

**Liquity (LQTY)**  
**White paper**

**In accordance with Title II of Regulation (EU) 2023/1114 (MiCA)**

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01	Date of notification	2025-06-19
02	Statement in accordance with Article 6(3) of Regulation (EU) 2023/1114	This crypto-asset white paper has not been approved by any competent authority in any Member State of the European Union. The operator of the trading platform of the crypto-asset is solely responsible for the content of this crypto-asset white paper.
03	Compliance statement in accordance with Article 6(6) of Regulation (EU) 2023/1114	This crypto-asset white paper complies with Title II of Regulation (EU) 2023/1114 and, to the best of the knowledge of the management body, the information presented in the crypto-asset white paper is fair, clear and not misleading and the crypto-asset white paper makes no omission likely to affect its import.
04	Statement in accordance with Article 6(5), points (a), (b), (c) of Regulation (EU) 2023/1114	The crypto-asset referred to in this white paper may lose its value in part or in full, may not always be transferable and may not be liquid.
05	Statement in accordance with Article 6(5), point (d) of Regulation (EU) 2023/1114	false
06	Statement in accordance with Article 6(5), points (e) and (f) of Regulation (EU) 2023/1114	The crypto-asset referred to in this white paper is not covered by the investor compensation schemes under Directive 97/9/EC of the European Parliament and of the Council. The crypto-asset referred to in this white paper is not covered by the deposit guarantee schemes under Directive 2014/49/EU of the European Parliament and of the Council.

Summary		
07	Warning in accordance with Article 6(7), second subparagraph of Regulation (EU) 2023/1114	<b>Warning</b> This summary should be read as an introduction to the crypto-asset white paper. The prospective holder should base any decision to purchase this crypto-asset on the content of the crypto-asset white paper as a whole and not on the summary alone. The admission to trading of this crypto-asset does not constitute an offer or solicitation to purchase financial instruments and any such offer or solicitation can be made only by means of a prospectus or other offer documents pursuant to the applicable national law. This crypto-asset white paper does not constitute a prospectus as referred to in Regulation (EU) 2017/1129 of the European Parliament and of the Council (36) or any other offer document pursuant to Union or national law.
08	Characteristics of the crypto-asset	LQTY is an ERC-20 token on Ethereum with a hard-capped supply of 100 million tokens. These tokens may be staked in the LQTY staking contract to receive a pro-rata share of borrowing and redemption fees paid in LUSD and ETH.  Holders may unstake and transfer tokens without restriction.
09	Information about the quality and quantity of goods or services to which the utility tokens give access and restrictions on the transferability	N/A
10	Key information about the offer to the public or admission to trading	Kraken seeks admission to trading of the LQTY token so as to be compliant with MiCA and in keeping with its mission to make available for trading to its clients a wide range of assets.
Part I – Information on risks		
I.1	Offer-Related Risks	<b>General Risk Factors Associated with Crypto-Asset Offerings</b> The admission to trading of crypto-assets, including LQTY, is subject to general risks inherent to the broader cryptocurrency market.



		<p><b>Market Volatility</b> The value of LQTY may experience substantial fluctuations driven by investor sentiment, macroeconomic developments, and market conditions.</p> <p><b>Regulatory Risks</b> Changes in legislation, applicable laws, compliance requirements or the implementation of new regulatory frameworks could affect the availability, trading, or use of such assets.</p> <p><b>Security Risks</b> The risk of exploitation, hacking or security vulnerabilities of the underlying protocol and/or contracts of the token leading to a loss.</p> <p><b>Reputational Risks</b> The potential for damage to an organization's credibility or public trust, which can negatively impact stakeholder confidence and overall business viability.</p>
I.2	Issuer-Related Risks	<p><b>Organizational &amp; Governance Risk</b> Liquity AG is a private Swiss company. Continued operation depends on its ability to retain key personnel.</p> <p><b>Legal and Compliance Risk for Issuer</b> The company operates in a complex regulatory landscape. If the issuer were to face legal challenges or financial difficulties, this could impair its ability to support the LQTY ecosystem.</p> <p><b>Limited Financial Resources</b> If funding diminishes significantly, it may reduce spending on development or community initiatives, potentially impacting the project's growth and the value of LQTY.</p>
I.3	Crypto-Assets-related Risks	<p><b>Market Volatility</b> The crypto-asset market is subject to significant price volatility, which may affect the value of LQTY. Prices can fluctuate rapidly and unpredictably due to various factors, including market sentiment, economic indicators, technological developments, regulatory news, and macroeconomic trends. This high level of volatility may lead to sudden gains or losses and can impact the liquidity and tradability of the crypto-asset.</p> <p><b>Liquidity</b> Liquidity refers to the ability to buy or sell a crypto-asset without causing significant price impact. LQTY may experience periods of low liquidity, meaning that it could be difficult to enter or exit positions at desired prices or volumes. Reduced liquidity may result from limited market participation, exchange</p>

