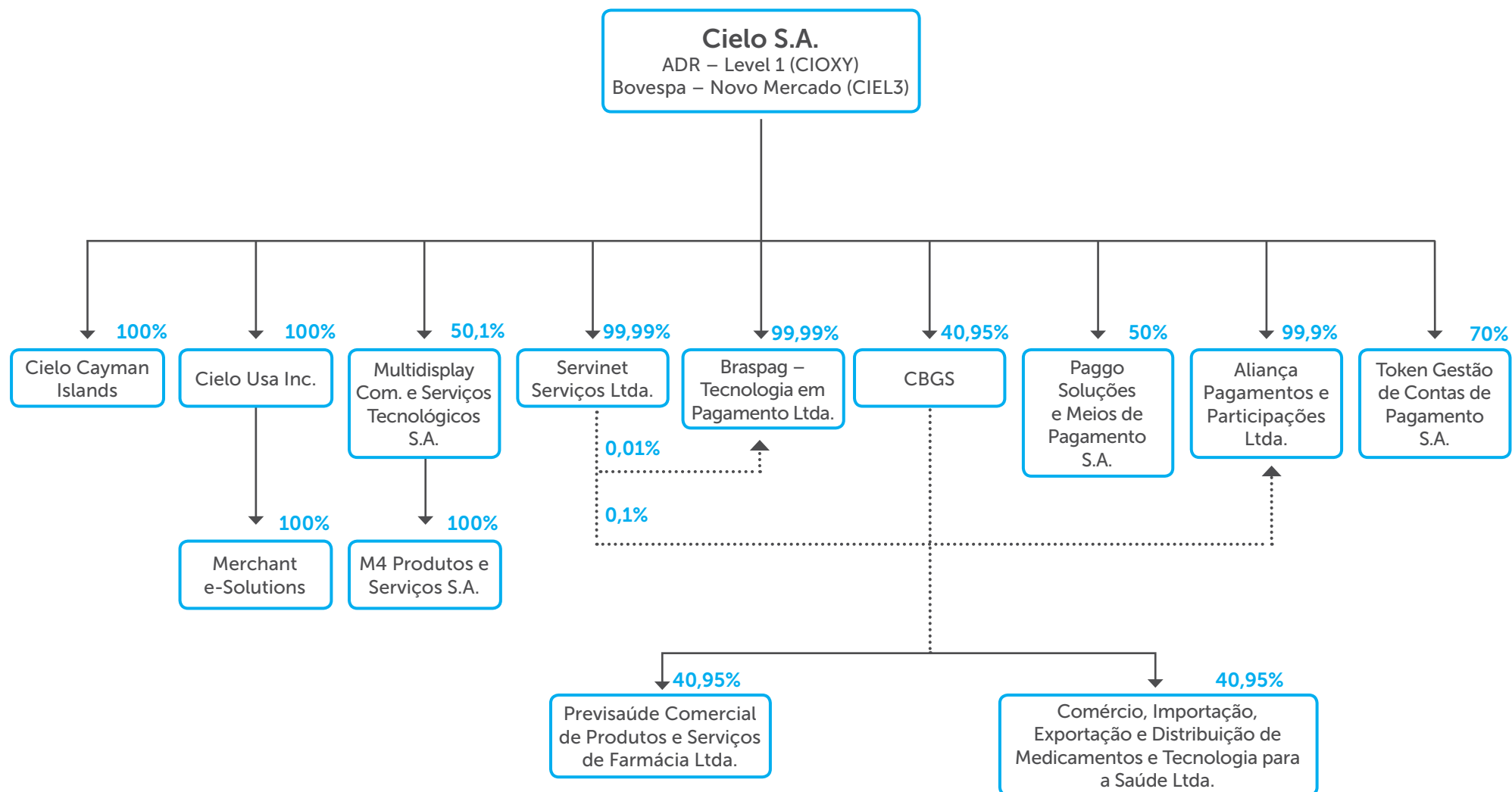


5 All these stages take less than 4 seconds;

6 After conclusion of the payment, the financial settlement with the merchant is programmed;

7 The online statement, containing all transactions, is available on the Cielo website, where it can be checked by the customer.

Company organizational structure



Portfólio multibandeira



Paying duty at airports

A solution that allows travelers to pay duties levied on products brought from overseas in excess of the permitted customs limits. Each of the tax offices in Brazilian airports has a Cielo terminal which can read the appropriate tax form and receive payment via Visa, MasterCard and Elo brand debit cards issued by any bank, including foreign ones.



Governance for sustainability

21 Corporate governance



To drive sustainability into company decision making processes, Cielo has a governance model which is led by the company's Sustainability Committee. Instituted in 2013, the committee reports to the Board of Directors and is coordinated by an independent member. Its function is to incorporate sustainability into business routines, ensuring the company's long-term success.

The committee tracks Cielo's social, environmental and economic commitments and indicators, as well as assessing the results of the social and cultural projects the company sponsors. Although the Sustainability Committee is the main body overseeing this area, other forums such as Social Investment and Ethics, as well as the Ethics Committee are also engaged. Furthermore, aspects of sustainability are addressed by the Executive Board, consisting of the CEO and the vice presidents, and are incorporated into the planning of the diverse areas, reinforcing the Cielo sustainability agenda.

The progress in incorporating sustainability into company management practices has led to its listing in recognized market indices, such as the BM&FBovespa Corporate Sustainability Index (ISE in the Portuguese acronym) and the Carbon Efficient Index (Índice Carbono Eficiente or ICO2). Cielo is also aligned with the principles of the Global Compact, the Global Reporting Initiative (GRI), the Carbon Disclosure Program (CDP) and the Brazilian GHG Protocol Program.

Materiality process

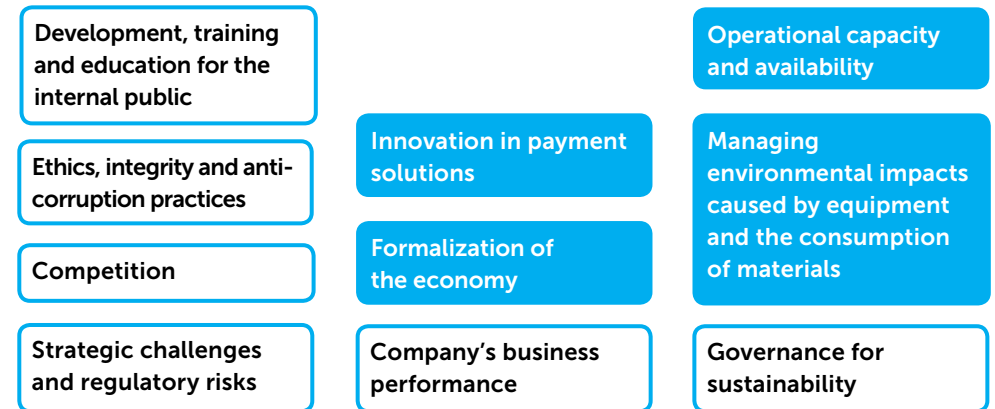
G4-18, G4-19, G4-22, G4-24, G4-25, G4-26, G4-27

In 2014, Cielo undertook the construction of a materiality matrix to identify the most relevant topics from the standpoint of sustainability. The process was developed in accordance with G4 guidelines, the most up-to-date version of the GRI.

The subjects were defined based on industry analyses and stakeholder consultations which, in addition to shaping the organization's sustainability strategy, were aimed at mapping the scope of aspects and indicators for the sustainability report and fulfilling obligatory GRI G4 requirements. The stakeholder groups consulted included suppliers; investors; customers; government bodies; financial institutions; and the internal public.

From an initial list of 46 topics, 11 were prioritized. These were validated by Cielo senior management to ensure coverage and strategic management of the company's priority matters.

Materiality



- Very high priority
- High priority

The icon refers to the material topics for Cielo



Corporate governance

Operating efficiently and generating long-term value are targets running through all Cielo activities. To ensure this, the company constantly strives to adopt best corporate governance practices, seeking to strike a proper balance between the rights, powers, obligations and responsibilities of its managers, the board of directors and shareholders.

Cielo shares are traded on the BM&FBovespa Novo Mercado, a segment reserved for companies adopting the highest standards of corporate governance. However, Cielo's commitment to enhancing its corporate governance model goes beyond merely meeting the requirements of corporate law and Novo Mercado regulations. Some examples are:

- Three members of the Board of Directors are independent
- A Corporate Governance Secretariat to provide support for company and subsidiary governance bodies
- A Board of Directors which is subject to peer and self-assessment
- An electronic corporate governance website, with restriction of the exchange of information between the Board of Directors to this mechanism
- Policies governing subjects such as dividends, disclosure, transactions with related parties and situations involving conflicts of interest
- Code of ethics

Governance structure G4-34

At Cielo, Corporate Governance is supported by two key bodies: the Board of Directors and the Executive Board. The Board of Directors comprises representatives of the shareholders charged with shaping the overall business and drafting economic, social and environmental targets, as well as deciding on key questions, in line with the attributions established for it in the company bylaws.

Elected by the Annual Shareholder Meeting for a two-year term (with the right to re-election), the Board of Directors comprises eleven members, none of whom are allowed to hold a position on the Executive Board. Three of the members are independent and one is a woman.

The company has technical and advisory committees whose function is to provide support for the Board of Directors and drive efficiency in management, maximizing value for the company and ensuring a return for the shareholders. The Board of Directors creates and installs these committees as necessary, the Audit committee being the only permanent one. Currently, the committees providing support for the Cielo Board of Directors are: the Audit Committee; Finance Committee; Corporate Governance Committee; Personnel Committee; and Sustainability Committee.

The composition and operation of the committees and the requirements and impediments to membership are set forth in the internal regimes, documents approved by the Board of Directors. All the committees have at least one independent member. More information is available about the operation of the committees on the website (www.cielo.com.br/ri).

The Governance Secretariat is responsible for supporting the Board of Directors in the discharge of its functions. Created in 2014, it strives to uphold governance standards and procedures in line with the principles of ethics and sustainability.

Executive board

The executive board is responsible for overseeing and executing Cielo's activities in accordance with the strategy established by the Board of Directors. The executives are selected by the Board of Directors for two-year terms, with re-election permitted. Currently the board has seven statutory members, including the chief executive officer (CEO) and the chief financial officer/investor relations officer (CFO/IRO). The executive board also has a non-statutory vice president.

The executive board is supported by an Issuer Risk Committee and seven forums: Disclosure, Ethics, Spending, Business Continuity, Social Investment, Pricing and Projects. These forums are non-statutory in nature and are manned by company executives.

