Walrus (WAL)
White paper

In accordance with Title II of Regulation (EU) 2023/1114 (MiCA)

N	Field	Content	
0	Table of content		

01	Date of notification	2025-06-19
02	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 operator of the trading platform of the crypto-asset is solely responsible for the content of this crypto-asset white paper.
03	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 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.
04	Statement in accordance with Article 6(5), points (a), (b), (c) of Regulation (EU) 2023/1114	The crypto-asset referred to in this white paper may lose its value in part or in full, may not always be transferable and may not be liquid.
05	Statement in accordance with Article 6(5), point (d) of Regulation (EU) 2023/1114	False
06	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. The crypto-asset referred to in this white paper is not covered by the deposit guarantee schemes under Directive 2014/49/EU of the European Parliament and of the Council.

Summary

07	Warning in accordance with Article 6(7), second subparagraph of Regulation (EU) 2023/1114	**Warning** This summary should be read as an introduction to the crypto-asset white paper. 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. The admission to trading 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. 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 (36) or any other offer document pursuant to Union or national law.
08	Characteristics of the crypto-asset	WAL is the native crypto-asset of the Walrus decentralized storage network. It serves as the medium of exchange for data storage services on the platform and as the staking token for network security. Holders of WAL can use it to pay for storing data on Walrus and may delegate or stake their tokens to support storage node operators, earning rewards in return. WAL has a maximum supply of 5 000 000 000 distributed as follows: <table><tr><th>Category</th><th>Allocation</th></tr><tr><td>Community reserve</td><td>43%</td></tr><tr><td>Core contributors</td><td>30%</td></tr><tr><td>Walrus user drop</td><td>10%</td></tr><tr><td>Subsidies</td><td>10%</td></tr><tr><td>Investors</td><td>7%</td></tr></table> WAL tokens are freely transferable, in whole or in part, to third parties, and all associated usage rights and obligations follow the token upon transfer.

09	Information about the quality and quantity of goods or services to which the utility tokens give access and restrictions on the transferability	N/A
10	Key information about the offer to the public or admission to trading	Kraken seeks admission to trading of the WAL token so as to be compliant with MiCA and in keeping with its mission to make available for trading to its clients a wide range of assets.

Part I – Information on risks

I.1	Offer-Related Risks	**General Risk Factors Associated with Crypto-Asset Offerings:** The admission to trading of crypto-assets, including WAL, is subject to general risks inherent to the broader cryptocurrency market. **Market Volatility:** The value of WAL may experience substantial fluctuations driven by investor sentiment, macroeconomic developments, and market conditions. **Regulatory Risks:** Changes in legislation, applicable laws, compliance requirements or the implementation of new regulatory frameworks could affect the availability, trading, or use of such assets. **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 an organization's credibility or public trust, which can negatively impact stakeholder confidence and overall business viability.
I.2	Issuer-Related Risks	**Operational Risk:** As a young organization, the Walrus Foundation faces typical start-up risks – limited operating history, reliance on key personnel, and the challenge of deploying funds effectively. If the Foundation were to encounter internal issues

		(e.g., loss of key developers or mismanagement of treasury), the development of Walrus could slow or stall. **Regulatory Risk:** The Foundation operates in an evolving regulatory landscape. There is a risk that authorities in certain jurisdictions could deem the Foundation's activities or the WAL token to fall under regulatory regimes (securities, etc.) requiring compliance or even restricting activities. Changes in law or enforcement (in the EU or abroad) could increase compliance costs or limit the Foundation's ability to support the network. **No Ongoing Revenue:** The Foundation currently does not generate revenues; it relies on raised funds and token reserves. If those funds are depleted before the network becomes self-sustaining, the Foundation's ability to continue supporting the project could be impaired.
I.3	Crypto-Assets-related Risks	**Market Volatility:** The crypto-asset market is subject to significant price volatility, which may affect the value of WAL. Prices can fluctuate rapidly and unpredictably due to various factors, including market sentiment, economic indicators, technological developments, regulatory news, and macroeconomic trends. This high level of volatility may lead to sudden gains or losses and can impact the liquidity and tradability of the crypto-asset. **Liquidity:** Liquidity refers to the ability to buy or sell a crypto-asset without causing significant price impact. WAL may experience periods of low liquidity, meaning that it could be difficult to enter or exit positions at desired prices or volumes. Reduced liquidity may result from limited market participation, exchange restrictions, or broader market conditions. This can lead to increased price volatility, slippage, and difficulty in executing transactions. **Cybersecurity & Technology Risks:** Risks arising from vulnerabilities in the blockchain technology used by the project or platforms. Example risks include smart contract exploits, compromise of platforms, forking scenarios, compromise of cryptographic algorithms. **Adoption Risks:** The risk associated with the project not achieving its goals leading to lower than expected adoption and use within the ecosystem, the impact leading to a reduced utility and value proposition. **Custody & Ownership Risk:**