		<p>restrictions, or broader market conditions. This can lead to increased price volatility, slippage, and difficulty in executing transactions.</p> <p><b>Cybersecurity &amp; Technology Risks</b> Risks arising from vulnerabilities in the blockchain technology used by the project or platforms. Example risks include smart contract exploits, compromise of platforms, forking scenarios, compromise of cryptographic algorithms.</p> <p><b>Adoption Risks</b> The risk associated with the project not achieving its goals leading to lower than expected adoption and use within the ecosystem, the impact leading to a reduced utility and value proposition.</p> <p><b>Custody &amp; Ownership Risk</b> The risk related to the inadequate safekeeping and control of crypto-assets e.g. loss of private keys, custodian insolvency leading to a loss.</p>
I.4	Project Implementation-Related Risks	<p><b>Reliance on Third-Party Technology</b> LQTY relies on certain third-party technologies and integrations (for example, third party front ends). If any critical external technology encounters problems, this could prevent users from accessing features or moving their LQTY, damaging the project's reputation.</p> <p><b>Regulatory Compliance</b> As the project progresses, it may encounter regulatory challenges that impact its design, implementation, or operation. Evolving legal and compliance requirements could necessitate changes to the project's architecture, user interface, or overall business model, potentially resulting in development delays, increased costs, or the need to rework key components.</p>
I.5	Technology-Related Risks	<p><b>Smart contract risks</b> LQTY uses smart contracts to facilitate automated transactions and processes. While these contracts enhance efficiency and decentralization, they also introduce specific technical risks. Vulnerabilities such as coding errors, design flaws, or security loopholes within the smart contract code may be exploited by malicious actors. Such exploits could result in the loss of assets, unauthorized access to sensitive information, or unintended and irreversible execution of transactions.</p> <p><b>Blockchain Network Risks</b> LQTY operates on a public blockchain infrastructure, which is maintained by a decentralized network of participants. The functionality and reliability of the crypto-asset are dependent on the performance and security of the underlying blockchain. Risks may include network congestion, high transaction fees, delayed processing times, or, in extreme cases, outages and disruptions.</p>

		<p>Additionally, vulnerabilities or failures in the consensus mechanism, attacks on the network (e.g., 51% attacks), or protocol-level bugs could impact the operation and availability of LQTY.</p> <p><b>Risk of Cryptographic Vulnerabilities</b> Technological advancements, such as quantum computing, could pose potential risks to cryptocurrencies.</p> <p><b>Privacy</b> Transactions involving LQTY are recorded on a public blockchain, where transaction data is transparent and permanently accessible. While public addresses do not directly reveal personal identities, transaction histories can be analyzed and, in some cases, linked to individuals through data aggregation or external information sources. This transparency may pose privacy concerns for users seeking confidentiality in their financial activity. Participants should be aware that transaction data on public blockchains is not inherently private and could be subject to scrutiny by third parties, including regulators, analytics firms, or malicious actors.</p>
I.6	Mitigation measures	<p><b>Security Audits</b> The Liquity smart contract and related platform contracts have undergone security auditing by Trail of Bits and Coinspect. This audit process helps identify and address potential vulnerabilities, thereby reducing the risk of smart contract failures or exploits.</p>
<b>Part A - Information about the offeror or the person seeking admission to trading</b>		
A.1	Name	N/A
A.2	Legal form	N/A
A.3	Registered address	N/A
A.4	Head office	N/A
A.5	Registration Date	N/A

