



XP Inc.

Locations: Florida (HQ)
Industries: Diversified Financials

RISK LEVEL:



Medium Risk

DESCRIPTION:

XP Inc. is Medium Risk. The company often yields to political activism in shaping corporate governance, potentially alienating consumers, dividing employees, and harming shareholders. The company implements race and identity-based policies that replace merit, excellence, and integrity with preferential treatment and outcomes. The company occasionally embraces corporate initiatives that redirect its central focus from business goals to partisan policies and divisive issues at times. This approach fails to safeguard free exercise, free speech, and free enterprise.

Corporate Weaponization

Has canceled customers, suppliers, or vendors due to their political views or religious beliefs OR corporately boycotts, divests, or sanctions regions, people groups, or industries. Medium Risk

XP Inc. is a signatory of the Principles for Responsible Investment, incorporating ESG issues into investment analysis, decision-making, and other business practices (1)(2)(3). XP Inc. integrates ESG into its business practices. From its 2024 Annual Report: "we now screen 100% of our clients, suppliers, products and services against Social, Environmental and Climate Risk criteria" (4). XP Inc. promotes divisive gender policies. Its Code of Ethics and Conduct requires international vendors to include gender identity in their nondiscrimination policy (5)(6). However, XP Inc. has not canceled customers, suppliers, or vendors based on political views or religious beliefs (7).

Charitable giving (including employee matching programs) policies or practices discriminate against charitable organizations based on views or religious beliefs. Lower Risk

XP Inc. does not appear to discriminate against charitable organizations based on views or beliefs (1).

Employment policies fail to protect against viewpoint or other discrimination and/or are ideological in nature. High Risk

XP Inc. requires its employees to take ESG and DEI training (1). The company appears to prioritize diversity over merit in its leadership composition. From its Compensation, People, Nominating and Governance Committee Charter: "[C]andidates are [screened, evaluated, and recommended] for membership on the Board in accordance with the Company's policies regarding the desired knowledge, experience, skills, diversity, independence and other characteristics of Board members" (2). The company appears to prioritize diversity over merit in its business structure through the establishment of gender and racial targets for its hiring and leadership composition. It is seeking 40% of women in the workforce by 2030, 24% of black people in the internal population by 2030, 15% of black people in leadership positions by 2030, and "at least one woman and one person from an underrepresented minority of the LGBTQIAPN+ community" on the Board of directors (3). The company is an affirmative action employer: "[We are committed to] developing policies and procedures with a view to affirmative actions inside the organization" (4). XP Inc. does not

provide viewpoint protections for its employees (5).

Corporate Governance and Public Policy

Uses corporate reputation to support causes, organizations, or policies hostile to freedom of expression. High Risk

XP Inc. is a member of the Partnership for Carbon Accounting Financials, committed to net zero carbon emissions by 2050 (1)(2)(3). The company is also aligned with the Paris Agreement, which entails a commitment to net zero carbon emissions by 2050 (4). The company supports DEI within its business practices, hosting a Diversity and Inclusion Commission (5). Moreover, from its 2024 Annual Report: "[We aim to] create an internal environment that values and promotes

diversity and inclusion and carries out actions that encourage the adoption of D&I practices in society and in relationships with our various stakeholders" (6). XP Inc. also supports ESG within its business practices. From its Form 20F: "Throughout our entire business, we seek to be protagonists and lead the Environmental, Social and Governance Agenda, or 'ESG Agenda'" (7).

Uses corporate funds to advance ideological causes, organizations, or policies hostile to freedom of expression. Medium Risk

XP Inc. donated 100,000 reais (about \$85,000 USD) to LGBTQIA+ NGO Casinha (1). Otherwise, there are no publicly known cases of the company using corporate funds to advance ideological causes, organizations, or policies (2).

Uses corporate political actions and/or financial contributions for ideological, non-business purposes. N/A

XP Inc. does not operate a PAC or engage in lobbying at this time (1)(2)(3).

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