# WHITEPAPER

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| **Project Name:** | UPY |
| **Token Name:** | UpSmarty Token (UPY) |
| **Date of whitepaper issuance:** | 16.4.2026 |
| **Whitepaper version:** | 1.0 |
| **White paper authors:** | Dr. Peter Merc, Lemur Legal |

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# I. Statements

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| **Date of notification** | 2026-04-20 |
| **Statement in accordance with Article 6(3) of Regulation (EU) 2023/1114** | This crypto-asset white paper has not been approved by any competent authority in any Member State of the European Union. The offeror of the crypto-asset is solely responsible for the content of this crypto-asset white paper. |
| **Compliance statement in accordance with Article 6(6) of Regulation (EU) 2023/1114** | This crypto-asset white paper complies with Title II of Regulation (EU) 2023/1114 of the European Parliament and of the Council and, to the best of the knowledge of the management body, the information presented in the crypto-asset white paper is fair, clear and not misleading and the crypto-asset white paper makes no omission likely to affect its import. |
| **Statement in accordance with Article 6(5), points (a), (b), (c), of Regulation (EU) 2023/1114** | The crypto-asset referred to in this crypto-asset white paper may lose its value in part or in full, may not always be transferable and may not be liquid. |
| **Statement in accordance with Article 6(5), point (d), of Regulation (EU) 2023/1114** | The crypto-asset referred to in this white paper may not be exchangeable against the good or service promised in this white paper, especially in the case of a failure or discontinuation of the crypto-asset project. |
| **Statement in accordance with Article 6(5), points (e) and (f), of Regulation (EU) 2023/1114** | The crypto-asset referred to in this white paper is not covered by the investor compensation schemes under Directive 97/9/EC of the European Parliament and of the Council or the deposit guarantee schemes under Directive 2014/49/EU of the European Parliament and of the Council. |

## II. Summary

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| **Warning in accordance with Article 6(7), second subparagraph, of Regulation (EU) 2023/1114** | Warning:<br>This summary should be read as an introduction to the crypto-asset white paper.<br><br>The prospective holder should base any decision to purchase this crypto-asset on the content of the crypto-asset white paper as a whole and not on the summary alone.<br><br>The offer to the public of this 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.<br><br>This crypto-asset white paper does not constitute a prospectus as referred to in Regulation (EU) 2017/1129 of the European Parliament and of the Council or any other offer document pursuant to Union or national law. |
| **Characteristics of the crypto-asset** | **Characteristics of the crypto-asset**<br><br>The UpSmarty token (UPY) is a crypto-asset other than an asset-referenced token (ART) or e-money token (EMT) within the meaning of Title II of Regulation (EU) 2023/1114 (MiCA). While UPY exhibits functional characteristics commonly associated with utility tokens, it is not limited to a single-purpose access right.<br><br>Under Article 3(1)(9) of Regulation (EU) 2023/1114 (MiCA), a utility token is defined as a crypto-asset that is only intended to provide access to a specific good or service supplied by its issuer. UPY, by contrast, is designed as a multi-functional token enabling access, interaction, participation, and settlement functionalities across a broader ecosystem.<br><br>**Accordingly, it does not fall strictly within this narrow legal definition. Any reference to UPY as a utility token therefore reflects its practical use within the ecosystem rather than a formal classification under MiCA.**<br><br>**Token and network.** UPY is a BEP-20 compatible token deployed on the Binance Smart Chain (BSC), which serves as its primary network. BSC provides the underlying infrastructure for transactions, smart contract execution, and token management. UPY is compatible with EVM-based environments.<br><br>**Core utility (high level).** UPY is designed as a functional token enabling access, participation, and interaction within a real-world oriented digital ecosystem. Its utility is based on actual usage rather than passive holding and is structured around three primary participant groups: |

- **Business utility (B2B participation and settlement functionality).** Businesses using UPY may utilise the token as a functional settlement and operational tool within the UpSmarty ecosystem. This includes facilitating faster transactions, improving liquidity management, and enabling participation in a network of partner entities where UPY is accepted as a complementary payment mechanism. Businesses may also access preferential commercial conditions, such as discounts or improved payment terms, where defined within the ecosystem.
- **Partner and SME utility (ecosystem access and visibility).** Businesses, associations, and service providers may use UPY to access the UpSmarty platform as a distribution, marketing, and engagement channel. Participation enables increased visibility, access to an existing user base, and inclusion in ecosystem-driven promotional and collaboration initiatives. UPY functions as an access and engagement mechanism rather than a financial instrument, supporting real economic activity within the network.
- **User utility (access, benefits, and participation).** End users may use UPY to access platform features, partner services, and ecosystem-based benefits such as discounts, exclusive offers, priority access, and participation in community initiatives. UPY enables interaction with digital services, content, events, and real-world use cases across multiple sectors, including sustainability, materials, and digital services.

**Holding UPY does not:**

- represent equity, shares, or ownership rights in any entity associated with the UpSmarty project;
- give rise to dividends, profit-sharing, interest, or any form of guaranteed return;
- create a claim against assets, revenues, or reserves of any entity; or
- entitle the holder to redemption at a fixed or guaranteed value in fiat currency, crypto-assets, or other assets.

UPY is not designed as a financial instrument, investment product, or asset-backed token. It does not incorporate profit distribution, asset backing, or automated yield mechanisms, and its value is derived from its functional use within the ecosystem rather than speculative or financial expectations.

Any benefits, incentives, or advantages associated with UPY arise solely from its use within the UpSmarty ecosystem and are defined by platform rules, partner arrangements, or programme conditions. Such benefits are not guaranteed, may vary over time, and do not constitute a fixed or enforceable entitlement.

**Information about the quality and quantity of goods or services to which the**

**Goods and services / quality and quantity.** UPY provides functional, usage-based access to a circular digital ecosystem of products and services across various real-world sectors. The token serves as a tool for interaction and participation within the UpSmarty platform and its network of partners.

When using UPY within the ecosystem, different categories of participants unlock specific benefits:

**utility tokens give access and restrictions on the transferability**

- **B2B Partners may access optimized liquidity** through immediate settlement of obligations and may unlock additional discounts or more favorable payment terms from suppliers who accept UPY.
- **Small Businesses and Associations gain access to an alternative marketing and sales channel**, providing increased visibility through the UPY portal/app and direct access to an active community of token holders.
- **Individual Users** may unlock exclusive discounts, priority access to limited or exclusive offers, and the ability to participate in community-driven initiatives and digital experiences.

The level and availability of these benefits—such as the specific percentage of a discount or the type of exclusive content—are determined by the **applicable rules of the partner offering the service** and the current functional status of the UpSmarty platform. These benefits are predefined for specific use cases but are not guaranteed; they may be updated, modified, or discontinued as the ecosystem evolves and expands into new industries.

UPY functions exclusively as a **utility token** (by functionality, not under the applicable MiCA definition) and does not represent a financial instrument, investment product, or a claim on the assets or revenues of any entity. It is not intended to be a general payment instrument for use outside of the authorized partner network.

**Restrictions on transferability.** UPY is designed to be **freely transferable** on its native blockchain, the **Binance Smart Chain (BSC)**, using the BEP20 standard. It is compatible with standard non-custodial wallets such as MetaMask and Trust Wallet, allowing for seamless on-chain transfers.

**Transferability or use of UPY may be restricted or limited by:**

- **Regulatory controls:** Compliance with local jurisdictions that regulate or prohibit the holding and transfer of crypto-assets.
- **Security protocols:** Any technical controls implemented within the UpSmarty backoffice or partner gateways to ensure secure management and regulatory compliance, including mandatory **KYC/AML checks** where required by service providers or trading venues.

While there are no issuer-imposed technical lock-ups or staking-related restrictions currently active, there is **no guarantee of liquidity** or that a holder will be able to sell UPY on a secondary market at any specific time or price. Secondary trading is facilitated independently by third-party exchanges and does not form part of the project's primary utility offering.

**Key information about the offer to the public**

This white paper relates to the **admission to trading** of already-issued UPY Token in the EU/EEA. No fundraising is conducted via this document. Relevant centralised or decentralised trading venues where the token may be traded include WEEX Exchange (operated by WEEX Global Limited) and PancakeSwap (a decentralized exchange protocol).

**Token Supply and Distribution:**

- **Total Supply:** 1.000.000.000 UPY Tokens
- **Token Standard:** BEP20
- **Blockchain Networks:** Binance Smart Chain
- **Initial Price (@Coinlist sale):** 0,024 EUR

**UPY Token Distribution Plan:**

| Allocation | % of Total Supply | Tokens (UPY) | Status / Timeline |
|---|---|---|---|
| Team & Advisors (Rewards) | 1% | 10,000,000 UPY | Already distributed |
| Pre-Sale | 4% | 40,000,000 UPY | Already distributed |
| DEX & CEX Sales | 4% | 40,000,000 UPY | Already distributed |
| DEX & CEX Sales until March 2026 | 5% | 50,000,000 UPY | Already distributed |
| 2026 Sales | 2% | 20,000,000 UPY | Planned |
| 2027 Sales | 3% | 30,000,000 UPY | Planned |
| 2028 Sales | 4% | 40,000,000 UPY | Planned |
| 2029 Sales | 4% | 40,000,000 UPY | Planned |
| 2030 Sales | 3% | 30,000,000 UPY | Planned |
| Long-term Sales (2031–2037) | 74% | 740,000,000 UPY | Planned gradual release |

**Legal & Compliance Considerations:**

- The **UPY token is classified as** a crypto-asset other than an ART or EMT and does not represent **equity, security, or financial instruments**.

- The offer is **not available in jurisdictions that restrict or prohibit token sales**, and compliance with **local regulations** is required.
- No guarantees exist regarding **future token value appreciation or financial returns**.

