

Eurite Euro Token (EURI)
Euro Stablecoin White Paper
E-Money Token

10 June 2024

EURITE
Euro Token

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DISCLAIMERS

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THIS CRYPTO-ASSET WHITE PAPER COMPLIES WITH TITLE IV OF REGULATION (EU) 2023/1114 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL OF 31 MAY 2023 ON MARKETS IN CRYPTO-ASSETS, AND AMENDING REGULATIONS (EU) NO 1093/2010 AND (EU) NO 1095/2010 AND DIRECTIVES 2013/36/EU AND (EU) 2019/1937 ("MICA") AND TO THE BEST OF THE KNOWLEDGE OF THE MANAGEMENT BODY, THE INFORMATION PRESENTED IN THE CRYPTO-ASSET WHITE PAPER IS COMPLETE, FAIR, CLEAR AND NOT MISLEADING AND THE CRYPTO-ASSET WHITE PAPER MAKES NO OMISSION LIKELY TO AFFECT ITS IMPORT.

THIS E-MONEY TOKEN IS NOT COVERED BY THE INVESTOR COMPENSATION SCHEMES UNDER DIRECTIVE 97/9/EC. THIS E-MONEY TOKEN IS NOT COVERED BY THE DEPOSIT GUARANTEE SCHEMES UNDER DIRECTIVE 2014/49/EU.

THE SUMMARY SHOULD BE READ AS AN INTRODUCTION TO THE CRYPTO-ASSET WHITE PAPER. THE PROSPECTIVE HOLDER SHOULD BASE ANY DECISION TO PURCHASE EURI ON THE CONTENT OF THE CRYPTO-ASSET WHITE PAPER AS A WHOLE AND NOT ON THE SUMMARY ALONE.

THE OFFER TO THE PUBLIC OF THE 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.

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SUMMARY

<p>Issuer</p>	<p>The Issuer is Banking Circle S.A ("Banking Circle") which has been granted authorisation as a credit institution under the supervision of the Luxembourg Commission de surveillance du secteur financier ("CSSF").</p> <p>The Issuer intends to offer the Eurite Euro e-money token ("EURI") to the public in the European Economic Area (the "EEA") as well as any other jurisdictions where EURI may be lawfully traded, exchanged or transferred.</p>
<p>Offer</p>	<p>EURI will be initially offered for trading on Binance digital asset trading platform which can be accessed at the following address: https://binance.com ("Binance Trading Platform"). EURI may be listed on different trading platforms in the future.</p>
<p>Access to Offer</p>	<p>In order to access the Binance Trading Platform, it is necessary to create a Binance account and follow the required steps for registration.</p> <p>There is no particular cost to access and create a Binance account. After an account is created, trading on the Binance Trading Platform is subject to trading fees as disclosed on the Binance Trading Platform and in accordance with the applicable Binance Terms of use.</p>
<p>Characteristics of the crypto-asset</p>	<p>In this white paper, we present the EURI that is backed on a one-for-one basis by cash in EUR currency, issued by Banking Circle acting in its capacity as fiduciary as detailed below.</p> <p>EURI will be issued as an ERC-20 token on the Ethereum ("ETH") Blockchain and as a BEP-20 token on the BNB Smart Chain ("BSC") blockchain which will be pegged to the EUR on a 1:1 basis. EURI will be issued at par value (i.e. 1 EUR for every EURI) on the receipt of funds from the holders of EURI.</p> <p>Monthly attestation reports published by Ernst & Young Luxembourg ("EY") (publicly available on the website www.bankingcircle.com) will ensure parity between the EURI in circulation and the cash received from EURI holders.</p>
<p>Segregation of customer funds</p>	<p>All customer funds that are received by Banking Circle as fiat currency for the purchase of the EURI, will be segregated in another account, separate from Banking Circle's own assets, in accordance with the 2003 Act (as defined below) (the "Safeguarded Customer Funds").</p> <p>This means that the Safeguarded Customer Funds are only used for specific purposes and are protected if Banking Circle goes bankrupt. If the stability of EURI is threatened, the holders of EURI</p>

	will be recognised as the beneficiaries of the Safeguarded Customer Funds.
Right of Redemption	<p>The holders of EURI have a right of redemption at any time and at par value, meaning that they can request for Banking Circle to redeem (return) the EURI at par value (EUR 1 per EURI) at any given time, subject to satisfactory customer due diligence checks being carried out by Banking Circle.</p> <p>The redemption of EURI token shall not be subject to a fee.</p>
EURI white paper	<p>This white paper describes the features of EURI, allowing users to transact in a crypto-asset fully backed by Euro that is trusted and secure, subject to European regulatory oversight.</p> <p>This white paper intends to highlight the main risks of EURI issued by Banking Circle. It is not an exhaustive list of risks. EURI holders should carefully consider any and all risk factors and consult their own professional advisers about the suitability of purchasing this asset in light of their particular circumstances.</p>
Use cases	There are several use cases for EURI, including but not limited to an efficient payment solution, managing volatility exposure, smart contracts, out of hours settlement, treasury management etc.

ESMA GUIDELINES

The Draft Implementation Technical Standards published in a consultation paper by the European Securities and Markets Authority ("**ESMA**") dated 5 October 2023, have been followed to prepare this white paper and to outline the necessary disclosures requirements under MiCA. **In particular please refer to Parts A to G on pages 6 to 36 using ESMA's recommended templates for preparing the white paper.**

PART A

Information about the Issuer of the E-Money Token

A.1	Name	Banking Circle S.A.
A.2	Legal form	Société Anonyme
A.3	Registered address	2 Boulevard de la Foire L-1528 Luxembourg, Luxembourg
A.4	Head office	2 Boulevard de la Foire L-1528 Luxembourg, Luxembourg
A.5	Registration Date	2018-03-05
A.6	Legal Entity Identifier	213800W1NGBLERUS6M39
A.7	Other identifier required pursuant to applicable law	N/A
A.8	Contact telephone number	+44 (0)7867 254482 Thomas Bolden Head of Client Services
A.9	Email address	clientservices@bankingcircle.com
A.10	Response Time (Days)	Five Business Days
A.11	Parent Company	B Circle Holding S.A. LEI number: 213800O8W1TAC2NTY395
A.12	Management	Authorised management responsible for the day-to-day operations consists of the following authorised managers: 1. Laust Vrist Bertelsen; 2. Michael Bo Norlem Hansen; and 3. Morten Juhl Lilleøre.

