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Three Reasons to Consider BWEB

The Bitwise Web3 ETF provides focused exposure to companies that are well-positioned to lead the emergence of Web3, the third major era of the internet.

Reason #1: A Front Row Seat to the Evolution of Web3

Experts believe we are on the cusp of a major evolution in the core architecture of the internet, commonly referred to as Web3.

The earliest version of the Web (Web1) consisted of “read-only” web sites like nytimes.com. Next came Web2 social media sites like Facebook, where users could both “read” and “write” content. Now, Web3 brings entirely new capabilities—the ability for users to own digital objects, assets, and data (including their own personal data) in an internet setting.

BWEB aims to capture the potential growth that comes with this new wave of development by providing exposure to the companies that are positioned to lead the next iteration of the internet.

The Evolution of the Internet



Web 1.0 / Read

- Focused on accessing information and data
- Popular companies/applications: Yahoo, Wordpress, Altavista



Web 2.0 / Read + Write

- Focused on the user experience, contribution, and collaboration
- Powered the rise of social networking and mobile applications
- Popular companies/applications: Facebook, Google, YouTube



Web 3.0 / Read + Write + Own

- Focused on content ownership, user creation, and secure exchange of data without a centralized authority
- The rise of the Metaverse, decentralized finance, and cryptocurrency
- Popular companies/applications: Meta, Roblox, Coinbase, Equinix⁽¹⁾

(1) As of December 31, 2023, the following were holdings of the Bitwise Web3 ETF: Coinbase (COIN) (9.16%), Roblox (RBLX) (7.95%), Meta Platforms (META) (7.67%), Equinix (EQIX) (6.88%). Holdings are subject to change. Current and future holdings are subject to risk.

Reason #2: Broad-Based Exposure to a Wide-Ranging Sector

Investors often want to invest in emerging technologies before they take off so they can participate in the upside. But Web3 is a wide-ranging concept that can be hard to isolate and predict.

The Bitwise Web3 Equity Index tracked by the Fund is designed by experts to provide exposure to a diverse array of up to 40 companies across the five key themes of Web3’s growth, from the underlying infrastructure and governance to the creative applications that this innovation makes possible.

BWEB Thematic Exposure



Web3 Infrastructure Providers

Providing tech tools that help people own data and property on the internet in a decentralized manner.



Web3 Finance

Facilitating digital ownership and property rights by leveraging cryptography and blockchains.



Web3-Enabled Metaverse and Digital Worlds

Facilitating growth and participation in open and interconnected immersive digital worlds.



Web3-Enabled Creator Economy

Enabling user control over building and selling goods and services on the internet.



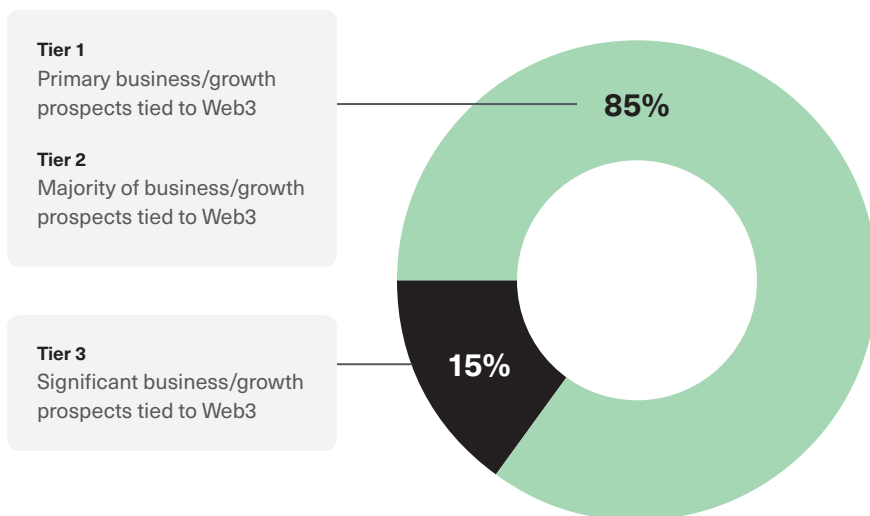
Web3 Development and Governance

Providing services and tools to enable the development and governance of Web3 platforms.