**Trading and Liquidity:**

- UPY is under review on an application process to be admitted to trading on Kraken, EU-authorised CATP.

## III. Part A - Information about the offeror or the person seeking admission to trading

| | |
|---|---|
| **A.1 Name** | VERA POWER LTD |
| **A.2 Legal form** | Limited Liability Company |
| **A.3 Registered address** | Intershore Chambers, Road Town, Tortola, British Virgin Islands |
| **A.4 Head Office** | |
| **A.5 Registration date** | |
| **A.6 Legal entity identifier (LEI)** | As at the date of this white paper, **no LEI has been issued** to VERA POWER LTD |
| **A.7 Another identifier required pursuant to applicable national law** | 2122758 |
| **A.8 Contact telephone number** | n.a. |
| **A.9 E-mail address** | |
| **A.10 Response time (days)** | 3 |
| A.11 Parent company | n.a. |

**A.12 Members of the management body**

| Name | Business Address | Function | Position |
|---|---|---|---|
| Nik Masten | Dunajska cesta 156, 1000 Ljubljana, Slovenia | Executive powers | CEO |

| | |
|---|---|
| **A.13 Business activity** | The Company acts as the **applicant for admission to trading** of the UpSmarty utility token (**$UPY**) on EU-authorised crypto-asset trading platforms. Operationally, ChainOpera coordinates the ecosystem described in the ChainOpera technical whitepaper (AI agent network, developer platform, and model/GPU protocol). |
| A.14 Parent company business activity | n.a. |
| **A.15 Newly established** | Yes, 'True'<br><br>(company is less than 3 years old). |
| A.16 Financial condition for the past three years | n.a. |
| **A.17 Financial condition since registration** | Reference to point A.16 |

## IV. Part B - Information about the issuer, if different from the offeror or person seeking admission to trading

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|---|---|
| **B.1 Issuer different from offeror or person seeking admission to trading** | No. |
| B.2 Name | n.a. |
| B.3 Legal form | n.a. |
| B.4 Registered address | n.a. |
| B.5 Head Office | n.a. |
| B.6 Registration date | n.a. |
| B.7 Legal entity identifier | n.a. |
| B.8 Another identifier required pursuant to applicable national law | n.a. |
| B.9 Parent company | n.a. |
| B.10 Members of the management body | n.a. |
| B.11 Business activity | n.a. |
| B.12 Parent company business activity | n.a. |

## V. Part C- Information about the operator of the trading platform in cases where it draws up the crypto-asset white paper and information about other persons drawing the crypto-asset white paper pursuant to Article 6(1), second subparagraph, of MiCAR

| | |
|---|---|
| C.1 Name | n.a. |
| C.2 Legal form | n.a. |
| C.3 Registered address | n.a. |
| C.4 Head Office | n.a. |
| C.5 Registration date | n.a. |
| C.6 Legal entity identifier | n.a. |
| C.7 Another identifier required pursuant to applicable national law | n.a. |
| C.8 Parent company | n.a. |
| C.9 Reason for crypto-Asset white paper preparation | n.a. |
| C.10 Members of the management body | n.a. |
| C.11 Operator business activity | n.a. |
| C.12 Parent company business activity | n.a. |

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| C.13 Other persons drawing up the crypto-asset white paper according to Article 6(1), second subparagraph, of Regulation (EU) 2023/1114 | n.a. |
| C. 14 Reason for drawing the white paper by persons referred to in Article 6(1), second subparagraph | n.a. |

## VI. Part D- Information about the crypto-asset project

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| **D.1 Crypto-asset project name** | UPY |
| **D.2 Crypto-assets name** | UpSmarty Token |
| **D.3 Abbreviation** | UPY |
| **D.4 Crypto-asset project description** | The UpSmarty ecosystem is a digital platform designed to connect blockchain technology with practical, real-world use cases across multiple industries. Its primary objective is to enable functional participation, access to services, and efficient value exchange between businesses, service providers, and end users through a unified digital environment. The platform facilitates interaction, collaboration, and transaction flows without reliance on traditional intermediaries, focusing on usability, transparency, and real economic activity rather than speculative or investment-driven models.<br><br>At its core, the UpSmarty ecosystem integrates a web-based platform, smart contract infrastructure, and a digital wallet system that enables users to manage UPY tokens, access services, and interact with ecosystem participants. Smart contracts automate predefined processes such as transactions, access conditions, and operational workflows, ensuring consistency, traceability, and reduced operational complexity. The platform provides users with a unified interface for accessing services, managing assets, and engaging with partner offerings and ecosystem functionalities.<br><br>**The UpSmarty ecosystem is designed to:**<br><br>- enable direct interaction between users, businesses, and service providers through blockchain-based infrastructure;<br>- support transparent and traceable transactions and activities recorded on distributed ledger technology;<br>- facilitate access to services, digital tools, and real-world initiatives across multiple sectors;<br>- reduce operational friction and administrative complexity through automation and standardized processes; and<br>- create an accessible and inclusive environment that supports participation across different regions and user groups. |

**The crypto-asset project centres the UpSmarty Token (UPY) as the core functional element within the ecosystem.** UPY operates as the digital utility layer that enables access, interaction, and participation across the platform. It aligns incentives among three primary participant groups: (i) businesses and partners seeking efficient transaction and engagement mechanisms, (ii) service providers and organisations offering products and services within the ecosystem, and (iii) users who access benefits, services, and community-driven initiatives.

UPY is designed to support ecosystem activity by facilitating transactions, enabling access to platform features, and incentivising participation and engagement. Its role is strictly functional, aimed at enhancing usability, adoption, and network effects within the UpSmarty ecosystem, without creating rights to revenue, profit-sharing, or financial returns.

**D.5 Details of all natural or legal persons involved in the implementation of the crypto-asset project**

**Key Team Members and External Partners**

| Name | Business Address | Function |
|---|---|---|
| Nik Masten | Dunajska cesta 156, 1000 Ljubljana, Slovenia | Acting as Director, he is responsible for the overall strategic and executive oversight of the project. His responsibilities include final decision-making in relation to partnerships, investments and market positioning, monitoring developments in the blockchain industry and supporting the implementation of relevant innovations, overseeing compliance-related matters, supervising the functioning of key operational areas, and maintaining communication with investors, advisers and strategic partners. |
| Denis Hovelja | Dunajska cesta 156, 1000 Ljubljana, Slovenia | Acting as Idea Leader, he is responsible for the conceptual development of the project. His role includes the development of the core product or platform concept, the design and further refinement of token-related use-case scenarios, the validation of ideas through community and user feedback, and the definition of the long-term development strategy of the project and its token economy. |

| | | |
|---|---|---|
| Aleš Kokot | Dunajska cesta 156, 1000 Ljubljana, Slovenia | Acting as Finance Lead, he is responsible for the financial design and financial management aspects of the project. His responsibilities include the design and management of the tokenomics model, including supply, distribution and vesting structure, oversight of treasury assets in both crypto-assets and fiat currency, planning of budgets and financial flows, management of investor relations and preparation of financial reporting, and optimisation of liquidity arrangements, including matters related to DEX/CEX listings and liquidity pools. |
| Petra Kokot | Dunajska cesta 156, 1000 Ljubljana, Slovenia | Acting as Project Coordinator,she is responsible for day-to-day project coordination and implementation support. Her responsibilities include coordinating activities among development, marketing and business teams, monitoring progress against the project roadmap, cooperating with development teams in translating concepts into concrete functionalities, identifying operational risks and bottlenecks, and ensuring effective internal communication across the project team. |
| OK Agencija d.o.o. | Dunajska cesta 160, 1000 Ljubljana | Acts as an external technical partner providing development and technical support to the project. |

**D.6 Utility Token Classification** False – “No”

**D.6A Perimeter assessment under MiCA and financial-instrument laws**

**D.6A Perimeter assessment under MiCA and financial-instrument laws**

The Project is structured in a manner such that the UpSmarty Token (UPY) qualifies as a crypto-asset other than an asset-referenced token (ART) or an e-money token (EMT) within the meaning of Title II of Regulation (EU) 2023/1114 (MiCA). UPY is not designed to reference the value of any fiat currency, basket of assets or other rights, nor does it aim to maintain a stable value, and therefore does not meet the criteria for classification as an ART or EMT.

**UPY is designed as a functional crypto-asset enabling access to services, interaction with digital features, participation in platform functionalities and use within the UpSmarty ecosystem**, including selected partner integrations where available.

**In particular, the UPY token:**

- confers access to platform functionalities, partner services, and ecosystem-based use cases within the UpSmarty environment, including participation in digital services, community initiatives, and partner-enabled offerings;
- does not incorporate any stabilisation mechanism referencing one or more assets or baskets of assets and is therefore not an asset-referenced token within the meaning of MiCA;
- is not issued at par value, is not redeemable at par in fiat currency or other assets, and is not designed to function as a means of payment in the sense of e-money regulation; it is therefore not an e-money token;
- does not represent shares, debt instruments, units in collective investment undertakings, or any other financial instruments within the meaning of Article 4(1)(15) MiFID II, and does not grant rights to profits, interest, capital protection, or any form of financial return.

UPY is structured as a utility-oriented digital token whose purpose is limited to functional access, interaction, and participation within the UpSmarty ecosystem. It does not create financial rights or investment expectations and is not intended to operate as a financial product.

UPY falls within the MiCA category of "crypto-assets other than ART or EMT" and remains outside the regulatory regimes applicable to asset-referenced tokens, e-money tokens, and financial instruments.

Under Article 3(1)(9) of Regulation (EU) 2023/1114 (MiCA), a utility token is defined as a crypto-asset that is only intended to provide access to a specific good or service supplied by its issuer. This definition is interpreted narrowly, focusing on tokens whose sole purpose is access to a clearly defined product or service provided by the issuer itself.