		The risk related to the inadequate safekeeping and control of crypto-assets e.g. loss of private keys, custodian insolvency leading to a loss.'
I.4	Project Implementation-Related Risks	**Dependence on Core Development Team** The successful implementation of the Walrus protocol relies heavily on the continued involvement of the Walrus Foundation and core contributors. Any disruption in the team's capacity, due to loss of key personnel, internal restructuring, or funding issues, may delay upgrades, maintenance, or operational continuity. **Incomplete Feature Rollout** Not all planned features of the Walrus protocol were live at launch (e.g., slashing mechanisms, on-chain governance). Delays in activating these features could weaken incentive alignment or reduce the protocol's security and decentralization in the interim. **Node Participation Risk** The protocol's functionality depends on sufficient decentralized participation by storage node operators. If participation is lower than expected, or geographic distribution is limited, this may affect performance, redundancy, or resilience of the network. **Interoperability and Ecosystem Integration** Walrus aims to be accessible to Web3 ecosystems beyond Sui. If anticipated integrations (e.g., cross-chain compatibility or SDKs for dApps) are delayed or underdelivered, this could hinder adoption and utility of WAL. **Governance Centralization (Interim Phase)** Until on-chain governance is live, key decisions—including use of the Community Reserve—are made by the Foundation. This centralization may introduce trust assumptions or risks of mismanagement, even if temporary.
I.5	Technology-Related Risks	**Smart contract risks:** WAL uses smart contracts to facilitate automated transactions and processes. While these contracts enhance efficiency and decentralization, they also introduce specific technical risks. Vulnerabilities such as coding errors, design flaws, or security loopholes within the smart contract code may be exploited by malicious actors. Such exploits could result in the loss of assets, unauthorized access to sensitive information, or unintended and irreversible execution of transactions. **Blockchain Network Risks:** WAL operates on a public blockchain infrastructure, which is maintained by a decentralized network of participants. The functionality and reliability of the

crypto-asset are dependent on the performance and security of the underlying blockchain. Risks may include network congestion, high transaction fees, delayed processing times, or, in extreme cases, outages and disruptions. Additionally, vulnerabilities or failures in the consensus mechanism, attacks on the network (e.g., 51% attacks), or protocol-level bugs could impact the operation and availability of WAL.

Risk of Cryptographic Vulnerabilities:
Technological advancements, such as quantum computing, could pose potential risks to cryptocurrencies.

Storage Node Risk:
Walrus relies on independent storage nodes. There is a risk that an insufficient number of nodes participate (reducing redundancy) or that too many nodes collude maliciously. In a worst case, if a supermajority of nodes and stakers acted dishonestly, they might attempt to misuse data or game the reward system.

Data Loss or Corruption:
Although Red Stuff provides high resilience , novel algorithms carry implementation risks. There is a chance (albeit low) of undetected bugs leading to data unavailability or corruption if the redundancy mechanism fails.

Cybersecurity:
Both the on-chain and off-chain components are exposed to attacks. Hackers might target the smart contracts (e.g., to exploit logic flaws) or the storage nodes (e.g., DDoS attacks to disrupt service). A successful attack could undermine confidence or functionality of the network.

Privacy:
Transactions involving WAL are recorded on a public blockchain, where transaction data is transparent and permanently accessible. While public addresses do not directly reveal personal identities, transaction histories can be analyzed and, in some cases, linked to individuals through data aggregation or external information sources. This transparency may pose privacy concerns for users seeking confidentiality in their financial activity. Participants should be aware that transaction data on public blockchains is not inherently private and could be subject to scrutiny by third parties, including regulators, analytics firms, or malicious actors.

I.6	Mitigation measures	**Audits and Testing:** The Walrus smart contracts were subject to internal testing to catch vulnerabilities that can be exploited. **Bug Bounty Program:** The Walrus Foundation has implemented an active bug bounty program to enhance the security and reliability of the Walrus decentralized storage protocol. This initiative invites security researchers and developers to identify and report vulnerabilities that could impact the protocol's functionality, data integrity, or economic mechanisms. **Phased Feature Rollout:** High-impact features like slashing will be introduced carefully and are initially disabled.

