

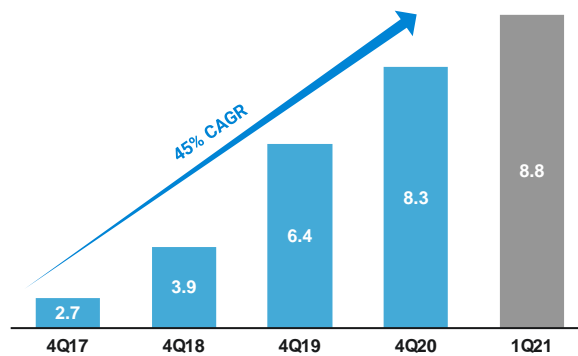
XP INC. COMMENTS ON IFA ACTIVITY IN BRAZIL

São Paulo, Brazil, June 2, 2021 – XP Inc. (Nasdaq: XP), or XP, a leading, technology-driven platform and a trusted provider of low fee financial products and services in Brazil, commented on the dynamic and high potential investment advisory business in Brazil and, specifically, about the recent developments involving the IFA activity in the country.

XP Inc. has developed and invested in the Independent Financial Advisor (IFA) profession since its inception more than twenty years ago, having started as an IFA office and becoming a broker-dealer seven years later.

Based on a strong purpose, long-term vision, customer focus and constant investments in technology and systems, our IFA business and, consequently, our partnerships, have achieved exceptional success, with most IFA offices growing exponentially along with XP in recent years, as shown in the chart below.

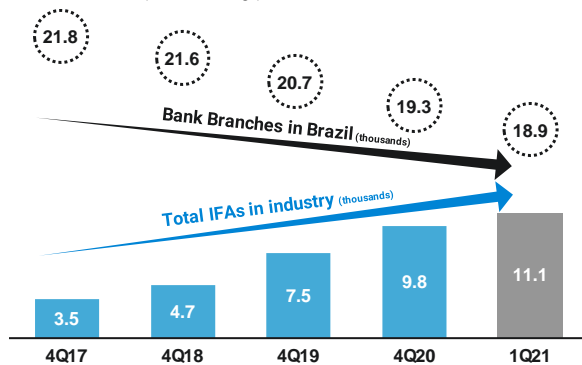
IFA Network Evolution in XP¹ (thousand IFAs)



1 – Source – XP

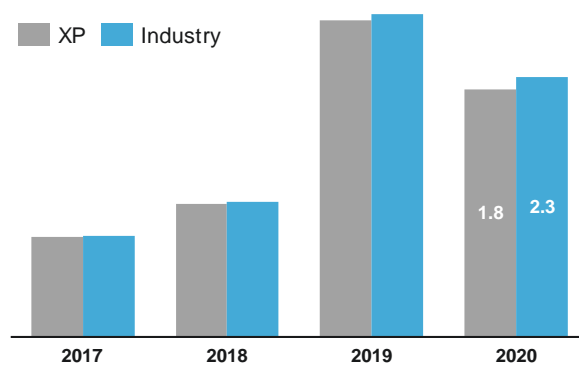
Incumbent banks continue to reduce costs and consolidate branches. Furthermore, Brazilians are increasingly searching for better investment options, with both trends likely driving accelerating growth for the IFA profession in the coming years. In this context, XP has been one of the most popular destinations for new professionals and will continue to invest to increasingly differentiate the company as the best platform for entrepreneurs.

Total IFAs (industry) vs. Bank Branches²



2 – Source – XP, Ancord and Brazilian Central Bank

Net IFA adds² (thousand IFAs)



The remarkable growth of the investment industry outside legacy banks is conducive to the development of other forms of entrepreneurship that go beyond the successful IFA model. One of these alternatives is the creation of broker-dealers with XP holding a minority stake, in which we become service providers in the offering of products and a strategic partner in building businesses. One of the advantages of this partnership model between IFAs and XP is the continuity of the business without any friction in the customer experience.