**UPY, by contrast, is designed as a multi-functional crypto-asset** that operates across a broader ecosystem and is not limited to providing access to services supplied solely by the issuer. In addition to enabling access to UpSmarty platform features and functionalities, UPY may be used, where available, to access benefits, discounts, offers or services provided by third-party partners within the ecosystem, as well as to participate in campaigns, initiatives or other forms of ecosystem interaction. Because its use is not confined to a specific good or service supplied exclusively by the issuer, but extends to a wider network of third-party relationships and use cases, UPY does not fall strictly within the narrow definition of a utility token under Article 3(1)(9) of MiCA.

**As such, UPY does not fall strictly within the narrow legal definition of a utility token under MiCA. Instead, it is more appropriately characterised as a crypto-asset within the residual category under Title II of MiCA.**

**Any reference to UPY as a "utility token" in this White Paper reflects its practical function and intended use within the UpSmarty ecosystem, and should not be interpreted as a formal legal classification under MiCA.**

A more detailed legal analysis for the purposes of Article 8(4) MiCA is provided in a separate document.

**D.7 Key Features of Goods/Services for Utility Token Projects**

The crypto-asset project is built around **UpSmarty's digital ecosystem**, which integrates practical, real-world use cases across multiple industries. These services are provided through a **controlled network of partners** and service providers who offer commercial-grade products and professional services which:

- are generally contracted and priced independently of the token; and
- can be accessed through standard commercial terms, though the token provides enhanced benefits.

UPY does not change the underlying nature of these partner services. Instead, it provides **functional and usage-based access** to additional, tiered benefits that sit on top of the standard partner offerings, through three main participant categories:

**B2B-facing benefits (Business Optimization).** Economic entities that utilize UPY within their operations may qualify for predefined tiers of:

- **optimized liquidity and cash flow** through immediate settlement of obligations between business partners;
- **additional discounts or more favorable payment terms** from suppliers within the ecosystem who accept UPY; and
- **partner differentiation** through the "UPY partner" status, signaling participation in a verified and innovative business environment.

**Small Business and Association-facing benefits (Marketing & Growth).** Small businesses, artisans, and cultural or sports associations that integrate into the ecosystem gain access to:

- **increased visibility and direct marketing** through the central UPY portal and mobile application, reaching an active and growing community of token holders;
- **alternative sales channels** that do not require an independent advertising budget or complex digital marketing strategies; and
- **bonus services and support mechanisms**, such as inclusion in thematic promotional campaigns and enhanced occupancy for events or services.

**Individual User-facing benefits (Consumer Incentives).** Physical persons and end-users may utilize UPY to access:

- **exclusive financial savings** through direct discounts and preferential pricing offered by partners specifically for UPY payments;
- **priority access and reservation rights** for limited-edition products, exclusive digital experiences, or offers with limited capacity; and
- **enhanced purchasing power** within the ecosystem, where the combination of bonuses and discounts allows users to obtain higher value than with traditional payment methods.

**Across all categories:**

- the scope and quality of the core services and products remain defined by the **relevant partner agreements** and are independent of UPY;
- the level of UPY-related benefits (discounts, priority access, visibility, etc.) is determined by the **applicable rules of the partner offering the service** and the functional interaction within the platform, and may be adjusted or updated as the ecosystem expands; and
- UPY functions exclusively as a **functional utility token**; it is not a financial instrument, does not represent equity or profit-sharing rights, and is not a general payment instrument for use outside the authorized partner network.

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| **D.8 Plans for the token** | The Issuer’s plans for UPY are focused on establishing a circular digital ecosystem where the token acts as a functional tool for value exchange and incentives across real-world sectors rather than acting as a traditional financial instrument. The long-term vision emphasizes functional usability, regulatory responsibility, and sustainable platform development. |

Without prejudice to these principles, the Issuer currently envisages the following high-level directions for UPY, based on a structured roadmap through 2027, which are indicative only and may evolve over time:

| Category | Description and Planned Milestones |
| --- | --- |
| **Phased platform development and technical evolution** | A structured four-phase journey to build a robust technical architecture:<br>**Phase 1 (Q2 2026):** Commencement of technical architecture design and UX/UI development;<br>**Phase 2 (Q4 2026):** Implementation of expanded platform functionalities;<br>**Phase 3 (Q1 2027):** Platform optimization, enhancement of user experience, and introduction of new features; and<br>**Phase 4 (Q2 2027):** Final scaling and stabilization of the entire digital system. |
| **Systematic expansion of the partner network** | Driving token utility through a growing network of providers who accept UPY as a payment or incentive medium:<br>**Q2 2026:** Finalizing partnership with the first enterprise to accept UPY;<br>**Q3 – Q4 2026:** Onboarding at least two additional business partners; and<br>**Full 2027 Rollout:** Targeted integration of **1–2 new service providers or merchants per quarter** through Q4 2027 to ensure a broad ecosystem. |
| **Market accessibility and organizational scaling** | Improving liquidity and institutional support to ensure project longevity:<br>**Exchange Listings:** Admission to trading on new exchanges scheduled for **Q3 2026, Q4 2026, and Q3 2027**; and<br>**Team Expansion:** Strategic hiring of additional technical and business personnel in **Q1 2027 and Q3 2027**. |
| **Community and cultural integration** | Enhancing ecosystem visibility through strategic outreach:<br>**Q1 2027:** Launch of targeted sponsorship activities within the sports and culture sectors to drive community adoption. |

Such changes and milestones are intended to improve the functional usability and accessibility of UPY within its ecosystem without altering its legal nature. While having multiple functionalities, UPY is classified as a **crypto-asset other than an ART or EMT (Title II MiCA)** and does not confer equity, profit-sharing, or ownership rights.

**No commitment to buy-back, burning or additional rewards:** As at the date of this whitepaper, and consistent with the core technical specifications of the project, there is no binding commitment to:

- **buy back UPY** on secondary markets;
- **implement systematic token-burning mechanisms** (the protocol is explicitly designed with **"No burning"**); or
- **introduce staking-based reward categories**, as the project currently does not utilize staking mechanisms.

Any material change to the planned use or functionality of UPY (within the meaning of MiCA) will be reflected in an updated version of this whitepaper and, where applicable, in updated partner or platform terms.

**D.9 Resource allocation**

The crypto-asset project is built on top of UpSmarty's existing digital platform and business infrastructure. No separate business line is created solely for UPY. Instead, UPY functions as a supporting digital utility layer designed to facilitate interaction and value exchange within the already-operational UpSmarty ecosystem.

Resource allocation can be summarised as follows:

**Human resources:**

- The Project relies on UpSmarty's **core management and coordination team**, including leadership in finance, project coordination, and strategic development.
- Technical implementation, blockchain architecture, and UX/UI design are handled by the development partner, **OK Agencija d.o.o.**, which possesses long-term experience in providing programming solutions for blockchain-crypto projects.
- **No dedicated "investment management" or "asset management" function** is created for UPY; team activities are focused on ecosystem expansion, technical maintenance, and partner onboarding.

**Technical infrastructure:**

- UPY-related functionality is implemented on the **Binance Smart Chain (BSC)** using the BEP20 standard, leveraging its high throughput and low transaction costs.
- The token is integrated into the **UpSmarty web platform and backoffice system**, which includes a fully functional online wallet, user dashboards, and secure private key management.
- Core technical components (Angular, Node.js, AWS microservers) serve the entire ecosystem, with UPY acting as an **incremental functional layer** for payments and incentives.

**Financial resources:**

- Financial resources are primarily dedicated to **developing and operating platform functionalities**, maintaining the AWS-based backend infrastructure, and expanding partner integrations across real-world sectors.
- Funds are used for **ecosystem awareness, community engagement, and technical scaling** as defined in the 2026–2027 roadmap.
- There is **no “investment pool” or “profit distribution pool”**; UPY is intentionally structured to avoid financial promises, yield mechanisms, or representations of economic return.

**Compliance and governance:**

- Legal and compliance resources are allocated to ensure the project remains aligned with **Regulation (EU) 2023/1114 (MiCA)**.
- Efforts are focused on maintaining UPY's status as a **utility crypto-asset** (Title II) and ensuring all platform interactions, such as mandatory KYC/AML where applicable, meet regulatory standards.

Overall, the Project uses existing UpSmarty capabilities and specialized external development expertise, with UPY functioning as a **usage-based utility tool** rather than the driver of a separate capital-raising or investment scheme.