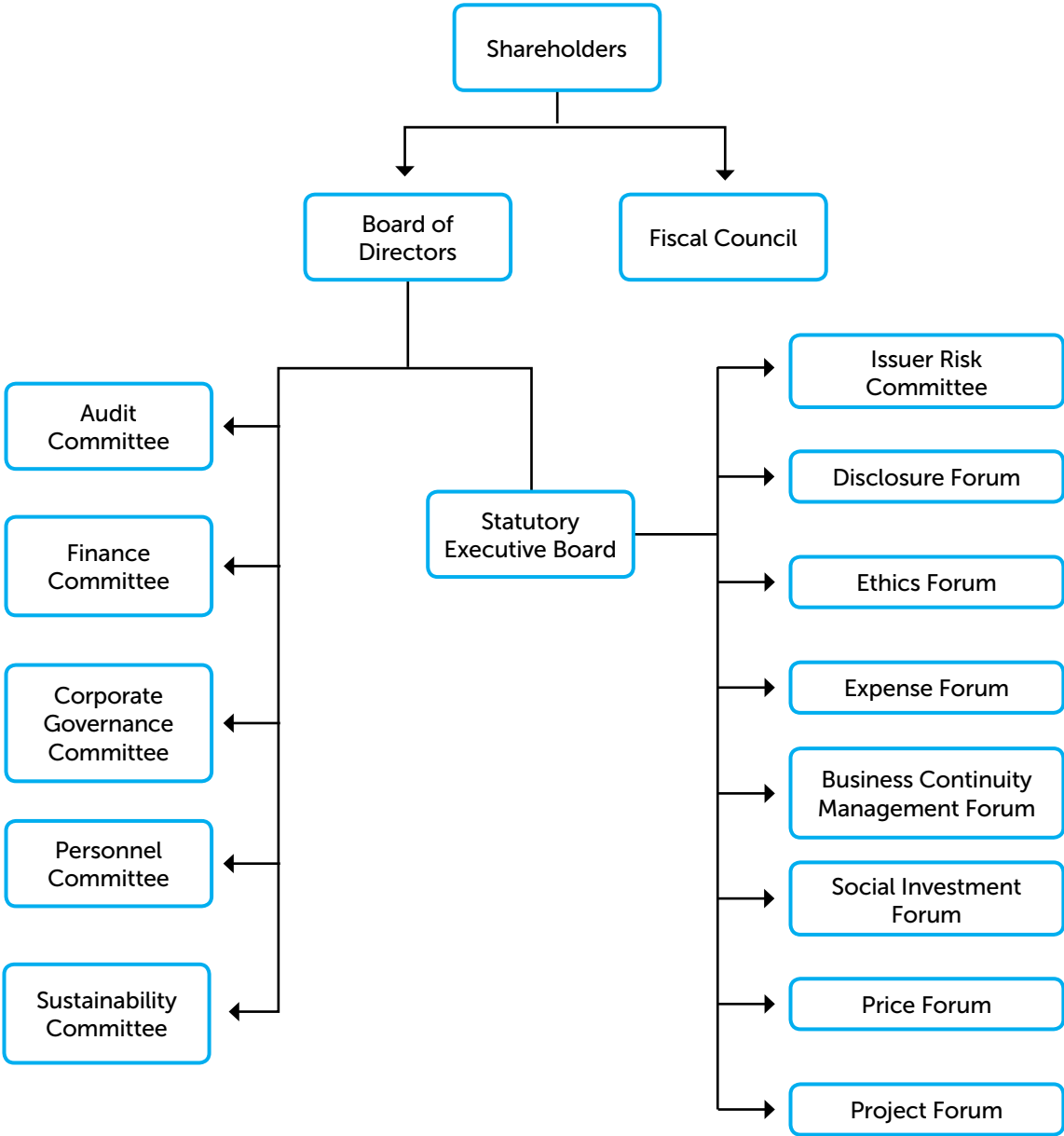
Ownership structure

Cielo's ownership structure is diversified, including a group consisting of the financial conglomerates Bradesco and Banco do Brasil, which jointly hold 57.3% of the company's stock. 42.35% of the stock is free float, distributed among minority shareholders and traded on the BM&FBovespa exchange. The remainder (0.35%) is held in treasury.

Fiscal Council

The company bylaws provide for the installation of a Fiscal Council. This is not permanent and has the attributions and powers established by law. Both the General Meeting and the shareholders may request the installation of the Fiscal Council in accordance with the law. The Fiscal Council currently in office was installed on March 31st 2014, and consists of five members, two of whom are independent.

Organizational chart



Stock market listing

Cielo has been the only publicly traded company in the Brazilian electronic means of payment industry since the second half of 2012. Its shares are traded on the BM&FBovespa Novo Mercado, a segment which is a reference in best corporate governance practices for public companies. By joining this index, Cielo voluntarily assumes corporate governance commitments that go beyond current legal requirements.

This implies, for example, sustainable and ethical conduct because the rules determine that information be provided to facilitate the monitoring of the behavior of the company management and controllers. The Novo Mercado regulations also promote the adoption of corporate rules that ensure more balanced rights for all shareholders regardless of whether they hold a majority or minority interest.

At the close of trading in 2014, Cielo's value in the stock market reached R\$65.5 billion. This made it one of the top ten companies in market value on Ibovespa. Cielo shares are also listed on the following São Paulo Exchange theoretical indices:

- Índice de Ações com Governança Corporativa Diferenciada (IGC)
- Índice de Ações com Tag Along Diferenciado (Itag)
- Índice de Sustentabilidade Empresarial (ISE, da BM&FBovespa)
- Índice Brasil (IBrX)
- Índice Brasil 50 (IBrX-50)
- Índice Financeiro (IFNC)
- Índice Carbono Eficiente (ICO2)
- Índice Valor BM&FBovespa (IVBX-2)
- Índice Mid-Large Cap (MLCX)
- Índice de Governança Corporativa Trade (IGCT)
- Índice Brasil Amplo/BM&FBovespa (IBrA)
- Índice de Dividendos (Idiv)

In North America, since June 2011 Cielo has negotiated ADRs (American Depositary Receipts) in the OTC Markets in New York. These securities are traded on the OTCQX, a listed segment for companies known for the quality of their operational businesses, excellent disclosure and listing on qualified foreign stock exchanges.

In 2014, Cielo was included in the OTCQX ADR 30 Index, which encompasses the 30 largest companies listed on the over the counter market in the United States as measured by market value, trading volume and liquidity.

Permanence on the Corporate Sustainability Index

In November, Cielo shares were once again included in the BM&FBovespa theoretical Corporate Sustainability Index (ISE). The portfolio consists of 51 shares from 40 listed companies and is valid from January 5th, 2015 to January 2nd, 2016.

The index measures the performance of publicly traded companies in terms of economic efficiency, environmental balance, social justice and corporate governance.



Ethics and integrity

One of the values guiding Cielo's conduct – "Ethics in all relationships" – makes it clear that the principles of transparency and ethics are premises underpinning all the company's routine activities.

To communicate the guidelines in this area, the company has had its Code of Ethics since 2009. This document sets forth Cielo's guidance and positioning on questions such as harassment, discrimination and prejudice; combating child pornography; conflicts of interest; contributions to political parties; corruption and monopolies; money laundering; gifts, favors and services; confidentiality of information; slave labor; child labor; sexual exploitation of minors; the environment; freedom of association and collective bargaining; as well as the use of company resources.

To avoid cases which may be construed as conflicts of interest, at the end of the Code of Ethics there is a declaration of deviation which should be filled out by the employee in the event of any potential breach of the guidelines, including conflicts of interest. This declaration enables Cielo to better evaluate situations and resolve them more effectively.

The code also sets forth the conduct expected of employees in their relationships with different stakeholders: industry associations; issuer banks; customers; employees; community and society; competitors; suppliers; government; press; investors; clients and cardholders. Employees joining the company are expected to learn and adhere to this code by signing a term of agreement.

To ensure adherence to the recommendations and guidance in the code, Cielo has an Ethics Forum, whose main attributions are to help the Executive Board in legitimizing, and promoting respect for and obedience to the company's Code of Ethics, as well as enhancing it.

In accordance with the Code, the company does not donate funds for political

campaigns, neither does it participate in events aimed at promoting and supporting political parties. **G4-SO6**

Since 2012, Cielo has had a Code of Ethics and Conduct specifically for its suppliers (read more in Suppliers).

Ethics channel

Managed by an independent company to guarantee the transparency of the process and the confidentiality of information, the Ethics Channel is an instrument through which employees, suppliers and other Cielo stakeholders may report breaches or suspected breaches of the Code of Ethics or other company policies. Thus anyone who witnesses any violation of the code should report this via the Confidential Channel (www.canalconfidencial.com.br/cielo or by the telephone 0800.775.0808), retaining the right to remain anonymous.

The reports are managed by the Internal Audit area, which is independent and reports directly to the Board of Directors. This area is responsible for determining who should investigate these reports and monitoring the conclusion of each case. The process also involves the Ethics Forum, the Executive Board and, in specific cases, the Audit Committee and the Board of Directors. The Audit Committee receives a summary of the reports on a monthly basis.

Policies G4-DMA

As part of its good corporate governance, the company has policies which contain information about relevant questions and help management to run the business. The set of policies addresses the following areas:

- Anti-corruption
- Purchasing
- Communication
- Disclosure
- Dividends
- Finance
- Corporate Management
- Human Resources Management
- Corporate Risk Management
- Securities Trading
- Products and Services
- Customer Relations
- Corporate Responsibility
- Stakeholder Relations
- Information Security
- Sustainability
- Information Technology
- Transactions with related parties and other situations involving conflicts of interest

Each policy is available in full on the company website (<http://www.cielo.com.br/ri/>, in *Corporate Governance /Bylaws and Policies*).

Cases in 2014

In the course of the year, Cielo received 32 reports of non-conformance with the Code of Ethics. Of these, 14 were considered justified. The measures applied included: disqualification of customers who had been acting as intermediaries in transactions; guidance on the irregular offer of acquisition services in Cielo's name; dismissal of an employee with a history of psychological harassment; guidance for a supplier on dealing with a situation involving alleged psychological harassment by one of its employees; and resolution of a situation involving favoritism. The investigation of all the 32 reports received by the Confidential Channel was coordinated by Internal Audit.

Through the Code of Ethics, Cielo seeks to guarantee best corporate practices in relations with its diverse stakeholder groups.

Risk management G4-FS2, G4-DMA

All the risks Cielo is exposed to in the various dimensions of its businesses are managed by the Internal Controls area. It is up to this division to support the operational areas in the identification, assessment, mitigation and monitoring of the risks inherent to the company's activities. In line with good corporate governance practices the company adopts, the management model communicates the risk scenario and controls to all the responsible areas on a cyclical and periodic basis, including effective monitoring by senior management.

The Information Security area is responsible for mapping and classifying the information circulating throughout the company and for training employees adequately in order to mitigate the risk of leaks. Assessments of suppliers and customers can block the homologation of third-parties or the affiliation of customers.

Risks are classified by predefined categories and levels of criticality which enable the evaluation of existing situations and the prioritization and adoption of the necessary corrective measures, contributing to the sustainability of the operations and business continuity.

The major challenge in this respect is to maintain acceptable levels of risk exposure while ensuring that monitoring and mitigation measures are executed adequately. For more detailed information about company measures to specifically mitigate risks of corruption, fraud and money laundering, read more in Prevention of money laundering.

Socio-environmental risks G4-FS2

In 2014, for the first time ever Cielo mapped the impacts of climate change risks on the electronic means of payment sector. The criteria assessed include the potential impact to the business and the probability of occurrence of climate changes, based on data from the Intergovernmental Panel on Climate Change (IPCC): risk of a 0.2% to 2% decrease in a country's national income for every 2°C increase in global temperature; risk of economic deceleration and consequent increase in poverty.

The Strategic Planning area, with guidance from the Sustainability Committee, was responsible for mapping the risks of climate change impacts and proposing monitoring systems for the coming years.

Climate change

The potential impact for the business and the probability of the occurrence of climate changes are among the socio-environmental risk criteria tracked by Cielo.



Business strategy

To maintain its leadership in the electronic payment segment, Cielo's strategy is underpinned by three principles: innovation with results, excellence in execution and surpassing customer expectations. The strategic planning is aimed at positioning Cielo as a product and services company that offers solutions focused on managing productivity, convenience, security, payment, financing and boosting customer revenues.

The goal became clear with the changes Cielo made in 2014, involving the announcement of a series of initiatives and partnerships aimed at adding complementary businesses, driving organic growth, operational efficiency and the diversification of sources of revenue for the business:

- memorandum of understanding with Cia Brasileira de Soluções e Serviços (CBSS) for a stake in Stelo S.A., a company that facilitates online and digital wallet payments both in the physical world and in e-commerce, representing Cielo's entry into the digital wallet business.
- partnership with Smiles, enabling customers to use their Cielo terminals to consult and redeem Smiles loyalty program miles.
- memorandum of understanding for the creation of a joint venture with Linx, a leader in retail business management technology, focused on the development and commercialization of a unique, integrated solution for small Brazilian retailers providing commercial automation, management software and an electronic payment platform, introducing the IPOS (Integrated Point of Sale) concept in the country. This negotiation is subject to the approval of the pertinent regulatory authorities.

