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

N	Field	Content
	General Information	
S.1	**Name**	Zillion Bits Ltd
S.2	**Relevant legal entity identifier**	254900FESD7AF56FOQ37
S.3	**Name of the crypto-asset**	USDC
S.4	**Consensus Mechanism**	Blockchains rely on consensus mechanisms to ensure their decentralized network of nodes can reach agreement around transaction validity and ordering. Most of the blockchains USDC is issued on (Algorand, Arbitrum, Avalanche, Base, Ethereum, Optimism, Polkadot, Polygon, and Solana), rely on Proof-of-Stake consensus, which requires that validators stake the native token (e.g. ETH) as collateral in order to qualify as a validator. Validators are selected for consensus based on the proportion of tokens they have staked, and in some cases can lose some of the staked token if they have been shown to sign invalid transactions. The Noble and Stellar blockchains use different models for consensus that rely on trusted nodes to validate transactions. Noble uses a straightforward Proof-of-Authority model, and Stellar leverages the Stellar Consensus Protocol.
S.5	**Incentive Mechanisms and Applicable Fees**	USDC does not have its own consensus mechanism, but relies on the consensus mechanism of one or multiple underlying crypto-asset networks. Depending on the token design, incentive mechanisms arise from the utility, scarcity, or governance rights. Each blockchain supported by USDC has developed its own Incentive Mechanisms and request fees to realise transactions. Please refer to the website of each of these blockchains for more details on the mechanisms in place. As of today, the issuer (Circle SAS) does not take additional fees on these mechanisms.

S.6	**Beginning of the period to which the disclosure relates**	2023-01-01
S.7	**End of the period to which the disclosure relates**	2023-12-31
	Mandatory key indicator on energy consumption	
S.8	**Energy consumption (kWh/year)**	12007.721
	Sources and methodologies	
S.9	**Energy consumption sources and Methodologies**	Information obtained from an independent third-party white paper. Link to the third-party USDC white paper: https://www.circle.com/fr/legal/mica-usdc-whitepaper Independent third-party: Circle Internet Financial Europe SAS LEI: 969500OYUDADGZKCR583