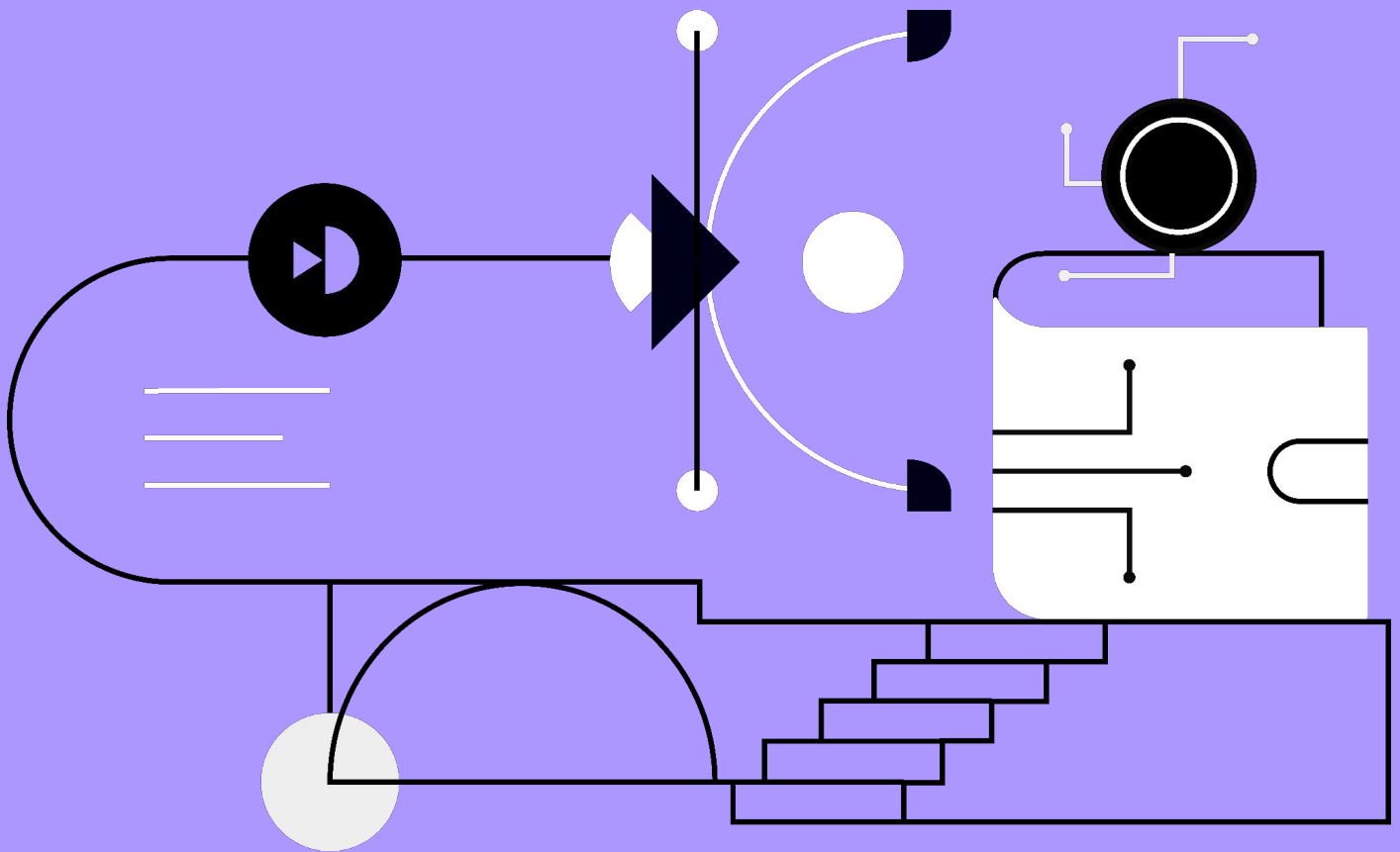


CASE STUDY

# From Fragmented Wallets to Governance: How D2 Scales Institutional Alpha with Porto



## Introduction

### Merging sophisticated derivatives with DeFi execution

D2 Finance is a quantitative multi-strategy fund specialized in delivering institutional-grade alpha through sophisticated derivative strategies. Unlike traditional hedge funds, D2 Finance also operates as a tokenized vault ecosystem.

These sophisticated strategies execute onchain and through OTC desks such as Flowdesk, facilitated by Anchorage Digital, to mitigate risk and enhance liquidity, while RWA and TradFi capabilities are being developed to preserve alpha quality and accommodate institutional mandates.