In addition to these movements, the project to adapt the platform and transfer the know-how of the North American company Merchant e-Solutions (MeS), acquired at the end of 2012, is underway. The objective is to use the MeS high performance technology platform to automate processes and ensure flexibility in the development of new products and solutions, which will add more value for the businesses of Cielo's customers and partners in Brazil.

Commitment to generating value

All decisions taken at Cielo are guided by excellence in governance, driving ethical conduct in all the company's relations and prioritizing the sustainability of the business and natural resources. Employees are encouraged to have an "owner posture" which is manifest in the most efficient use of organizational resources and a proactive approach to the day-to-day running of the business.

The strategic plan contains the business directives, which could be defined as a profound commitment to generating value for the shareholders, society and employees. This planning determines the company's annual targets – which are broken down to the individual level and encompass all employees. These are elaborated by the Executive Board and the Board of Directors based on studies and analyses of the behavior of the economy and the electronic payments segment in Brazil and in other countries.

Delivering what is best in the electronic payments segment will continue to guide company strategy in the coming years, always applying innovation and cutting edge technology in the development of new products and services.

Competitive advantages

Essential for the execution of business strategy, Cielo's competitive advantages are:

- **Capillarity** – present in almost the entire country, with more than 1.6 million active points of sale.
- **Innovation** – constant investment in the development of products and services and in cutting edge technology to always remain at the forefront of the market.
- **Portfolio** – multibrand, multichannel and multiservice.
- **Security** – exclusive advanced monitoring system which monitors 100% of transactions, rapidly detecting and preventing frauds.

Intangible assets drive value generation and differentiate Cielo in the market

- **Human capital:** our employees' knowledge, skills, competencies and talents.
- **Organizational culture:** team motivation and engagement, aligned with the company's values and guidelines.
- **Brand:** the Cielo image is synonymous with differentiation, innovation, high performance, acceptance of multiple brands and security.
- **Market value:** R\$65.5 billion on the last day of trading on BM&FBovespa (December 30th, 2014), reflecting the solidity of Cielo's financial fundamentals and results.
- **Infrastructure:** high technology platform, with elevated levels of security.

Cielo Broad Retail Index (ICVA)

.....

In 2014, Cielo started offering market intelligence with the February launch of its Big Data strategy through the Cielo Broad Retail Index (ICVA). The indicator tracks retail movement based on sales revenue in a group of more than 20 sectors mapped by Cielo, from small merchants to large retail chains. The data in the ICVA index are captured in an aggregated manner from the more than 1.6 million active Cielo accredited points of sale throughout Brazil, encompassing physical stores, as well as mobile and e-commerce channels.



Information security



Technology is Cielo's essence. It is what guarantees the efficiency of the operation – seamlessly authorizing transactions in seconds without failure, and the satisfaction of the accredited commercial establishments, whose payment is ensured, as well as the users of electronic means of payment, who are able to make their purchases simply, rapidly and securely. Cielo's solid technological infrastructure ensures payment authorization availability of above 99.99% throughout the year, reaching 100% on the key retail dates.

This technological framework is also responsible for ensuring the high security levels of Cielo POS terminals. The company has an advanced monitoring system which tracks 100% of the transactions, backed by a team fully dedicated to this process.

The constant investments to increase Cielo's technological capacity benefit the customer base even further, strengthening the brand image and generating gains for the business and for the environment. With modern terminals, the number of calls on merchants to replace machines decreases. Consequently, the environmental impacts from the logistics involved in these services are also reduced due to lower energy consumption and fewer emissions. In parallel, costs for Cielo are reduced.

In 2014, technology investments followed three directives:

- **better service for customers**, this included delivering terminals in less time or increasing the efficiency of the logistics process
- **greater efficiency in IT**, involving the exchange of terminals for newer models that take up less space and consume less energy
- **continuous updating of terminal park**, which drives better customer service due to a decreased need to replace machines.

Cielo monitors 100% of the transactions using technology that identifies possible deviations in behavior and attempts at fraud.

Monitoring of transactions G4-DMA

Cielo has an Information Security Policy that establishes guidelines which enable the company to safeguard its information assets and to define specific information security standards and procedures, in addition to implementing processes and controls to ensure they are fulfilled.

This level of security is aligned with Cielo's current security steering plan, valid until 2016, and with the standards required by the card brands, by the Payment Card Industry (PCI) and by the Brazilian Card Industry Association (Associação Brasileira das Empresas de Cartões de Créditos e Serviços – Abecs).

The system monitors 100% of the transactions, identifying possible deviations in behavior and attempts at fraud, automatically warning the bank that issued the card, which then contacts the cardholder and takes the necessary precautions. Cielo also employs specialized teams to monitor its internal systems using the latest generation technologies such as Security Information Event Management (SIEM) and Data Loss Prevention (DLP) to prevent information leaks and internal fraud.

For each transaction, card data and password are encrypted with an exclusive key, impeding any unwarranted attempts at access. Additionally, all Cielo terminals accept cards with microchips, a technology which significantly reduces the risk of fraud.

Cielo employees are also made aware of the importance of information security both through e-learning programs and information disseminated with frequency via internal communication channels.

Contract clauses establish that all third-party contractors working directly with Cielo should undergo annual training. For Cielo's outsourced call center services, the company organizes training in partnership with the providers.

Preventing money laundering G4-SO3, G4-DMA

Every year all employees take a mandatory e-learning course on money laundering monitored by the personnel management area. The entire customer base is assessed on a monthly basis, using specific methodology to ensure compliance with Brazil's Law on Preventing and Combating Money Laundering (Law 12.683).

This methodology includes comparisons between groups of customers to identify atypical financial behavior and to assess the concentration of customers' operations. After these analyses, all the commercial areas responsible for the customers are involved. This is the beginning of the Know Your Customer (KYC) process, designed to ratify which operations might really be indicative of money laundering. After the conclusion of these measures, suspected cases are communicated to the Financial Control Council – Coaf (Conselho de Controle de Atividades Financeiras).

Anti-corruption Law

Since August 2013, when Brazil's Anti-corruption Law (Law nº 12.846) was promulgated, Cielo has elaborated and adopted measures aimed at implementing best practices to mitigate corruption-related risks.

These include:

- formulation of an anti-corruption policy aligned with the law
- requirement of signature of a term of compliance with the anti-corruption policy by employees of Cielo, its subsidiaries and associated companies
- mandatory e-learning training course for Cielo employees and provision of content for subsidiaries and associated companies
- communication of Cielo anti-corruption policy to suppliers accompanied by the signature of a term of acknowledgement

Cielo employees, including trainees, undergo an anti-corruption e-learning course. In line with market best practice, employees are recertified every year. The course is mandatory for Cielo employees as is the company's Prevention of Money Laundering training course. **G4-SO4**



The People behind Cielo

45 Other stakeholders

At Cielo, investing in human capital is one of the key premises of corporate values. The company is intent on building a work force that has attitude, team spirit and is passionate about what it does. The company does this through best HR practices, providing an engaging organizational climate and efficient internal communication.

To instill the value “Employees with attitude, team spirit and passion in everything they do”, Cielo promotes a value proposition which offers each employee the opportunity to develop an emotional link with their work and with the organization. This makes the investment in individual development and in team engagement a strategic question which is prioritized in the leadership agenda and in the company’s budget.

Cielo considers the emotional link employees have with the company – which, as well as being reflected in the day-to-day operations, is measured in periodic surveys – to be an asset and a market differential. It is this link which has driven the company’s growth and success over the years.

The HR strategy permits all company leaders, from coordinators to the president, to assume a proactive role. The premise is that all may take on the responsibility to incorporate and disseminate the organization’s values, promoting a high performance culture and adherence to these values. The leader plays a fundamental role in this process, being expected to inspire employees, encouraging them to identify and make the most of opportunities, even in an extremely challenging market.

Employees with attitude, team spirit and passionate about everything they do is the value guiding personnel management at Cielo

.....

This vision means that Cielo constantly strives to reinforce the importance of knowledge and merit in the company culture, promoting opportunities for employees, transparency and freedom so that individuals may express their opinions and help drive constant improvement throughout the organization. This mindset is stimulated by recognition programs and is incorporated into every level of the organization.

The Cielo governance model determines that strategic personnel management questions must be discussed by the Executive Board. Depending on the specific subject, they may also be addressed by the Personnel Committee and even by the Board of Directors. The Executive Vice President of Organizational Development is responsible for defining and implanting Human Resources management strategy.

Among the best in managing people

In 2014, for the 14th time Cielo was recognized by Você S.A. magazine as one of the 150 Best Places to Work in Brazil and the Best Company to Work In, in the Banks and Financial Services category. For the 4th time running, it was recognized by the same publication as one of the Best Companies to Begin Your Career. It also came second in the Best in Managing People ranking published by the newspaper Valor Econômico (Valor Carreira), in the category of 1,001 to 2,000 employees.

Human Resources Strategy G4-DMA

At Cielo, HR strategy is viewed in interdependent, synergetic dimensions denominated **Value Propositions**. One is aimed at generating value for shareholders and the other for employees. The former is based on the premise that optimized human resource management contributes to the sustainability of the business. Management of the organization's intellectual capital and promoting a high performance culture are two of the pillars supporting this proposition.

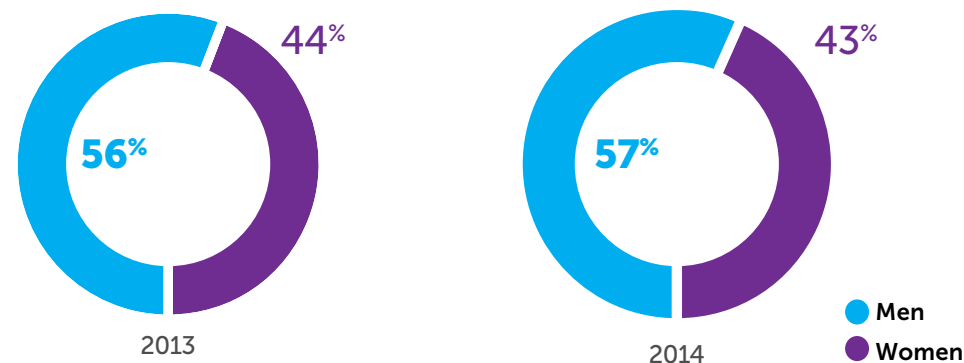
The value proposition for employees establishes that everyone in Cielo will have the opportunity to do what they like, a fundamental element for establishing an emotional link with the company and ensuring a high level of engagement. The proposal establishes merit as a fundamental principle in human resources management, with a focus on five specific pillars, as shown in the illustration.



Team profile G4-10

Cielo ended 2014 with 1,999 employees (57% men and 43% women), with over 50% of the team working out of the company's headquarters in Barueri (São Paulo). All of them are full-time with a permanent work contract. Currently, 99.65% of the employees are covered by collective bargaining agreements. The 0.35% of employees not covered by an agreement are statutory administrators. Of the employee body, 97% are graduates, with 45% having postgraduate education. **G4-11**

Total employees by gender



NUMBER OF EMPLOYEES BY FUNCTIONAL LEVEL¹

	2013		2014	
	MEN	WOMEN	MEN	WOMEN
Administrators	7	0	7	0
Director level	21	5	25	5
Management	107	64	113	78
Administrative	233	288	246	302
Operational	210	178	330	306
Supervisory	62	58	79	64
Technical	212	80	336	108
TOTAL		1,525		1,999

¹Interns and third-parties were not considered in this indicator since they are not employees.

