

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

<input checked="" type="radio"/> <input type="radio"/> Yes	<input type="radio"/> <input checked="" type="radio"/> <input checked="" type="checkbox"/> No
<p><input type="checkbox"/> It made sustainable investments with an environmental objective: ___%</p> <ul style="list-style-type: none"> <input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <p><input type="checkbox"/> It made sustainable investments with a social objective: ___%</p>	<p><input type="checkbox"/> It promoted Environmental/Social (E/S) characteristics and while it did not have as its objective a sustainable investment, it had a proportion of N/A of sustainable investments</p> <ul style="list-style-type: none"> <input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with a social objective <p><input checked="" type="checkbox"/> It promoted E/S characteristics, but did not make any sustainable investments</p>

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



To what extent were the environmental and/or social characteristics promoted by this financial product met?

WisdomTree Blockchain UCITS ETF (the **Fund**) promoted environmental and social characteristics by excluding investment in companies involved in the high emitting sector of thermal coal activity, tobacco and controversial weapons and which do not comply with specific environmental principles. The Fund also excluded investment in companies which do not adhere to internationally accepted human rights, labour standards or anti-corruption principles. A reference benchmark, the WisdomTree Blockchain UCITS Index (the **Index**), was designated for the purpose of attaining the social and environmental characteristics promoted by the Fund.

Exclusionary criteria forms part of the Index methodology and was used for the purposes of attaining the environmental and social characteristics promoted by the Fund. The Index excludes companies based on environmental, social and governance (**ESG**) criteria.

The ESG criteria excluded from the eligible investment universe companies that (i) are non-compliant with certain commonly accepted international norms and standards, such as UN Global Compact Principles and Organisation for Economic Co-operation and Development (OECD) guidelines, (ii) are significantly involved in controversial weapons such as biological, chemical, cluster, nuclear or white phosphorous weapons or in anti-personnel mines, (iii) are significantly involved in the tobacco industry or (iv) are significantly involved in thermal coal activity, such as coal mining and exploration and coal-based power generation, and (v) do not meet such other ESG criteria as detailed in the Index methodology.

● **How did the sustainability indicators perform?**

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

During the period, the Index applied exclusionary ESG screening and Global Screening Standard (GSS) criteria to verify companies' eligibility for inclusion in the Index. The following sustainability indicators were used to measure the environmental and social characteristics promoted by the Fund.

It has been assessed that 100% of the portfolio of the Fund was aligned with the ESG and GSS criteria applied by the Index.

The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the Union criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the Union criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

	thermal coal-based power generation.
Violations of UNGC principles and OECD Guidelines	It has been assessed that the Fund had 0% investment in companies that are non-compliant based on the ESG data provider's GSS assessment. GSS identifies companies that violate commonly accepted international norms and standards such as the UNGC principles, the UN Guiding Principles on Business and Human Rights (UNGPs), the OECD Guidelines for Multinational Enterprises and their underlying conventions.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

● ***...and compared to previous periods?***

Not applicable as there is no previous reporting period for the Fund.

● ***What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?***

Not applicable as the Fund has not committed to make sustainable investments.

● ***How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?***

Not applicable as the Fund has not committed to make sustainable investments.

— ***How were the indicators for adverse impacts on sustainability factors taken into account?***

Not applicable.

— ***Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:***

Not applicable.



How did this financial product consider principal adverse impacts on sustainability factors?

Principal adverse impacts (PAIs) on sustainability factors of investee companies are considered at the Fund level based on Table 1 of Annex I of the Regulatory Technical Standards and any relevant indicators in Tables 2 and 3 of Annex I are produced at Fund level. The Manager conducts controls on PAI indicators and monitors them. The Manager started monitoring PAIs for the Fund following the implementation of Level 2 requirements for Regulation (EU) 2019/2088.

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is: 31 December 2022.



What were the top investments of this financial product?

