

# CODE OF CONDUCT

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## 1. INTRODUCTION

UAB PanPay Europe (hereinafter – Company) operates in an open and transparent environment where ethical behavior is highly valued. The Company encourages employees to proactively detect breaches of laws and internal requirements, and bring them to attention of appropriate functions. We ensure that all reported breaches are treated seriously and where relevant, identified risks are managed appropriately.

All managers and employees of the Company (hereinafter – Staff) are obliged to understand the concepts of compliance with the rules, regulations and core principles as well as ethical behavior in order to ensure that no action could be regarded as unlawful.

Staff must proactively follow the market situation to prevent situations that might have hints of wrongful activity, as well as timely react in case such situations arise. They must also follow the requirements as per this Code of Conduct (hereinafter – Code), which supports the Company in its efforts to prevent infringement of ethical principles, rules and regulations that we adhere to.

This Code is applicable to all structural units, functional areas and business processes in the Company, all personnel, whether permanently or temporarily employed. Other persons performing services for or on behalf of the Company are subject to the Code and may be selected as contractual or other partners.

## 1.1. General

The Code outlines the general principles for how the Company is doing business. The Company demonstrates strong commitment to the highest standards of ethics, values and expected behaviors.

The Code is based on the relevant legal requirements and internationally agreed upon standards, primarily the principles of the United Nations' Global Compact that spring from international agreements: the UN's Universal Declaration of Human Rights, the UN Convention against Corruption and the Declaration on Environment and Development.

## 1.2. Background

Our success relies on the confidence our stakeholders have in us, and we have a critical role in building and maintaining this trust.

The Code contains our Purpose and Values and sets the standards for how we should behave and how our decisions should be made. The Code helps us to build long-term relationships with our customers, suppliers, authorities, business partners, colleagues and other stakeholders.

The Code does not address all situations that may arise. It sets out general principles, rather than a complete set of detailed rules that. When we are unsure of what to do and how to act, it is our duty to look for guidance from the Head of Compliance.

## 2. PURPOSE AND VALUES

The Code describes the values the Company abides and expected behaviors from entities and persons with which the Company engages.

Our Purpose and Values set the aspiration for who we want to be, i.e. always being purpose-led and values-guided, having a strong ethical mindset and listening to our customers and other stakeholders.

When we make decisions, we not only ask ourselves "Can we do it?" but also "Should we do it?", and "If we took it up, wouldn't any principles be compromised?". The Purpose and Values underpin the wider application of the Code and help guide personal behavior.

### 2.1. Purpose

We closely cooperate to serve our customers putting legal requirements and business interests in equal priority while being respectful and persistent.

### 2.2. Values

The Company believes in and follows the **PROPER** values described hereinbelow:

- ❖ **Purpose** leads our way
- ❖ **Rightness** → we do what's right
- ❖ **Ownership** → it starts with me, so I will make changes for a greater good

- ❖ **P**assion for innovation
- ❖ **E**ngagement → showing initiative working together
- ❖ **R**espect in everything we do

### 3. PRINCIPLES AND WORK ETHICS

#### 3.1. Compliance

We Comply with laws, regulations, internal rules and industry standards, incl. best practice:

- ◆ We are familiar with and follow the rules, requirements and processes that apply to our roles, responsibilities and functions, and we broaden our expertise.
- ◆ We strive to comply with the spirit of the law.
- ◆ We are alert to illegal activities by knowing our customers.
- ◆ We take reasonable actions to verify compliance before making decisions. If in doubt, we seek guidance and advice prior to making decisions.
- ◆ We do not commit or induce anyone to commit illegal activities, e.g. financial misreporting and misconduct or economic and financial crime, fraud, bribery or corruption.

#### 3.2. Ownership

We act professionally and with integrity, taking ownership for our actions:

- ◆ Our business is conducted honestly, taking full responsibility.
- ◆ We keep our promises, strive to deliver on time and with high quality.
- ◆ Risks are managed prudently.
- ◆ We ask questions and seek guidance in case of any concerns or doubts on what is right.

#### 3.3. Impact

We consider impact of our decisions on our stakeholders and other parties:

- ◆ We are conscious of our role to support the financial stability and long-term sustainable growth of the businesses we serve.
- ◆ We care for how our decisions, directly and indirectly, affect our customers, stakeholders, colleagues and market at large.

#### 3.4. Conflicts of Interest

We strive to avoid conflicts of interest and manage them, if any, with integrity:

- ◆ We are conscious and respect that conflicts of interest can arise in all aspects of work, internally and externally.
- ◆ We actively identify situations where conflicts of interest might occur and do our utmost to prevent them.
- ◆ We do not participate in transactions if a personal interest or a close relation with a third party may influence the outcome of the transaction or our decisions in general.