NUMBER OF EMPLOYEES BY REGION

	2013		2014	
	MEN	WOMEN	MEN	WOMEN
Midwest	29	14	48	19
Northeast	29	26	42	50
North	13	9	21	19
Southeast	734	597	962	731
South	47	27	63	44
TOTAL		1,525		1,999

Organizational climate

For Cielo, the most effective strategy for maintaining high levels of engagement and for retaining talent is to offer each employee the opportunity to do what they want.

To discover which opportunities and practices will drive the engagement of each employee and to map the conditions which will leverage their potential in favor of the company and their individual career, Cielo conducts an annual Organizational



Climate survey "Fale o que pensa", which translates as "Say what you think".

In 2014, the survey highlighted two areas which Cielo needs to work on: bureaucracy in processes and too many meetings. To address the first issue, the company launched "Simplification", a program aimed at simplifying and improving processes to drive operational efficiency. The project was initiated in the commercial area but in the course of the year was extended to the Information Technology (IT) and Op-

erations areas. The initiative has already produced results, such as the automation of forms, process improvements and new management information, which have contributed to a reduction of 16.5 hours/month per person (average for Commercial, Retail and Major Account areas) in internal processes. Cielo will continue to work on this initiative in 2015 to drive further productivity gains.

The company also launched its "Right to the Point Campaign" aimed at making meetings shorter and more efficient. The positive points highlighted by the survey include improved quality of life through the program "De Bem com a Vida" (Feeling good about life) and the emotional link with and pride about working for Cielo, with a favorability rate in excess of 90%. In the survey, employees stated that they are proud of working for Cielo and that they would recommend it as a place to work to friends or relatives. They also perceive the existence of a meritocracy in the company and trust company leaders.

Merit G4-DMA

In recent years, Cielo has been investing in disseminating a culture based on merit throughout the company. Processes have been created to appraise all employees on an annual basis and identify those who stand out, both in terms of performance and behavior.

PERCENTAGE OF EMPLOYEES RECEIVING PERFORMANCE AND CAREER DEVELOPMENT ANALYSIS (%)¹ G4-LA11

	2012		2013		2014	
	M	W	M	W	M	W
Total eligible employees submitted to performance and career development analysis (equal to G4-10)	709	567	794	622	1.010	754
% BY GENDER	55.56%	44.44%	56.07%	43.93%	57.26%	42.74%
% TOTAL	100%		100%		100%	

¹The public eligible for the performance appraisal process includes all levels of the organization (from assistants to vice presidents) who were admitted up until September 30th of the year in which the appraisal is conducted. For employees admitted between October 1st and December 31st, a score is determined in accordance with the profit share program agreed on with the union. Only active employees (not on leave) are eligible. Apprentices, interns, temporary workers and service providers are not eligible for the process.

Pension plan G4-EC3

In 2014, a total of R\$ 10,188,510.27 (R\$ 5,096.80 per participating employee) was invested in the private pension plan for employees. The plan has a definite contribution calculated as follows:

- **Employee:** for employees with a monthly salary of up to R\$2,700, the contribution is 2%, and for those with a salary above this amount it is up to 7.8%.
- **Employer (Cielo contribution):** for professionals aged up to 40 years, the company matches the employee contribution. Between 41 and 50 years, the company pays 1.5 times the amount and from 51 years, 2 times the amount.

Participation in the pension plan is voluntary; currently over 70% of the employees participate. There is no differentiation among organizational units.

Benefits package

- **Health Insurance** – employees, interns and statutory employees and dependents (spouse, children up to 24 years and companion, including same sex)
- **Dental Plan** – employees and dependents, with 50% subsidy from Cielo
- **Medical check-up** – employees from the age of 45 years or at management level. The check-up is annual and Cielo subsidizes the full amount
- **Life Insurance** – trainees and statutory employees, fully paid for by Cielo
- **Meals/food allowance** – employees and trainees. Cielo subsidizes 90% of the cost
- **Transport** – transport vouchers and chartered bus (at cost of R\$ 50/month), or parking
- **Flex Car** – for some management level employees. Allowance covers fuel, parking and light maintenance expenses
- **Private pension plan** – all employees
- **Stock Options** (stock purchase and/or restricted stock purchase program) – senior managers, directors, VPs, CEO and employees identified as key people (high performers)
- **Medical service** at the headquarters provided by multidisciplinary team (doctor, nurse, psychologist and nutritionist)
- **Family funeral allowance**
- **Nursery allowance** (for children up to 16 months)

Development actions **G4-DMA**

One of the pillars of the Cielo Employee Value Proposition is the provision of opportunities for ongoing development and career growth. The Corporate University offers the following educational programs:

- Corporate programs: defined based on the needs identified in strategic planning and in the performance appraisal process (fully sponsored)
- Specific programs, involving face-to-face or distance learning courses to hone specific skills or knowledge
- Formal and continued education: degree, postgraduate, MBA and Master's courses, specialized or extension programs and language courses
- Distance education: corporate and self-development courses in each employee's development path

Worthy of note for the Cielo Corporate University in 2014 was the continuity of the Grow program for leaders undertaken in partnership with a specialized consultancy with a face-to-face class load of 80 hours. Also of interest was How To, which presents diverse company management tools and practices. Other programs included ones for the commercial team and technical training for the IT areas.

Educational actions were aimed at subjects such as: Combating corruption, the Code of Ethics and Information Security, given that employees must undergo annual recertification in these themes.

Investments in the Corporate University totaled R\$12,753,413.19, or R\$ 7,049.98 per employee. Broken down by category, corporate training (both face-to-face

and distance) consumed R\$8,024,620.00, R\$1,659,858.00 for subsidizing formal and continued education, and R\$ 1,673,167.4 for specific training sessions for the individual development plans, as well as general courses requested by employees for self-development. The remainder is for training in other company areas not managed by the Corporate University.

Cielo also offers programs such as financial support (formal and continued education); pre-retirement planning (private pension); outplacement services; and assistance (training or counseling) for the transition to a life without work (ComTato and Therapeutic Listening). In 2014, 6,196 employees took part in these programs, fully paid for by the company. Each employee was able to participate in more than one course. **G4-LA10**

The Corporate University consists of six business schools

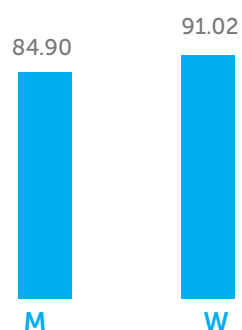
- Business Vision
- Management Excellence
- Leadership Development
- Innovation
- Customer Focus
- Operational Excellence

Training in 2014 G4-LA9

Cielo invests in diverse training modalities aimed at guaranteeing the best personnel management practices in the work place. In 2014 alone, spending per head was R\$ 7,049.98 for a total of 1,809 employees.

Average number of hours training per employee in 2014

by gender



AVERAGE NUMBER OF HOURS TRAINING BY FUNCTIONAL CATEGORY/PER EMPLOYEE

	2014 – HOURS
Administrators	13
Director level	43
Management	76
Administrative	106
Operational	51
Supervisory	203
Technical	81
OVERALL AVERAGE	86

Young People of the Future Program

In addition to offering an opportunity to work, the Young People of the Future Program is aimed at preparing and training young people to become future professionals at Cielo. For this reason the program proposed a “development trail” split into three phases: apprenticeship, internship and employment. The first phase, lasting 15 months, is for young people aged from 14 to 24 years who are at primary or secondary school. To advance to the next stage, the candidate should be in the first year of higher education and have an excellent performance appraisal. The internship lasts at most 24 months. The final stage, employment, is reserved for young people whose performance as an intern has been outstanding and is subject to the availability of places in the area of interest.

OTHER PROGRAMS G4-LA10

	AMOUNT INVESTED (R\$)	Nº OF GRANTS /BENEFITS CONCEDED
Internal courses	11,093,554.42	2,322
Financial support (formal and continued education)	2,112,589.66	332
Private pension ¹	10,188,510.27	1,432
Outplacement services	261,547.02	10
ComTato and Therapeutic Listening program ²	82,550.23	2,100
TOTAL	23,738,751.60	6,196

¹Retirement planning for those intending to retire. Currently the average age of Cielo employees is 35 years, with a small number of professionals in a transitional phase towards retirement. This is the reason the company does not have a formal end of career counseling and management program. Private pension was considered in this item.

² Assistance (training or counseling for transition to a life without work – this assistance is available for all employees. The ComTato and Therapeutic Listening programs were considered for this item.

Health and safety

Determined conditions such as obesity and other lifestyle-related diseases associated with sedentary activities are mapped as being the main risks to the health and safety of Cielo employees, given the nature of its operations.

To minimize these risks and encourage healthy habits, since 2003 Cielo has run its Feel Good about Life! ("De bem com a Vida!") program. This is designed to help strike a balance between employees' professional and private life, encouraging them to take measures to ensure well-being, longevity and quality of life. It provides differentiated opportunities related to the concept of the Seven Healths: Emotional, Spiritual, Physical, Professional, Intellectual, Social and Financial, in line with the concept formulated by the lecturer Dr. Ana Cristina Limongi França, USP 2007.

Safety and health measures also include:

- Internal Occupational Accident Prevention Week (Sipat in the Portuguese acronym). Every year, there is a week of interactive activities and talks centered on this subject
- Internal Accident Prevention Committee (Cipa)
- Occupational Health and Safety area, located in the company's headquarters in Barueri
- Specialized advisory service which assesses health and safety conditions at all company offices in Brazil

2014/2015 Trainee Program

.....
In 2014, 14,845 candidates applied for 21 places covering diverse areas of activity. The company innovated in the selection program: the application WhatsApp was used for messages and alerts allowing candidates to interact with the company's profile.

Additionally, Cielo terminals in establishments around universities printed slips encouraging young people to apply for the selection process. The initiative pioneered the use of sales slips as a tool for communicating with young talents.

The 24-month program provides the trainee with ongoing instruction in the management of high performance teams by means of a merit-based personnel management model that helps strengthen company culture, the work environment and team work, focused on the results expected and the changes proposed by the organization.

14,845

candidates applied for 21 places in diverse areas in the 2014/2015 Trainee program

ComTato

Since November 2014, Cielo has offered "ComTato", an advisory and personal support service for employees that addresses a number of areas, including retirement. This free and fully confidential service is available 24 hours a day, seven days via telephone and is extensive to the dependents of employees.



Other stakeholder groups

G4-25, G4-26, G4-27



FORMALIZATION OF THE ECONOMY

One of Cielo's values – "Ethics in all relationships" – is manifested in the practices the company employs in its relations and interactions with stakeholders. Guided by transparency and ethical conduct aimed at consolidating long-term relationships, Cielo's interactions with its different publics are based on its Stakeholder Relationship Policy. The full version of this document is available at www.cielo.com.br/ri/, in Corporate Governance /Bylaws and Policies.

With its customers, Cielo seeks to drive Innovation with Results, Excellence in Execution and Surpassing Expectations. With ever faster, more efficient and secure terminals and mobile and e-commerce solutions, Cielo provides advice on the best way to manage business, driving higher sales and revenues.

Cielo's relations with suppliers are based on partnership, transparency and ethics. The objective is to establish a win-win relationship in which suppliers provide outstanding performance, resulting in gains in efficiency for Cielo.

With shareholders and investors, Cielo's strategy is aimed at promoting increasingly transparent and wide-ranging information disclosure practices.

For interaction with society as a whole, which encompasses the press, government and industry associations, Cielo has specific communication structures designed to promote long-term relationships with these groups.



Customers G4-DMA

The customer base consists of more than 1.6 million active points of sale in every region of Brazil. These represent businesses of all sizes in the most diverse economic sectors, segmented into two general areas: Retail and Large Accounts. The company’s objective is to maintain a presence in all locations, offering more specialized and targeted service.

The sales force is responsible for handling these customers. These professionals work all over the country using smartphones with a commercial management application developed by Cielo, which optimizes their work and improves the quality of the services provided.

