

Sustainability Indicator Disclosure

At Monflo, we are committed to transparent and responsible reporting. This Sustainability Indicator Disclosure Policy outlines how we present and maintain sustainability-related information in accordance with the Markets in Crypto-Assets Regulation (MiCA).

1. General principles for the presentation of Sustainability Indicators

Monflo makes the Sustainability Indicators available on its website free of charge, in an easy-to-read format, in a way that is easy to read.

Monflo reviews and updates the Sustainability Indicators on a yearly basis and updates them in case of material changes, by providing clear evidence of the changes made. In this regard, Monflo clearly mentions the date of publication of the Sustainability Indicators and the date of the latest review or update.

The disclosure of the Sustainability Indicators is presented in such way that it allows the public to compare the adverse impacts on the climate and other environmental-related adverse impacts of the consensus mechanisms and their incentive structures across all the crypto-assets in relation to which Monflo provides crypto-asset services.

The disclosure of the Sustainability Indicators is made available by Monflo in at least one of the official languages of the Member State where Monflo has its registered office (Dutch), or in a language customary in the sphere of international finance (English).

Where Monflo provides crypto-asset services with respect to a specific crypto-asset in a Member State other than its home Member State, the disclosure of Sustainability Indicators for that crypto-asset is also made available in an official language of that host Member State, or in a language customary in the sphere of international finance (English).

As English is the language commonly used in the sphere of international finance, Monflo has chosen to opt for disclosure of Sustainability Indicators in English.

2. Specific principles for the presentation of Sustainability Indicators

In relation to crypto-assets for which Monflo provides crypto-asset services, Monflo (may) provide(s) on its website the information as set out in this paragraph of the Sustainability Indicator Disclosure Policy.

Monflo provides on its website the **Mandatory Sustainability Indicators** referred to in the Annex to this Sustainability Indicator Disclosure Policy, in the format set out therein.

In brief, the Mandatory Sustainability Indicators include:

- general information on the relevant crypto-asset and the features of the relevant consensus mechanism;
- key indicator on energy consumption; and
- sources and methodologies used to calculate the key indicator.

In principle, Monflo will base this information on the Mandatory Sustainability Indicators provided in the crypto-asset white paper of the relevant crypto-asset. To the extent no Mandatory Sustainability Indicators are made available in a crypto-asset white paper, Monflo will generate the required information by using other sources and methodologies.

3. Specific principles for disclosure

General information

In the section 'General information' of the Mandatory Sustainability Indicators, Monflo discloses all of the following information:

- Monflo's name and LEI;
- information on the features of the consensus mechanisms used for the validation of transactions and for the maintenance of the integrity of the distributed ledger of transactions and the incentive structure as reported pursuant to the relevant crypto-asset white paper; and
- the reference period of the statement, and the period for which estimates are used.

Sources and methodologies

Where Monflo uses information obtained from crypto-asset white papers, Monflo provides the name and relevant identifier of the person drawing up that white paper in the section 'Sources and methodologies' to this Sustainability Indicator Disclosure Policy.

Where the provided information was subject to a verification by one or more third parties, Monflo indicates it and provides the name or names of such third parties in the section on 'Sources and methodologies' to this Sustainability Indicator Disclosure Policy.

Moreover, in the section 'Sources and methodologies' to this Sustainability Indicator Disclosure Policy, Monflo may provide the following information:

- the methodology to estimate missing, unreported, or underreported metrics;
- the external data sets used in the estimation of missing, unreported or underreported metrics;
- the name and a hyperlink to the website of the external provider of the data on which the estimates are based, where relevant; and
- the methodology used to offset the energy consumption.

Where any of the information as mentioned above is not included, Monflo indicates it in a clear manner.

Calculation methodologies

To the extent the Sustainability Indicators are not presented in the crypto-asset white paper of the relevant crypto-asset, Monflo uses methodologies to calculate the climate and other environmental-related indicators that are rigorous, systematic, objective, capable of validation and apply continuously.

In this context, the information referred to in fields S.8 (Energy consumption) of the Annex to this Sustainability Indicator Disclosure Policy, is calculated in accordance with the relevant calculation guidance as set out in the European Sustainability Reporting Standards (ESRS). ²

Estimates

Where the information relating to any of the Sustainability Indicators is not readily available, Monflo provides estimates, together with details of the best efforts carried out to obtain the information by conducting additional research, cooperating with third party data providers or external experts or making reasonable assumptions.

In such case, Monflo includes the details of the best efforts in the section on 'Sources and methodologies', including by disclosing the following:

- the fact that estimates have been used;
- a clear indication of which Sustainability Indicators are provided based on estimates; and
- the methodology used to calculate the climate and other environmental-related indicators, including:
 - a description of deviations from the calculation guidance referred to in the ESRS as set out in paragraph 2.3.3 of this Sustainability Indicator Disclosure Policy; and
 - the main assumptions and precautionary principles underlying those estimates.