



# Code of Conduct



## Version History

<b>Review date</b>	<b>Author/Reviewer</b>	<b>Review Description</b>
22/Jan/2021	Cristian Bohn	First revision.
02/Sep/2021	Marcos Viriato	Second review. Added changes to extend the policy reach to all Parfin entities.
28/Feb/2023	Maria Zelner / Patricia Cochoni	Third Review. Updated in accordance with best business practices.

## Message from Management



*Dear Parfiners,*

*We, as the company's founders, have not only a commitment to ethics, but an obligation to conduct our business responsibly, with integrity and transparency. We do not accept or allow any activity that does not comply with these principles.*

*We are counting on your collaboration in following our internal guidelines.*

*Thanks!*

## Introduction

Parfin, including all its entities, subsidiaries and affiliates (the "Company" or "Parfin") has set out in this Code of Conduct ("Code") the overarching principles by which the Company will conduct its business.

This Code is applicable to all employees, regardless of hierarchical level. Its purpose is to guide how activities are carried out by everyone working for the company. All employees must act with integrity in their relationship with co-workers while doing business and, mainly, when dealing with customers, seeking to comply with national and international best practices. For this purpose, the Company expects from its employees (1) an honest, ethical, and diligent conduct; (2) compliance with applicable laws, rules and regulations, as well as compliance with best market practices; and (3) the treatment of customers fairly, considering their interests appropriately.

The Company will apply internally the best international practices of traditional financial institutions and extend them to the digital asset industry, considering the nuances of blockchain technology, where applicable.

The Company endorses the view that honest and ethical business practices must be applied to activities related to digital assets and carried out in compliance with applicable laws and regulations.

Parfin's mission is to enable institutional adoption of digital asset technologies and help create a more efficient and fair financial system.

## Compliance with existing laws and good business practices

The Company's activities are governed by existing rules and regulations, and we will take all steps to adhere to best business practices. The Company endorses that the delivery of virtual asset services must comply with the following principles:

- a) free enterprise and free competition;
- b) good governance practices, transparency in operations and a risk-based approach;
- c) information security and protection of personal data;
- d) consumer and user protection rights;
- e) soundness and efficiency of operations; and
- f) prevention of money laundering and financing of terrorism and the proliferation of weapons of mass destruction, in line with international standards.

The Company values transparent corporate governance and a corporate structure that reasonably protects the company's interests and the interests of its clients. To do

this, Parfin must ensure a qualified management combining technology and financial experience, including expertise in financial laws that is committed to complying with this Code in all material aspects.

The Company is also committed to ensuring:

- Systems, processes, controls, and risk assessments that are adequate to run our business safely and responsibly.
- Technological systems and business processes that are sufficiently robust and secure, commensurate with the nature, scale and complexity of the business, and constantly under review and improvement.
- Cybersecurity protection, denial of service, security patches, firewalls, layered resilience and intrusion testing, and independent assessments commensurate with the cyber risks inherent in the company's business.
- Adequate governance for technology change management processes, incident management processes and business continuity plans.
- Clearly written terms and conditions and definition of our duties and responsibilities and the fees and charges to be applied.
- Appropriate background checks and due diligence of candidates in order to hire competent professionals and advisors who act with honesty and integrity.
- Appropriate policies and procedures for best practices.
- Compliance with our responsibilities with honesty, good faith, integrity, due care and diligence, exercising best judgment at all times.
- Employees must complete all mandatory training provided by the Company in a timely manner.

## **Treatment of Customers and their Assets**

The relationship with customers must be governed by the laws in force, by the best industry practices and by an ethical and respectful attitude. Employees must treat customers with professionalism, providing clear, accurate communication related to the purpose of the service provided. This means that they must be prepared to answer customer questions objectively. They must act with clarity and agility, in order to eliminate any doubts that could frustrate what was agreed with the customers.

Company employees must take all reasonable steps to ensure the following considerations:

- Treat customers fairly and take reasonable steps to ensure that risks, particularly those relating to the custody and transfer of crypto assets, are presented in a clear and balanced manner.
- Make sure customers can access information about their assets, including where money is held and any relevant transactions.
- In cases where the client hires custody services, ensure that assets held by the company on behalf of customers are held in custody in accordance with regulatory

standards, thus ensuring adequate security levels.

- In the scenario that the Company ceases to operate, put in place processes for the orderly dissolution of the business and ensure that customers maintain access and ownership of their currencies, data and assets in our custody.
- Put in place processes to allow customers who are dissatisfied with any aspect of the business or service to complain, and that the company will handle these complaints fairly and promptly, as well as duly recording such complaints and their respective resolution.

The Company is responsible for identifying and assessing the risks of all its customers. All of the Company's compliance procedures, such as Know Your Customer, Customer Due Diligence and Enhanced Due Diligence and Know Your Transaction must be proportionate to the nature, complexity and size of the client's business, in order to deter, detect and report financial crimes as defined in the laws applicable to the Company, including laws on money laundering, terrorist financing, bribery and corruption, sanctions violations, tax evasion, modern slavery, among others.

## **Relationship between Employees**

The Company repudiates any type of discrimination, disrespect, or prejudice of any nature, whether of race, color, gender, religion, age group, sex, political conviction, nationality, marital status, sexual orientation, social class, union membership, political association, or disability. Likewise, we repudiate any practice of moral or sexual harassment, abuse of power or any behavior that may constitute disrespect, intimidation, humiliation or threat among its employees.

We believe that the success of the business depends on a healthy and safe work environment, including through online platforms, where there is respect among employees, regardless of hierarchical level.

The Company encourages its employees to recommend prospective new staff for the Company. The Company may hire employees with direct kinship or affective relationship, as long as there is no direct or indirect subordination between them or any conflict of interests.