A.6	Legal entity identifier	N/A
A.7	Another identifier required pursuant to applicable national law	N/A
A.8	Contact telephone number	N/A
A.9	E-mail address	N/A
A.10	Response Time (Days)	N/A
A.11	Parent Company	N/A
A.12	Members of the Management body	N/A
A.13	Business Activity	N/A
A.14	Parent Company Business Activity	N/A
A.15	Newly Established	N/A
A.16	Financial condition for the past three years	N/A

A.17	Financial condition since registration	N/A
<b>Part B - Information about the issuer, if different from the offeror or person seeking admission to trading</b>		
B.1	Issuer different from offeror or person seeking admission to trading	true
B.2	Name	Liquity AG
B.3	Legal form	MVII - Aktiengesellschaft (AG)
B.4	Registered address	Dufourstrasse 43, CH-8008 Zürich, CH
B.5	Head office	Same as registered address
B.6	Registration Date	2020-04-23
B.7	Legal entity identifier	984500F3D6Q82B14BC09
B.8	Another identifier required pursuant to applicable national law	CHE-184.101.707
B.9	Parent Company	N/A

B.10	Members of the Management body	Not available.
B.11	Business Activity	Not available
B.12	Parent Company Business Activity	N/A
<b>Part C- Information about the operator of the trading platform in cases where it draws up the crypto-asset white paper and information about other persons drawing the crypto-asset white paper pursuant to Article 6(1), second subparagraph, of Regulation (EU) 2023/1114</b>		
C.1	Name	Payward Global Solutions LTD
C.2	Legal form	N/A
C.3	Registered address	N/A
C.4	Head office	N/A
C.5	Registration Date	11-07-2023
C.6	Legal entity identifier of the operator of the trading platform	9845003D98SCC2851458
C.7	Another identifier required pursuant to applicable national law	N/A
C.8	Parent Company	N/A

C.9	Reason for Crypto-Asset White Paper Preparation	Kraken seeks admission to trading of the LQTY token so as to be compliant with MiCA and in keeping with its mission to make available for trading to its clients a wide range of assets.		
C.10	Members of the Management body			
		Full Name	Business Address	Function
		Shannon Kurtas	70 Sir John Rogerson's Quay, Dublin 2, Ireland	Board Member
		Andrew Mulvenny	70 Sir John Rogerson's Quay, Dublin 2, Ireland	Board Member
		Shane O'Brien	70 Sir John Rogerson's Quay, Dublin 2, Ireland	Board Member
		Laura Walsh	70 Sir John Rogerson's Quay, Dublin 2, Ireland	Board Member
		Michael Walsh	70 Sir John Rogerson's Quay, Dublin 2, Ireland	Board Member
C.11	Operator Business Activity	PGSL is the operator of a Trading Platform for Crypto Assets, in accordance with Article 3(1)(18) of Regulation (EU) 2023/1114 (MiCA).		
C.12	Parent Company Business Activity	<p>Payward, Inc., a Delaware, USA corporation, is the parent company of a worldwide group of subsidiaries (the following paragraphs use the term "Payward" or "Payward Group" to refer to the group) collectively doing business as "Kraken." Payward's primary business is the operation of an online virtual asset platform that enables clients to buy and sell virtual assets on a spot basis, including the transfer of crypto-assets to and from external wallets.</p> <p>Payward, through its various affiliates, offers a number of other services and products, including:</p> <ul style="list-style-type: none"><li>* A trading platform for futures contracts on virtual assets ("Kraken Derivatives");</li><li>* A platform for buying and selling NFTs;</li><li>* An over-the-counter ("OTC") desk;</li><li>* Extensions of margin to support spot trading of virtual assets;</li><li>* A benchmark administrator; and</li><li>* Staking services.</li></ul>		

C.13	Other persons drawing up the crypto-asset white paper according to Article 6(1), second subparagraph, of Regulation (EU) 2023/1114	N/A
C.14	Reason for drawing the white paper by persons referred to in Article 6(1), second subparagraph, of Regulation (EU) 2023/1114	N/A
<b>Part D- Information about the crypto-asset project</b>		
D.1	Crypto-asset project name	Liquity
D.2	Crypto-assets name	Liquity
D.3	Abbreviation	LQTY
D.4	Crypto-asset project description	<p>Liquity is a decentralised borrowing protocol. The v1 protocol enables interest-free loans backed by ETH and issues the USD-pegged stablecoin LUSD. The v2 protocol offers multi-collateral support (wstETH and rETH), user-set interest rates, and a new stablecoin BOLD.</p> <p>Both versions of the protocol focus on being immutable (cannot be changed or upgraded), enable users to have full control over assets (redemption), and operate with minimal dependencies (oracles).</p> <p>Protocol fee revenue from v1 is directed to LQTY stakers. LQTY stakers can</p>