		<p>The board of directors consists of the following board members:</p> <ol style="list-style-type: none"> 1. Wolfgang Gaertner; 2. Mads Munkholt Ditlevsen; 3. Tomas Leonardo Mendoza-Gutfreund; and 4. Marie-Anne Van Den Berg. <p>The business address of the abovementioned authorised management is at 2 Boulevard de la Foire L-1528 Luxembourg, Luxembourg.</p>
A.13	Business Activity	<p>Banking Circle S.A. has been granted authorisation as a credit institution under point (1) of Article 4(1) of Regulation (EU) No 575/2013, (Bank number LUB00000408) and is under the supervision of the Luxembourg financial sector supervisory authority, the <i>Commission de surveillance du secteur financier</i>.</p> <p>Headquartered in Luxembourg, Banking Circle also has branches in the UK, Germany and Denmark. Banking Circle is a fully licensed next generation payments bank that is designed to meet the global banking and payments needs of payments businesses, banks and marketplaces.</p> <p>Banking Circle's solutions are powering the payments propositions of more than 250 regulated businesses, financial institutions and marketplaces, enabling them to gain the geographic reach and access to the markets in which their customers want to trade. Banking Circle processed over 470 billion Euros in payments volumes in 2023.</p> <p>For the purposes of the EURI issuance, Banking Circle acts as fiduciary in accordance with the 2003 Act. All references to Banking Circle hereafter shall be read as references to Banking Circle S.A. acting as fiduciary in accordance with the Luxembourg act dated 27 July 2003 on trusts and fiduciary contracts (the "2003 Act") in connection with the EURI fiduciary estate (or the Safeguarded Customer Funds as defined in the summary section above).</p>
A.14	Parent Company Business Activity	<p>Holding company.</p> <p>The objects of B Circle Holding S.A. (the "Company") are:</p> <ol style="list-style-type: none"> a) to act as an investment holding company and to coordinate the business of any corporate bodies in which the Company is, for the time, being directly or indirectly interested, and to acquire (whether by original subscription, tender, purchase, exchange or otherwise) the whole of or any part of the stock, shares, debentures, debenture stocks, bonds and other securities issued or

		<p>guaranteed by any person or any other asset of any kind, and to hold the same as investments, and to sell, exchange and dispose of the same;</p> <p>b) to carry on, directly or indirectly through any such corporate bodies, any trade or business whatsoever and to acquire, undertake and carry on the whole or any part of the business, property and/or liabilities of any person carrying on any such business;</p> <p>c) to invest and deal with the Company's money and funds in any way the board of directors may think fit and to lend money and give credit in each such case to any person, with or without security;</p> <p>d) to borrow, raise and secure the payment of money in any way the board of directors may think fit, including by the issue (to the extent permitted by the Luxembourg Law) of debentures and other securities or instruments, perpetual or otherwise, convertible or not, whether or not charged on all or any of the Company's property (present and future) or its uncalled capital, and to purchase, redeem, convert and pay off those securities;</p> <p>e) to acquire an interest in, amalgamate, merge, consolidate with and enter into partnership or any arrangement for the sharing of profits, union of interests, cooperation, joint venture, reciprocal concession or otherwise with any person, including any employees of the Company;</p> <p>f) to enter into any guarantee or contract of indemnity or suretyship, and to provide security for the performance of the obligations of and/or the payment of any money by any person (including any body corporate in which the Company has a direct or indirect interest or any person (a "Holding Entity") which is, for the time being, a member of or otherwise has a direct or indirect interest in the Company or any body corporate in which a Holding Entity has a direct or indirect interest and any person who is associated with the Company in any business or venture), with or without the Company receiving any consideration or advantage (whether direct or indirect), and whether by personal covenant or mortgage, charge or lien over all or part of the Company's undertaking, property, assets or uncalled capital (present and future) or by other means; for the purposes of this document "guarantee" includes any obligation, however described, to pay, satisfy, provide funds for the payment or satisfaction of, indemnify and keep indemnified against the consequences of default in the payment of, or otherwise be responsible for, any indebtedness or financial obligations of any other person;</p>
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		<p>g) to purchase, take on lease, exchange, hire and otherwise acquire any real or personal property and any right or privilege over or in respect of it;</p> <p>h) to sell, lease, exchange, let or hire and dispose of any real or personal property and/or the whole or any part of the undertaking of the Company, for such consideration as the board of directors may think fit, including for shares, debentures or other securities, whether fully or partly paid up, of any person, whether or not having objects (altogether or in part) similar to those of the Company; to hold any shares, debentures and other securities so acquired; to improve, manage, develop, sell, exchange, lease, mortgage, dispose of, grant options over, turn to account and otherwise deal with all or any part of the property and rights of the Company;</p> <p>i) to do all or any of the things provided in any paragraph of the relevant paragraph of the Company Articles: (i) in any part of the world; (ii) as principal, agent, contractor, trustee or otherwise; (iii) by or through trustees, agents, subcontractors or otherwise; and (iv) alone or with another person or persons; and</p> <p>j) to do all things (including entering into, performing and delivering contracts, deeds, agreements and arrangements with or in favour of any person) that are in the opinion of the Board of Directors incidental or conducive to the attainment of all or any of the Company's objects, or the exercise of all or any of its powers.</p> <p>PROVIDED ALWAYS that the Company will not enter into any transactions which would constitute a regulated activity of the financial sector or require a business licence under Luxembourg Law without due authorisation under Luxembourg Law.</p>
A.15	Conflicts of Interest Disclosure	<p>Banking Circle acts as the fiduciary issuer of EURI.</p> <p>The minting and burning processes are conducted through Fireblocks, a third party technology provider.</p> <p>Banking Circle may from time-to-time act as the safeguarding or reserve bank for other stablecoin (including asset-reference token or e-money token) issuers. Banking Circle does not invest or trade in crypto assets whether as principal or agent.</p> <p>Banking Circle as a bank offers banking services to various entities including the entity(ies) that provide the smart contract used for the issuance of the EURI.</p>
A.16	Issuance of other crypto-assets	No.

A.17	Activities related to other crypto-assets	No.
A.18	Connection between the issuer and the entity running the DLT	No.
A.19	Description of the connection between the issuer and the entity running the DLT	None. We will be launching the EURI on a permissionless/public blockchain and no connection is required with the entity running the DLT.
A.20	Newly Established	No.
A.21	Financial condition over the past three years	<p>The main activities of Banking Circle are the provision of payments services, deposit accounts and foreign exchange services to mainly other banks or financial institutions, and Banking Circle aims to become a truly global B2B technology platform for payments. Banking Circle does not provide services to consumers or retail clients.</p> <p>Banking Circle has gone through a significant development in the most recent three-year period (2021-2023). During this period, Banking Circle succeeded in growing net operating income from EUR 24m to EUR 125m driven by Fee and Net Interest Income. The significant growth has been enabled through the considerable investments in technologies, products and people as well as driven by the increases in market interest rates.</p> <p>Even with continued significant investments and expanding the cost base, Banking Circle succeeded for the first time in 2023 in realising a positive net profit after tax amounting to EUR 13m, something which is considered very satisfactory.</p> <p>During the period total assets have increased from EUR 2.1bn to EUR 3.5bn mainly driven by balances on clients' accounts, which are again mainly driven by increases in payment volumes. In 2023 Banking Circle started fiduciary operations with a total balance of EUR 1.2bn at the end of 2023.</p> <p>Banking Circle has a low market and liquidity risk profile reflected by its balance sheet composition, with more than 85% of its funds placed in highly rated and liquid government bonds or with central banks. This, in combination with a balance sheet being matched</p>

		<p>from a forex perspective, makes Banking Circle well positioned to withstand stress scenarios.</p> <p>Banking Circle maintains, and has done so throughout the period, a strong capitalisation to ensure both regulatory compliance and internal needs. Total equity has increased from EUR 115m to EUR 182m in the last three-year period.</p> <p>With a focus on sustainable growth and continued investments in the operational platform, management expects that scaling activities will lead to substantial increases in net operating income and profits in the coming years.</p> <p>For reference, full year figures for 2021-2023 can be found publicly available on www.bankingcircle.com.</p> <p>Pillar 3 reports can also be found publicly available on the Banking Circle webpage www.bankingcircle.com.</p>
A.22	Financial condition since registration	Not applicable, Banking Circle has been registered for more than three years.
A.23	Exemption from authorisation	No.
A.24	Asset Token Authorisation	Banking Circle S.A. is authorised as a credit institution under point (1) of Article 4(1) of Regulation (EU) No 575/2013, (Bank number LUB00000408).
A.25	Authorisation Authority	Commission de surveillance du secteur financier (CSSF).
A.26	Persons other than the issuer offering to the public or seeking admission to trading of the e-money token according to Article 51(1), second subparagraph, of Regulation (EU) 2023/1114	<p>N/A.</p> <p>Banking Circle will seek admission to trading. No other person may act as offeror of EURI without Banking Circle's prior approval.</p>