Reason #3: A Pure-Play Web3 ETF with Regular Rebalancing

BWEB is designed to maximize exposure to companies whose future growth prospects are tightly linked to the growth of Web3, not just general tech companies. Bitwise is experienced at identifying companies in this space.

At each rebalance, 85% of the portfolio is made up of companies for which the majority of their primary business models and/or growth prospects are directly linked to business activities associated with one or more Web3 themes described above. BWEB is rebalanced quarterly to ensure it stays up to date with this rapidly emerging space.



Risks and Important Information

Carefully consider the investment objectives, risk factors, charges, and expenses of the Bitwise Web3 ETF (BWEB) before investing. This and additional information can be found in the Fund's full or summary prospectus, which may be obtained by visiting www.BWEBETF.com. Investors should read it carefully before investing.

Investing involves risk, including the possible loss of principal. There is no guarantee or assurance that the methodology used to create the Index will result in the Fund achieving positive investment returns or outperforming other investment products. Indices are unmanaged and do not include the effect of fees. One cannot invest directly in an index. In addition, the Fund's returns may not match the Index due to expenses incurred by the Fund or lack of precise correlation with the Index.

The Fund is non-diversified and will not invest in crypto assets directly or through the use of derivatives and also will not invest in initial coin offerings. The Fund may, however, have indirect exposure to crypto assets by virtue of its investments in Web3 equities that use one or more crypto assets as part of their business activities or that hold crypto assets as proprietary investments.

In addition to the normal risks associated with investing, international investments (including through American Depositary Receipts, or ADRs) may involve risk of capital loss from unfavorable fluctuation in currency values, from differences in generally accepted accounting principles or from social, economic or political instability in other nations. ADRs may be less liquid than the underlying shares in their primary trading market. Emerging markets involve heightened risks related to the same factors as well as increased volatility and lower trading volume. Narrowly focused investments and investments in small companies typically exhibit higher volatility.

Investors in the fund should be willing to accept a high degree of volatility in the price of the Fund's shares and the possibility of significant losses. An investment in the fund involves a substantial degree of risk.

Certain of the Fund's investments may be subject to the risks associated with investing in blockchain technology. The risks associated with blockchain technology may not fully emerge until the technology is widely used. Blockchain systems could be vulnerable to fraud, particularly if a significant minority of participants colluded to defraud the rest. Because blockchain technology systems may operate across many national boundaries and regulatory jurisdictions, it is possible that blockchain technology may be subject to widespread and inconsistent regulation. Blockchain technology also may never be implemented to a scale that provides identifiable economic benefit to the companies included in the underlying Index.

The technology relating to crypto assets and blockchain is new and developing. Currently, there are a limited number of publicly listed or quoted companies for which crypto assets and blockchain technology represent an attributable and significant revenue stream. This concentration in fewer companies may make the Fund more susceptible to adverse events that affect the Fund's holdings more than the market as a whole.

The Fund is recently organized, giving prospective investors a limited track record on which to base their investment decision.

Shares of ETFs are bought and sold at market price (not NAV) and are not individually redeemed from the Fund. Brokerage commissions will reduce returns.

The Bitwise Web3 Equities Index provides focused exposure to companies whose business models, operations and/or growth prospects are closely linked to the emergence of Web3. The index is comprised of companies that fit into one of five themes: Web3 Infrastructure Providers, Web3 Finance, Web3-Enabled Metaverse and Digital Worlds, Web3-Enabled Creator Economy, and Web3 Development and Governance.

Bitwise Investment Manager, LLC serves as the investment advisor of the fund. The Fund is distributed by Foreside Fund Services, which is not affiliated with Bitwise Investment Manager LLC, Bitwise, or any of its affiliates.