		also direct where 25% of v2's protocol revenue is allocated.
D.5	Details of all natural or legal persons involved in the implementation of the crypto-asset project	<p>The project was co-founded by a team including Robert Lauko (CEO) and Rick Pardoe (Lead Engineer).</p> <p>Liquity AG oversees development and technical implementation aspects. Its address is Dufourstrasse 43, CH-8008 Zürich, CH</p>
D.6	Utility Token Classification	false
D.7	Key Features of Goods/Services for Utility Token Projects	N/A
D.8	Plans for the token	<p>Past milestones: The open source protocol (Liquity V1) was published (2021-04-05) with staking functionality.</p> <p>Liquity V2 was released in 2024, published under a multi-year Business Source License.</p> <p>Future milestones: refer to the project team website for any further information regarding future plans for LQTY.</p>
D.9	Resource Allocation	<p>In September 2020, Liquity announced \$2.4M in Seed Funding. In 2021, they further raised \$6M in Series A.</p> <p>At genesis, LQTY was allocated to team/advisors (23.7%) and endowment (6.1%).</p>
D.10	Planned Use of Collected Funds or Crypto-Assets	Following the Series A raise, the Liquity team restated their mission, intent to expand the team, and grow the ecosystem.
<b>Part E - Information about the offer to the public of crypto-assets or their admission to trading</b>		
E.1	Public Offering or Admission to trading	ATTR

E.2	Reasons for Public Offer or Admission to trading	Making secondary trading available to the consumers on the Kraken Trading platform in compliance with the MiCA regulatory framework
E.3	Fundraising Target	N/A
E.4	Minimum Subscription Goals	N/A
E.5	Maximum Subscription Goal	N/A
E.6	Oversubscription Acceptance	N/A
E.7	Oversubscription Allocation	N/A
E.8	Issue Price	N/A
E.9	Official currency or other crypto-assets determining the issue price	N/A
E.10	Subscription fee	N/A
E.11	Offer Price Determination Method	N/A

E.12	Total Number of Offered/Traded crypto-assets	100 000 000 maximum supply
E.13	Targeted Holders	ALL
E.14	Holder restrictions	N/A
E.15	Reimbursement Notice	N/A
E.16	Refund Mechanism	N/A
E.17	Refund Timeline	N/A
E.18	Offer Phases	N/A
E.19	Early Purchase Discount	N/A
E.20	time-limited offer	N/A
E.21	Subscription period beginning	N/A
E.22	Subscription period end	N/A

E.23	Safeguarding Arrangements for Offered Funds/crypto-assets	N/A
E.24	Payment Methods for crypto-asset Purchase	N/A
E.25	Value Transfer Methods for Reimbursement	N/A
E.26	Right of Withdrawal	N/A
E.27	Transfer of Purchased crypto-assets	N/A
E.28	Transfer Time Schedule	N/A
E.29	Purchaser's Technical Requirements	N/A
E.30	crypto-asset service provider (CASP) name	N/A
E.31	CASP identifier	N/A
E.32	Placement form	NTAV

E.33	Trading Platforms name	N/A
E.34	Trading Platforms Market Identifier Code (MIC)	N/A
E.35	Trading Platforms Access	N/A
E.36	Involved costs	N/A
E.37	Offer Expenses	N/A
E.38	Conflicts of Interest	All listings decisions made by Payward Global Solution Ltd are made independently by staff of the entity in line with internal policies. PGSL publishes a conflicts of interest disclosure on its website advising of potential conflicts that may arise.
E.39	Applicable law	Any dispute relating to this white paper shall be governed by and construed and enforced in accordance with the laws of Ireland without regard to conflict of law rules or principles (whether of Ireland or any other jurisdiction) that would cause the application of the laws of any other jurisdiction, irrespective of whether LQTY tokens qualify as right or property under the applicable law.
E.40	Competent court	Any disputes or claims arising out of this white paper will be subject to the exclusive jurisdiction of the Irish courts.

