

STONECO LTD.

Compensation Committee Charter

Purpose and Scope

The Compensation Committee (the “**Committee**”) is created by the Board of Directors (the “**Board**”) of StoneCo Ltd., a Cayman Islands exempted company with limited liability (the “**Company**”), as a committee of the Board to discharge the responsibilities set forth in this charter of the Committee (this “**Charter**”). The Committee shall have the authority and membership and shall operate according to the procedures provided in this Charter.

Membership

The Committee shall consist of at least three members. Committee members shall be appointed by the Board and may be removed by the Board at any time. The Board shall designate the chairman and vice-chairman of the Committee (the “**Chair**”).

Responsibilities

In addition to any other responsibilities which may be assigned from time to time by the Board, the Committee is responsible for the following matters.

Executive Compensation

- The Committee shall determine the compensation of the Company’s Chief Executive Officer (the “**CEO**”) and each of the Company’s other executive officers and key service providers, subject to the “Procedures” below. In determining such compensation, the Committee shall, among other things:
 - identify, review and approve corporate goals and objectives relevant to executive officer compensation;
 - evaluate each executive officer’s performance in light of such goals and objectives and determine each executive officer’s compensation based on such evaluation, including such other factors as the Committee deems appropriate and in the best interests of the Company; and
 - determine any long-term incentive component of each executive officer’s compensation.

Director Compensation

- The Committee shall review and approve compensation (including equity-based compensation) for the Company’s directors. In so reviewing and approving director compensation, the Committee shall:
 - identify corporate goals and objectives relevant to director compensation; and

- evaluate the performance of the Board in light of such goals and objectives and set director compensation, including any long-term incentive component, based on such evaluation and such other factors as the Committee deems appropriate and in the best interests of the Company (including the cost to the Company of such compensation).

Management Succession

- The Committee shall, in consultation with the CEO, periodically review the Company's management succession planning, including policies for CEO selection and succession in the event of the incapacitation, retirement or removal of the CEO, and evaluations of, and development plans for, any potential successors to the CEO.

Compensation Policies and Plans

- The Committee shall review and evaluate the Company's executive compensation and benefits policies generally (subject, if applicable, to shareholder approval), including the review and recommendation of any incentive-compensation and equity-based plans of the Company that are subject to Board or this Committee's approval. In reviewing such compensation and benefits policies, the Committee may consider the recruitment, development, promotion, retention and compensation of executive officers and other key service providers of the Company and any other factors that it deems appropriate.
- The Committee shall review and approve grants of equity compensation awards to executive officers and other key service providers and any other conditions subject to its approval (or waiver) as determined in the Company's incentive-compensation or other equity-based plans thereunder.

Reporting to the Board

- The Committee shall report to the Board periodically.
- The Committee shall periodically evaluate its own performance and report to the Board on such evaluation.
- The Committee shall periodically review and assess the adequacy of this charter and recommend any proposed changes to the Board for approval.

Risk Assessment

- The Committee shall periodically review and assess risks arising from the Company's employee compensation policies and practices and whether any such risks are reasonably likely to have a material adverse effect on the Company.

Authority and Delegations

The Committee has the sole authority to retain or obtain the advice of a compensation consultant, legal counsel or other adviser and shall be directly responsible for the appointment and compensation of, and oversight of the work of, any such adviser retained by the Committee. The Committee has sole authority to approve all such advisers' fees and other retention terms.

The Company shall provide for appropriate funding, as determined by the Committee, for the payment of reasonable compensation to such adviser retained by the Committee.

The Committee may delegate its authority to subcommittees or the Chair when it deems it appropriate.

The Committee may delegate to one or more officers of the Company the authority to make grants of equity compensation awards to any executive officer, employee or other key service provider of the Company other than a member of senior management under such of the Company's incentive-compensation or other equity-based plans as the Committee deems appropriate and in accordance with the terms of such plans.

Procedures

The Committee shall meet as often as it determines is appropriate to carry out its responsibilities under this charter. The Chair shall determine the frequency and length of the Committee meetings and shall set meeting agendas consistent with this charter.

The Chairman or in his absence the vice-chairman of the Committee shall preside as chairman of the meeting. At any meeting a resolution put to the vote of the meeting shall be decided on a poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was taken. In the case of equality of votes, the Chairman of the meeting or, in his absence or recusal (as provided below), the vice-chairman, shall be entitled to a casting vote in addition to any other vote he may have.

No person should attend that portion of any meeting where such person's performance or compensation is discussed, unless specifically invited by the Committee.

Any member of the Committee shall recuse himself or herself from voting on his or her own compensation or any matter or compensation he may have a personal direct interest on.

The Chief Executive Officer may not be present, even if serving as a member of the Committee, during voting or deliberations related to his or her compensation, and the Chief Executive Officer shall recuse himself or herself from voting on his or her own compensation.