A.27	Reason for offering to the public or seeking admission to trading of the e-money token by persons referred to in Article 51(1), second subparagraph, of Regulation (EU) 2023/1114	N/A.
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PART B

Information about the E-Money Token

B.1	Name	Eurite Euro Token.
B.2	Abbreviation	EURI.
B.3	E-money token Characteristics	<p>Reference to ISO 24165 DTI (Digital Token Identifier) for ERC20 is V6S4PH8ZL and for BEP20 is T6M9T84LS. These will be categorised as Functional Fungible Group (FFG) – DTI Type 3 tokens. The FFG DTI is LGPZM7PJ9.</p> <p>ESMA Register: per requirements under Article 109 (para 4) of MiCA:</p> <p>(a) <i>the name, legal form and legal entity identifier of the issuer;</i></p> <p>Banking Circle S.A. with LEI: 213800W1NGBLERUS6M39</p> <p>(b) <i>the commercial name, physical address, telephone number, email and website of the issuer;</i></p> <p>Banking Circle, 2 Boulevard de la Foire L-1528 Luxembourg, Luxembourg, +44 (0)7867 254482, www.bankingcircle.com, clientservices@bankingcircle.com.</p> <p>(c) <i>the crypto-asset white papers and any modified crypto-asset white papers, with the out-of-date versions of the crypto-asset white paper kept in a separate archive and clearly marked as out-of-date;</i></p> <p>White paper enclosed.</p> <p>(d) <i>the starting date, or, if not available at the time of the notification by the competent authority, the intended starting date, of the offer to the public or the admission to trading;</i></p> <p>9 July 2024</p> <p>(e) <i>any other services provided by the issuer not covered by this Regulation, with a reference to the applicable Union or national law;</i></p>

Banking Circle provides services pursuant to its authorisation as a credit institution under article 2 of the Luxembourg law of 5 April 1993 on the Financial Sector and point (1) of Article 4(1) of Regulation (EU) No 575/2013, each as amended with Bank number LUB00000408 and is under the supervision of the Luxembourg Commission for the Financial Sector.

(f) *the date of authorisation as a credit institution or as an electronic money institution and, where applicable, of withdrawal of that authorisation.*

31 December 2019

EURI will be classified an Electronic Money Token pursuant to MiCA, a type of crypto asset the main purpose of which is to be used as a means of exchange and that purports to maintain a stable value by referring to the value of a fiat currency that is legal tender. In the case of EURI, the legal tender against which it is referenced is the Euro issued by the European Central Bank.

1. **User Protection and Safeguarding of Assets**

EURI will be issued and redeemed by Banking Circle and the underlying safeguarded funds and assets will be held under a fiduciary arrangement governed by the 2003 Act.

As a separate fiduciary estate is created pursuant to the transfer of the funds to Banking Circle, the funds will be held for the benefit of the principals (i.e., the holders of the EURI) in relation to the fiduciary estate. In this instance, the fiduciary grants token holders rights as third party beneficiaries, in particular the right to redeem the tokens against the fiduciary estate at par value (i.e. 1 EUR for every EURI).

This arrangement ensures full segregation of the funds in a dedicated fiduciary estate which in turn is backing the value of the EURI separate from Banking Circle's own assets and activities, so that they are only dedicated to such purpose, and the funds are bankruptcy remote in the event of an insolvency of Banking Circle. Upon events that would threaten the stability mechanisms of the EURI, the holders of EURI will be recognised as beneficiaries of the fiduciary estate.

Within the fiduciary structure, all EURI holder fiat funds received in exchange of EURI will be segregated and held in cash in a bankruptcy remote structure.

For additional information, please refer to the fiduciary terms and conditions (the "**EURI T&Cs**") available on www.bankingcircle.com.

		<p>2. Transparency and Reporting</p> <p>As EURI will be issued and redeemed on public blockchains, the tokens in circulation and issuance/redemption transactions will be transparent to market participants. Distributed ledger technology and the public records of transactions on the blockchain allow for a democratisation of access to information and a consensus driven protocol for the confirmation of transactions.</p> <p>Banking Circle has engaged an external audit firm EY to provide monthly attestation reports, which will be publicly available through our website, www.bankingcircle.com. The monthly attestations report EURI in circulation and the safeguarded cash or assets backing the issued tokens.</p> <p>3. AML measures and transaction monitoring</p> <p>Banking Circle conducts anti-money laundering checks in line with European regulatory standards to ensure that due diligence is carried out on all clients participating directly with Banking Circle. These checks follow the European Union's 5th Anti-Money Laundering Directive (5AMLD) and take place at the relationship initiation and at the regulatory required intervals.</p> <p>All fiat transactions (including those related to the issuance and redemption of EURI) are subject to ongoing transaction monitoring.</p> <p>EURI is built on the Ethereum and BNB Smart Chain blockchains and will be subject to transaction monitoring as well as risk assessments for fraud identification and prevention.</p> <p>4. No cross-currency risk</p> <p>The funds received in exchange of EURI will be part of a fiduciary estate and kept in cash in EUR in order to avoid cross-currency risks as per recital 70 of MiCA.</p>
B.4	Details of all natural or legal persons involved in the implementation of the crypto-asset project	<p>Fireblocks Ltd. (Incorporated in Israel).</p> <p>Exchange Platforms (as appointed from time to time, such as Binance France SAS incorporated in France).</p> <p>Other exchange platforms may also act as: initial purchasers of EURI; or offeror of EURI on behalf of the Issuer (in accordance with Article 48(1) last paragraph of MiCA) to the extent applicable, provider of various crypto-asset services in relation to EURI (in accordance with MiCA).</p>

		StableMint Labs Pte. Ltd. (Incorporated in Singapore). Peckshield Inc. (Incorporated in Cayman Island). Ernst & Young (Incorporated in Luxembourg).
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PART C

Information about the Offer to the Public of the E-Money Token or its Admission to Trading

C.1	Public Offering or Trading	Admission to trading – (ATTR) and Offer to the Public (OTP). Banking Circle will be offering the EURI to the public through this white paper and admitting the EURI to trading through the trading platforms.
C.2	Number of units	Not applicable. There is no specific limit of EURI that will be issued. The number of EURI issued will be based on the demand for subscription.
C.3	Trading Platforms	Binance.com Other trading platforms as appointed from time to time.
C.4	Applicable law	Luxembourg law.
C.5	Competent court	Luxembourg courts.