Moreover, the adoption of the Smart tool in 2013 helped streamline calls on customers and drive greater efficiency. This method facilitates the identification of customer needs, optimizing the process. It also reduces paper consumption since the forms used are no longer printed.

Periodic training is designed to ensure that the sales force provides an increasingly specialized service, with the professional assuming the role of consultant. The training programs are based on the results of surveys conducted with customers, which also orientate Cielo management actions.

In 2014, the overall customer satisfaction survey was conducted three times. In addition to this survey, the company uses other more specific assessments to measure customer satisfaction in interactions with the various Cielo channels, such as the Ombudsman, the Relationship Center, Technical Support, and sales calls, among others. (more information in the Overall customer satisfaction survey).

Based on the results of the surveys – which are part of Cielo’s annual targets –, action plans are developed to improve perception of the points which have not

yet reached the desired level of excellence. The action plans are executed by specific committees and groups.

To interact with customers, Cielo has a relationship center with a specialized telephone service that caters for each customer profile, available from 8 a.m. to 10 p.m., Monday to Saturday, as well as round the clock technical support. Other contact channels are the website (www.cielo.com.br) and the official social network profiles, such as Facebook and Twitter, as well as the actual Cielo terminal, through which the customer may request products and services.

Overall customer satisfaction survey G4-PR5

.....
This is aimed at measuring customer satisfaction with Cielo products and services. It has been conducted annually since 1999, and three times a year since 2013. The survey employs a quantitative methodology which consists of telephone interviews conducted with samples of customers.

In 2014, 79% of the customers rated Cielo with scores of 7, 8, 9 or 10, showing a high level of satisfaction. The rates of recommendation (Net Promoter Score - NPS) and intention to continue the relationship also indicate that Cielo remains the leader in the sector.

Additionally, a series of Excellence at Points of Contact surveys was held in 2014. These measure the satisfaction of customers who have recently interacted with the company at diverse points of contact: Affiliation, Calls, Service Center, Help Desk, Maintenance or Ombudsman. The results were discussed in customer support forums. The metrics used were the satisfaction and net promoter scores.

Multichannel strategy G4-DMA

The Cielo service and relationship model reached a new peak in 2014 with the inauguration of the company's first physical store. Located in São Paulo's Shopping Ibirapuera mall, the initiative is aimed at forging even closer relations between the company and its customers, simplifying the acquisition and accreditation process as much as possible with the advantage of personal service, unprecedented in the electronic payment segment worldwide. The most evident innovation in this new format is the fact that the customer may leave the store with the terminal already working.

This initiative is yet another step forward in Cielo's multichannel strategy. Along the same lines, last year the company announced the opening of 19 temporary kiosks in high traffic malls in different regions of Brazil to meet the demand from small retailers during the peak period, the Christmas shopping season. Another innovative action during the year was the "Cielo Caravan", which involved employing buses to take company products and services to customers in a number of cities across the country.

Suppliers G4-12, G4-13

At the end of 2014, the Cielo supplier base consisted of 873 companies. This is heterogeneous, with firms of diverse sizes from different sectors and locations. However, twenty suppliers account for 70% of the company's spending, which in 2014 totaled approximately R\$2.08 billion. Considered to be strategic, these are large, reputable companies in the logistics, call center, technology and other areas that provide services for Cielo customers nationwide.

In addition to legal requirements, the hiring of suppliers is dependent on analysis of a series of financial, labor, fiscal and socio-environmental factors. The requirements and risks that are covered in this analysis vary in accordance with the classification of the suppliers, which is conducted based on the Purchase Category Matrix, which Cielo has used since March 2014. This classifies the purchase as strategic, leveraged, limited supply or commodity in accordance with the amount involved and the type of contract. These assessments are made for each contract and take place every 12 months.

There is also a third-party management system which is coordinated by a specialized partner. The purpose of the system is to ensure that Cielo maintains complete control over the procurement process, minimizing the risk of deviation and fraud, while not interfering in service provider management processes. Since 2012, for example, contracts have included clauses related to compliance with labor laws, including the health and safety of outsourced workers.

All suppliers are required to comply with the Anti-Corruption Policy adopted by the company in 2014. They are also expected to obey the Supplier Code of Ethics and Conduct, launched in 2012 and distributed to service providers every year at the Annual Supplier Encounter, upon which occasion the companies are asked to sign the terms of acknowledgement.

Other options suppliers have for interacting with Cielo in addition to the Annual Meeting, are the Ethics Channel, through which they may report any breaches of the code and other policies, as well as a specific area on the Cielo website. Reformulated in 2014, the supplier website offers the Ombudsman and the Contact Us services, in addition to other tools.

Annual Suppliers Meeting

In the 2014 Annual Suppliers Meeting, Cielo innovated with the launch of an award for service suppliers. In partnership with an independent auditor, the company granted awards to partners in the following categories: Quality, Competitive Mindset, Speed and Sustainability. The initiative recognizes the best practices adopted by suppliers in these areas.

Shareholders

Cielo provides structured services for investors and shareholders, considered to be key company stakeholders. This relationship, grounded in transparency, ethics, seriousness and full access to company leaders, is concentrated in the Investor Relations area, also responsible for disclosing information to the market in accordance with legal requirements.

Investors and shareholders have a specific communication channel with the company, which is the investor relations website (www.cielo.com.br/ri). The site contains all company disclosures to the market, as well as exclusive tools to facilitate access to company information.

The IR area also maintains a constant agenda of meetings with investors. In 2014, there were more than 250 events with investors, in addition to a public meeting (API MEC SP) and Cielo Day (Investor's Day), which involved presentations by diverse company business areas. In 2015, improvements are planned for the Shareholders' Manual, the document containing the information necessary to take part in the company's general meetings.

250


interactions were organized with shareholders in 2014, in addition to a public meeting (API MEC SP) and Cielo Day (Investor's Day)

Society

Dialogue with society – encompassing the press, government and industry associations – is based on transparency, excellence in the information provided and availability, especially where senior management is concerned. The company provides specific structures to establish and maintain long-term relationships with these stakeholder groups.

- **Marketing** – responsible for communication with the publicity and advertising market. All Cielo advertising is compliant with the self-regulatory code published by Conar, which is in turn aligned with International Chamber of Commerce (ICC) recommendations.
- **Public Relations** – responsible for communication with the press and other opinion formers in the digital and editorial milieu, as well as at institutional events.
- **Institutional Relations** – the area responsible for managing relations with industry associations and government bodies, including Abecs (Associação Brasileira das Empresas de Cartões de Crédito e Serviços), the association representing the acquiring institutions, issuing banks and card brands.
- **Sustainability** – the area that manages Cielo's social investment, focusing on the company's relations with society. The focus of the investments and actions supported in 2014 are described in the chapter Social Performance. The Social Investment Forum is the area which decides on the projects the company will support. This choice is based on alignment with company investments and interests, as well as cost versus social and cultural impacts. After projects have been assessed, the investment decisions must be approved by the Executive Board.

Financial performance

A man with curly brown hair and a beard, wearing a light blue button-down shirt, is leaning over a desk. He is looking intently at a computer monitor. A woman with long dark hair, wearing a blue top, is sitting at the desk and looking at the same monitor. The background is a blurred office environment with other people and computer equipment.

The net revenue of the company and its subsidiaries increased by R\$991.3 million, or 14.7%, reaching R\$7.7 billion in 2014, compared with R\$6.7 billion in 2013. The increase in net revenues is substantially related to ongoing business expansion and to the impact of the appreciation of the dollar on revenue generated in the United States. Ebitda totaled R\$3.8 billion in 2014, growing 7.4% over 2013. Ebitda margin was 49.7%, a 3.4 p.p. reduction compared with the previous year.

Operational expenses recorded an increase of 26.3%, totaling R\$1.3 billion in 2014, compared with R\$1 billion in 2013. This figure includes personnel; general and administrative; sales and marketing; equity in subsidiaries; and other net operational expenses.

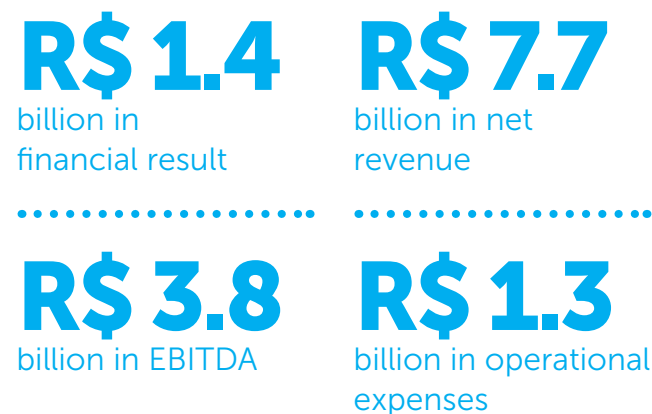
In 2014, the financial result was R\$1.4 billion, growing 63.4% compared with 2013, reflecting the performance of the following items:

- a R\$0.3 million or 1.6% reduction in financial income to R\$19.8 million in 2014, compared with R\$20.1 million in 2013.
- financial expenses increased by R\$13.4 million, or 11.3%, to R\$132.1 million in 2014, compared with R\$118.7 million in 2013. This variation is due substantially to the increase in average indebtedness with third-parties in 2014.
- income from the prepayment of receivables increased by R\$555.5 million, or 58.3%, to R\$1.5 billion in 2014, compared with R\$953 million in 2013. The increase is due substantially to the higher prepayment volume requested by customers, partially offset by the increase in interest expenses paid to issuer banks.

Brazilian Central Bank

With the passage of law nº 12.865 on October 9th, 2013, Cielo became subject to regulation by the Brazilian Central Bank (Bacen), in accordance with guidelines es-

established by the National Monetary Council (Conselho Monetário Nacional – CMN or) and the regulations issued by the Central Bank itself. As such, in order to continue operations the company is subject to authorization by the Central Bank and to comply with rules which include, among others, risk management, minimum net equity levels and compliance with requirements similar to other regulated financial institutions. Management is taking the necessary measures and making the adjustments required to ensure full compliance with the new regulations, based on the concession of authorization by the Central Bank. Cielo has already requested such authorization and is awaiting approval from the authorities.



Value Added Statement (DVA) G4-EC1

The total added value distributed by Cielo and its subsidiaries was R\$6.5 billion, an increase of 20.3% over 2013, with the highest percentage going to the government and society (taxes), followed by retained income, shareholders, employees and remuneration of third-party capital (interest and rents).

DISTRIBUTION OF ADDED VALUE IN '000 OF R\$¹

	2012	2013	2014
Revenues	5,949,649	7,344,430	8,362,360
Goods/services acquired from third-parties	(1,888,148)	(2,662,923)	(3,213,197)
Gross added value	4,061,501	4,681,507	5,149,163
Retentions	(315,881)	(391,211)	(427,360)
Net added value produced by company	3,745,620	4,290,296	4,721,803
Added value received in transfer	838,853	1,118,890	1,785,527
TOTAL ADDED VALUE FOR DISTRIBUTION	4,584,473	5,409,186	6,507,330

DISTRIBUTION OF ADDED VALUE IN '000S OF R\$

	2012	2013	2014
Shareholders (remuneration of own equity)	747,752	840,700	1,063,646
Employees (remuneration, benefits and charges)	281,781	358,161	478,466
Government (taxes, charges and contributions)	1,859,677	2,093,397	2,411,680
Remuneration of third-party capital (interest and rents)	116,848	284,027	397,337

¹ The indicator took into account information from all the companies in which Cielo has interests in accordance with consolidated accounting rules. In the case of Servinet, Cielo USA (and the indirect subsidiary Me-S), Braspag and Multidisplay (and the indirect subsidiary M4 Produtos), the results were fully consolidated. For Paggo and Orizon, the results are shown under the heading equity in subsidiaries. **G4-17**

Tax benefits G4-EC4

In 2014, in function of the high taxes paid, Cielo used R\$ 67.9 million in tax benefits – R\$ 43.6 million in tax incentives related to Brazil's "Lei do Bem", Rouanet law, Sports incentive law, and the Children's and Adolescents' Rights Funds - and a R\$ 24.2 million BNDES Finame (machinery and equipment financing) credit facility with special interest rates. If the credit were from a financial institution charging market rates, interest expenses would be higher.