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

A.1	Name	N/A
A.2	Legal form	N/A
A.3	Registered address	N/A
A.4	Head office	N/A
A.5	Registration Date	N/A
A.6	Legal entity identifier	N/A
A.7	Another identifier required pursuant to applicable national law	N/A

A.8	Contact telephone number	N/A
A.9	E-mail address	N/A
A.10	Response Time (Days)	N/A
A.11	Parent Company	N/A
A.12	Members of the Management body	N/A
A.13	Business Activity	N/A
A.14	Parent Company Business Activity	N/A
A.15	Newly Established	N/A
A.16	Financial condition for the past three years	N/A
A.17	Financial condition since registration	N/A

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

B.1	Issuer different from offeror or person seeking admission to trading	N/A
B.2	Name	Walrus Foundation
B.3	Legal form	Foundation
B.4	Registered address	Not available
B.5	Head office	Not available
B.6	Registration Date	2022-09-15
B.7	Legal entity identifier	Unknown
B.8	Another identifier required pursuant to applicable national law	Not available
B.9	Parent Company	Unknown
B.10	Members of the Management body	Not available
B.11	Business Activity	Not available
B.12	Parent Company Business Activity	N/A

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 Regulation (EU) 2023/1114

C.1	Name	Payward Global Solutions LTD
C.2	Legal form	N/A
C.3	Registered address	N/A
C.4	Head office	N/A
C.5	Registration Date	11-07-2023
C.6	Legal entity identifier of the operator of the trading platform	9845003D98SCC2851458
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	Kraken seeks admission to trading of the WAL token so as to be compliant with MiCA and in keeping with its mission to make available for trading to its clients a wide range of assets.

C.10	Members of the Management body			
		Full Name	**Business Address**	**Function**
		Shannon Kurtas	70 Sir John Rogerson's Quay, Dublin 2, Ireland	Board Member

		Andrew Mulvenny	70 Sir John Rogerson's Quay, Dublin 2, Ireland	Board Member
		Shane O'Brien	70 Sir John Rogerson's Quay, Dublin 2, Ireland	Board Member
		Laura Walsh	70 Sir John Rogerson's Quay, Dublin 2, Ireland	Board Member
		Michael Walsh	70 Sir John Rogerson's Quay, Dublin 2, Ireland	Board Member

C.11	Operator Business Activity	PGSL is the operator of a Trading Platform for Crypto Assets, in accordance with Article 3(1)(18) of Regulation (EU) 2023/1114 (MiCA).
C.12	Parent Company Business Activity	Payward, Inc., a Delaware, USA corporation, is the parent company of a worldwide group of subsidiaries (the following paragraphs use the term "Payward" or "Payward Group" to refer to the group) collectively doing business as "Kraken." Payward's primary business is the operation of an online virtual asset platform that enables clients to buy and sell virtual assets on a spot basis, including the transfer of crypto-assets to and from external wallets. Payward, through its various affiliates, offers a number of other services and products, including: * A trading platform for futures contracts on virtual assets ("Kraken Derivatives"); * A platform for buying and selling NFTs; * An over-the-counter ("OTC") desk; * Extensions of margin to support spot trading of virtual assets; * A benchmark administrator; and * Staking services.
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, of Regulation (EU) 2023/1114	N/A

Part D- Information about the crypto-asset project

D.1	Crypto-asset project name	Walrus
D.2	Crypto-assets name	Walrus
D.3	Abbreviation	WAL
D.4	Crypto-asset project description	Walrus is a blockchain-based decentralized storage network aimed at allowing users and applications to store and retrieve large data files in a secure, distributed manner. It is built on the Sui blockchain. Walrus operates a network of independent storage nodes that hold the actual data ("blobs"), using a novel data encoding algorithm called Red Stuff to ensure data durability and efficient retrieval.
D.5	Details of all natural or legal persons involved in the implementation of the crypto-asset project	**Project Development and Contributors:** The Walrus protocol was initially developed by Mysten Labs, the core team behind the Sui blockchain. Mysten Labs is a California Out of State Stock Corporation, registered under number 4841233 with a registered principal address of 379 University Ave, Suite 200, Palo Alto, California 94301. The project is currently administered by the Walrus Foundation. The Walrus Foundation is responsible for the promotion and growth of the Walrus Protocol. The Walrus foundation is based in the Cayman Islands. **Service Providers:** The project has partnerships within the Sui ecosystem – for example, integration with Sui's decentralized exchange (DeepBook) for token liquidity.