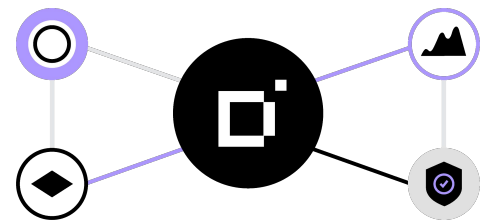
The firm's "north star" is the seamless integration of institutional risk controls with high-performance alpha generation.

As D2 Finance prepares to scale significantly in 2026, its focus has shifted toward onboarding institutional capital and forming strategic partnerships with major asset issuers and staking protocols. To support this growth, D2 Finance required a wallet solution that enables seamless DeFi participation with rigorous security standards that mirror a trusted custodian.

## The challenge

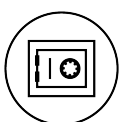
### Fragmented security and the complexity of DeFi vaults

As D2 Finance moved to scale its quantitative strategies, the team hit a technical ceiling with their early-stage infrastructure. Operational bottlenecks included:



#### Fragmented security:

Reliance on different hardware wallets created significant operational friction and lacked a unified platform for institutional fund management.



#### Complex vault governance:

Managing specialized smart contract vaults required a complex, manual workflow to handle multi-access and "shared custodianship" models.



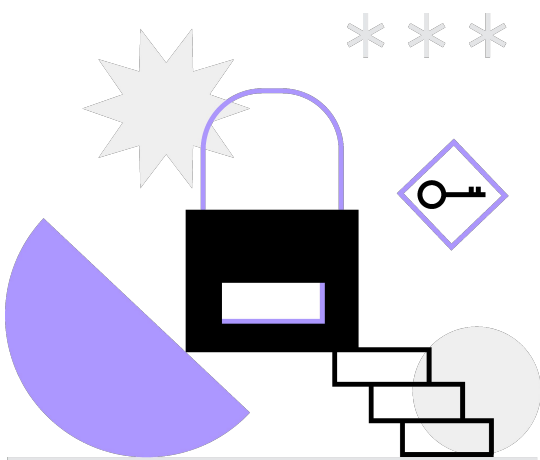
#### Execution risks:

The team faced challenges securely connecting to flow desks and settling collateral—both mission-critical components for their derivatives strategies.

## The solution

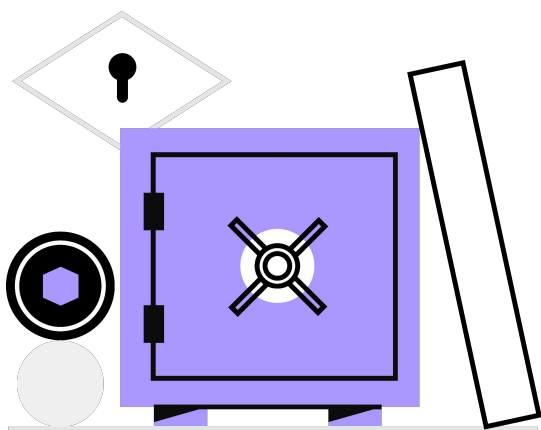
### A seamless institutional wallet architecture for complex DeFi workflows

D2 Finance transitioned to Porto by Anchorage Digital to bridge the gap between smart contract vaults and institutional execution, unifying their security model under a single wallet architecture. The team selected Porto based on its technical reputation, superior security infrastructure, and transparent, flat-fee pricing model that offers total cost certainty.



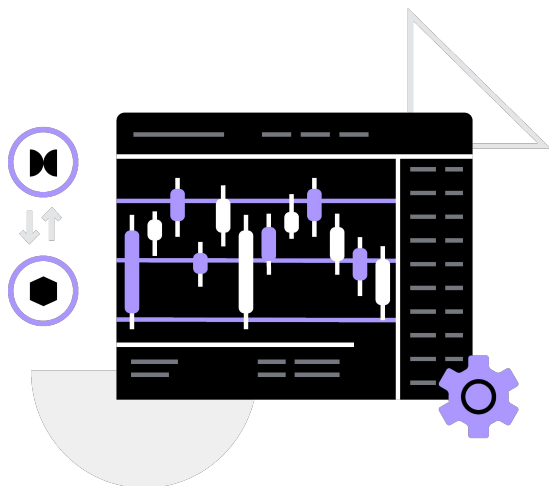
#### Hardware-based security and institutional trust

D2 Finance required a security model that met the highest industry standards for asset protection. Porto leverages air-gapped hardware security modules (HSMs) to ensure that private keys remain isolated from the internet throughout the transaction lifecycle. This provided D2 Finance with the security layer required to manage institutional capital and establish a secure “shared custodian” model with vault partners.



