

Indxx Bitcoin Adopters Index

Index Methodology Summary

Index Overview

The Bitcoin Adopters Index is designed to track the performance of global companies that have adopted Bitcoin as a treasury reserve asset. INDXX has defined Bitcoin Adopters' as being comprised of companies that have reported the ownership of at least 100 Bitcoin as a corporate treasury asset. Bitcoin ownership as a corporate treasury asset is based on information obtained from annual reports, financial statements, and other publicly available financial documents.

Eligibility & Selection Criteria

Investability screening:

- The country of listing is classified as either Developed or Emerging market.
- A minimum total market capitalization of \$200 million.
- A 6-month average daily turnover greater than or equal to \$1 million.
- The security must have traded on 90% of the eligible trading days in the last 6 months. In case of Initial Public Offerings, such a security must have traded at least 3 months before the start of the Reconstitution/Rebalancing Process and should have traded on 90% of the eligible trading days for the past 3 months.

Primary and Secondary Security Categorization:

Companies who have been identified as Bitcoin Adopters are further classified as secondary companies if they generate at least 50% revenue from Bitcoin mining. These companies are also referred to as 'Bitcoin Network Operators'. Bitcoin Network Operators and their representation in the index is, by design, capped at 20%.

Bitcoin mining is defined as companies involved in the mining of Bitcoin & verification of the Bitcoin network, Bitcoin mining pool services, and the adding of Bitcoin transactions onto blockchain ledgers are considered. Companies classified as Bitcoin Network Operations include, but are not limited to, companies that provide Bitcoin mining infrastructure such as data center hosting services (colocation services, dedicated hosting), ASICs machines, GPUs, mining rigs, and related infrastructure for Bitcoin mining.

Index Weighting:

- Securities are weighted based on a function of their Bitcoin holdings and free float security level market capitalization.
- Within Primary securities a single security cap of 20% is applied and the excess weight is redistributed proportionally amongst the uncapped securities.
- Within Secondary securities a single security cap of 2.5% is applied and the excess weight is redistributed proportionally amongst the uncapped securities.
- Within Secondary securities a single security floor of 0.15% is applied, and the excess weight is derived proportionately from the uncapped securities.
- The total weight of Secondary companies is capped at 20%.

- Within Primary securities, the aggregate weight of securities with weights greater than or equal to 5% must not exceed 45%. In case the aggregate weight exceeds 45%, a secondary cap of 4.5% is applied. The excess weight is redistributed proportionately amongst the uncapped Primary securities.
- Within Primary securities a single security floor of 0.20% is applied, and the excess weight is derived proportionately from the uncapped Primary securities.

Rebalancing and Reconstituting:

- The index follows the quarterly reconstitution and rebalancing schedule. The reconstituted portfolio becomes effective at the close of the last trading day of March, June, September and December each year.
- The security selection and portfolio creation process start at the close of the nearest Friday falling at least one month before the Effective Day.

Important Disclosures

Investors should consider the investment objectives, risks, charges and expenses carefully before investing. For a prospectus or summary prospectus with this and other information about Grayscale Bitcoin Adopters ETF (the "Fund"), please call (866)-775-0313 or visit our website at etfs.grayscale.com/bcor. Read the prospectus or summary prospectus carefully before investing.

Investing involves risk, including possible loss of principal. The Fund is distributed by Foreside Fund Services, LLC and Grayscale Advisors, LLC is the adviser. Foreside and Grayscale are not related.