Largest investments	Sector	% Assets	Country
Block	Commercial	16.44%	United States
Signature Bank	Banks	14.95%	United States
Robinhood Markets	Internet	14.56%	United States
Riot Blockchain	Commercial	11.89%	United States
Coinbase Global	Diversified	11.54%	United States
Silvergate Capital	Banks	8.31%	United States
Marathon Digital	Commercial	6.56%	United States
Monex Group	Diversified	3.81%	Japan
Hut 8 Mining	Commercial	3.04%	Canada
Cleanspark	Energy –	2.05%	United States
GMO Internet Group	Internet	1.66%	Japan
Galaxy Digital Holdings	Other Finance	1.12%	United States
Canaan ADR	Semiconductors	0.97%	China
Hive Blockchain	Commercial	0.83%	Canada
Bitfarms	Commercial	0.72%	Canada

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflects the “greenness” of investee companies today.

- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.

- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

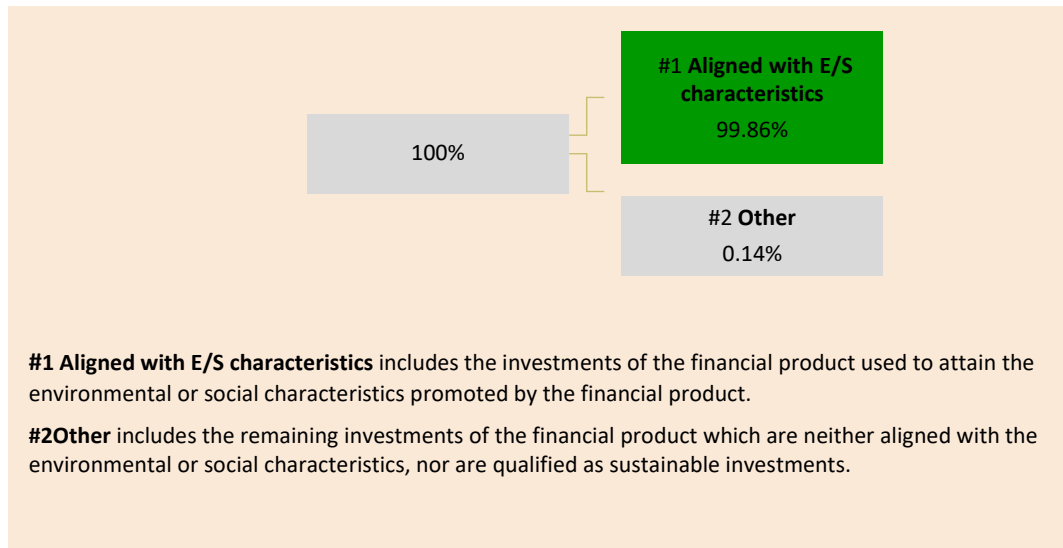


What was the proportion of sustainability-related investments?

Not applicable as the Fund has not committed to make sustainable investments.

● What was the asset allocation?

The Fund invested substantially all of its assets in the constituents of the Index. As a result, 99.86% of the Fund's investment portfolio aligned with the sustainable investment objective of the Fund. The remaining portion of the Fund's investment's ("#2 Not Sustainable") consisted of ancillary liquid assets (cash and cash equivalents) for which relevant ESG data was not available. As such, these investments were not aligned with sustainable investment objective of the Fund



● ***In which economic sectors were the investments made?***

Please refer to the "Schedule of Investments" included in the annual report for the ICAV for all information on the Fund's geographical and industry exposure as at 31 December 2022.



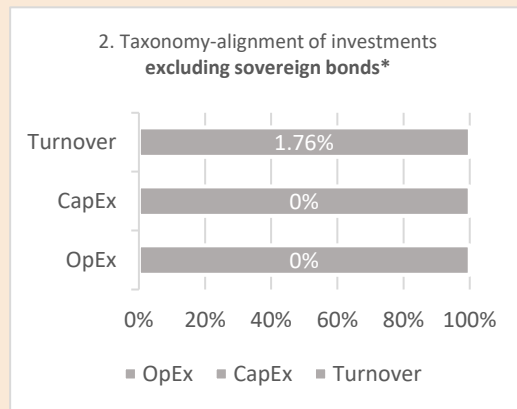
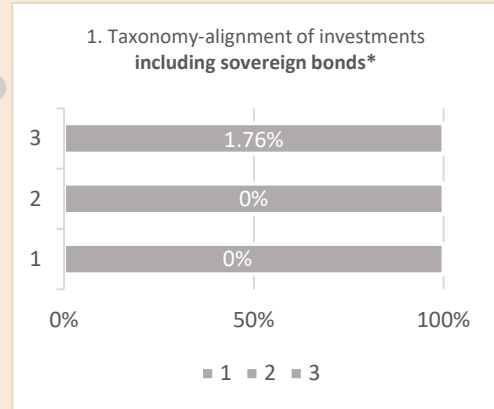
To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