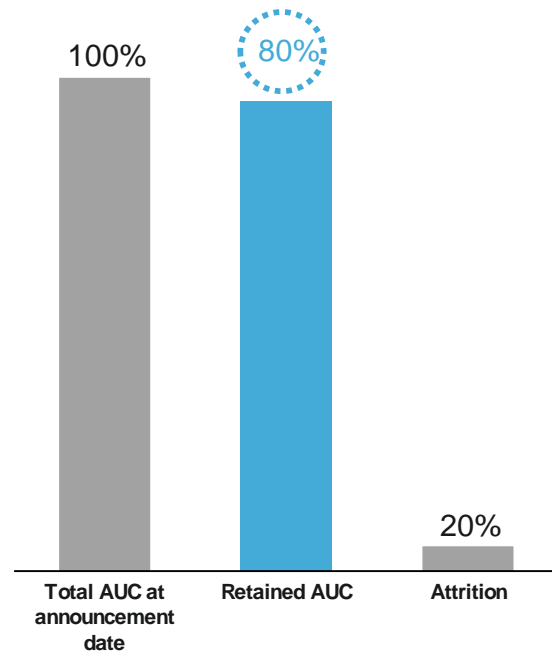
The different models of entrepreneurship will certainly coexist, since they contemplate the long-term vision of the entrepreneur with the customization of service to the end customer. This diversity of service structures is a key difference compared to the traditional bank branch model.

Regarding the departure of offices from the platform in recent years, we see the movement as a natural process considering the network of 9,000 advisors linked to XP and the difficulty encountered by competitors in organically building their distribution structure, since XP is the overwhelming choice of new IFAs (see previous chart).

In view of the recent repercussion of the subject in the market and in the press, and respecting our commitment to transparency, we once again highlight data on operations that have left our platform. The table below shows the custody of the clients of these offices before termination and currently.

Custody Retention Rate³

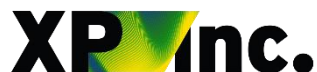
Announcement	M+0	M+3	M+6	M+9	M+12	M+15	Current
Mar-21	100%						86%
Feb-21	100%	70%					70%
Jan-21	100%	87%					81%
Dec-20	100%	64%					61%
Nov-20	100%	85%	78%				78%
Oct-20	100%	56%	52%				52%
Sep-20	100%	74%	67%				67%
Aug-20	100%	87%	75%	74%			74%
Jul-20	100%	73%	62%	59%			58%
Jun-20	100%	79%	79%	77%			86%
May-20	100%	98%	97%	96%	102%		102%
Apr-20	100%	101%	92%	98%	106%		108%
Mar-20	100%	87%	75%	74%	74%		80%
Feb-20	100%	77%	64%	61%	62%	63%	63%
Jan-20	100%	93%	114%	126%	132%	133%	128%
Total weighted retention rate							80%



3 - Total custody from the same client base evolution, vs. the custody as of the day of the announcement

Finally, we reinforce our long-term commitment to all entrepreneurs in Brazil, especially IFAs, which together with us have been challenging the status quo of the financial industry and disrupting institutions that have historically exploited concentrated market shares and inflated pricing.

Rest assured that we are just getting started and we will not stop until we transform our market and improve the lives of Brazilians!



About XP

XP is a leading, technology-driven financial services platform and a trusted provider of low-fee financial products and services in Brazil. XP's mission is to disintermediate the legacy models of traditional financial institutions by:

- Educating new classes of investors;
- Democratizing access to a wider range of financial services;
- Developing new financial products and technology applications to empower clients; and
- Providing high-quality customer service and client experience in the industry in Brazil.

XP provides customers with two principal types of offerings, (i) financial advisory services for retail clients in Brazil, high-net-worth clients, international clients and corporate and institutional clients, and (ii) an open financial product platform providing access to over 800 investment products including equity and fixed income securities, mutual and hedge funds, structured products, life insurance, pension plans, real-estate investment funds (REITs) and others from XP, its partners and competitors.

Forward Looking Statements

This press release contains "forward-looking statements" within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are made as of the date they were first issued and were based on current expectations, estimates, forecasts and projections as well as the beliefs and assumptions of management. Words such as "expect," "anticipate," "should," "believe," "hope," "target," "project," "goals," "estimate," "potential," "predict," "may," "will," "might," "could," "intend," variations of these terms or the negative of these terms and similar expressions are intended to identify these statements. Forward-looking statements are subject to a number of risks and uncertainties, many of which involve factors or circumstances that are beyond XP Inc's control.

XP Inc's actual results could differ materially from those stated or implied in forward-looking statements due to several factors, including but not limited to: competition, change in clients, regulatory measures, a change the external forces among other factors.

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