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| **D.10 Planned use of Collected funds or crypto-Assets** | This document concerns **admission to trading** of already-issued UPY.<br><br>It is **not** a fundraising offer. Therefore, **no subscription monies are collected under this whitepaper.** |

## VII. Part E - Information about the offer to the public of crypto-assets or their admission to trading

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|---|---|
| **E.1 Public offering or admission to trading** | ATTR |
| **E.2 Reasons for public offer or admission to trading** | The public offer and admission of the **UPY token** to trading on centralised and decentralised platforms are designed to fund the strategic development of the **UpSmarty ecosystem's** technical infrastructure and provide participants with functional access to real-world utility. |
| E.3 Fundraising target | n.a. – no primary issuance or capital raise. |
| E.4 Minimum subscription goals | n.a. – no primary issuance or capital raise. |
| E.5 Maximum subscription goals | n.a. – no primary issuance or capital raise. |
| E.6 Oversubscription Acceptance | n.a. |
| E.7 Oversubscription allocation | n.a. |
| **E.8 Issue price** | Tokens will be acquired at *spot market* prices quoted on each CATP at the time of trade. |
| **E.9 Official currency or any other crypto-assets determining the issue price** | Quoted primarily in **USD**, or crypto pairs such as **USDC/UPY** depending on the CATP. |
| E.10 Subscription fee | n.a. No subscription fees or any other fees were charged. |

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| **E.11 Offer price determination method** | n.a. (no offer to the public) |
| E.12 Total number of offered/traded crypto-assets | n.a. |
| **E.13 Target holders** | ALL |
| **E.14 Holder restrictions** | Access to the token may be restricted in accordance with the terms and conditions of Payward Europe Solutions Limited (Kraken), or any other UPY listings,  including, but not limited to, individuals or entities located in OFAC-sanctioned jurisdictions or users prohibited under the eligibility requirements of third-party platforms where the token is made available. |
| **E.15 Reimbursement notice** | n.a. – no subscription monies raised. |
| E.16 Refund mechanism | n.a. |
| E.17 Refund timeline | n.a. |
| E.18 Offer phases | n.a. |
| E.19 Early purchase discount | n.a. |
| E.20 Time-limited offer | n.a. |
| E.21 Subscription period beginning | n.a. |
| E.22 Subscription period end | n.a. |
| E.23 Safeguarding arrangements for | n.a. |

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| offered funds/crypto-Assets | |
| **E.24 Payment methods for crypto-asset purchase** | CATP-supported bank transfer, SEPA instant, card, or on-chain settlement (e.g., USDT, USDC). |
| **E.25 Value transfer methods for reimbursement** | Same rail originally used. |
| E.26 Right of withdrawal | n.a. |
| **E.27 Transfer of purchased crypto-assets** | Where UPY is acquired on an admitted trading venue, tokens are first credited to the user's venue account/wallet and can then be **withdrawn to self-custody** at the user's instruction. Admission and post-trade operations occur under the venue's framework and do not change UPY's utility classification. |
| E.28 Transfer time schedule | n.a. |
| **E. 29 Purchaser's technical requirements** | Internet connection, CATP account, an electronic wallet (eWallet) that complies with the protocol standard. |
| **E.30 Crypto-asset service provider (CASP) name** | Payward Global Solutions Ltd. |
| **E.31 CASP identifier** | 9845003D98SCC2851458 |
| **E.32. Placement form** | NTAV |
| **E.33 Trading platforms name** | Kraken |
| **E.34 Trading platforms Market identifier code (MIC)** | PGSL |

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| E.35 Trading platform access | n.a. |
| E.36 Involved costs | n.a.<br><br>Trading UPY on CATPs may involve fees (e.g. trading, withdrawal). These fees are set solely by the CATP and are not determined or controlled by the Company. |
| E.37 Offer expenses | n.a. |
| **E.38 Conflicts of interest** | To the best knowledge of the person seeking admission to trading, no conflicts of interest exist in relation to the admission of UPY Tokens to trading. |
| E.39 Applicable law | n.a. |
| **E.40 Competent court** | In case of disputes related to the admission to trading of UPY Tokens on Payward Europe Solutions Limited (Kraken), the competent court shall be the High Court of Ireland, and such disputes shall be governed by the laws of Law of Ireland, including applicable EU regulations. |

# VIII. Part F - Information about the crypto-assets

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| **F.1 Crypto-asset type** | **The UpSmarty token (UPY) is a crypto-asset other than an ART or EMT (Title II MiCA).**<br><br>It is solely intended to provide access to digital services, platform functionalities, and partner-enabled use cases within the UpSmarty ecosystem.<br><br>UPY token is **a fungible token issued on the Binance Smart Chain (BSC) blockchai**n and developed in line with the BEP20 Standard. |
| **F.2 Crypto-asset functionality** | The **UpSmarty Token (UPY)** is a functional digital utility token designed to facilitate interaction and value exchange within its ecosystem. It is used to **unlock and enable practical benefits** across multiple real-world sectors and is not intended to function as a general-purpose investment or financial instrument.<br><br>**B2B-facing functionality (Business Optimization).** For economic entities, UPY functions as a practical tool for optimizing liquidity and accelerating business flows:<br><br>- by utilizing UPY, partners can achieve **near-instant settlement of obligations**, allowing them to bypass traditional long payment cycles and improve cash flow predictability;<br>- participating suppliers may offer **additional discounts or more favorable commercial terms** to businesses that settle transactions within the ecosystem using UPY; and<br>- the **"UPY partner" status** serves as an element of trust and differentiation, positioning companies within a verified and innovative business environment.<br><br>**Small Business and Association-facing functionality (Marketing and Growth).** For small enterprises, artisans, and cultural or sports associations, UPY provides access to an alternative marketing and sales channel:<br><br>- integration provides **direct visibility through the central UPY portal and mobile application**, reaching an active community of token holders without the need for independent, high-cost advertising budgets;<br>- service providers may access **bonus support mechanisms and thematic promotional campaigns** designed to increase the visibility and occupancy of their offerings; and<br>- participation allows these smaller entities to **differentiate themselves from competitors** by offering modern, blockchain-based settlement and loyalty options. |

**Individual User-facing functionality (Consumer Participation).** For end-users, UPY allows functional participation in a circular digital ecosystem of products and services:

- users can access **predefined financial benefits**, such as direct discounts and preferential pricing offered exclusively by partners for UPY-based interactions;
- token holders may receive **priority access to limited-edition offers**, exclusive digital content, or reservation rights for services with restricted capacity; and
- the ecosystem is designed to provide **enhanced "purchasing power"**, where the combination of bonuses and discounts allows users to obtain higher value than through traditional payment methods.

**General features and limitations**

- UPY is **not required to access core partner services**; underlying products and services remain accessible and payable through standard commercial terms independent of the token.
- UPY **does not function as a financial instrument**, investment product, or revenue-sharing tool, and does not confer any rights to equity, dividends, or ownership in any entity.
- Consistent with its technical design, the token **does not utilize staking or burning mechanisms**.
- Any benefits linked to UPY (discounts, priority access, perks) are **predefined by the partner offering the service**, may evolve as the ecosystem expands, and are subject to the applicable platform and partner terms.

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| **F.3 Planned application of functionalities** | The Issuer may, over time, **develop and refine additional UPY token capabilities and features** within the same general utility framework described in this whitepaper. |
| **F.4 Type of crypto-asset white paper** | OTHR<br><br>This is a white paper for crypto-assets other than asset-referenced tokens or e-money tokens. |
| **F.5 The type of submission** | NEW<br><br>This is the submission of a new white paper. |
| **F.6 Crypto-asset characteristics** | **Type and legal nature:**<br><br>The **UpSmarty Token (UPY)**: |

- is a **fungible crypto-asset BEP20 compatible token** created on the **Binance Smart Chain (BSC)** blockchain, intended to qualify as a **crypto-asset other than an ART or EMT (Title II MiCA)**
- is issued in **dematerialised, digital form only**, existing exclusively as records on **distributed ledger technology (DLT)**; and,
- **does not represent shares, debt instruments, units in collective investment undertakings**, or any other **financial instruments**.,

UPY does **not** embed any stabilisation mechanism, redemption right at par, or claim against any reserve of assets.

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| **F.7 Commercial name or trading name** | UPY(token) |
| **F.8 Website of the issuer** | https://upsmartytoken.com/ |
| **F.9 Starting date of offer to the public or admission to trading** | Admission to trading is sought on Kraken (Payward Global Solutions Ltd; MIC: PGSL). The starting date will be disclosed by the CATP once admission is confirmed. |
| **F.10 Publication date** | 2026-05-18 |
| **F.11 Any other services provided by the issuer.** | The Issuer does not offer any other services at present. |
| **F.12 Language or languages of the crypto-asset white paper** | English. |
| **F.13 Digital token identifier code** | Not yet available. |

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| **used to uniquely identify the crypto-asset or each of the several crypto assets to which the white paper relates, where available** | |
| F.14 Functionally fungible group digital token identifier, where available | n.a. |
| **F.15 Voluntary data flag** | True (voluntary) |
| **F.16 Personal data flag** | True (yes) |
| **F.17 LEI eligibility** | True (eligible) |
| **F. 18 Home Member State** | Ireland (IE) |
| **F. 19 Host Member States** | Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Italy, Latvia, Lithuania, Liechtenstein, Luxembourg, Malta, Netherlands, Norway, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden. |

# IX. Part G - Information on the rights and obligations attached to the crypto-assets

**G.1 Purchaser rights and obligations**

**Rights attached to UPY.** By acquiring UPY, purchasers obtain the following rights, subject at all times to applicable law, this White Paper, the terms and conditions of the issuer and/or operator of the UpSmarty ecosystem, and the terms of any relevant crypto-asset service provider, wallet provider, exchange, trading venue or other intermediary used by the holder.

**Right to hold and transfer UPY.** UPY holders have the right to hold UPY in self-custody or with a third-party provider that supports the token. UPY holders also have the right to transfer UPY on supported blockchain infrastructure, subject to:

- the technical constraints and operating conditions of the relevant blockchain or bridge;
- any applicable smart-contract, custody, exchange or wallet restrictions and
- any legal or regulatory restrictions, including sanctions, AML/CFT or similar compliance measures.

**Right to use UPY within the UpSmarty ecosystem.** UPY holders have the right, while the UpSmarty platform, wallet, partner integrations and related ecosystem features remain operational, to use UPY as a utility crypto-asset within the UpSmarty ecosystem in accordance with the applicable platform rules and commercial terms.

In particular, and where made available at the relevant time, UPY may enable holders to:

- access digital tools, platform features and wallet-related functionalities available through the UpSmarty platform;
- participate in community programmes, events, campaigns or ecosystem-based participation mechanisms;
- access selected partner offers, services, benefits, discounts, priority conditions or other utility-based use cases made available by UpSmarty or participating partners; and
- use UPY as a settlement method for selected goods or services only where such use is expressly supported within the UpSmarty ecosystem and accepted by the relevant participating counterparty.