## Part F - Information about the crypto-assets

F.1	Crypto-Asset Type	LQTY is classified as a crypto-asset other than an asset referenced token or e-money token under MiCA, (EU) 2023/1114.
F.2	Crypto-Asset Functionality	<p>Liquity's token, LQTY, functions in part to claim rewards. Revenue (LUSD + ETH) from Liquity v1 protocol fees is distributed to stakers of LQTY on a pro rata basis.</p> <p>LQTY stakers can also vote on where a portion of Liquity V2 revenue is directed.</p>

F.3	Planned Application of Functionalities	All major functionalities are active; no additional functionalities have been publicly announced.
<b>A description of the characteristics of the crypto-asset, including the data necessary for classification of the crypto-asset white paper in the register referred to in Article 109 of Regulation (EU) 2023/1114, as specified in accordance with paragraph 8 of that Article</b>		
F.4	Type of white paper	OTHR
F.5	The type of submission	NEWT
F.6	Crypto-Asset Characteristics	<p>LQTY is a fungible ERC-20 token on Ethereum. There is a total fixed supply of 100 000 000 tokens. The LQTY token contract does not offer burn nor mint functions.</p> <p>Holders may transfer (in whole or part) their unstaked tokens with applicable network fees.</p>
F.7	Commercial name or trading name	Liquity AG
F.8	Website of the issuer	<a href="https://www.liquity.org/">https://www.liquity.org/</a>
F.9	Starting date of offer to the public or admission to trading	2021-04-05
F.10	Publication date	2025-07-17
F.11	Any other services provided by the issuer	N/A

F.12	Identifier of operator of the trading platform	PGSL
F.13	Language or languages of the white paper	English
F.14	Digital Token Identifier	C5D1WG11D
F.15	Functionally Fungible Group Digital Token Identifier	N/A
F.16	Voluntary data flag	Mandatory
F.17	Personal data flag	true
F.18	LEI eligibility	N/A
F.19	Home Member State	Ireland
F.20	Host Member States	Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, Iceland, Liechtenstein, Norway

## Part G - Information on the rights and obligations attached to the crypto-assets

G.1	Purchaser Rights and Obligations	<b>Right of Transfer:</b> The holder may transfer LQTY to any compatible Ethereum address.  <b>Trading:</b>
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		<p>The holder may trade LQTY on secondary markets and decentralised exchanges that support the token.</p> <p><b>Staking Rights:</b> The holder may stake LQTY to earn protocol fee revenue (LUSD and ETH), and to exercise voting rights over Liquity V2's incentive allocations.</p>
G.2	Exercise of Rights and obligations	Transfers are executed via Ethereum transactions; staking/unstaking is performed via the Liquity staking contract, both of which are subject to network gas fees (ETH).
G.3	Conditions for modifications of rights and obligations	The rights and obligations attached to LQTY as described in this white paper reflect information available at the time of issuance. This white paper is issued by Kraken and does not constitute a commitment or guarantee by Liquity or any other party regarding future modifications. No promises, warranties, or assurances are made herein regarding future token functionality, and this section is provided solely for informational purposes.
G.4	Future Public Offers	N/A
G.5	Issuer Retained Crypto-Assets	23,664,633 LQTY were originally allocated to team and advisors, with a one-year lockup and subsequent monthly vesting over 3 years (fully vested by April 2025).
G.6	Utility Token Classification	false
G.7	Key Features of Goods/Services of Utility Tokens	N/A
G.8	Utility Tokens Redemption	N/A
G.9	Non-Trading request	This white paper reflects a request to admit the token to trading.



G.10	Crypto-Assets purchase or sale modalities	N/A
G.11	Crypto-Assets Transfer Restrictions	Kraken may, in accordance with applicable laws and internal policies and terms, impose restrictions on buyers and sellers of these tokens.
G.12	Supply Adjustment Protocols	false
G.13	Supply Adjustment Mechanisms	N/A
G.14	Token Value Protection Schemes	false
G.15	Token Value Protection Schemes Description	N/A
G.16	Compensation Schemes	false
G.17	Compensation Schemes Description	N/A
G.18	Applicable law	Any dispute relating to this white paper shall be governed by and construed and enforced in accordance with the laws of Ireland without regard to conflict of law rules or principles (whether of Ireland or any other jurisdiction) that would cause the application of the laws of any other jurisdiction, irrespective of whether LQTY tokens qualify as right or property under the applicable law.
G.19	Competent court	Any disputes or claims arising out of this white paper will be subject to the exclusive jurisdiction of the Irish courts.