PART D

Information on the Rights and Obligations Attached to E-Money Tokens

D.1	Holder's rights and Obligations	<p><i>Redemption Rights</i></p> <p><i>Redemption Procedure</i></p> <p>EURI holders who wish to redeem their tokens directly with the Issuer should follow the process listed on www.bankingcircle.com.</p> <p>Purchasers can exchange their EURI at par value for funds denominated in the official currency that the EURI is referencing (EUR) for the monetary value of the EURI held by Banking Circle for the purchaser of the EURI. EURI can be redeemed directly with Banking Circle by reaching out to redemption@bankingcircle.com, subject to completing customer due diligence checks, and returning the relevant EURI. Where the redeeming party is a client of Banking Circle, the necessary wallet screening shall take place prior to fiat being returned. Where the redeeming party is not a Banking Circle client they will be subject to the appropriate level of due diligence, and wallet screening, prior to successful redemption.</p> <p>Unless previously redeemed or recalled and cancelled, Banking Circle will redeem each EURI, at the request of the purchaser, five Business Days following receipt of a redemption request and subject to the completion of the purchaser KYC checks and the transfer of the EURI into Banking Circle burn wallet, by paying to the relevant purchaser the redemption amount. In such a case, the obligations of Banking Circle shall be fully discharged and the relevant purchaser shall have no further claim or recourse against Banking Circle.</p> <p><u>Issuance of EURI</u></p> <p>EURI will be issued at par value (i.e. 1 EUR for every EURI) on the receipt of funds per the details below:</p> <ul style="list-style-type: none">• Amount of the offer: EURI will be initially offered in an amount of 5m EURI. Banking Circle reserves the right to further issue in the future EURI, under identical terms as described in this white paper and in the EURI T&Cs, depending on the purchasers or potential purchasers' future interest and subscription requests for EURI.• Subscription target goals: Banking Circle, as fiduciary, intends to have all the initially issued EURI subscribed by the initial purchasers. As the EURI is issued upon receipt of funds (in accordance with Article 49(3) of MiCA), the full amount of EURI will be subscribed by purchasers. Future
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		<p>issuances of EURI may be carried out by Banking Circle, as detailed above.</p> <ul style="list-style-type: none"> • Issue price: EURI will be issued at par value against the funds received, i.e. 1 EUR for 1 EMT. The issuance will be conditional on the payment of the subscription price, in accordance with the payment terms set out in the EURI T&Cs. • Subscription fees: Banking Circle will not charge any subscription fees. • Total number of EMT issued: 5m EURI will be issued, corresponding to the initial amount of the offer without a maximum amount regarding potential future issuances. Banking Circle reserves the right to further issues in the future EURI depending on the purchasers or potential purchasers' future interest and subscription requests for EURI. • Minimum and maximum amount of subscriptions: initial purchasers are required to subscribe for a minimum of 100,000 EURI. The maximum subscription amount per purchaser is 20m EURI. Banking Circle however reserves the right, in its discretion to disapply the maximum amount for subscriptions/impose maximum subscription limits, in the future. • Prospective holders: The EURI is designed to be held by any type of purchaser, including retail holders within the meaning of MiCA. The EURI will be offered on a number of trading platforms and exchanges, as the case may be, including Binance. Every EURI holder will be subject to the terms of this white paper and of the EURI T&Cs and as applicable to the relevant terms of use of the Exchange Platform on which EURI is listed. • Description of the subscription process: Initial purchasers in EURI may subscribe to EURI by submitting a subscription request to Banking Circle, acting as fiduciary, in accordance with the notification and communication terms detailed in the EURI T&Cs. Any exchange, transfer or trade of EURI resulting in a transfer of EURI from an EURI holder to another purchaser would be subject to the rules and terms and conditions applicable on the relevant trading platform and, as applicable, to the terms of this white paper and of the EURI T&Cs. • Phases of the offer to the public: Banking Circle, acting as fiduciary, will carry out an issuance of EURI on a number of exchanges and trading platforms, including Binance and will initially have the EURI admitted to trading on the Binance Trading Platforms for crypto-assets and other
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Trading Platforms later in the process. Future issuances of EURI may be carried out by Banking Circle, acting as fiduciary, depending on the purchasers or potential purchasers future interest and subscription requests for EURI, as detailed above.

- **Information on discounted purchase price for early purchasers:** EURI will not be issued at a discounted price for early purchasers or any subsequent holders.
- **Subscription period:** There is no defined subscription period. EURI may be acquired on a continuing basis. The initial issuance will occur on 9 July 2024. Further issuances may be carried out in the future, depending on the purchasers or potential purchasers future interest and subscription requests for EURI.
- **Method and time limits for issuing and delivering the EURI:** EURI will be issued against receipt by Banking Circle, acting as fiduciary, of payment of the subscription funds, in accordance with the terms set out in the EURI T&Cs.

The EURI will then immediately be issued in the digital wallet indicated by the initial purchaser.

Admission to trading and transfer of EURI

EURI will be admitted to trading on the following crypto-assets exchange platforms: binance.com in the EEA as well as any other jurisdictions where EURI may be lawfully traded, exchanged or transferred. On the same platforms, EURI may be used by holders to make transfers or payments, in accordance with this white paper, the EURI T&Cs and the governing rules of the platform (as appropriate).

Substitution of issuer

Banking Circle may, without any further consent of the holders of the EURIs, decide to transfer its rights and obligations related to EURI to a new issuer in the future, subject to the following:

- The new issuer must be authorised either as a credit institution or as an electronic money institution, in accordance with MiCA requirements and should comply with all appropriate conditions for issuance of e-money tokens, as provided in MiCA;
- The transfer shall be effected only once all appropriate regulatory notifications have been carried out (including the notification and publication of an amended and restated white paper); and
- the transfer shall be carried out in accordance with and subject to the conditions set out in the EURI T&Cs available on www.bankingcircle.com.

		Where such a transfer would occur, all rights and obligations attached to the EURI will be transferred and applicable to the new issuer and the new issuer shall be deemed as the issuer of EURI.
D.2	Rights and obligations modification	<p>Any and all amendment in the rights and obligations of Banking Circle or of the holders of EURI under this white paper or under the EURI T&Cs will be carried out in accordance with the MiCA requirements and with the terms set out in the EURI T&Cs (available at www.bankingcircle.com).</p> <p>The amended white paper shall be published and notified to the CSSF, in accordance with Article 51(12) of MiCA.</p> <p>The amended version of the EURI T&Cs shall be published on www.bankingcircle.com.</p>
D.3	Description of the rights of the holder	<p>The funds transferred by the EURI holders to subscribe to EURI will be kept in a separate fiduciary estate, in accordance with the 2003 Act. Those funds will be segregated and held for the benefit of the EURI holders as principals.</p> <p>Holders of EURIs only have rights in respect of the Fiduciary Contract (that is a pro rata share of the fiduciary estate) and not against Banking Circle S.A. as a whole. For additional information, please refer to the EURI T&Cs which are published on www.bankingcircle.com.</p>
D.4	Rights in implementation of recovery plan	<p>Banking Circle will ensure that its Recovery Plan is amended to expand and cover a minimum set of categories of recovery plan indicators associated with issuance of stablecoin. Banking Circle will carefully assess the type of events that may lead to a breach of the regulatory requirements applicable to Banking Circle and assign appropriate indicators that are both quantitative and qualitative in nature.</p> <p>Furthermore, Banking Circle will put in place specific mitigants to protect the rights of the holder and value of the tokens e.g. the assets will be placed in segregated accounts (i.e. fiduciary) and thus not affected by any insolvency proceedings Banking Circle may face. In case of any breaches of these recovery plan indicators, Banking Circle's recovery options, including those that would strengthen the capital position and improve the liquidity position of Banking Circle, are aligned with the triggered threshold indicator and its escalations and communication plans are adapted to cover the stakeholders concerned.</p> <p>Moreover, in this context, it can be noted that the main shareholder maintains a firm commitment to support Banking Circle so that it remains compliant with all capital, liquidity and other applicable prudential regulations and thus will be able to cover any upcoming funding needs.</p>