The availability, scope, quantity, quality and terms of any such utility, benefit or access right are determined by the platform documentation, partner terms, campaign rules and commercial conditions in force at the relevant time.

UPY does **not** function as a general means of payment outside the UpSmarty ecosystem, and holding UPY does not create a general right to require any third party, partner, merchant or service provider to accept UPY.

**Right to participate in ecosystem initiatives.** Where the UpSmarty ecosystem makes available specific initiatives, campaigns, community programmes, loyalty mechanisms or other utility-based participation opportunities, holders who satisfy the applicable criteria may participate in them in accordance with their specific rules.

Participation in any such initiative does not, by itself, create any unconditional entitlement to rewards, returns, discounts, continued access, or future allocations. Any such benefits remain subject to the relevant programme terms, eligibility requirements, capacity limits, partner participation and operational availability.

**Right to information.** UPY holders have the right to access this White Paper and any updated versions published in accordance with applicable law. Material information relating to UPY and the UpSmarty ecosystem, including material updates affecting the rights and obligations attached to UPY, will be communicated through official channels, such as the official website, platform interface, documentation pages or other designated communication channels, where required by law. This matches MiCA's requirement that the white paper include the rights and obligations attached to the crypto-asset, and the EU's 2024 ITS sets standard forms and templates for that disclosure.

**Right to dispose of UPY.** UPY holders may, subject to market conditions and applicable restrictions, dispose of UPY by:

- transferring UPY to another compatible wallet; or
- selling UPY on a trading platform or exchange on which UPY is listed.

There is no guarantee that a liquid market for UPY will exist, that UPY will remain listed on any platform, or that disposal at a particular price, volume or time will be possible.

**Obligations and responsibilities of UPY purchasers and holders.** By acquiring, holding, transferring or using UPY, purchasers and holders assume the following obligations and responsibilities, without prejudice to mandatory statutory obligations under applicable law:

- **Compliance with law and eligibility requirements.**

  UPY purchasers and holders are responsible for ensuring that the acquisition, holding, transfer and use of UPY is lawful in their jurisdiction, that they are not subject to sanctions or other legal restrictions, and that they comply with any KYC, AML/CFT, sanctions-screening, tax, reporting or similar requirements applicable to them or to the intermediaries or platforms they use.
- **Compliance with ecosystem and contractual terms.**

  UPY holders must comply with this White Paper, the terms of use of the UpSmarty platform and wallet, partner-specific terms, campaign rules, and the terms of any exchange, CASP, custodian, wallet provider or other intermediary through which they acquire, hold, transfer or use UPY.

- **Technical and security responsibilities.**

  UPY holders are responsible for maintaining a compatible wallet or other access method, safeguarding their private keys, seed phrases, credentials and devices, and taking appropriate technical and organisational measures to protect against loss, theft, fraud, misuse or unauthorised access. Losses resulting from the compromise, mismanagement or malfunction of the holder's own systems, credentials or devices are borne by the holder.
- **Platform and partner-use conditions.**

  Where UPY is used to access platform features, partner offers, discounts, events, campaigns or other ecosystem functionalities, holders must comply with any eligibility rules, availability conditions, identification procedures, booking terms, usage restrictions, commercial conditions or time limits that apply to those specific services or offers.
- **Tax and reporting obligations.**

  UPY holders are responsible for assessing and fulfilling any tax, accounting, reporting or disclosure obligations arising from the acquisition, holding, transfer, disposal or use of UPY in their relevant jurisdiction and should seek independent professional advice where necessary.

**Rights explicitly not granted by UPY.** Acquiring, holding or using UPY does **not** confer any of the following rights:

- **No equity or ownership rights:** UPY does not represent shares, equity interests, membership rights or any ownership interest in UpSmarty, the issuer, the platform operator or any affiliate, partner or third party.
- **No profit-sharing or income rights:** UPY does not entitle holders to dividends, profit-sharing, interest, yield, fees, passive income or any form of guaranteed or regular return.
- **No redemption or repayment rights:** UPY does not entitle holders to redemption at par or at any fixed or guaranteed price in fiat currency, crypto-assets, goods, commodities or any other asset, and the issuer is under no obligation to buy back or redeem UPY.
- **No asset-backed or reserve claim:** UPY does not represent a claim against any treasury, reserve, fund, pool, business asset, real-world asset, commodity, receivable or other underlying property.
- **No stable value or capital protection:** UPY is not designed to maintain a stable value, preserve capital, or track the value of any fiat currency, commodity, index or other reference asset.
- **No governance or corporate rights:** UPY does not grant rights to vote in corporate bodies, appoint or remove directors or managers, convene meetings, approve business decisions or otherwise participate in the corporate governance of the issuer or any affiliate.
- **No investor-compensation or deposit-guarantee protection:** UPY is not covered by deposit guarantee schemes under Directive 2014/49/EU, investor-compensation schemes under Directive 97/9/EC or any similar protection scheme. MiCA itself also requires this warning in the white paper.

- **No right to continued availability of ecosystem features:** Holders are not entitled to the continued existence, continuation or uninterrupted availability of any specific platform feature, partner relationship, discount, campaign, event, service, payment use case or ecosystem functionality. Such features may be modified, suspended or discontinued for technical, legal, commercial or operational reasons, subject to applicable law.
- **No right to listing or liquidity support:** Holders have no right to require the issuer or any affiliate to secure admission to trading, maintain a listing, provide market making, ensure liquidity, or support any specific market price for UPY.
- **No unconditional right to benefits solely by holding UPY:** Mere holding of UPY does not, by itself, guarantee access to discounts, bonuses, partner services, special terms, rewards or exclusive opportunities unless expressly provided under the relevant terms in force at the relevant time.

**G.2 Exercise of rights and obligations**

**General framework for the exercise of rights.** The rights attached to UPY may be exercised only in accordance with applicable law, this White Paper, and the terms governing the UpSmarty ecosystem, including platform terms, partner conditions and any applicable third-party service provider requirements.

The exercise of any rights is conditional upon:

- the technical availability and proper functioning of the relevant blockchain infrastructure;
- the operational status of the UpSmarty platform, wallet and related ecosystem features; and
- the holder’s compliance with all applicable legal, regulatory and contractual requirements.

No rights may be exercised independently of these conditions.

**Exercise through blockchain infrastructure.** UPY holders exercise their rights to hold and transfer UPY by interacting with supported blockchain networks and compatible wallets.

Such exercise is subject to:

- transaction validation and finality determined by the relevant blockchain;
- network fees, congestion, delays or technical failures;
- compatibility of wallets and service providers; and
- any restrictions imposed by exchanges, custodians or applicable law.

The issuer does not control or guarantee the performance, availability or security of blockchain infrastructure.

**Exercise within the UpSmarty ecosystem.** Any utility-related rights associated with UPY may be exercised only through the UpSmarty platform or through designated partner interfaces, where and when such functionalities are made available.

The exercise of such rights:

- requires compliance with applicable platform terms of use and partner-specific conditions;
- may be subject to eligibility criteria, identity verification, geographic limitations or technical requirements; and
- depends on the continued participation of partners and availability of the relevant services.

Access to features, benefits, offers or services linked to UPY is not automatic and must be exercised in accordance with the specific terms applicable to each use case.

No holder has an unconditional right to access or use any specific feature, partner service or benefit.

**Exercise in relation to partner offers and payments.** Where UPY is accepted within the UpSmarty ecosystem by participating partners as a means of payment or settlement, such use:

- is limited to those partners and use cases where UPY is explicitly supported;
- is governed by the terms and conditions of the relevant partner; and
- may be subject to additional requirements, restrictions or availability conditions.

There is no guarantee that any partner will accept UPY at any time, or that such acceptance will continue.

UPY does not grant a general right to use it as a means of payment outside the UpSmarty ecosystem.

**Exercise of participation in ecosystem initiatives.** Where campaigns, partner programmes, promotional activities or other ecosystem initiatives are made available, holders may exercise participation rights only by complying with the applicable rules of such initiatives.

Participation:

- may require additional actions, eligibility criteria or verification;
- may be limited in time, scope or capacity; and
- does not create any guaranteed entitlement to rewards, benefits or continued participation.

Any outcomes or benefits remain subject to the applicable programme terms and operational constraints.

**Exercise of the right to information.** UPY holders may access relevant information through official UpSmarty communication channels, including the website, platform interfaces or documentation repositories.

Holders are responsible for reviewing such information. The issuer is not responsible for ensuring individual awareness unless required by applicable law.

**Limitations affecting the exercise of rights.** The exercise of rights attached to UPY may be limited, delayed or prevented by:

- technical failures, cybersecurity incidents or smart contract issues;
- disruptions or discontinuation of blockchain infrastructure;
- actions or failures of third-party providers (including exchanges, custodians or partners);
- changes in applicable law, regulation or regulatory interpretation;
- sanctions, compliance measures or enforcement actions; or
- other circumstances beyond the control of the issuer.

**Obligations in exercising rights.** In exercising any rights associated with UPY, holders must:

- comply with applicable laws and regulatory requirements;
- adhere to this White Paper and all applicable contractual terms;
- respect technical limitations and system requirements; and
- refrain from unlawful, abusive or fraudulent use of UPY.

Failure to comply may result in restriction of access to ecosystem features or exclusion from specific functionalities, where permitted by applicable terms and law.

**No expansion of rights through exercise.** The exercise of any rights attached to UPY:

- does not create additional rights beyond those expressly described in this White Paper;
- does not modify the nature of UPY as a utility crypto-asset; and
- does not give rise to any expectation of profit, return, redemption, governance participation or asset-backed claim.