## Part H – information on the underlying technology

H.1	Distributed ledger technology	N/A
H.2	Protocols and technical standards	<p>Ethereum Blockchain Protocol: The Liquity token is based on the Ethereum protocol, which utilizes decentralized Distributed-Ledger Technology. This protocol provides the foundation for secure transactions and smart contracts.</p> <p>ERC20 Token Standard: The ERC20 standard is a technical protocol for issuing and managing tokens, ensuring that the LQTY token is compatible with most wallets, exchanges, and decentralized applications (DApps).</p>
H.3	Technology Used	The LQTY token uses the existing ERC-20 fungible token standard on Ethereum.
H.4	Consensus Mechanism	Ethereum uses a Proof-of-Stake (PoS) consensus mechanism, where validators are selected based on ETH stake to propose and attest to new blocks. Transactions on Ethereum typically take 12 seconds, with strong decentralization and security guarantees.
H.5	Incentive Mechanisms and Applicable Fees	LQTY relies on the existing incentive mechanisms and fee structures of the Ethereum network.
H.6	Use of Distributed Ledger Technology	false
H.7	DLT Functionality Description	N/A
H.8	Audit	true
H.9	Audit outcome	Liquity's core contracts (including LQTY) passed security assessments by Trail of Bits and Coinspect; no critical issues remain unresolved.

## Part J - Information on the suitability indicators in relation to adverse impact on the climate and other environment-related adverse impacts

S.1	Name	Payward Global Solutions Limited
S.2	Relevant legal entity identifier	9845003D98SCC2851458
S.3	Name of the crypto-asset	Liquity
S.4	Consensus Mechanism	<p>The crypto-asset's Proof-of-Stake (PoS) consensus mechanism, introduced with The Merge in 2022, replaces mining with validator staking. Validators must stake at least 32 ETH every block a validator is randomly chosen to propose the next block. Once proposed the other validators verify the block's integrity.</p> <p>The network operates on a slot and epoch system, where a new block is proposed every 12 seconds, and finalization occurs after two epochs (~12.8 minutes) using Casper-FFG. The Beacon Chain coordinates validators, while the fork-choice rule (LMD-GHOST) ensures the chain follows the heaviest accumulated validator votes. Validators earn rewards for proposing and verifying blocks, but face slashing for malicious behavior or inactivity. PoS aims to improve energy efficiency, security, and scalability, with future upgrades like Proto-Danksharding enhancing transaction efficiency.</p>
S.5	Incentive Mechanisms and Applicable Fees	<p>The crypto-asset's PoS system secures transactions through validator incentives and economic penalties. Validators stake at least 32 ETH and earn rewards for proposing blocks, attesting to valid ones, and participating in sync committees. Rewards are paid in newly issued ETH and transaction fees.</p> <p>Under EIP-1559, transaction fees consist of a base fee, which is burned to reduce supply, and an optional priority fee (tip) paid to validators. Validators face slashing if they act maliciously and incur penalties for inactivity.</p> <p>This system aims to increase security by aligning incentives while making the crypto-asset's fee structure more predictable and deflationary during high network activity.</p>
S.6	Beginning of the period to which the disclosure relates	2024-05-28
S.7	End of the period to which the disclosure relates	2025-05-28
S.8	Energy consumption	385.10788 kWh/a
S.9	Energy consumption sources and methodologies	The energy consumption of this asset is aggregated across multiple components:

		<p>To determine the energy consumption of a token, the energy consumption of the network(s) ethereum is calculated first. For the energy consumption of the token, a fraction of the energy consumption of the network is attributed to the token, which is determined based on the activity of the crypto-asset within the network. When calculating the energy consumption, the Functionally Fungible Group Digital Token Identifier (FFG DTI) is used - if available - to determine all implementations of the asset in scope. The mappings are updated regularly, based on data of the Digital Token Identifier Foundation. The information regarding the hardware used and the number of participants in the network is based on assumptions that are verified with best effort using empirical data. In general, participants are assumed to be largely economically rational. As a precautionary principle, we make assumptions on the conservative side when in doubt, i.e. making higher estimates for the adverse impacts.</p>
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