D.5	Rights in implementation of redemption plan	<p>Implementation Rights of the Redemption Plan</p> <p>In the context of the implementation of the redemption plan for crypto assets under MiCA, certain rights ensure that the process is carried out fairly, transparently, and efficiently. These rights are crucial for maintaining the integrity of the redemption process and protecting the interests of all stakeholders involved. Key rights on the purchasers in the implementation of the Redemption Plan:</p> <p><i>1. Rights to Secure Transactions</i></p> <p>Purchasers have the right to secure and private handling of the redemption requests and associated data. All transactions must be conducted through secure channels to protect against fraud and unauthorised access.</p> <p>Right to Timely Redemption</p> <p>Purchasers are entitled to timely processing of their redemption requests. Subject to completing customer due diligence checks EURI repayments must be completed within five business days, ensuring purchasers have access to their funds promptly.</p> <p><i>2. Right to Equitable Treatment</i></p> <p>All purchasers must be treated equitably, with their redemption requests processed in a fair and impartial manner. This guarantees no favouritism or discrimination, preserving trust in the redemption process.</p> <p><i>3. Right to Dispute Resolution</i></p> <p>In case of any issues during the redemption process, holders have the right to access an efficient process for dispute resolution as detailed in section D.8 of this white paper, and any grievance are addressed promptly and fairly.</p> <p><i>4. Right to Regulatory Recourse</i></p> <p>If disputes are unresolved, holders have the right to escalate their concerns to relevant regulatory authorities, providing an additional layer of protection and ensuring compliance with MiCA regulations.</p> <p><i>5. Right to Information and Updates</i></p> <p>Purchasers have the right to receive timely updates on the status of their redemption requests and any changes to the redemption process. This transparency helps holders stay informed and confident in the redemption process.</p>
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		<p>6. <i>Right to effective execution</i></p> <p>The holders have the right to expect that the redemption plan is implemented effectively and in accordance with the outline's procedures. This ensures that all aspects of the redemption process are carried out as promised and without unnecessary delays.</p> <p>7. <i>Right to Access Support and Resources</i></p> <p>The holders have the right to access support services and resources to assist with the redemption process. This includes customer service support, details FAQs, and guidance documents to help navigate the redemption procedures.</p> <p>The rights associated with the implementation of the redemption plan are essential to ensure that the process is carried out effectively, transparently, and fairly. These rights protect stakeholders' interests and uphold the integrity of the redemption process under MiCA, fostering trust and confidence in the crypto asset market.</p>						
D.6	Complaint Submission Contact	complaints@bankingcircle.com						
D.7	Complaints Handling Procedures	<p>The handling of a complaint shall be fair, reasonable, prompt and in line with the timeframes described below. A complaint may be escalated to the person in charge of complaints at the management level if the complainant has not received a satisfactory resolution within 15 days, or more if Banking Circle states a valid reason for the delay, after the first instance the complaint was filed.</p> <p>The complainant has the option to escalate to the CSSF for an-out-of-court resolution after 30 days after raising the complaint to Banking Circle. Every effort by both parties should be made to resolve the complaint prior to any escalation to the CSSF.</p> <p>The service levels and owners for each category are specified below.</p> <table border="1" data-bbox="515 1659 1385 2036"> <thead> <tr> <th data-bbox="515 1659 735 1760">Complaint Type</th> <th data-bbox="735 1659 927 1760">Owner</th> <th data-bbox="927 1659 1385 1760">Service Level (maximum time)</th> </tr> </thead> <tbody> <tr> <td data-bbox="515 1760 735 2036"><i>(Reportable) Complaint</i></td> <td data-bbox="735 1760 927 2036">Compliance</td> <td data-bbox="927 1760 1385 2036"> One business days to escalate to Compliance (complaints@bankingcircle.com). Three business days for acknowledgement of response </td> </tr> </tbody> </table>	Complaint Type	Owner	Service Level (maximum time)	<i>(Reportable) Complaint</i>	Compliance	One business days to escalate to Compliance (complaints@bankingcircle.com). Three business days for acknowledgement of response
Complaint Type	Owner	Service Level (maximum time)						
<i>(Reportable) Complaint</i>	Compliance	One business days to escalate to Compliance (complaints@bankingcircle.com). Three business days for acknowledgement of response						

				<p>following the day on which the complaint was received.</p> <p>A final answer must be provided to the complainant within one month after receipt of the complaint. If an answer cannot be provided within that timeframe, a notification explaining the causes of the delay and an indication of the date at which examination is likely to be achieved must be sent to the complainant.</p> <p>Exception: if the complaint relates to payments or redemption, a final answer must be provided within 15 business days after the complaint was received. If an answer cannot be provided within that timeframe, a notification explaining the causes of the delay and an indication of the date at which the investigation is likely to be achieved must be sent to the complainant. The deadline for a final answer may not exceed 35 business days after the complaint was received.</p>
		<i>Management Escalated Complaint</i>	Compliance	<p>One business days to escalate to Compliance.</p> <p>Five business days for first response.</p> <p>30 days to provide an answer to the complainant and either reach a resolution or agree on next steps with a plan to satisfy the complainant's concerns.</p>
		<i>Inquiry</i>	Client Services	Per client services service levels.
		<i>Recalls</i>	Client Services	Per client services service levels.

The follow-up actions for each category are defined below.

Complaint Type	Action
<i>Reportable Complaint</i>	<ul style="list-style-type: none"> – Forward to Complaints@bankingcircle.com within one business day – Compliance will respond and track the complaint to its closure. The complaint is either accepted and, where appropriate, redress is offered, or rejected.

External Third Party escalation (non-Client)	Action
<i>Inquiry</i>	<ul style="list-style-type: none"> – Client Services to handle inquiries unless the inquiry is directly addressed to the compliance or complaints inbox. – Escalate to compliance as a complaint only if there is a threat of litigation, abusive behaviour, and AML concern, sufficient suspicion of fraud, or threat of a formal complaint.
<i>Redemption</i>	<ul style="list-style-type: none"> – Client Services will work with payments operations to process the redemption request. – If the redemption cannot be successfully processed, client services should respond to customer with status and any next steps including filing a police report and contacting the holder. – If the victim threatens litigation or escalates, escalate to Complaints@bankingcircle.com. In some cases, when funds are no longer there, compliance will