Financial volume of transactions

In 2014, Cielo captured 5.7 billion transactions, 15.5% up on 2013. The financial volume of the transactions totaled R\$ 517.6 billion, equivalent to approximately 9.9% of Brazil's GDP and 15.3% higher than the previous year.

The financial volume of credit card transactions processed was R\$ 312.6 billion in 2014, an increase of 11.8% over 2013. The financial volume for debit card transactions was R\$ 205 billion, an increase of 21.2% over the previous year.

Investment in Cielo POS terminals

The company invested R\$499.6 million in the acquisition of terminals in 2014; this was financed by the BNDES Finame credit line.

Stock performance

Cielo shares (adjusted for payouts) appreciated by 31.5% in 2014, while Ibovespa decreased by 2.9%. At the close of trading on December 30th 2014, CIEL3 shares were quoted at R\$41.67 each, representing a market value of R\$65.5 billion.

The average daily volume traded between January and December 2014 was 3.1 million shares, with a daily average value of R\$139.6 million, representing 0.5% of the free float portion. Since the company went public, the average daily volume traded has been 2.1 million shares, representing a daily average value of R\$101 million, or 0.4% of the free float shares.

Dividends

Cielo dividend and interest policy ensures the distribution of a minimum dividend of 30% of income after the constitution of a legal reserve of 5% of the net profit for the period until this reserve reaches 20% of the company’s capital.

Dividends and interest on equity are paid out twice a year, in March and September. For 2014, the Annual General and Extraordinary Meeting held on April 10th, 2015 approved the payout of approximately 60% of the net profit for the year, or R\$ 1.8 billion.

Due to the indebtedness to be assumed by Cielo in function of the transaction with Banco do Brasil and the company’s conservative stance, the General Meeting approved an alteration in the bylaws, reducing the minimum dividend from 50% to 30% of the annual profits. This reduction will give the company the flexibility to adjust future cash flow in the light of the indebtedness assumed.

Cielo seeks to ensure the proper distribution of earnings to all shareholders through its Dividend and Interest Policy

.....

31.5%
was the appreciation of Cielo shares in 2014, with the company’s market value reaching R\$ 65.5 billion



Environmental performance

Cielo constantly strives to drive sustainability into the day-to-day running of the business. The company conducts and discloses a greenhouse gas emissions inventory, monitors suppliers considered critical in terms of sustainability and controls impacts caused by waste generation and the consumption of energy and water, as well as adopting a number of mitigation initiatives. These practices represent an important differential in the market, helping drive the advance of the business.

The importance of this subject for the business means that the company has a Sustainability area. This area is subordinated to the Institutional Relations structure, and its mission is to incorporate sustainability-related questions into company processes and routines as a means of ensuring long-term business success and contributing to a healthier environment, a fairer society and the economic and social development of the country.

Integrated business management G4-DMA

.....

The Fênix (Phoenix) project was launched in 2014 with a view to driving the ongoing integration of both economic-financial and socio-environmental goals. The initiative reduces the number of technical support calls to customers while maintaining service levels. Consequently the company expects to reduce environmental impacts and emissions levels through lower fuel consumption.

Waste management G4-EN23, G4-DMA

The company's main effort in this area is the disposal of obsolete terminals. In 2014, 154,833 discontinued machines were forwarded for co-processing, a process conducted by a company specialized in treating hazardous waste. In accordance with Cielo safety standards, this partner disassembles the material on the day it receives it. Cables and power sources (considered hazardous) are forwarded to another partner who recycles the metals, which may be used in the manufacture of new electronic equipment.

In 2014, the volume of waste discarded was 169.4 metric tons (t). Of this amount 88.48 metric tons consisted of cables and power sources forwarded for recycling (for reuse of the copper) and 80.88t for co-processing (mass burning) – 61,6 t of scrap POS terminals and 19.28t of marketing material.

In 2015, the entire terminal disposal process will be reviewed and will be conducted on a monthly basis. Previously the process was conducted in function of the accumulated volume, with actual disposal happening approximately every four months. This change will ensure greater control over the waste management process.

With respect to non-hazardous waste, the company headquarters disposed of 140.9 metric tons of organic garbage, a 15% increase over the previous year. This waste is collected by a partnering company on a daily basis and transported to the Pedreira Waste Disposal Center once a month. The growth in volume reflects the increase in the number of employees at the head office in Barueri (SP). At the branches, the process is different since the condominiums are responsible for disposing of garbage, adopting the procedures determined by local municipal laws.

A specialized company decontaminates light bulbs using a vacuum system that separates mercury, which presents a high risk of contamination, from the other components (copper, phosphate dust, glass and aluminum) which may be reused. In 2014, 500 bulbs were forwarded to companies that treat gases, fluorescent bulbs and compact fluorescent units, ensuring the proper disposal of this waste.

G4-EN25

The target for 2015 is to establish the monthly disposal process with certified companies and in line with the Terminal Discontinuity Standard - POS and Pinpad -, as well as to ensure that disposal documentation is in accordance with the guidance from the Cielo Sustainability area. Regarding organic garbage, the objective is to continue monitoring its removal and disposal in landfills. The process for the decontamination of light bulbs will be maintained.

Emissions inventory G4-DMA

In 2014, Cielo conducted its greenhouse gas (GHG) emissions inventory for the fourth time. As in the previous years (2011, 2012 and 2013), the results of the fourth inventory (base year 2014) were included in the Brazilian GHG Protocol Program Public Emissions Record (www.registropublicodeemissoes.com.br) and will also be published in the Carbon Disclosure Project (CDP) report. As happened in the previous years, the 2014 inventory was subject to external audit.

The scope 1 and 2 emissions in tons of carbon equivalent were offset via the purchase of carbon credits from the Santa Maria Forestry Reserve project located in the northeast of the state of Mato Grosso in the Amazon region. This project has Forest Stewardship Council (FSC) certification and was verified by the Rain Forest Alliance because it generates employment and income, as well as social and biodiversity benefits.

For 2015, the target is to continue to conduct the inventory in Brazil and to apply the Greenhouse Gas Protocol methodology to Merchant-e Solutions in the United States.

Water consumption G4-EN8, G4-DMA

Water consumption (100% from utilities) at Cielo headquarters is monitored on a monthly basis. In 2014, the company consumed 16,377m³, a decrease of 4.4% compared with 2013. The company also has a cistern with three tanks to harvest rainwater.

EMISSIONS BROKEN DOWN BY CATEGORY (IN tCO₂e) G4-EN15, G4-EN16, G4-EN17

SCOPE 1	2013	2014
Station combustion	3.20	12.74
Mobile combustion	1,380.43	1,848.60
Fugitive emissions	0.30	0.56
TOTAL ESCOPE 1	1,383.93	1,861.90
ESCOPE 2	2013	2014
Acquisition of electricity	287.4	499.52
TOTAL ESCOPE 2	287.4	499.52
ESCOPE 3	2013	2014
Transport and distribution (upstream)	9,201.82	11,465.55
Waste generated in operations ¹	0	0
Business travel ²	1,663.53	1,129.90
Employee displacement (home-work)	2,033.78	2,166.05
TOTAL ESCOPO 3	12,899.13	14,761.49
RANGE OF GHG INVENTORY³	CIELO, SERVINET BRASPAG AND MULTIDISPLAY	CIELO, SERVINET, BRASPAG AND MULTIDISPLAY

¹Under the Brazilian GHG Protocol Program, the methane recovered (flare burning) is transformed into biomass CO₂.

²Reduction in international air travel

³For the 2013 and 2014 GHG Inventories, only the headquarters, Servinet, Braspag and Multidisplay were considered.



Social performance



Cielo's social investments are aimed at four specific areas: health; education; accessibility; and vocational training for young people. In 2014, the company invested R\$ 7.6 million of its own money and incentive funds in 23 social projects, totaling almost three times the R\$2.4 million spent the previous year.

In addition to the Rouanet law, other tax incentive laws Cielo uses are the Sport Incentive law and the Childhood and Adolescent Funds. In 2014, Cielo also started investing in combating and preventing cancer by means of the national PRONON program.

All the projects must be approved by a Social Investment Forum, which examines their fit with Cielo's investment focuses and the cost to social and cultural impact ratio in terms of Cielo's interests.

**In 2014, Cielo supported
23 social projects focused
on health, education,
accessibility and vocational
training for young people**

.....

Initiatives in 2014

LAW	PROPONENT	NAME OF PROJECT	LOCATION	OVERALL OBJECTIVE	INVESTMENT
Pronon	Sociedade Beneficente Israelita Brasileira Albert Einstein	Genetic molecular assessment and comprehensive genomic characterization of myeloid leukemia	São Paulo – SP	Research into genetic molecular assessment and comprehensive genomic characterization of myeloid leukemia	R\$ 1,000,000.00
Rouanet	Casa de Cultura de Israel	Dialogue in the dark: exceeding your limits	São Paulo – SP	Exhibition aimed at providing the public with the experience felt by the visually impaired	R\$ 800,000.00
FIA	GRAACC Support Group for Children and Adolescents with Cancer	Operating Theater project	São Paulo – SP	Purchase of equipment to extend treatments	R\$ 698,221.56
Sport	Instituto Esporte e Educação	IEE Sports and Educational Centers Network - Year 7 - Brazil	São Paulo – SP	Sporting activities to drive integral development of children and adolescents	R\$ 510,000.00
FIA	Associação Alfabetização Solidária - Alfamol	Youth Inclusion: Horizons for the world of work	São Paulo – SP	Initial vocational development for youngsters aged from 14 to 17 years, focused on Commerce, Tourism, Retail and Franchises	R\$ 500,000.00
Rouanet	Pinacoteca	Educational Action Center	São Paulo – SP	Educational visits, materials and mediation resources for socio-cultural inclusion program. Including accessibility program for the disabled	R\$ 500,000.00
Rouanet	Fundação Dorina Nowill	Library without boundaries	São Paulo – SP	Promoting inclusion of the visually impaired via digitalization of the library collection and making it available over the internet	R\$ 400,000.00
Sport	Instituto Janeth Arcaim	Sport and Education Year 4 – Bragança Paulista	Bragança Paulista - SP	Improve young people's intellectual and physical capacity through playing basketball	R\$ 370,000.00
FIA	Hospital Pequeno Príncipe	The Right to Life	Curitiba – PR	Equipment purchase to expand service provision	R\$ 350,000.00
Rouanet	Instituto Tomie Ohtake	Story mornings	São Paulo - SP	Storytelling for visually challenged pre-school children and families, based on exhibitions of contemporary art	R\$ 347,800.00