**G.3 Conditions for modifications of rights and obligations**

The issuer does not envisage modifying the core rights and obligations attached to UPY as described in this White Paper and does not intend to introduce new categories of payment or capital-commitment obligations for holders.

However, modifications may become necessary in order to:

- comply with applicable law or regulatory requirements;
- address security, technical or operational risks; or
- reflect the development and evolution of the UpSmarty ecosystem.

**Material modifications under MiCA.** Any modification that materially affects the rights and obligations attached to UPY within the meaning of Regulation (EU) 2023/1114 (MiCA) will be carried out in accordance with applicable requirements, including:

- updating this White Paper to clearly describe the changes;
- notifying the competent authority and, where applicable, relevant trading platforms; and
- publishing the updated White Paper before such changes take effect.

**Ecosystem changes.** The UpSmarty platform, wallet, partner integrations and related functionalities may be modified, limited, suspended or discontinued at any time for technical, operational, commercial or regulatory reasons.

Such changes do not, in themselves, constitute a modification of the core rights and obligations attached to UPY.

**No new obligations.** The issuer will not impose new categories of payment or financial obligations on UPY holders, except where required by law or expressly accepted under separate contractual arrangements.

**G.4 Futures**

No public offerings of UPY tokens are currently planned. Should the need for future offerings arise, they will be conducted transparently and in compliance with MiCAR.

**G.5 Issuer retained crypto-assets**

As at the date of this White Paper, 100,000,000 UPY, representing 10% of the total supply, have already been distributed in accordance with the project's allocation plan. The remaining 900,000,000 UPY, representing 90% of the total supply, are retained for future phased release and ecosystem-related use in accordance with the token distribution schedule described in this White Paper, including the allocations planned for 2026–2030 and the long-term gradual release for 2031–2037.

Retained tokens do not grant any additional rights to holders beyond those expressly described in this White Paper and do not constitute any form of asset backing, reserve entitlement, redemption right, profit-sharing arrangement or claim against the issuer or any related entity. Any retention, management, holding, allocation or future release of such retained tokens shall remain subject to applicable law, internal project arrangements, technical and operational requirements, and any contractual arrangements that may govern the allocation of rights and obligations between relevant project entities.

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| **G.6 Utility token classification** | False ('No') |
| **G.7 Key features of goods/services of utility tokens** | Without prejudice to the classification set out in G.6 above, UPY is designed to provide practical, usage-based access to certain digital and ecosystem-related functionalities within the UpSmarty ecosystem and, where available, through participating partners. |

The key features of the goods and services accessible through UPY include:

- access to digital tools, platform features and wallet-related functionalities made available through the UpSmarty platform;
- access to selected partner offers, services and ecosystem-based benefits, including discounts, promotional conditions, priority access or similar commercial advantages, where such arrangements are supported at the relevant time;
- participation in community programmes, campaigns, events, loyalty mechanisms and other ecosystem-based initiatives, subject to the applicable rules and eligibility criteria;
- use of UPY as a functional settlement or interaction tool for selected goods or services within the UpSmarty ecosystem, but only where such use is expressly enabled and accepted by the relevant participating counterparty; and
- access to visibility, engagement and distribution opportunities for businesses, associations and service providers participating in the ecosystem.

The quality, quantity, scope, duration and availability of any such goods, services, functionalities or benefits may vary over time and depend on technical availability, partner participation, commercial arrangements, applicable terms and conditions, and regulatory or operational constraints. No holder is guaranteed continued access to any specific good, service, partner offer, discount, campaign or functionality unless expressly provided under the applicable terms governing that specific use case.

UPY does not grant a general right to receive goods or services from any person outside the UpSmarty ecosystem, nor does it create an unconditional claim against the issuer or any third party for the delivery of any specific product, service or commercial benefit.

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| G.8 Utility tokens redemption | n.a. |
| **G.9 Non-trading request** | True (sought) |
| G.10 Crypto-assets purchase or sale modalities | n.a.<br><br>The UPY utility token is under an application process to be admitted to trading on Kraken, an EU-authorised Crypto-Asset Trading Platform (MIC: PGSL), and other CATP entities.<br><br>UPY Token may be available on **third-country exchanges**. Any such non-EU trading venues are **outside the scope** of this white paper. |
| **G.11 Crypto-assets transfer restrictions** | There are no such restrictions. |
| **G.12 Supply adjustment protocol** | False (No) |
| G.13 Supply adjustment mechanisms | n.a. |
| **G.14 Token value protection schemes** | The crypto asset does not have a safeguarding mechanism to protect its value. |
| G.15 Token value protection schemes description | n.a. |

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| **G.16 Compensation schemes** | False (No) |
| G.17 Compensation schemes description | n.a. |
| **G.18 Applicable law** | The UPY token is subject to the laws of the British Virgin islands. |
| **G.19 Competent court** | By default, any disputes arising in connection with this White Paper or the UPY token shall be resolved by arbitration before the BVI IAC (International Arbitration Centre at BVI).<br><br>Where arbitration is not possible or legally unenforceable, disputes shall fall under the exclusive jurisdiction of the competent courts of the British Virgin Islands, without prejudice to mandatory rights of EU consumers to bring claims before the courts of their domicile under applicable EU consumer-protection law. |

# X. Part H – information on the underlying technology

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| **H.1 Distributed ledger technology (DLT)** | **UPY** operates as a token native to the **Binance Smart Chain (BSC)** and relies on the **distributed ledger technology (DLT)** of that blockchain. The **Binance Smart Chain** provides the underlying infrastructure for the security, finality, and execution of all **UPY** token transactions and platform-based smart contracts.<br><br>UPY is developed in line with the **BEP-20 standard**, which leverages the network's high throughput and low transaction costs. More information about the Binance Smart Chain and its operation can be found at **bnbchain.org**. |
| **H.2 Protocols and technical standards** | **Binance Smart Chain Protocol:** The **UPY token** is based on the **Binance Smart Chain (BSC)** protocol, which utilizes decentralized **Distributed Ledger Technology (DLT)**. This protocol provides the foundation for **secure, transparent, and automated transactions** and the execution of **smart contracts** within the ecosystem.<br><br>**BEP20 Token Standard:** The **BEP20 standard** is a technical protocol for issuing and managing tokens on the Binance Smart Chain, defining the specific rules and actions the token can perform. This standard ensures that the **UPY token is compatible with the EVM** and most **wallets, exchanges, and decentralized applications**. |
| **H.3 Technology used** | The UPY token utilizes the BEP20 fungible token standard on the Binance Smart Chain (BSC). |
| **H.4 Consensus mechanism** | BNB Smart Chain uses a Proof of Staked Authority (PoSA) consensus mechanism, which combines elements of staking and authority-based validation. A limited set of pre-approved validators, selected through a governance process and required to stake BNB, are responsible for block production and transaction finality. This model supports faster block times and lower fees while maintaining a certain level of decentralisation. |

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| **H.5 Incentive mechanisms and applicable fees** | The UpSmarty project does **not have its own native consensus or incentive mechanism**; instead, it is built upon the **Binance Smart Chain (BSC)**. There may be fees associated with the **trading of the UPY token** on independent third-party venues (such as WEEX or PancakeSwap), which are determined solely by those platforms and are not controlled by the Issuer.<br><br>On the underlying BSC network, **transaction costs (“gas”)** are required for all on-chain interactions, including token transfers and the execution of platform-based smart contracts. These network fees are typically paid in **BNB** to reward the decentralized validators who maintain the security and finality of the blockchain. The BSC protocol is optimized to provide **high throughput and lower transaction costs** compared to traditional networks, with fee levels that may fluctuate based on network demand and congestion.<br><br>Consistent with its technical specifications, the UPY token **does not utilize staking or burning mechanisms** as part of its own internal protocol. Consequently, there are no project-specific rewards or penalties (such as "slashing") at the token level. |
| **H.6 Use of distributed ledger technology** | False ( No) |
| H.7 DLT functionality description | n.a. |
| **H.8 Audit** | No. |
| H.9 Audit outcome | n.a. |
| H.9.1 Results overview | n.a. |

# XI. Part I – Information on risks

**I.1 Offer-related risks**

Admission to trading and secondary-market trading, including UPY token, involves certain general risks that are common in the cryptocurrency industry. These risks are not specific to our project but affect the entire industry and depend on individual market conditions and regulatory frameworks.

**Market Uncertainty:** As with any new project in the cryptocurrency industry, the success of the secondary trading depends on factors such as general market conditions, demand for the services offered, and investor confidence.

**Regulatory Risks:** The legal status of cryptocurrencies, including UPY token, can vary across jurisdictions. While we comply with existing regulations, the introduction of new regulatory systems or changes to existing laws could influence the use or trading of cryptocurrencies. This risk is inherent to the entire industry and not specific to our project.

**Risk of Uninsured Losses**: Cryptocurrencies are generally not covered by public insurance. The issuer does not offer insurance to cover potential losses.

**Risks Related to Token Markets**: The UPY token is primarily intended for accessing digital services, platform functionalities, and partner-enabled use cases within the UpSmarty ecosystem. While secondary market trading for UPY is already established on independent third-party platforms (such as PancakeSwap and WEEX), this activity operates independently of the project's core utility and does not define its primary purpose. The Issuer does not guarantee liquidity, price stability, or market performance on these venues, and such market conditions remain subject to risks—including volatility and third-party infrastructure dependency—that are beyond the Issuer's control.

**Security risks:** The risk of exploitation, hacking or security vulnerabilities of the underlying protocol and/or contracts of the token leading to a loss.

**Reputational risks**: The potential for damage to the credibility of, or loss of public trust in, the issuer, or the project team, could negatively impact stakeholder confidence, market sentiment and overall project viability.