		reach out directly to the merchant, to request a refund.
		<p>Where an answer cannot be provided within the abovementioned periods, the owner should inform the complainant of the causes of the delay and indicate the date at which a response or resolution can be achieved.</p> <p>If the investigation results in a conclusion that a compensation must be paid to the holder or to the victim, the amount of the compensation must be approved by the authorised manager.</p>
D.8	Dispute Resolution Mechanism	<p>Holders of EURI may submit to Banking Circle any complaints they may have in connection with the EURI and their rights and obligations under this white paper and the T&Cs, in accordance with the complaints handling process detailed in this white paper.</p> <p>Where no satisfactory solution is found, EURI holders have the right to submit a complaint to the CSSF, through its out-of-court complaint resolution mechanism, subject to the conditions and procedure detailed on CSSF's website: https://www.cssf.lu/en/customer-complaints/.</p> <p>Where, following CSSF's assessment, no satisfactory solution is found or where the complaint is not deemed receivable by the CSSF, holders of EURI have the right to initiate legal proceedings with the competent Luxembourg courts, in accordance with the provisions of the T&Cs.</p>
D.9	Token Value Protection Schemes	<p>Not applicable.</p> <p>EURI will be issued and redeemed by Banking Circle and the underlying safeguarded funds and assets will be held under a fiduciary arrangement governed by the 2003 Act.</p> <p>As a separate fiduciary estate is created pursuant to the transfer of the funds to Banking Circle, the funds will be held for the benefit of the principals (i.e. the holders of the EURI) in relation to the fiduciary estate. In this instance, the fiduciary grants token holders' rights as third party beneficiaries, in particular the right to redeem the tokens against the fiduciary estate at par value (i.e. 1 EUR for every EURI).</p> <p>This arrangement ensures full segregation of the funds in a dedicated fiduciary estate which in turn is segregating the value of the EURI separate from Banking Circle's own assets and activities, so that they are only dedicated to such purpose, and the funds are bankruptcy remote in the event of an insolvency of Banking Circle. Upon events that would threaten the stability mechanisms of the EURI, the holders of EURI will be recognised as beneficiaries of the fiduciary estate.</p>

		<p>Within the fiduciary structure, all EURI holder funds received in exchange of EURI will be segregated and held in cash in a bankruptcy remote structure.</p> <p>For additional information, please refer to the EURI T&Cs available on www.bankingcircle.com.</p>
D.10	Applicable law	Luxembourg law
D.11	Competent court	Luxembourg courts

PART E

Information on the Underlying Technology

E.1	Distributed ledger technology	DLT uses cryptography to securely store data and cryptographic signatures and keys to allow access only to authorised users. The technology also creates an immutable database, which means information, once stored, cannot be deleted and any updates are permanently recorded for posterity.
E.2	Protocols and technical standards	<p>Tokens will be issued on the Ethereum and BNB Smart Chain ("BSC") blockchains which follow the ERC-20 and BEP-20 protocols respectively. These decentralised blockchains provide the ability for consensus confirmation of transactions using a Proof of Stake mechanism ("PoS") for Ethereum Blockchain and the Proof of stake Authority ("PoSA") for BNB Smart Chain, immutability of records, and public transparency to market participants. Both Ethereum and BSC provide the ecosystem of users with the ability to incorporate EURI into smart contracts, benefitting users with faster, stable, and frictionless settlements. In time, EURI may be issued on other blockchains to bring the benefits of the token to a wider audience of developers and end users. The addition of subsequent blockchains will be subject to criteria covering technical diligence, the extent of market adoption of the blockchain, and risk review.</p> <p>For the purpose of the initial issuance of EURI, it will be done on Ethereum Virtual Machine ("EVM") -compatible chains. These are blockchain networks that adhere to the same set of standards and protocols as the Ethereum blockchain. For instance, we will be launching the token on the Ethereum and BNB Smart Chain, which uses ERC-20 and BEP-20 standards respectively.</p> <p>The smart contracts created and maintained by the Issuer are based on open source software and subject to ongoing global peer and security review, which will be evolved by internal engineers and open source developers around the world.</p>

		<p>By using established public ledgers, market participants can utilise existing monitoring applications to view coins in issuance and transactions. In this way, participants can follow coins issued or redeemed by Banking Circle as well as other on-chain transactions. Noting that distributed ledger technology subject to transaction verification via the PoS consensus mechanism may result in verification fees paid to participants engaged in consensus activities. Fees may vary across blockchains.</p>
E.3	Technology Used	<p>Fireblocks provides a tokenisation platform with the inbuilt wallet management infrastructure and governance rules with customisable delegation of authority for adherence to Banking Circle's risk appetite and policies. They are a leader in the institutional grade Multi-Party Computation (MPC) wallet as a service, which combines MPC-CMP with hardware isolation to create a multi-layer security technology.</p> <p>This eliminates a single point of failure and insulates digital assets from cyber-attacks, internal collusion, and human error. In this technology, the private key is broken up into shares, encrypted and divided among different parties. These independent parties will independently compute their part of the private key to produce a signature without revealing the encryption to other parties.</p> <p>This enables the automation of transactions, minting, and burning of tokens in a secured manner.</p>
E.4	Purchaser's requirements	<p>technical</p> <p>An ERC-20/ BEP-20 wallet is required. We will be distributing the EUR EMT through whitelisted wallets of the platforms that are regulated by the centralised exchange. This does not exclude non-custodial wallets from transferring and receiving EURI.</p> <p>Hence, the purchaser of EURI will have to fulfil onboarding requirements in that centralised exchange and will be using the centralised exchange's wallet to hold the EURI. Only then, are they able to gain control over the EURI.</p>

E.5	Consensus Mechanism	For the initial launch, we will be issuing tokens on the Ethereum and BNB Smart Chain. The former uses the Proof-of-Stake Mechanism, whereas the latter uses a consensus model called Proof of Staked Authority.
E.6	Incentive Mechanisms and Applicable Fees	<p>For the initial launch, we will be issuing tokens on the Ethereum and BNB Smart Chain, of which both uses the Proof-of-Stake Mechanism.</p> <p>Ethereum:</p> <p>Validators create blocks. One validator is randomly selected in each slot to be the block proposer. Their consensus client requests a bundle of transactions as an 'execution payload' from their paired execution client. They wrap this in consensus data to form a block, which they send to other nodes on the Ethereum network. This block production is rewarded in ETH.</p> <p>BNB Smart chain:</p> <p>Validators take turns to produce blocks. They essentially power the BSC network by processing transactions and signing blocks. In return for their service, they earn a reward in BNB tokens. Meanwhile, they also require daily re-election by staking governance to be able to continue to be part of the validator set.</p>
E.7	Use of Distributed Ledger Technology	Not applicable as the DLT was not operated by Banking Circle or a third party as only permissionless/public blockchains will be used.
E.8	DLT Functionality Description	Not applicable as the DLT was not operated by Banking Circle or a third party as only permissionless/public blockchains will be used.
E.9	Audit	Yes
E.10	Audit outcome	Fireblocks has gone through technology reviews and audits, the latest being the System and Organisation Controls (SOC) 2 Type 2 report for the period 1 September 2022 to 31 August 2023 by BDO. The results were that the controls were suitably designed and operated effectively throughout the period.