Initiatives in 2014

LAW	PROPONENT	NAME OF PROJECT	LOCATION	OVERALL OBJECTIVE	INVESTMENT
Rouanet	TUCCA – Association of Children and Adolescents with Cancer.	Curing music 2015	São Paulo – SP	Maintenance of - TUCCA - Association of Children and Adolescents with Cancer.	R\$ 300,000.00
Rouanet	Instituto Moinho Cultural Sul-Americano	Institute's annual plan	Corumbá – MS	Decrease the vulnerability of children and adolescents in the border region through access to music, dance and technology.	R\$ 300,000.00
Sport	Open Arms (Irmã Dulce Social Works)	Opportunity through sport	Salvador – BA	Sporting activities to drive community development for children and adolescents.	R\$ 276,450.85
FIA	Hospital da Baleia	Centrare	Belo Horizonte – MG	Audiology treatment for children and adolescents with cleft palate/lip.	R\$ 255,594.75
FIA	Hospital Peter Pan	Support for social programs	Fortaleza – CE	Support for social programs offered to patients and family members, contributing to humanized treatment.	R\$ 240,000.00
FIA	Instituto Vocacional Avançado (Iteva)	Midiacom	Aquiraz – CE	To provide professional qualification for public school graduates, integrating them into the world of information and communication technology.	R\$ 150,000.00
Own Funding	Parceiros da Educação	Dona Maria Alice Crissiuma Mesquita state school	Carapicuíba – SP	Investment through the NGO Parceiros da Educação providing teacher training and improvements in school management	R\$ 141,525.42
Rouanet	Instituto Verdescola	Projeto Verde Festival	São Sebastião – SP	Artistic initiation in the theater for youths from low-income families.	R\$ 100,000.00
FIA	Instituto Verdescola	Verde Educação	São Sebastião – SP	Promote education for children, adolescents and young people, driving socio-environmental and civic awareness.	R\$ 100,000.00

Initiatives in 2014

LAW	PROPONENT	NAME OF PROJECT	LOCATION	OVERALL OBJECTIVE	INVESTMENT
Rouanet	Fundação Dorina Nowill	Classics of Children's Literature	São Paulo – SP	Promoting inclusion and reading for visually impaired children with a collection of ten children's classic titles in print and Braille format.	R\$ 90,302.93
Own funding	Instituto Ayrton Senna	Instituto Ayrton Senna	Nationwide	Promoting improvement in schooling indicators.	R\$ 84,000.00
FIA	APAE (Exceptional Children's Support Association)	Conclusion of construction of APAE in São Sebastião da Grama	São Sebastião da Grama – SP	Conclude works on building in which APAE operates, to improve services for users.	R\$ 72,176.94
Own funding	Ambiental Brasil	Educational booklets on the environment	Barueri – SP	Production of educational booklets on the environment in partnership with the Barueri Environment and Natural Resources Department and the publisher Editora Ambiental Brasil Sustentabilidade	R\$ 12,000.00

Capillarity contributing to Social Inclusion

The capillarity of Cielo’s operation – which covers virtually the entire country – also helps drive social development. On the one hand, it promotes social inclusion because its POS terminals and solutions are used by freelancers, self-employed professionals and small and medium sized commercial establishments. Additionally, in remote locations the terminals enable the circulation of income, generating new markets and driving local economies, as well as reducing the number of robberies and defaults in payment because electronic payment replaces the use of money and checks.

Of the 25 least densely populated municipalities identified in a survey carried out by the Instituto Brasileiro de Geografia e Estatística (IBGE) in 2014, Cielo initiated operations in 21, the objective being to take card technology to the most remote areas and to foment the local economies. This represents 28% growth compared with the previous year. Through research and commercial visits that measure the presence of Cielo and its competitors in different locations, it may be concluded that the Cielo has a significantly greater presence in the North and Midwest regions, in less economically developed (thus less profitable) areas, where access is difficult or where the population is sparse. **G4-FS13**

Cielo operates in 21 of the 25 most sparsely populated municipalities identified in an Instituto Brasileiro de Geografia e Estatística (IBGE) survey conducted in 2014

.....

About the report

G4-21, G4-22, G4-23, G4-28, G4-30, G4-32, G4-33

Cielo is publishing its third Sustainability Report, prepared in accordance with Global Reporting Initiative (GRI) guidelines. This time the material followed the G4 model. The document, published on an annual basis, presents actions, targets and indicators for economic, social and environmental aspects of operations.

Cielo's standards and best corporate governance practices were also taken into account as were the ten principles of the United Nations Organization's (UNO) Global Pact, to which the company became a signatory in 2011, reaffirming this commitment in 2012, 2013 and 2014.

This material reflects the Materiality Matrix Cielo adopted in 2014, with particular emphasis on the topics: innovation in payment solutions; operational capacity and availability; information security; formalization of the economy; managing environmental impacts caused by the equipment and the consumption of resources; governance for sustainability; the company's economic impact; strategic challenges and regulatory risks; competition; ethics, integrity and corruption; and development, training and education for employees.

After the process of building Cielo's materiality, the GRI aspects, impacts caused inside and outside the organization and the stakeholders involved were mapped. They may be seen in the table at the side.

The report covers the operations of Cielo S.A. (based in Barueri) and of Servinet Serviços Ltda. (branches), for the period from January 1st to December 31st 2014. Restatements of information from previous reports or significant changes in scope, boundaries or measurement methods are noted in the actual indicators. This publication was audited by KPMG, as were the data for the greenhouse gas (GHG) inventory.

G4-20, G4-21

GRI ASPECT	IMPACT	RELATED STAKEHOLDERS
Economic performance	Inside and out	Internal public, suppliers, government, customers, financial institutions and society
Strategy and analysis	Inside and out	Internal public, suppliers, government, customers, financial institutions and society
Compliance	Inside and out	Government, customers, financial institutions and society
Product and service labeling	Inside	Regulatory authorities and customers
Compliance	Inside and out	Government, customers, financial institutions and society
Product portfolio (Financial Services sector)	Inside and out	Customers, financial institutions and society
Customer privacy	Inside and out	Customers, internal public, government and suppliers
Anti-corruption	Inside and out	Internal public, suppliers, government and customers
Training and education	Inside	Internal public
Effluents and waste	Inside and out	Internal public and customers
Compliance	Inside and out	Government and internal public
Unfair competition	Inside and out	Customers, internal public and government
Product portfolio (Financial Services sector)	Out	Customers (micro, small, medium and big companies and micro entrepreneurs)
Local communities (Financial Services sector)	Out	Economically disadvantaged communities
Product and service labeling	Inside and out	Customers, technology developers and internal public
Product and service labeling strategy and analysis	Inside and out	Internal public
Governance structure and composition	Inside	Internal public, investors and shareholders
Role played by the highest governance body in defining the organization's purpose, values and strategy	Inside	Internal public, investors and shareholders
Competencies and appraisal of performance of highest governance body	Inside	Internal public
Role played by the highest governance body in risk management	Inside	Internal public, investors and shareholders.
Role played by the highest governance body in elaboration of sustainability reports	Inside	Internal public
Role played by the highest governance body in assessment of economic, environmental and social performance	Inside	Internal public, investors and shareholders
Ethics and integrity	Inside and out	Internal public, suppliers, investors, shareholders and customers.

Overall content

CONTENTS OVERALL STANDARDS	PAGE/RESPONSE	EXTERNAL VERIFICATION
STRATEGY AND ANALYSIS		
G4-1 Statement from the most senior decision-maker in the organization (such as CEO, chair, or equivalent senior position) about the relevance of sustainability to the organization and the organization's strategy for addressing sustainability.	Pages 4,5	Yes, page 68
ORGANIZATIONAL PROFILE		
G4-3 Name of organization	Page 13	Yes, page 68
G4-4 Primary brands, products and services	Page 13	Yes, page 68
G4-5 Location of organization's headquarters	Page 13	Yes, page 68
G4-6 Number of countries in which the organization has significant operations or that are specifically relevant to the sustainability topics covered in the report	Page 13	Yes, page 68
G4-7 Nature of ownership and legal form	Page 13	Yes, page 68
G4-8 Markets served (with geographic discrimination, sectors covered and types of customers and beneficiaries)	Page 13	Yes, page 68
G4-9 Scale of organization	Pages 8 and 13	Yes, page 68
G4-10 Total number of employees UNGC	Pages 38 and 39	Yes, page 68
G4-11 Percentage of employees covered by collective bargaining agreements	Page 38	Yes, page 68
G4-12 Description of organization's supplier chain	Page 47	Yes, page 68
G4-13 Significant changes in organization's size, structure, ownership and supply chain	Pages 13,30, 33, 47	Yes, page 68
G4-14 If and how the precautionary approach or principle is addressed by the organization	Cielo activities do not have a significant impact on the environment, consequently risk management addresses aspects not directly aligned with the precautionary principle.	Yes, page 68
G4-15 List of charters, principles and other externally developed initiatives	Worthy of note are adhesion in 2011 to the United Nations Organization's (UNO) Global Compact; the realization of a greenhouse gas inventory since 2011; and the publication of a sustainability report in accordance with Global Reporting Initiative (GRI) guidelines since 2012; and listing on the BM&FBovespa Corporate Sustainability Index (ISE).	Yes, page 68
G4-16 Membership of associations and national or international advocacy organizations	Associação Brasileira das Empresas de Cartões de Crédito e Serviços (Abecs); Conselho de Ética e Autorregulação; and the Instituto Brasileiro de Governança Corporativa (IBGC).	Yes, page 68

CONTENTS OVERALL STANDARDS	PAGE/RESPONSE	EXTERNAL VERIFICATION
MATERIAL ASPECTS IDENTIFIED AND BOUNDARIES		
G4-17 Entities included in the consolidated financial statements or equivalent documents	Page 51. The consolidated financial statements include the financial statements of the Company and its subsidiaries on December 31 st , 2014.	Yes, page 68
G4-18 Explanation of process adopted for defining the report content	Page 20	Yes, page 68
G4-19 List of material aspects	Page 20	Yes, page 68
G4-20 Boundary, within organization, for each material aspect	Page 62	Yes, page 68
G4-21 Boundary, outside organization, for each material aspect	Page 62.	Yes, page 68
G4-22 Restatements of information provided in previous reports	Pages 20 and 62. In 2013, the percentage of employees covered by the collective bargaining agreement was 94.54% and not 100% (percentage took into account statutory employees).	Yes, page 68
G4-23 Significant changes in scope and boundaries of material aspects compared with previous reports	Page 62	Yes, page 68
STAKEHOLDER ENGAGEMENT		Yes, page 68
G4-24 List of stakeholder groups engaged by the organization	Page 20	Yes, page 68
G4-25 Basis for identification and selection of stakeholders with whom to engage	Pages 20 and 45. The Stakeholder Relationship Policy, which indicates the main groups with which Cielo relates, was the basis for identifying and selecting the stakeholders to be engaged. Based on the policy, the areas responsible for direct relations indicated participants for the process.	Yes, page 68
G4-26 Approach adopted by organization to engage stakeholders, including frequency of engagement by type and group, with an indication that some engagement was specifically promoted as part of the process of preparing the report.	Pages 20 and 45. The approach is made at least once a year.	Yes, page 68
G4-27 Key topics and concerns raised through stakeholder engagement and the measures adopted by the organization to address these topics and concerns, including the reporting process. Report the stakeholder groups that raised each one of the topics and concerns mentioned.	Pages 20 and 45	Yes, page 68
REPORT PROFILE		Yes, page 68
G4-28 Reporting period	Page 62	Yes, page 68
G4-29 Date of most recent previous report	2013	Yes, page 68
G4-30 Reporting cycle	Page 62	Yes, page 68
G4-31 Point of contact for questions regarding the report or its content	Page 2	Yes, page 68
G4-32 Option of application of guidelines and location of GRI table	Page 62 to 66	Yes, page 68
G4-33 Policy and current practice with regard to seeking external assurance for the report	Page 62. Cielo adopts best practices for the preparation of its Sustainability Report, which included external verification of the information published. Since the first report, published in 2013 (based on 2012), the data have been audited by an independent third-party.	Yes, page 68

CONTENTS OVERALL STANDARDS	PAGE/RESPONSE	EXTERNAL VERIFICATION
G4-34 Governance structure in the organization, including committees of the highest governance body. Identify all the committees responsible for advising the boards in decisions that have economic, environmental and social impacts	Page 22	Yes, page 68
G4-56 Values, principles, standards and norms of behavior in the organization, such as codes of conduct and ethics.	Pages 3 and 26	Yes, page 68