**Market and liquidity risk specific to UPY.** The price of **UPY** may be highly volatile and influenced by factors such as **general market conditions for crypto-assets**, sentiment towards **utility-driven ecosystem tokens**, the **perceived success or failure of the UpSmarty platform**, and overall demand for the token.

**UPY is already available for secondary market trading** through independent third-party platforms, specifically the decentralized exchange **PancakeSwap** and the centralized exchange **WEEX**. Further listings on additional centralized exchanges, such as **Bitget, Gate.io, and Bybit**, are scheduled to follow as part of the project's public expansion phase.

However, the **Issuer does not guarantee liquidity, price stability, or market performance** on these venues, and secondary trading does not form part of the project's primary utility offering. There is no assurance that UPY will remain admitted to trading on these platforms or achieve sufficient trading volume. Even with current and planned listings, **trading may be sporadic or illiquid**, potentially making it difficult or impossible for holders to sell UPY at any particular time or price.

**Dependency on Binance Smart Chain and related infrastructure** (trading and ecosystem execution). **UPY is issued as a BEP20 token on the Binance Smart Chain (BSC)** and relies on this network for all settlement and transfer activities. Any major issue affecting the Binance Smart Chain—such as network congestion, fluctuating transaction fees (gas), protocol-level vulnerabilities, network forks, or regulatory measures impacting the BSC ecosystem—may:

(i) **impair the ability of holders to move UPY** to and from centralized exchanges (CEXs), decentralized exchanges (DEXs) like PancakeSwap, or self-custody wallets;

(ii) **increase the operational cost** of participating in UpSmarty ecosystem features and accessing its digital services; or

(iii) **adversely affect market confidence** in the UPY token.

While technology-related risks are inherent to all blockchain-based services, these **BSC-related dependencies have direct consequences for the functional utility and trading** realization for UPY holders.

**Venue and counterparty risk (CATPs and intermediaries)**. Acquisition and disposal of UPY in the EU/EEA typically requires using CATPs and other intermediaries. Each such venue applies its own listing, delisting, margin, custody and risk policies. There is a risk that: (i) a CATP may **refuse, delay or revoke** admission of UPY to trading, (ii) trading conditions may change (e.g. higher fees, restrictions on certain users, reduced market-making support); or (iii) a CATP or intermediary may suffer operational disruption, insolvency or regulatory sanctions, preventing holders from accessing or disposing of UPY held with that intermediary.

**General risks under Article 6(5) MiCA**. Pursuant to Article 6(5) MiCA, prospective holders are reminded that: (i) **UPY may lose its value in whole or in part**, (ii) **UPY may not always be transferable** (for example, due to technical issues, sanctions or programme lock-ups); and (iii) **UPY may not be liquid**, including if trading volumes are low or venues delist the token. All of these risks may apply to UPY in addition to the crypto-asset-related risks described in Section I.3.

**I.2 Issuer-related risks**

**Regulatory Compliance Risks:** Issuers of crypto assets must adhere to a wide array of regulatory requirements across different jurisdictions. Non-compliance can result in fines, sanctions, or the prohibition of the crypto asset offering, impacting its viability and market acceptance.

**Operational Risks:** These include risks related to the issuer's internal processes, personnel, and technologies, which can affect their ability to manage crypto-asset operations effectively. Failures in operational integrity might lead to disruptions, financial losses, or reputational damage.

**Financial Risks:** Issuers face financial risks, including liquidity, credit, and market risks. These could affect the issuer's ability to continue operations, meet obligations, or sustain the stability or value of the crypto-asset.

**Legal Risks:** Legal uncertainties, potential lawsuits, or adverse legal rulings can pose significant risks to issuers. Legal challenges may affect the legality, usability, or value of a crypto-asset.

**Fraud and Mismanagement Risks:** There is a risk of fraudulent activity or mismanagement by the issuer, which can lead to directly impacting the usability or value of a crypto-asset or damage the credibility of the project.

**Reputational Risks:** Negative publicity, whether due to operational failures, security breaches, or association with illicit activities, can damage an issuer's reputation and, by extension, the value and acceptance of the crypto-asset.

**Technology Management Risks:** Inadequate management of technological updates or failure to keep pace with technological advancements can render a crypto-asset, or the project it is connected to, obsolete or vulnerable to security risks.

**Dependency on Key Individuals:** The success of some crypto projects can be highly dependent on the expertise and leadership of key individuals. Loss or changes in the project's leadership can lead to disruptions, loss of trust, or project failure.

**Conflicts of Interest:** Risks arise when the issuer's interests do not align with those of the crypto- asset holders, potentially leading to decisions that are not in the best interests of the asset holders, impacting the value of a crypto-asset or damage the credibility of the project.

**Counterparty Risks:** Risks associated with the issuer's partners, suppliers, or collaborators, including the potential for non-fulfillment of obligations that can affect the issuer's operations.

**Ecosystem utility and benefit realization risk:** Unlike models based on staking-based access to tiered benefits, **UPY's utility is derived from functional participation and real-world interaction** within a circular digital ecosystem. The benefits described—such as **B2B settlement efficiency, enhanced visibility for SMEs and partners, and exclusive user perks**—rely on the active involvement of a decentralized network of service providers and businesses.

The high-level descriptions of these benefits in the documentation are indicative; the **actual availability of specific offers**, such as exact discount levels, priority access rights, or partner-specific terms, is governed by individual commercial agreements and the operational state of the platform. These benefits may:

(i) **be revised over time** as the platform expands into new industries, such as sustainability, culture, or materials;

(ii) **change based on the commercial decisions** or availability of third-party partners within the network; or

(iii) **be subject to eligibility requirements**, such as mandatory **KYC/AML checks** or jurisdiction-based restrictions.

Therefore, while the Issuer operates with a focus on usability and transparency, the **practical realization of benefits depends on the continuous evolution of the partner network** and ecosystem growth, which may lead to differences between indicative descriptions and actual use-case availability.

**Third-Party Partner and Benefit Realization Risk**: The **utility of UPY depends on a network of third-party partners** who participate voluntarily and may independently decide to alter their terms or discontinue services at any time. Because these providers operate outside the Issuer's direct control, there is **no guarantee that specific discounts or**

**perks will be realized** in practice. Consequently, holders assume the risk of any discrepancy between indicative benefit descriptions and the actual services provided by these external entities.

**Dependence on UpSmarty's ecosystem growth and commercial success:** The practical utility and perceived value of **UPY** are closely linked to the success of the **UpSmarty platform** and the establishment of its **circular digital ecosystem**. If UpSmarty fails to attract or retain a sufficient number of **business partners (B2B), SMEs, and active community participants**, the actual demand for UPY-linked settlement methods and benefit programs will decline.

The project's sustainability relies on a "natural feedback loop" where **usability drives adoption**; therefore, if the platform's services become less competitive versus traditional marketing or payment solutions, or if the project fails to successfully integrate into its target sectors, the utility of the token may be compromised. Adverse events, such as a sustained loss of partner participation, public criticism of the platform's effectiveness, or failure to meet **user adoption milestones**, could materially reduce demand for UPY and negatively affect its market price and perceived functional value.

**Concentration of control and governance within the project:** Strategic decisions regarding the **UPY token**, its long-term distribution strategy, and the development of the **UpSmarty platform** are centralized within the project's leadership and the issuing entity. This leadership team, which includes the Director, Idea Leader, and Finance Lead, controls key operational aspects such as token release schedules (2026–2037), the onboarding of partner businesses, and the allocation of resources for platform expansion.

This concentration of control means that critical decisions—such as **updating technical or legal documentation**, adjusting ecosystem parameters, or shifting the project's strategic focus to new industries—can be taken by a relatively **small number of individuals**. While these actions are intended to support the long-term sustainability and regulatory compliance of the circular digital ecosystem, they may not always align with the individual expectations of all token holders.

Furthermore, the **UPY token is exclusively a utility asset** (by functionality, not under the applicable MiCA definition) and does **not represent equity, ownership, or profit participation**. Consequently, **holders do not possess corporate governance rights**, voting power, or any legal mechanism to influence the Issuer's commercial or strategic decisions. Participation in the ecosystem is limited solely to **functional access and engagement**, with the Issuer reserving the unilateral right to reflect technical or operational developments in the project's documentation as needed.

**Regulatory classification and compliance risk (project-specific).** The Issuer has assessed UPY as a **crypto-asset other than an ART or EMT** under MiCA. Nonetheless, there is a risk that: (i) regulators in some jurisdictions could **re-interpret or re-classify** UPY differently in the future; or (ii) evolving guidance on utility tokens, staking programmes, or incentive schemes could impose new requirements on the Issuer or group entities. Any such developments could require changes to programme design, access conditions or geographical availability, and in extreme cases could lead to suspension or termination of certain UPY-linked functionalities in specific jurisdictions.

**Ecosystem Design Discretion and Utility Realization Risk:** The Issuer and its leadership team retain **broad discretion to design, adjust, or evolve the functional features** of the UpSmarty platform and its ecosystem. This authority includes the right to: (i) **update technical, legal, or operational documentation** to reflect project developments or regulatory requirements under MiCA; (ii) **reallocate developmental focus** between different target sectors; and (iii) **modify the criteria for partner participation** or the functional rules governing ecosystem-based reward mechanisms.

There is an inherent risk that such adjustments—even when made to support the long-term sustainability and growth of the platform—may result in **utility that differs from a holder's initial expectations**. Furthermore, because many benefits (such as discounts and exclusive offers) are provided by a **decentralized network of third-party partners**, the Issuer cannot guarantee that these external entities will maintain their participation or honor previously described terms. Consequently, **holders assume the risk** of any discrepancy between indicative ecosystem descriptions and the actual functional benefits available at any given time.