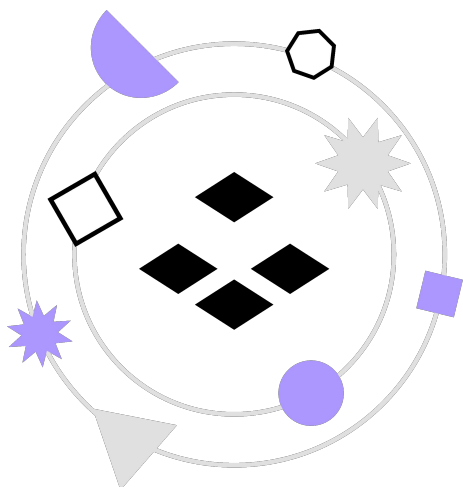
#### No blind signing transaction clarity

Porto enables a “no blind signing” environment, decoding complex smart contract data into human-readable text. While its previous setup limited the team’s ability to verify the exact details of a transaction before signing, Porto allows D2 Finance to confirm specific vault functions in plain English. This transparency ensures the entire vault lifecycle remains within a secure environment that is risk-mitigated.



### Streamlined operations via a unified solution

By consolidating their signing workflow into Porto, D2 Finance simplified daily operations. The team can now manage vault activity and trade approvals in one place—reducing friction, improving visibility, and strengthening security.



### Integrated access to the Anchorage Digital ecosystem

As part of the broader Anchorage Digital ecosystem, Porto provides D2 Finance with a secure, unified gateway to interact with institutional OTC and proprietary trading desks. This technical bridge allows the team to utilize secure infrastructure to access margin or supply collateral to support their sophisticated strategies.

## The results

### Scaling derivative strategies and operational clarity

Since implementing Porto, D2 Finance has achieved measurable improvements in its ability to execute sophisticated strategies and manage institutional risk. The transition from fragmented wallets to a unified wallet architecture has directly enabled the firm to expand its reach, significantly scaling its derivative operations. Moving to an asynchronous signing model has fundamentally changed the firm's speed to market, allowing them to execute complex DeFi functions with total confidence. Furthermore, Porto's transparent pricing model has provided the firm with the cost certainty necessary to scale transaction volumes and AUM without the burden of complex, variable fee structures.



Scaling institutional alpha requires more than just sophisticated strategies; it demands a security model that scales with your AUM. Porto by Anchorage Digital has provided the architecture and rigorous governance controls necessary for us to aggressively onboard institutional capital and form strategic partnerships with major asset issuers."

**Frank**

Head of Business Operations, D2 Finance

## Looking ahead

### **The institutional infrastructure for global capital**

With 2026 operations underway, D2 Finance is focused on the aggressive onboarding of institutional capital through strategic B2B partnerships with major asset issuers and staking protocols. Porto serves as the critical infrastructure for this growth, providing the governance and structure of controls necessary to bring these partners on board in a trustless yet secure manner. By leveraging the broader Anchorage Digital ecosystem, D2 Finance is able to enhance its core strategies through advanced borrowing, collateral supply, and margining solutions.

With D2 Finance anchoring its strategies within Porto's unified wallet architecture, the firm is defining a new standard for institutional risk management, ensuring that as their AUM grows, their security and operational control scale with it.

Learn more about [\*\*Porto by Anchorage Digital\*\*](#)

## About Anchorage Digital

Anchorage Digital is a global crypto platform that enables institutions to participate in digital assets through custody, staking, trading, governance, settlement, and the industry's leading security infrastructure. Home to Anchorage Digital Bank N.A., the first federally chartered crypto bank in the U.S., Anchorage Digital also serves institutions through Anchorage Digital Singapore, which is licensed by the Monetary Authority of Singapore; Anchorage Digital New York, which holds a BitLicense from the New York Department of Financial Services; and self-custody wallet Porto by Anchorage Digital. The company is funded by leading institutions including Andreessen Horowitz, GIC, Goldman Sachs, KKR, and Visa, with its Series D valuation over \$3 billion. Founded in 2017 in San Francisco, California, Anchorage Digital has offices in New York, New York; Porto, Portugal; Singapore; and Sioux Falls, South Dakota. Learn more at [anchorage.com](https://anchorage.com), on Twitter [@Anchorage](https://twitter.com/Anchorage) and on [LinkedIn](https://www.linkedin.com/company/anchorage-digital).

## About D2 Finance

D2 Finance is a multi-strategy fund delivering sophisticated derivatives strategies, tokenized and executed on-chain. We specialize in institutional-grade alpha & risk controls for the decentralized digital asset space. For more information, visit [d2.finance](https://d2.finance)

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