Any such relationships must be duly notified to the Compliance team.

## **Conflict of interests**

The company business must be guided by company interests. A conflict of interest can arise when an individual's personal interest has the potential to collide with or overlap to the interests of the Company. Therefore, employees must not choose personal gain over their duties to the Company.

The Company is committed to maintain adequate governance and controls in order to detect, manage and disclose material conflicts of interest within its own business or that arises from its services, activities, cross-holdings or investments.

If you find yourself or identify a situation of conflict of interest or in case of doubt, contact the Compliance team immediately.

## **Competition and Privileged Information**

The relationship with the company's competitors must be guided by the principle of free competition, respecting current legislation and best commercial practices. Unethical or illegal acts that may be considered harmful to antitrust laws will not be tolerated.

All information about the market, products and competitors must be obtained by legal and/or public means. Employees are prohibited from using or disclosing privileged information for their own benefit or that of third parties, as well as to encourage rumors or speculation of any facts in the market.

If in doubt as to what constitutes unfair competition, consult the Legal Department.

## **Information security**

The Company values the privacy, confidentiality and safe keeping of personal information collected by its employees and systems. Confidential information must be treated with extreme caution and any use and sharing of data by the Company must be carried out in accordance with the General Data Protection Law (LGPD, Brazil) and other applicable data protection regulations.

Our employees must ensure the security of use and storage of personal information to which they have access to. Its use should be done in an appropriate way and in line with the purposes for which it was collected. The misuse and undue exposure of such data violates this Code and current legislation.

If you become aware of any breach of information security, immediately report it to the Company's Compliance team or the Technology team via email [infosecurity@parfin.io](mailto:infosecurity@parfin.io).

## **Use of systems and equipment**

Employee access to the Internet, chats, e-mails, software, hardware, electronic equipment and other Parfin assets is for professional use. Use for private purposes is

permitted, provided it is done responsibly.

Employees' passwords for accessing the Company's internal systems are personal and must not be shared with third parties, nor other employees of the company. According to Parfin's security policies, passwords should be stored in a password storage system that is approved by the company. Currently, these systems are: Lastpass, Keepass, and Apple Keychain.

. The Company's systems must not be used to share chain letters, obscene, discriminatory or inappropriate content. No employee should have an expectation of privacy when using the Company's internal systems.

The Company's intellectual assets are of great value and strategic importance and are for the exclusive use of the Company. These assets are protected by the intellectual property laws in force in each applicable jurisdiction.

## **Financial crimes**

The Company is committed to combating crimes such as corruption, bribery, money laundering, terrorist financing, fraud and other illegal acts, and to thoroughly investigate any allegations, for the benefit of society, its customers and investors.

We repudiate the use of any dishonest means with the purpose of disguising facts or obtaining undue advantage, as well as offer, promise, request or actual payment to a public official or third party.

It is also prohibited by legislation in force and by this Code, to conceal or disguise the origin, location, disposition, movement or ownership of assets, rights or values arising, directly or indirectly, from criminal offenses.

To understand more about this item of the Code, consult our Anti Money Laundering Policy and/or the Financial Crime Policy or the Compliance team itself. Any suspicion of committing illicit acts must be reported immediately to the Compliance team.

## **Gifts and hospitality**

The Company understands that employees may accept gifts and hospitality (such as meals, concert tickets or other entertainment) from customers, partners and suppliers, provided that, their value does not exceed R\$ 400.00 (four hundred reais) when received in Brazil or USD 250.00 (two hundred and fifty dollars), when abroad.

It is important to consider whether the situation may characterize a conflict of interest that could lead to damage to the Company's image. It is forbidden to receive any gift or hospitality that has the purpose of improperly influencing the employee,



compromising his or her impartiality and impersonal decision-making.

If, for any reasonable reason, a gift that exceeds this limit cannot be refused, it must be forwarded to the Compliance team, in order to be subject to an internal company raffle.

It is also forbidden to receive or offer any monetary value or cryptocurrencies, as well as gifts and hospitality from or to public agents, regardless of the value.

## **Press, marketing, and social media**

Communication with the press will be carried out exclusively by the Marketing team and the Company's founders. Any other employee must require prior authorization to speak to the press on behalf of the Company. If you are approached by any communication channels, decline to make any statements and immediately notify the situation to the responsible area.

The right to freedom of expression of employees in the media and social networks is respected by the Company, however, publications capable of causing damage, directly or indirectly, to the reputation and credibility of the Company, its customers, partners or investors are considered a violation of this Code.

In addition, the Company repudiates copyright infringement and the custody or sharing of piracy, pornography, pedophilia content, as well as any type of discrimination, prejudice, or fake news.

## **Reporting Channel**

The reporting channel is a communication channel for employees, customers and any stakeholder to report facts or suspicions of illegal or unethical facts that constitute possible non-compliance with the guidelines established in this Code or in current legislation.

Whistleblowing may be made anonymously, and retaliation against whistleblowers in good faith is absolutely prohibited. Any retaliation will be considered a serious violation and will be treated with due seriousness.

Likewise, if you have made a mistake, contact the Compliance team to report the situation and try to mitigate the consequences for you and the Company.

Whistleblowing must be made to the Compliance team via the email address [report.compliance@parfin.io](mailto:report.compliance@parfin.io) or directly to any member of the Compliance team. Whistleblowers will not have their identity revealed, and any information received will be treated with absolute secrecy.

Upon receipt of your communication, the Compliance team will carry out the investigation, verifying the information and will adopt the appropriate disciplinary measures.

## **Validity**

This Code will come into force on the date of its publication and distribution to all employees and must be revised by the Legal and Compliance Department every two years or less, in the event of changes in the applicable legislation or if there is any change in the practices of Company's business.