- ◆ We do not engage in external activities, regardless if it is in the role as employee, private individual or any other role, that give rise to conflicts of interest that might compromise the performance of our duties.
- ◆ If a conflicting situation has occurred or seems likely to occur, we know which actions to take, how to handle and whom to report accordingly.

### 3.5. Fair Treatment

We work with passion and treat our customers fairly:

- ◆ Our services are designed to meet the needs of our customers, and sales are targeted accordingly.
- ◆ We openly provide clear, fair and not misleading information.
- ◆ We encourage and value feedback from our customers, identify and handle complaints in a timely, fair and consistent manner.

### 3.6. Equality

We support and value diversity and equality:

- ◆ We regard that diversity of people contributes to a more effective and sustainable business.
- ◆ We reject all forms of discrimination, e.g. based on (dis)ability, ethnicity, religion, parenthood, age, sexual orientation, gender, gender identity or expression, etc.
- ◆ We offer a workplace in which differences are both respected and appreciated and where everybody feels included and valued.
- ◆ We employ, evaluate, promote and compensate based on competencies and performance, not on bias or personal preferences.

### 3.7. Competence

We strive for the best qualifications and competences:

- ◆ We ensure that we have the right competencies for the best performance.
- ◆ We set clear expectations to our leaders and hold them accountable for incorporating the principles into everyday business.
- ◆ We take ownership for our own continuous development through formal and informal learning, complete mandatory courses and trainings internally and externally.
- ◆ We support and coach colleagues on the path of their development and provide timely and constructive feedback on performance and results.
- ◆ We kindly share relevant knowledge and experience both within our team and across the organization.

### 3.8. Cooperation

We cooperate and treat each other with dignity and respect:

- ◆ We are open and value input from others, also when they express views which may differ from ours.
- ◆ We recognize and celebrate colleagues' contributions, achieved through desired behaviors.
- ◆ We reach out, help each other and understand the value of teaming up to create the best value for our customers and business results for the Company.

### 3.9. Competition

We compete fairly, abiding ethical, moral and best market standards:

- ◆ We do not supply, obtain or exchange information if it restricts competition.
- ◆ We do not agree or cooperate with competitors, suppliers, customers or others so that competition is restricted.
- ◆ We will not abuse our position in the market.

### 3.10. Communication

We communicate openly, clearly and truthfully:

- ◆ We are open and proactive in our communication, without revealing sensitive information which may harm customer relations, our competitive position or be in breach of legislation.
- ◆ We do not deliberately mislead others by misrepresentations or partial truths.
- ◆ We are brand ambassadors and understand the impact our actions, in real life and online, have on the Company's reputation.

### 3.11. Privacy

We respect the right to privacy:

- ◆ We keep our stakeholders' right to privacy in focus, and this commitment remains after relationships with stakeholders are discontinued.
- ◆ We collect and process personal and customer data fairly, lawfully and transparently for legitimate business purposes only, and keep the data for periods of time expressly denoted in the legal acts.
- ◆ We only disclose personal and customer data to those authorized to receive it internally and externally, e.g. third parties we have carefully selected and collaborate with.

### 3.12. Safety

We ensure safe, healthy and productive work environment:

- ◆ We strive to provide a safe, healthy and productive workplace that nurtures people's wellbeing leading to successful business results.
- ◆ We take responsibility for our own safety, health and wellbeing and for contributing to a sound balance between work and leisure to sustain high performance.
- ◆ We take precautions to prevent workplace accidents and injuries.

### 3.13. Labour rights

We follow labour rights:

- ◆ We pay our employees a fair living wage and respect the upper limits on regular and overtime hours allowed by the appropriate laws.
- ◆ We ensure that our employees have contracts in place and the terms of employment, additional agreements and termination are provided clearly and in a language they understand.
- ◆ We respect and recognize the right to freedom of association and collective bargaining.

### 3.14. Environment

#### We care for the environment:

- ◆ We employ a precautionary approach to customers, processes and activities that have or might have a negative environmental impact.
- ◆ We support and encourage the use and development of environmentally friendly technologies, products, and services.
- ◆ We agree with the global consensus on the threat of climate change, and work to reduce the environmental footprint in terms of our operations.

### 3.15. Bribery and Corruption

#### We have zero tolerance for bribery and corruption:

- ◆ We never engage in facilitation payments, trading in influence and political donations.
- ◆ We only offer or accept gifts and hospitality in accordance to strict internal rules and always strive to avoid conflicts of interests.
- ◆ We report issues that might have a relation to bribery or corruption.

### 3.16. Financial Crime

#### We control and manage financial crime risks:

- ◆ We protect the Company from being used to facilitate the movement of criminal proceeds, e.g. money laundering, funding of terrorism, violating sanctions regulations, fraud, tax evasion, etc.
- ◆ We manage financial crime risks consistent with our risk appetite and adhering to the compliance culture.
- ◆ We know our customers and other parties which enables us to properly manage the risks.