		In addition, the underlying smart contract has undergone a third party audit by PeckShield Inc. The audit report can be found on www.bankingcircle.com .
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PART F

Information on the Risks

F.1	Issuer-Related Risks	<p>Banking Circle, as a financial institution has some common key risks that are faced across the financial services industry, of which if materialising, can impact Banking Circle's operations, financial stability, and overall business model.</p> <p>These risks include financial risks (including capital and liquidity risks), credit and counterparty risk, market risk, AML/CTF risk, system stability and operational resilience, outsourcing and third party risks, information and cyber security risks, data management and regulatory compliance.</p> <p>Furthermore, Banking Circle also takes concentration risk, emerging and macro risks, and reputational risks into consideration when carrying out its assessments of its activities.</p> <p>As a separate fiduciary estate, the assets will be segregated and held for the benefit of the principals and this separate estate is not affected by any insolvency proceedings that may be opened in respect of Banking Circle S.A..</p>
F.2	Token-Related Risks	<p>Peg Risk: refers to the risk that a token's price may deviate from its pegged value, which is usually 1:1 with a particular fiat currency such as the Euro. EMTs are designed to maintain a stable value in order to facilitate their use in transactions and to reduce volatility for users. The right to redeem at par with the issuer works as an anchor. However, peg risk can arise when there is a sudden change in the demand or supply of a token. For example, if demand for a token suddenly increases, the token's price may rise above its pegged value. On the other hand, if demand for the token decreases, its price may fall below its pegged value. Note, as stated in the rights and obligations section of this paper, holders of EURI will have the right to redeem tokens at par value and at any time with the Issuer.</p>

		<p>Regulatory Risk: excluding the EEA where MiCA is applicable, e-money tokens are not yet regulated in many jurisdictions. This lack of regulation means that e-money tokens may face regulatory hurdles, such as restrictions on usage or outright bans, which could negatively impact their value. Note, EURI will be issued under the requirements of MiCA, as implemented in Luxembourg.</p> <p>Liquidity Risk: tokens may be subject to liquidity risks. This means that it may be difficult to buy or sell tokens, especially during periods of market stress. Note, as mitigation, the holder of EURI will have the right to redeem the token at par value directly with the issuer at any given point in time; in this way, tokens can be converted into cash without engagement with another market participant on the secondary market.</p>
F.3	Technology-Related Risks	<ol style="list-style-type: none"> 1. Smart Contract Risk: Many tokens are built on blockchain technology and use smart contracts to manage transactions. Smart contracts are computer programs that automatically execute when certain conditions are met. If there is an error in the code or if the smart contract is not designed correctly, it can lead to financial losses for purchasers. Note, the Banking Circle smart contract has been audited by PeckShield Inc. and is available on www.bankingcircle.com for external review. 2. Technology Operational Risk: tokens require technical infrastructure to operate. If there are issues with the technology used to manage the token, such as bugs or security breaches, it can lead to financial losses. Note, EURI offering combines the expertise and operational infrastructure of leading banking and blockchain companies. Banking Circle and partners have in place, strong technology operations risk identification and treatment plans, including exhaustive testing, peer review of code, automated software deployment and adequate alerting and monitoring of systems to immediately act and remediate any potential bugs/risks, with in stipulated service level agreements, based on severity and impact.

		<p>3. Forking Risk: tokens that are built on blockchain technology may be subject to a "fork" where the blockchain splits into two separate blockchains with a different consensus. Note, In almost all cases, the issuer will follow the one that is supported by the blockchain's official foundation.</p> <p>4. Blockchain Uptime Risk refers to the risk that a blockchain network may experience a significant interruption or outage, which can lead to disruptions in the availability and functionality of the blockchain. In a blockchain network, nodes or validators work together to verify and validate transactions, and these nodes must remain connected to the network to maintain its functionality. However, there are a variety of factors that can impact the uptime of a blockchain network, including technical issues, security breaches, and attacks by malicious actors. If a blockchain network experiences a significant interruption or outage, it can have a variety of negative consequences. For example, transactions may be delayed or lost, users may be unable to access their funds or participate in the network, and the overall value and reputation of the blockchain may be negatively impacted. To mitigate blockchain uptime risk, blockchain networks typically implement a variety of technical and organisational measures, such as redundancy, failover mechanisms, and regular security audits. Additionally, users can also take steps to reduce their exposure to blockchain uptime risk by diversifying their holdings across multiple blockchain networks and using best practices for securing their crypto-assets.</p> <p>5. Blockchain Security Risk refers to the potential vulnerabilities or weaknesses in the design, implementation, or use of blockchain technology that could compromise the security and integrity of the blockchain network, its users, and the crypto-assets stored on it. One of the primary security risks associated with blockchain technology is the potential for attacks on the network or individual nodes. These attacks can take a variety of forms, including denial-of-service attacks, 51% attacks, and Sybil attacks, among others. To mitigate blockchain security risks, blockchain networks typically employ a variety of security measures, including encryption, authentication, access controls, and consensus algorithms.</p>
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F.4	Mitigation measures	<p>The Issuer has obtained the Business Continuity Plan discussed in SOC2 Report of Fireblocks who maintain a backup server's infrastructure at a separate location within the AWS environments. The backup server's infrastructure has been designed to provide clients with business-critical services until the disaster has been resolved and the primary system is fully restored. In addition, we have reference to the third party individual penetration test performed by AppSec Labs and noted there are no significant issues. We also have a service level agreement with Fireblocks for a Monthly Uptime Percentage of 99.9%.</p>
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PART G

Information on the Sustainability Indicators in Relation to Adverse Impact on the Climate and other Environment-Related Adverse Impacts

G.1	Adverse impacts on climate and other environment-related adverse impacts	<p>Where possible, the issuer seeks to operate the most energy efficient and least environmentally impactful product. With this objective in mind, the blockchain technology (ETH, BSC) selected for the initial issuance of EURI uses a Proof of Stake and Proof of Stake Authority consensus mechanism for transaction verification.</p> <p>Proof of stake (PoS) is a consensus mechanism used in blockchain networks as an alternative to proof of work (PoW). PoS relies on validators holding a certain amount of cryptocurrency to secure the network and validate transactions, as opposed to the energy-intensive mining process used in PoW.</p> <p>Compared to PoW, PoS has a much lower environmental impact. PoW requires miners to solve complex mathematical problems using large amounts of computational power, which consumes a significant amount of electricity. This has led to concerns about the environmental impact of PoW, as it contributes to greenhouse gas emissions and climate change.</p> <p>In contrast, PoS requires much less energy to operate, as validators are not required to perform complex calculations. This means that the environmental impact of PoS is significantly lower than that of PoW. Additionally, some PoS networks have implemented various sustainability measures, such as using renewable energy sources or carbon offsets, to further reduce their environmental impact.</p> <p>However, it is worth noting that PoS is not without environmental impact. While it may not consume as much energy as PoW, PoS still requires the use of computers and servers, which have their own environmental impact in terms of manufacturing and disposal. Additionally, the energy consumption of PoS</p>
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		<p>networks can increase as the number of validators and transactions on the network grows.</p> <p>Overall, PoS is a more environmentally friendly alternative to PoW. It has been estimated that PoS uses 99%¹ less energy than PoW and uses less specialised hardware, which should reduce the electronic waste issue.</p>
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¹ The change to Proof-of-Stake is also Ethereum's answer to environmental concerns. The Ethereum Foundation estimated that the existing Proof-of-Work system consumes 5.13 gigawatts on a continuing basis, whereas the Proof-of-Stake system consumes 2.62 megawatts on a continuing basis, meaning it uses about 99.95% less energy than Proof-of-Work. https://content.ftserussell.com/sites/default/files/education_proof_of_stake_paper_v6_0.pdf
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ENVIRONMENTAL ANNEX

Template for the presentation of the information on principal adverse impacts on the climate and other environment-related adverse impacts in the crypto-asset white paper and on the website of a crypto-asset service provider

Table 1

Mandatory information on principal adverse impacts on the climate and other environment-related adverse impacts of the consensus mechanism

General information and key indicators

Banking Circle S.A. with LEI: 213800W1NGBLERUS6M39, as person acting as issuer of e-money tokens, is providing information on principal adverse impacts on the climate and other environment-related adverse impacts of the consensus mechanism used to validate transactions in EURI (ISO 24165 DTI (Digital Token Identifier) for Ethereum is X9J9K872S and for BNB Smart Chain is HWRGLMT9T).