**I.3 Crypto-assets-related risks**

These risks are not specific to UPY token but apply generally to the use and management of cryptocurrencies.

**Market Risk:** Crypto-assets are notoriously volatile, with prices subject to significant fluctuations due to market sentiment, regulatory news, technological advancements, and macroeconomic factors.

**Liquidity Risk:** Some crypto-assets may suffer from low liquidity, making it difficult to buy or sell large amounts without affecting the market price, which could lead to significant losses, especially in fast- moving market conditions.

**Custodial Risk:** Risks associated with the theft of crypto-assets from exchanges or wallets, loss of private keys, or failure of custodial services, which can result in the irreversible loss of crypto-assets.

**Smart Contract Risk:** Crypto-assets might be connected to or be issued with the help of smart contracts. Smart contracts are code running on a blockchain, executing the programmed functions automatically if the defined conditions are fulfilled. Bugs or vulnerabilities in smart contract code can expose blockchain users to potential hacks and exploits. Any flaw in the code can lead to unintended consequences, such as the loss of crypto-assets or unauthorized access to sensitive data.

**Regulatory and Tax Risk:** Changes in the regulatory environment for crypto-assets (such as consumer protection, taxation, and anti-money laundering requirements) could affect the use, value, or legality of crypto-assets in a given jurisdiction.

**Counterparty Risk:** In cases where crypto-assets are used in contractual agreements or held on exchanges, there is a risk that the counterparty may fail to fulfill their obligations due to insolvency, compliance issues, or fraud, resulting in loss of crypto-assets.

**Reputational Risk:** Association with illicit activities, high-profile thefts, or technological failures can damage the reputation of certain crypto-assets, impacting user trust and market value.

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| **I.4 Project implementation-related risks** | The risks described here are generally applicable to projects in a development phase and are not specific to our project.<br><br>**Project Delays:** Delays can occur in any development process. Our team is committed to minimizing such delays and will keep investors regularly informed about progress.<br><br>**External Factors:** Political, economic, or regulatory changes can impact any project. The Issuer closely monitors developments in the industry and strives to adapt proactively. |
| **I.5 Technology-related risks** | The technology used is based on the proven Binance Smart Chain blockchain, which has been successfully utilized by numerous projects. However, there are general technological risks in the industry.<br><br>**Private Key Management Risk and Loss of Access to Crypto-Assets**: The security of crypto-assets heavily relies on the management of private keys, which are used to access and control the crypto- assets (e.g. initiate transactions). Poor management practices, loss, or theft of private keys, or respective credentials, can lead to irreversible loss of access to crypto-assets.<br><br>**Settlement and Transaction Finality**: By design, a blockchain's settlement is probabilistic, meaning there is no absolute guaranteed finality for a transaction. There remains a theoretical risk that a transaction could be reversed or concurring versions of the ledger could persist due to exceptional circumstances such as forks or consensus errors. The risk diminishes as more blocks are added, making it increasingly secure over time. Under normal circumstances, however, once a transaction is confirmed, it cannot be reversed or cancelled. Crypto-assets sent to a wrong address cannot be retrieved, resulting in the loss of the sent crypto assets. |

**Scaling Limitations and Transaction Fees:** As the number of users and transactions grows, a blockchain network may face scaling challenges. This could lead to increased transaction fees and slower transaction processing times, affecting usability and costs.

**Economic Self-sufficiency and Operational Parameters:** A blockchain network might not reach the critical mass in transaction volume necessary to sustain self-sufficiency and remain economically viable to incentivize block production. In failing to achieve such inflection point, a network might lose its relevance, become insecure, or result in changes to the protocol's operational parameters, such as the monetary policy, fee structure and consensus rewards, governance model, or technical specifications such as block size or intervals.

**Network Attacks and Cyber Security Risks:** Blockchain networks can be vulnerable to a variety of cyber-attacks, including 51% attacks, where an attacker gains control of the majority of the network's consensus, Sybil attacks, or DDoS attacks. These can disrupt the network's operations and compromise data integrity, affecting its security and reliability.

**Consensus Failures or Forks:** Faults in the consensus mechanism can lead to forks, where multiple versions of the ledger coexist, or network halts, potentially destabilizing the network and reducing trust among participants.

**Bugs in the Blockchain's Core Code:** Even with thorough testing, there is always a risk that unknown bugs may exist in a blockchain protocol, which could be exploited to disrupt network operations or manipulate account balances. Continuous code review, audit trails, and having a bug bounty program are essential to identify and rectify such vulnerabilities promptly.

**Smart Contract Security Risk**: Smart contracts are code running on a blockchain, executing the programmed functions automatically if the defined conditions are fulfilled. Bugs or vulnerabilities in smart contract code can expose blockchain networks to potential hacks and exploits. Any flaw in the code can lead to unintended consequences, such as the loss of crypto-assets or unauthorized access to sensitive data.

**Dependency on Underlying Technology:** Blockchain technology relies on underlying infrastructures, such as specific hardware or network connectivity, which may themselves be vulnerable to attacks, outages, or other interferences.

**Risk of Technological Disruption:** Technological advancements or the emergence of new technology could impact blockchain systems, or components used in it, by making them insecure or obsolete (e.g. quantum computing breaking encryption paradigms). This could lead to theft or loss of crypto-assets or compromise data integrity on the network.

**Governance Risk:** Governance in blockchain technology encompasses the mechanisms for making decisions about network changes and protocol upgrades. Faulty governance models can lead to ineffective decision-making, slow responses to issues, and potential network forks, undermining stability and integrity. Moreover, there is a risk of disproportionate influence by a group of stakeholders, leading to centralized power and decisions that may not align with the broader public's interests.

**Anonymity and Privacy Risk:** The inherent transparency and immutability of blockchain technology can pose risks to user anonymity and privacy. Since all transactions are recorded on a public ledger, there is potential for sensitive data to be exposed. The possibility for the public to link certain transactions to a specific address might expose it to phishing attacks, fraud, or other malicious activities.

**Data Corruption:** Corruption of blockchain data, whether through software bugs, human error, or malicious tampering, can undermine the reliability and accuracy of the system.

**Third-Party Risks:** Crypto-assets often rely on third-party services such as exchanges and wallet providers for trading and storage. These platforms can be susceptible to security breaches, operational failures, and regulatory non-compliance, which can lead to the loss or theft of crypto-assets.

**I.6 Mitigation measures** **The Issuer has taken measures to minimize the described risks as much as possible:**

- **Secure Management of Private Keys:** We recommend that our users rely on proven wallets and secure storage solutions.
- **Transparent Communication:** We keep our users and investors regularly informed about progress and developments.
- **Proven Technology:** By utilizing the established blockchain platforms, we benefit from a stable and secure foundation.
- **Regulatory Engagement and Compliance Strategies.** Actively working with regulators and designing compliance frameworks reduces exposure to legal uncertainty. This helps safeguard the network's operations and provides clearer pathways for sustainable growth.

# XII. Part J – Information on the sustainability indicators in relation to adverse impact on the climate and other environment-related adverse impacts

## J.1 Adverse impacts on climate and other environment-related adverse impacts

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| **S.1 Name** | Name reported in field A.1 |
| **S.2 Relevant legal entity identifier** | Identifier referred to in field A.7 |
| **S.3 Name of the crypto-asset** | Name of the crypto-asset, as reported in field D.2 |
| **S.4 Consensus Mechanism** | The consensus mechanism, as reported in field H.4 |
| **S.5 Incentive Mechanisms and Applicable Fees** | Incentive mechanisms to secure transactions and any fees applicable, as reported in field H.5 |
| **S.6 Beginning of the period to which the disclosure relates** | 2025-12-12 |
| **S.7 End of the period to which the disclosure relates** | 2026-12-12 |
| **S.8 Energy consumption** | 8.25166 kWh/a |
| **S.9 Energy consumption sources and Methodologies** | The energy consumption of this asset is aggregated across multiple components: |

To determine the energy consumption of a token, the energy consumption of the Binance Chain network is calculated first. For the energy consumption of the token, a fraction of the energy consumption of the network is attributed to the token, which is determined based on the activity of the crypto-asset within the network.

When calculating the energy consumption, the Functionally Fungible Group Digital Token Identifier (FFG DTI) is used - if available - to determine all implementations of the asset in scope. The mappings are updated regularly, based on data of the Digital Token Identifier Foundation. The information regarding the hardware used and the number of participants in the network is based on assumptions that are verified with best effort using empirical data. In general, participants are assumed to be largely economically rational. As a precautionary principle, we make assumptions on the conservative side when in doubt, i.e. making higher estimates for the adverse impacts.

## J.2. Supplementary information on principal adverse impacts on the climate and other environment-related adverse impacts of the consensus mechanism

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| **S.10 Renewable energy consumption** | Share of energy used generated from renewable sources, expressed as a percentage of the total amount of energy used per calendar year, for the validation of transactions and the maintenance of the integrity of the distributed ledger of transactions. |
| **S.11 Energy intensity** | Average amount of energy used per validated transaction |
| **S.12 Scope 1 DLT GHG emissions – Controlled** | Scope 1 GHG emissions per calendar year for the validation of transactions and the maintenance of the integrity of the distributed ledger of transactions |
| **S.13 Scope 2 DLT GHG emissions – Purchased** | 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 |
| **S.14 GHG intensity** | Average GHG emissions (scope 1 and scope 2) per validated transaction |
| **S.15 Key energy sources and methodologies** | Sources and methodologies used in relation to the information reported in fields S.10 and S.11 |
| **S.16 Key GHG sources and methodologies** | Sources and methodologies used in relation to the information reported in fields S.12, S.13 and S.14 |