## 4. RISK APPETITE

The Company does not engage in the following industries and businesses, and does not accept customers, partners and third parties associated with:

- (1) Groups, legal entities, bodies, and similar covered by the UN resolutions and Community acts on financial sanctions (appearing on terrorist lists)
- (2) Groups, legal entities, bodies, and similar which have been sanctioned for major offences (have entailed fines or imprisonment), irrespective of the date (limitation periods), no matter the jurisdiction
- (3) Businesses domiciled in jurisdictions designated as non-cooperative by the FATF
- (4) Entities not holding appropriate licenses under applicable laws in countries or territories where they are established or providing services
- (5) Shell companies (based in countries without physical presence involving meaningful decision-making and management)
- (6) Shell banks (based in countries without physical presence involving meaningful decision-making and management, and which are not officially connected to a regulated financial group)

- (7) Businesses involving weapons, ammunition, and defense equipment, dual-use goods
- (8) Businesses involved in issuing, buying or selling of virtual currencies
- (9) Dealers in precious metals and stones
- (10) Counterfeit goods
- (11) Business units performing private-to-private (P2P) money remittance
- (12) Drugs, child pornography and other commercial exploitation, escort services, sale and/or advertising of sexual services, and similar
- (13) Bidding Fee Auctions (penny auctions)
- (14) Gambling
- (15) Gaming
- (16) Importers of second-hand vehicles, or vehicle parts
- (17) Holding companies of private individuals
- (18) Investment companies
- (19) FX speculation activities
- (20) Bearer share corporations
- (21) Non-profits and charities (if unregistered and/or have negative reputation and/or the public image casts doubts in terms of their activities)
- (22) Wildlife trade
- (23) Flows not related to commercial transactions

## 5. RESPONSIBILITIES

### 5.1. Managers

The responsible functions must ensure that the wording and content of the respective principles are correct, that appropriate rules are in place to support the principles as required, and that monitoring is performed where relevant.

It is the responsibility of each manager to ensure that the Code is known and conformed to by all employees within his/her respective area of responsibility, and to act in a manner that sets a proper example. Managers are responsible to lead by example and demonstrate their openness, integrity and ethical behavior in every act or expression.

Managers are responsible for the detection and prevention of any irregularities and must forward the concerns reported to them and *ad hoc* without undue delay to the Compliance function. Management should periodically monitor compliance with controls and may also ask the Compliance function and auditors to test compliance.

### 5.2. Employees

All employees within the Company are considered as risk managers and shall act according to the common values of the Company. Each of us has an individual responsibility for ensuring compliance and a duty to report violations. If you see or

suspect that something is illegal or unethical, you are encouraged to come forth and voice your concerns and report your observations to the Head of Compliance.

### 5.3. Compliance function

The Compliance function shall have a sound understanding of local laws, regulations, business principles, rules of conduct, good business practices, related internal rules and the practical impact of these. They shall also understand and continuously develop the relevant knowledge of the business and have the necessary qualifications, experience, professional and personal qualities.

The Compliance function performs with high standards of ethics and integrity, ensures that respect and accountability are applied in performance of their tasks, demonstrating openness and approachability. The Compliance function is responsible for managing the work of the investigators in the business area or function, and for ensuring ultimate quality of the activities. Among other activities, the Compliance function assures that investigators are following the core processes, procedures and fully meeting with the regulatory requirements across the Company.

## 6. REPORTING

The Employee who has a concern about any misconduct, irregularity or illegal activity is encouraged to come forward and voice those concerns to his/her direct manager and to the Head of Compliance via e-mail or Lark application. In case the concern is related to the direct manager of the Employee, reporting should be done directly to the Head of Compliance (in person). In all cases, Employees receive advice and support by contacting the Head of Compliance.

The Company ensures that reporting on concerns is confidential and reporting Employees are protected from discriminating and disciplinary measures for any reporting activity.

## 7. STAFFING & TRAINING

### 7.1. Staffing

The recruitment of suitable staff is the Company's first defense in preventing internal and external activities constituting unlawful and unethical activity, as well as other criminal offences or misconducts. Best practice recruitment policies will be strictly adhered to. Staff awareness of policy and procedures is fundamental to the effective compliance.

### 7.2. Training

It is important that this Code is fully communicated to all employees. The lack of clear guidance and ignorance of procedures will often be the first excuse used by offenders.

All employees are required to undertake compliance trainings that include specially designed assessments to confirm understanding of the Code, as part of renewing their license to operate. Newly hired employees are required to pass mandatory trainings, amongst others, covering the Code, to obtain their license to operate.