

**PRE-CONTRACTUAL DISCLOSURE OF AN ETP THAT PROMOTES E/S CHARACTERISTICS**

This document provides you with information about this ETP in relation to the Sustainable Finance Disclosure Regulation. It is not marketing material. The information is required by law to help you understand the sustainability characteristics and/or objectives and risks of this ETP. You are advised to read it in conjunction with other relevant documentation on this ETP so you can make an informed decision about whether to invest.

**Helveteq Ether Zero ETP**

<b>SFDR Classification</b>	This ETP promotes environmental and/or social ('E/S') characteristics within the meaning of article 8 of the Regulation (EU) 2019/2088 of 27 November 2019 on sustainability-related disclosures in the financial sector. This financial product promotes environmental or social characteristics but does not have sustainable investment as its objective
<b>1. E/S CHARACTERISTICS</b>	<p><b>What E/S characteristics are promoted by this ETP?</b></p> <p>The sustainability characteristics of the ETP are based on a Sustainable Asset Pool concept outlined by the German Derivates Association (DDV). The ETP thereby falls under category (b) ("a financial instrument for which the client or potential client determines that a minimum proportion shall be invested in sustainable investments as defined in Article 2, point (17) of [the Disclosure Regulation]") of the sustainability preferences outlined in the MiFID Delegated Regulation 2021/1253 by applying approach c) ("Use of proceeds / asset pool held on issuer balance") of the Common Position on ESG Methodologies outlined by the European Structured Investment Products Association (EUSIPA). The ETP has the following E/S characteristics:</p> <ol style="list-style-type: none"> <li>1. The ETP promotes certain minimal environmental and social standards and therefore applies exclusion criteria with regards to products (including controversial weapons, tobacco, palm oil and fossil fuel) and business practices that Helveteq believes are detrimental to society and incompatible with sustainable investment strategies.</li> <li>2. The ETP has a lower carbon footprint than the reference products. The ETP utilizes reputable academic research to neutralize the carbon footprint of the underlying(s) by means of investing part of the revenues in certified carbon compensation projects.</li> </ol>
<b>2. SUSTAINABILITY INDICATORS</b>	<p><b>What are the relevant sustainability indicators used to measure the attainment of each of the E/S characteristics promoted by the ETP?</b></p> <p>The ETP has the following sustainability indicators:</p> <ol style="list-style-type: none"> <li>1. The % of investments in securities that are on the Exclusion list as result of the application of the Exclusion policy.</li> <li>2. The carbon footprint of the underlying(s).</li> </ol>

