

THE DEFI DOZEN INDEX

DESCRIPTION:

The DeFi Dozen Index is a benchmark tracking the global twelve largest decentralized finance (DeFi) protocols / DApps that use smart contracts on blockchains to offer financial services, sans a central financial intermediary. Index constituents are selected according to market cap, reconstituted quarterly and are regularly screened for ecosystem integrity, available liquidity, and project activity.

KEY PRINCIPLES:

- The Defi Dozen comprises the global top twelve DeFi tokens in one single portfolio.
- The tokens are selected according to market cap: with the globally 12 largest tokens making up the index and providing a proxy for the broader DeFi market.
- The relatively small number of underlyings chosen help achieve the highest possible stability of the index and avoid unduly re-composition.
- The index is meant to directly capture the business value of the underlying projects and participate in their upside potential.
- Any second-degree tokens, wrapped tokens, stable coins, reserve tokens, rent tokens, liquidity tokens were excluded from the portfolio.
- The limited number of index constituents and their equal weighing ensures a high cost-efficiency.

ELIGIBILITY CONSIDERATIONS FOR INCLUSION IN THE INDEX:

1. Digital assets classified as Decentralized Finance (DeFi).
2. Ethereum network based and follows the ERC-20 token specification.
3. Available and actively traded on leading decentralized exchanges.
4. Can be custodied with licensed institutions.

FACTSHEET:

Index Name	The Defi Dozen
Index Type	Thematic
Constituent category	Ethereum-based Decentralized Finance
Weightage	Based on market capitalization
Review Frequency	Quarterly
Calculation Frequency	Live
Pricing	Based on aggregated feed from Chainlink
Quoted Currency	USD
Inception	31 Oct 2021