During the reference period, the Fund did not make a commitment to make EU Taxonomy aligned investments. Therefore, the EU Taxonomy alignment figures reported below are an incidental result of the Fund's investment strategy and promotion of environmental and social characteristics. The EU Taxonomy alignment figures are based on figures provided by the Fund's ESG data provider.

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.*

contribution to an environmental objective.

Transitional activities are activities for which low-carbon



*For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

What was the share of investments made in transitional and enabling activities?

The share of investments made in transitional activities was 0%. The share of investments made in enabling activities was 1.76%

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Not applicable as the Fund has not committed to make sustainable investments.



What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

Not applicable as the Fund has not committed to make sustainable investments.



What was the share of socially sustainable investments?

Not applicable as the Fund has not committed to make sustainable investments.



What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

The Fund's investments were held with a view to achieving the Fund's investment objective, including investments not aligned to the environmental and/or social characteristics promoted by the Fund. As at 31 December 2022, the Fund held 0.14% in ancillary liquid assets (cash and cash equivalents), for liquidity purposes and in order to achieve its investment objective as permitted under the UCITS Regulations. At present, there are no minimum environmental or social safeguards in relation to these ancillary liquid assets.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

During the reference period, investments were made by the Fund under the condition of meeting the ESG and GSS criteria applied by the Index. Where companies met certain thresholds relating to unsustainable activities or did not meet specific environmental principles set by the Index, they were either excluded from the Index in their entirety or are excluded based on certain revenues derived from these activities.



In addition, the attainment of social objectives was measured in the same manner by verifying whether companies are eligible for inclusion in the Index based on the GSS applied by the Index. GSS identifies and excludes companies that violate or are at risk of violating commonly accepted international norms and standards, such as the UNGC Principles, the UN Guiding Principles on Business and Human Rights (UNGPs), the OECD Guidelines for Multinational Enterprises and their underlying conventions as set out in the methodology for the Index.

How did this financial product perform compared to the reference benchmark?

The Index has been designated as a reference benchmark for the purpose of determining whether the Fund is aligned with the the environmental and social characteristics it promotes. The Index is designed to track the performance of companies primarily involved in blockchain and cryptocurrency technologies. The Index also excludes companies based on specified ESG criteria outlined above. Further information on the methodology used for the calculation of the designated index can be found here: <https://www.wisdomtree.eu/en-gb/-/media/eu-media-files/documents/1604/wisdomtree-index-methodology-217.pdf>.

● ***How does the reference benchmark differ from a broad market index?***

The Index was developed by WisdomTree to identify companies primarily involved in blockchain and cryptocurrency activities. The Index is equally weighted subject to the capping and liquidity adjustment rules as described in the Index methodology. The Index is also aligned with ESG factors using exclusion criteria. The Index methodology includes the GSS process described above which takes ESG considerations into account. Companies that are non-compliant with GSS criteria are excluded. The Index methodology also excludes companies engaged in specific activities, such as involvement in controversial weapons, tobacco or thermal coal activities as described in more detail above.

● ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

The Index tracked the performance of companies primarily involved in blockchain and cryptocurrency technologies. The Index also excluded companies based on specified ESG criteria.

● ***How did this financial product perform compared with the reference benchmark?***

The Fund seeks to track the price and yield performance of the Index. The aim of the Investment Manager is to keep Tracking Error for the Fund below or equal to 2% for each share class for the Fund. The divergence between anticipated and realised Tracking Error for the period is set out at Investment Manager's report in the annual report for the ICAV.

● ***How did this financial product perform compared with the broad market index?***

As described above, the Index was developed in order to track the performance of companies primarily involved in blockchain and cryptocurrency activities and, in addition, takes into account ESG considerations and applies relevant exclusions. Accordingly, the Index is not comparable to any specific broad market index and so no comparison of the performance of the Fund relative to a broad market index during the period of this report can be provided.