PRE-CONTRACTUAL DISCLOSURE OF AN ETP THAT PROMOTES E/S CHARACTERISTICS

<p><b>3. BINDING ELEMENTS</b></p>	<p><b>What are the binding elements of the investment strategy used to select the investments to attain the E/S characteristics?</b></p> <p>The ETP has the following binding elements:</p> <ol style="list-style-type: none"> <li>1. No other underlying(s) apart from Ether (ETH) are permitted.</li> <li>2. The carbon footprint of the underlying(s) must be calculated responsibly and compensated in accordance with the methodology developed by the University of Zurich. Please find more in our Sustainability Statement (<a href="https://helveteq.com/helveteq_sustainability_statement/">https://helveteq.com/helveteq_sustainability_statement/</a>).</li> </ol>
<p><b>4. INVESTMENT STRATEGY AND GOOD GOVERNANCE</b></p>	<p><b>What investment strategy does this ETP follow to meet the E/S characteristics?</b></p> <p>Helveteq Ether Zero ETP is designed to enable investors to gain a simple and cost-efficient way to access the crypto market by providing a return equivalent to the movements in the Ether (ETH) spot price less the applicable management fee. At the same time, Helveteq uses its revenues to invest in carbon compensation certificates by reputable institutions such as CDM, VCS and Gold Standard. The number of certificates bought is matched with the footprint of the Ethereum Blockchain as calculated by our partner Swiss FinTech Innovation Lab of the Institute for Banking and Finance at the University of Zurich (UZH) with respect to our level of holdings and transactions. Thus, the ETP has virtually no carbon impact on the environment.</p> <p>The Ethereum Blockchain incorporates distributed governance, which requires consensus of the participants in the Network.</p>
<p><b>5. MONITORING OF E/S CHARACTERISTICS</b></p>	<p><b>How are the environmental or social characteristics and the sustainability indicators monitored throughout the lifecycle of the financial product and the related internal or external control mechanisms?</b></p> <ol style="list-style-type: none"> <li>1. As an intrinsic part of the investment strategy, no other underlyings apart from Ether (ETH) are allowed. Therefore, no other potentially harmful securities can enter the portfolio.</li> <li>2. The relevant carbon footprint of the underlying is calculated in accordance with the research provided by the University of Zurich. The amount of carbon compensation certificates bought is monitored and compared to the calculated amount monthly.</li> </ol>
<p><b>6. PRINCIPAL ADVERSE IMPACTS</b></p>	<p><b>Does the ETP consider Principal Adverse Impact?</b></p> <p>More information on Helveteq's approach to Principal Adverse Impact can be found at: <a href="https://helveteq.com/helveteq_pai_statement_sfd/">https://helveteq.com/helveteq_pai_statement_sfd/</a></p>
<p><b>7. ENGAGEMENT POLICIES</b></p>	<p><b>What is Helveteq's engagement policy?</b></p> <p>Helveteq actively engages with companies that are within our market coverage range in a constructive manner. The outcomes of our engagement efforts are communicated to every employee of the company, enabling them to improve our offering to help companies meet ESG goals. Engagement consists of a constructive dialogue between Helveteq and target companies to discuss how they manage ESG risks and seize business opportunities associated with sustainability challenges. Helveteq mainly carries out value engagement. Value engagement is a proactive approach focusing on long-term, financially material ESG opportunities and risks that can affect companies' valuation and ability to create value. The primary objective is to create value for investors by improving sustainability conduct and corporate governance.</p>

PRE-CONTRACTUAL DISCLOSURE OF AN ETP THAT PROMOTES E/S CHARACTERISTICS

<p><b>8. SUSTAINABILITY DATA SOURCES, METHODOLOGIES AND PROCESSING</b></p>	<p><b>What sustainability data is used in managing this ETP? Are there any limitations in the data sources used in this ETP?</b>  <b>What are the methodologies to measure the attainment of the social or environmental characteristics promoted by the financial product using the sustainability indicators? Are there any limitations to those methodologies?</b></p> <p>Information in relation to data and methodologies can be found in our Sustainability Statement (<a href="https://helveteq.com/helveteq_sustainability_statement/">https://helveteq.com/helveteq_sustainability_statement/</a>).</p>
<p><b>9. ASSET ALLOCATION AND TAXONOMY ALIGNMENT</b></p>	<p><b>What is the asset allocation planned for this financial product and to what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?</b></p> <p>As described above under the point “Investment Strategy and Good Governance”, the ETP asset allocation is fixed to be 100% Ether (ETH), with the binding element of compensating for the associated CO<sub>2</sub> emission, as outlined in the Sustainability Statement (<a href="https://helveteq.com/helveteq_sustainability_statement/">https://helveteq.com/helveteq_sustainability_statement/</a>).</p> <p>Due to the immature status of the EU Taxonomy, it does not yet allow for a consideration of the alignment of this product with environmental objectives. There is no minimum share of investments in transitional and enabling activities.</p>
<p><b>10. OTHER INVESTMENTS</b></p>	<p><b>What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?</b></p> <p>Please see above “Investment Strategy and Good Governance”.</p>
<p><b>11. INDEX</b></p>	<p><b>What is the index used for this ETP?</b></p> <p>The reference price index is the CME CF Ether-Dollar Reference Rate (ETHUSD_RR). It is used to price the underlying of the ETP and calculate the NAV. The index for CO<sub>2</sub> emission is provided by the Swiss FinTech Innovation Lab of the Institute for Banking and Finance at the University of Zurich (UZH).</p>
<p><b>Other relevant documents</b></p>	<p><b>Prospectus / KID / Factsheet</b></p> <p>For other relevant documents see <a href="https://helveteq.com/eth/">https://helveteq.com/eth/</a></p>