Specific standard contents

MATERIAL ASPECTS	INFORMATION ON MANAGEMENT APPROACH AND INDICATORS	PAGE/RESPONSE	OMISSIONS	EXTERNAL VERIFICATION
Economic performance	G4-DMA Management approach	Page 50	–	Yes, page 68
Economic performance	G4-EC1 Direct economic value generated and distributed	Page 51	–	Yes, page 68
Economic performance	G4-EC3 Coverage of organization's pension plan obligations	Page 40	–	Yes, page 68
Economic performance	G4-EC4 Significant financial help received from government	Page 51	–	Yes, page 68
Water UNGC	G4-DMA Management approach	Pages 54 and 55	–	Yes, page 68
Water UNGC	G4-EN8 Total water withdrawal by source	Page 55	–	Yes, page 68
Emissions UNGC	G4-DMA Management approach	Pages 54 and 55	–	Yes, page 68
Emissions UNGC	G4-EN15 Direct greenhouse gas emissions	Page 55	–	Yes, page 68
Emissions UNGC	G4-EN16 Indirect greenhouse gas emissions from the acquisition of energy	Page 55	–	Yes, page 68
Emissions UNGC	G4-EN17 Other indirect greenhouse gas emissions	Page 55	–	Yes, page 68
Effluents and waste UNGC	G4-DMA Management approach	Page 54	–	Yes, page 68
Effluents and waste UNGC	G4-EN23 Total weight of waste by type and disposal method	Page 54	–	Yes, page 68

MATERIAL ASPECTS	INFORMATION ON MANAGEMENT APPROACH AND INDICATORS	PAGE/RESPONSE	OMISSIONS	EXTERNAL VERIFICATION
Effluents and waste UNGC	G4-EN25 Weight of waste transported, imported, exported or treated deemed hazardous under the terms of the Basel Convention attachments I, II, III and VIII and percentage of loads of waste transported internationally	Page 55	–	Yes, page 68
Compliance UNGC	G4-DMA Management approach	Page 28	–	Yes, page 68
Compliance UNGC	G4-EN29 Monetary value of fines and total number of sanctions for non-compliance with laws	In 2014, there were no environmental fines or sanctions	–	Yes, page 68
Training and education	G4-DMA Management approach	Pages 36, 37, 39 and 41	–	Yes, page 68
Training and education	G4-LA9 Average hours training per year per employee, discriminated by gender and functional category	Page 42	–	Yes, page 68
Treinamento e educação	G4-LA10 Programs for skills management and lifelong learning	Pages 41 and 42	–	Yes, page 68
Training and education	G4-LA11 Percentage of employees receiving regular performance reviews, discriminated by gender and functional category	Page 39	–	Yes, page 68
Anti-corruption UNGC	G4-DMA Management approach	Pages 33 and 34	–	Yes, page 68
Anti-corruption UNGC	G4-SO3 Total number and percentage of operations assessed for corruption-related risks and significant risks identified	Page 34	–	Yes, page 68
Anti-corruption UNGC	G4-SO4 Communication and training in anti-corruption policies and procedures	Page 34	–	Yes, page 68
Anti-corruption UNGC	G4-SO5 Confirmed cases of corruption and measures taken	No cases or suspected cases of money laundering or corruption were identified or confirmed; therefore there were no dismissals or punishment for corruption	–	Yes, page 68
Public policy UNGC	G4-DMA Management approach	Pages 26 and 28	–	Yes, page 68
Public policy UNGC	G4-SO6 Total amount of financial contributions to political parties and politicians, discriminated by recipient/beneficiary	Page 26	–	Yes, page 68
Unfair competition	G4-DMA Management approach	Pages 26 to 28	–	Yes, page 68
Unfair competition	G4-SO7 Total number of legal actions for anti-competitive behavior	In 2014, there were no lawsuits	–	Yes, page 68
Product and service labeling	G4-DMA Management approach	Pages 46 and 47	–	Yes, page 68
Product and service labeling	G4-PR5 Results of surveys measuring customer satisfaction	Page 46	–	Yes, page 68
Customer privacy	G4-DMA Management approach	Page 46	–	Yes, page 68

MATERIAL ASPECTS	INFORMATION ON MANAGEMENT APPROACH AND INDICATORS	PAGE/RESPONSE	OMISSIONS	EXTERNAL VERIFICATION
Customer privacy	G4-PR8 Total of substantiated complaints regarding breaches of customer privacy and losses of customer data	In 2014, no leaks, theft or loss of customer data were recorded	–	Yes, page 68
Compliance	G4-DMA Management approach	Page 46	–	Yes, page 68
Compliance	G4-PR9 Significant fines for non-compliance regarding the provision and use of products and services	In 2014, Cielo received no significant fines for non-compliance regarding the provision and use of products and services.	–	Yes, page 68
Product portfolio (Financial Services sector)	G4 - FS2 Processes for assessing and classifying social and environmental risks for each line of business.	Page 28	–	Yes, page 68
Product portfolio (Financial Services sector)	G4-FS13 Access points in sparsely populated or economically disadvantaged areas by type.	Page 61	–	Yes, page 68

Assurance report



KPMG Auditores Independentes
Av. Dionysia Alves Barreto, 500 -
10º andar - Cj. 1001 - Centro
06086-050 - Osasco, SP - Brasil
Caixa Postal 2467
01060-970 - São Paulo, SP - Brasil

Central Tel 55 (11) 3736-1260
Fax Nacional 55 (11) 2183-3072
Internet www.kpmg.com.br

Limited assurance report issued by independent auditors

To the Officers of
Cielo S.A.
Barueri - SP

Introduction

We have been engaged by Cielo S.A (“Cielo”) to apply limited assurance procedures on the sustainability information disclosed in Cielo S.A 2014 Sustainability Report, related to the year ended December 31st, 2014.

Responsibilities of Cielo’s Management

The management of **Cielo** is responsible for preparing and adequately presenting the information in the 2014 Sustainability Report in accordance with the *Global Reporting Initiative (GRI) Sustainability Reporting Guidelines (GRI-G4)* as well as the internal controls determined necessary to ensure this information is free from material misstatement, resulting from fraud or error.

Independent auditors’ responsibility

Our responsibility is to express a conclusion about the information in the 2014 Sustainability Report based on the limited assurance engagement conducted in accordance with Technical Communication (TC) 07/2012 approved by the Federal Accounting Council and prepared in accordance with NBC TO 3000 (Assurance Engagements Other Than Audits and Reviews), issued by the Brazilian Federal Accounting Council - CFC, which is the equivalent to

international standard ISAE 3000 issued by the International Federation of Accountants applicable to Non-Financial Historical Information. These standards require compliance with ethical requirements, including independence ones and also that the engagement is conducted to provide limited assurance that the information in the 2014 Sustainability Report, taken as a whole, is free from material misstatement.

A limited assurance engagement conducted in accordance with NBC TO 3000 (ISAE 3000) consists mainly of questioning the management of **Cielo** and other professionals of the Company involved in the preparation of the information disclosed in the 2014 Sustainability Report and applying analytical procedures to obtain evidence that allows us to make a limited assurance conclusion about the sustainability information taken as a whole. A limited assurance engagement also requires additional procedures when the independent auditor learns of issues which lead them to believe that the information disclosed in the Sustainability Report 2014 taken as a whole could present material misstatement.

The selected procedures were based on our understanding of the issues related to the compilation, materiality and presentation of the information disclosed in the 2014 Sustainability Report, other engagement circumstances and considerations regarding areas and procedures associated with the material sustainability information disclosed in the 2014 Sustainability Report where material misstatement could exist. The procedures consisted of:

- (a) Planning: consideration of the materiality of aspects to **Cielo**’s activities, relevance of the information disclosed, amount of quantitative and qualitative information and operational systems and internal controls that served as a basis for preparation of the information in the 2014 Sustainability Report.
- (b) Understanding and analysis of the information disclosed related to the management of material aspects;
- (c) Analysis of processes for the preparation of the 2014 Sustainability Report and its structure and content, based on the *Principles for Defining Report Content and Quality of the Global Reporting Initiative - GRI (GRI-G4)*;
- (d) Understanding the calculation methodology and procedures for the compilation of indicators through interviews with managers responsible for preparing the information;
- (e) Application of analytical procedures on the quantitative information and questions about qualitative information and their correlation with indicators disclosed in the 2014 Sustainability Report;
- (f) Analysis of evidence supporting the information disclosed;
- (g) Understanding and analyzing information disclosed concerning the form of managing the material aspects and performance indicators related to these aspects;
- (h) Plausibility analysis of the reasons for omissions of performance indicators associated with topics and aspects identified as material through the Company’s materiality assessment;
- (i) Comparison of financial indicators with the financial statements and/or accounting records.

We believe the information, evidence and results we have obtained are sufficient and appropriate to provide a basis for our limited conclusion.

Scope and limitations

The procedures applied in a limited assurance engagement are substantially less extensive than those applied in a reasonable assurance engagement. Therefore, we cannot ensure we are aware of all the issues that would have been identified in a reasonable assurance engagement, which aims to issue an opinion. If we had conducted a reasonable assurance engagement, we may have identified other issues and possible misstatements within the information presented in the Sustainability Report 2014.

Nonfinancial data is subject to more inherent limitations than financial data, due to the nature and diversity of the methods used to determine, calculate or estimate this data. Qualitative interpretations of the data's materiality and accuracy are subject to individual presumptions and judgments. Additionally, we did not examine data regarding prior periods to assess the adequacy of policies, practices and sustainability performance, nor future projections data.

Conclusion

Based on the procedures carried out, described in this report, nothing has come to our attention to suggest that the information in Cielo's 2014 Sustainability Report is not, in all material respects, fairly stated in accordance with the *Global Reporting Initiative Sustainability Reporting Guidelines (GRI-G4)*, and with its source records and files.

Osasco, April 17th, 2015

KPMG Auditores Independentes
CRC 2SP028567/O-1 F-SP
Original report in Portuguese signed by
Cláudio Rogério Sertório
Accountant CRC 1SP212059/O-0

KPMG Auditores Independentes, uma sociedade simples brasileira e firma-membro da rede KPMG de firmas-membro independentes e afiliadas à KPMG International Cooperative ("KPMG International"), uma entidade suíça.

KPMG Auditores Independentes, a Brazilian entity and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

Corporate Information

Cielo S.A.

CNPJ: 01.027.058/0001-91

CVM code: 02173-3

Niri: 35.300.144.112

Headquarters

Alameda Grajaú, 219, Alphaville

CEP 06454-050 – Barueri-SP – Brasil

Investor Relations

E-mail: ri@cielo.com.br

www.cielo.com.br/ri

Custodian Bank

Banco Bradesco S.A.

Tel.: (11) 3684-9495

E-mail: 4010.acecustodia@bradesco.com.br

Cielo ADR program

Deutsche Bank Trust Company Americas

C/o American Stock Transfer & Trust Company

Peck Slip Station

P.O. Box 2050 – New York-NY 10272-2050 – EUA

E-mail: DB@amstock.com

Shareholder Assistance Service (free)

Tel.: (866) 249-2593

Shareholder Assistance Service (international)

Tel.: (718) 921-8137

Ticker: CIOXY

Cusip code: 171778103

Isin code: US171778103

Independent auditors

KPMG Auditores Independentes

Credits

General coordination

Sustainability and Corporate

Responsibility area

GRI consulting, editorial coordination and design

Report Sustentabilidade

Team: Ana Souza (project and relationship management), Adriana Lima (GRI consulting), Paula Andreghetto (copy and editing), Guilherme Falcão (graphic design) and Priscila Anjos (layout).

Translation to English: Raymond Maddock

Photos: Cielo Image Bank, Nalata, Instituto Janeth Arcain and Hospital Pequeno Principe

Date: April 2015

Font family: Museo, Jos Buivenga, 2008

cielo