The information covers the period from 01.01.2023 to 31.12.2023 with estimates used for the period from 01.01.2023 to 31.12.2023 as EURI is not launched as of May 2024 yet.

The validation of transactions in EURI and the maintenance of the integrity of the distributed ledger of transactions has led to a total energy consumption of 1.6 kWh during one calendar year (estimates are provided on basis of 2023 as EURI is not launched as of May 2024 yet).

The validation of one transaction in EURI has led to a total energy consumption of 0.00032 kWh on average during 2023 (estimates are provided on basis of 2023 as EURI is not launched as of May 2024 yet).

The validation of transactions in EURI and the maintenance of the integrity of the distributed ledger of transactions has resulted in 0.00056 tonnes GHG emissions, calculated based on sources owned or controlled by the DLT network nodes (scope 1), and indirect emissions from energy purchased by the DLT network nodes (scope 2), during one calendar year (estimates are provided on basis of 2023 as EURI is not launched as of May 2024 yet).

Features of the consensus mechanism relevant for principal adverse impacts on the climate and other environment-related adverse impacts

Details of the consensus mechanism to the smart contract is included [here](#).

Details of it on the climate and other environment related impacts is included [here](#).

Climate and other environment-related indicators

1	2	3	4	5
	Adverse sustainability indicator	Metric	Source of information, review by third parties use of data providers or external experts	Methodology to calculate metrics from information and data obtained
Energy	Energy consumption	Total amount of energy used, expressed in kilowatt-hours (kWh) per calendar year, for the validation of transactions and the maintenance of the integrity of the distributed ledger of transactions: BSC: 12,357.3 ETH: 5,870,858.4 EURI: 1.6	Provided by CCRI as external party	Please see methodology here: https://carbon-ratings.com/dl/white-paper-mica-methods-euri
	Non-renewable energy consumption	Share of energy used generated from non-renewable sources, expressed as a percentage of the total amount of energy used per	Provided by CCRI as external party	Please see methodology here: https://carbon-ratings.com/dl/white-paper-mica-methods-euri

		<p>calendar year, for the validation of transactions and the maintenance of the integrity of the distributed ledger of transactions:</p> <p>BSC: 73.52% ETH: 68.85% EURI: 68.87%</p>		
	Energy intensity	<p>Average amount of energy used, in kWh, per validated transaction:</p> <p>BSC: 0.00000098 ETH: 0.00030 EURI: 0.00032</p>	Provided by CCRI as external party	<p>Please see methodology here:</p> <p>https://carbon-ratings.com/dl/white-paper-mica-methods-euri</p>
GHG emissions	Scope 1 – Controlled	<p>Scope 1 GHG emissions, expressed in tonnes (t) carbon dioxide equivalent (CO2e) per calendar year for the validation of transactions and the maintenance of the integrity of the distributed ledger of transactions:</p> <p>BSC: 0 ETH: 0 EURI: 0</p>	Provided by CCRI as external party	<p>Please see methodology here:</p> <p>https://carbon-ratings.com/dl/white-paper-mica-methods-euri</p>
	Scope 2 – Purchased	<p>Scope 2 GHG emissions, expressed in tCO2e per calendar year for the validation of transactions and the maintenance of the integrity of the distributed ledger of transactions:</p> <p>BSC: 4.54 ETH: 2032.20 EURI: 0.00056</p>	Provided by CCRI as external party	<p>Please see methodology here:</p> <p>https://carbon-ratings.com/dl/white-paper-mica-methods-euri</p>
	GHG intensity	Average GHG emissions (scope 1 and scope 2) per	Provided by CCRI as external party	Please see methodology here:

		<p>validated transaction, expressed in kilogram (kg) CO₂e per transaction (Tx):</p> <p>BSC: 0.00000036 ETH: 0.00010 EURI: 0.00011</p>		<p>https://carbon-ratings.com/dl/white-paper-mica-methods-euri</p>
Waste production	<p>Generation of waste electrical and electronic equipment (WEEE)</p>	<p>Total amount of WEEE generated for the validation of transactions and the maintenance of the integrity of the distributed ledger of transactions, expressed in tonnes per calendar year:</p> <p>BSC: 0.052 ETH: 40.19 EURI: 0.000011</p>	<p>Provided by CCRI as external party</p>	<p>Please see methodology here:</p> <p>https://carbon-ratings.com/dl/white-paper-mica-methods-euri</p>
	<p>Non-recycled WEEE ratio</p>	<p>Share of the total amount of WEEE generated for the validation of transactions and the maintenance of the integrity of the distributed ledger of transactions, not recycled per calendar year, expressed as a percentage:</p> <p>BSC: 45.23% ETH: 49.19% EURI: 49.18%</p>	<p>Provided by CCRI as external party</p>	<p>Please see methodology here:</p> <p>https://carbon-ratings.com/dl/white-paper-mica-methods-euri</p>
	<p>Generation of hazardous waste</p>	<p>Total amount of hazardous waste generated for the validation of transactions and the maintenance of the integrity of the distributed ledger of transactions, expressed in tonnes per calendar year:</p>	<p>Provided by CCRI as external party</p>	<p>Please see methodology here:</p> <p>https://carbon-ratings.com/dl/white-paper-mica-methods-euri</p>

		BSC: 0.000027 ETH: 0.021 EURI: 0.0000000057		
Natural resources*	Impact of the use of equipment on natural resources	<p><i>Description of the impact on natural resources of the production, the use and the disposal of the devices of the DLT network nodes:</i></p> <p><i>Natural resources may include water usage, fossil fuels, or critical raw materials. Water usage is relevant for data centre operations directly for cooling and indirectly through electricity consumption which is not based on wind or solar (Mytton 2021). Consequently, electricity consumed which is not based on wind or solar may also cause water usage during the production and disposal of hardware. Similarly, fossil fuel usage is relevant for the production, use and the disposal of hardware whenever electricity is used since electricity consumption from fossil fuels still accounts for over 60% of global electricity production (IEA 2023). Critical raw materials are specifically relevant in the production of hardware as electrical</i></p>	Provided by CCRI as external party	Please see methodology here: https://carbon-ratings.com/dl/white-paper-mica-methods-euri

		<p><i>and electrical and electronic equipment typically depend on technology metals that are classified as critical (Chancerel et al 2015). Extensive data collection is required to quantify the impact on water usage, fossil fuel usage, and critical raw materials of the devices of DLT network nodes. Thus, the impact on natural resources, such as water, fossil fuels, and critical raw materials of the production, the use and the disposal of the devices of the DLT network nodes is influenced by the amount of energy consumed, by the type of sources used to generate electricity and by the amount of hardware required by the network. For instance, the water consumption during the use phase of the network amounts to 36.27 kilolitres for BSC, 61,452.23 kilolitres for ETH and 0.017 kilolitres for EURI.</i></p> <p>○ Mytton, D. (2021). Data centre water consumption. npj Clean Water, 4(1), 11. IEA (2023). Electricity. https://www.iea.org/energy-system/electricity#sources-of-electricity Chancerel, P.,</p>		
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		Marwede, M., Nissen, N. F., & Lang, K. D. (2015). Estimating the quantities of critical metals embedded in ICT and consumer equipment. Resources, conservation and recycling, 98, 9-18.		
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⁷⁰ For the purpose of these metrics, natural resources shall include but may not be limited to: water, fossil fuels, and critical raw materials.