D.6	Utility Token Classification	False
D.7	Key Features of Goods/Services for Utility Token Projects	N/A
D.8	Plans for the token	**Past Milestones:** (i) Development Phase: Throughout 2023, Mysten Labs developed the Walrus protocol alongside Sui's infrastructure, achieving internal test networks and the creation of the Red Stuff encoding scheme. (ii) Funding and Launch Preparation: By early 2025, the Walrus Foundation was formed and the project secured $140M in funding from investors, enabling a robust launch. (iii) Mainnet Launch: On 27 March 2025, Walrus launched its mainnet, concurrently issuing the WAL token and initiating the live decentralized storage network allowing public users and node operators to participate in the network. **Near-Term Plans:** Please refer to the project team website for any further information regarding future milestones
D.9	Resource Allocation	The Walrus Foundation has substantial resources to support the project. Its core treasury—primarily funded through a private token sale that raised approximately $140 million USD—will be used for development, operations, and ecosystem incentives. In addition, a significant portion of the token supply is allocated for community and ecosystem growth. This includes a Community Reserve comprising 43% of the total WAL supply, which is earmarked for grants, incentives, and other long-term community initiatives.
D.10	Planned Use of Collected Funds or Crypto-Assets	The Project team has indicated collected funds will be allocated to scale and sustain the decentralized data storage protocol, with the aim of improving its robustness and reliability. More specifically through investment in building and enhancing the application development platform to support a wide range of decentralized applications, supporting the growth of the Walrus ecosystem by fostering partnerships and integrations with other platforms, and encouraging adoption of the protocol
Part E - Information about the offer to the public of crypto-assets or their admission to trading		

E.1	Public Offering or Admission to trading	ATTR
E.2	Reasons for Public Offer or Admission to trading	Making secondary trading available to the consumers on the Kraken Trading platform in compliance with the MiCA regulatory framework
E.3	Fundraising Target	N/A
E.4	Minimum Subscription Goals	N/A
E.5	Maximum Subscription Goal	N/A
E.6	Oversubscription Acceptance	N/A
E.7	Oversubscription Allocation	N/A
E.8	Issue Price	N/A
E.9	Official currency or other crypto-assets determining the issue price	N/A
E.10	Subscription fee	N/A

E.11	Offer Price Determination Method	N/A
E.12	Total Number of Offered/Traded crypto-assets	5 000 000 000 maximum supply
E.13	Targeted Holders	ALL
E.14	Holder restrictions	N/A
E.15	Reimbursement Notice	N/A
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 Offered Funds/crypto-assets	N/A
E.24	Payment Methods for crypto-asset Purchase	N/A
E.25	Value Transfer Methods for Reimbursement	N/A
E.26	Right of Withdrawal	N/A
E.27	Transfer of Purchased crypto-assets	N/A
E.28	Transfer Time Schedule	N/A
E.29	Purchaser's Technical Requirements	N/A
E.30	crypto-asset service provider (CASP) name	N/A
E.31	CASP identifier	N/A
E.32	Placement form	NTAV

E.33	Trading Platforms name	N/A
E.34	Trading Platforms Market Identifier Code (MIC)	N/A
E.35	Trading Platforms Access	N/A
E.36	Involved costs	N/A
E.37	Offer Expenses	N/A
E.38	Conflicts of Interest	All listings decisions made by Payward Global Solution Ltd are made independently by staff of the entity in line with internal policies. PGSL publishes a conflicts of interest disclosure on its website advising of potential conflicts that may arise.
E.39	Applicable law	Any dispute relating to this white paper shall be governed by and construed and enforced in accordance with the laws of Ireland without regard to conflict of law rules or principles (whether of Ireland or any other jurisdiction) that would cause the application of the laws of any other jurisdiction, irrespective of whether WAL tokens qualify as right or property under the applicable law.
E.40	Competent court	Any disputes or claims arising out of this white paper will be subject to the exclusive jurisdiction of the Irish courts.

Part F - Information about the crypto-assets

F.1	Crypto-Asset Type	WAL is classified as a crypto-asset other than an asset referenced token or e-money token under MiCA, (EU) 2023/1114.
F.2	Crypto-Asset Functionality	WAL is the native crypto-asset of the Walrus decentralized storage network. It serves as the medium of exchange for data storage services on the platform and as the staking token for network security. Holders of WAL can use it to pay for storing data on Walrus and may delegate or stake their tokens to support storage node operators, earning rewards in return.

F.3	Planned Application of Functionalities	While the Walrus Protocol has established the framework for on-chain governance, specific timelines for the activation of certain features, such as slashing (penalizing underperforming nodes) and token burning mechanisms, have not been publicly disclosed. The protocol's whitepaper and official communications indicate that these features are planned for future implementation, but exact dates remain unspecified.

A description of the characteristics of the crypto-asset, including the data necessary for classification of the crypto-asset white paper in the register referred to in Article 109 of Regulation (EU) 2023/1114, as specified in accordance with paragraph 8 of that Article

F.4	Type of white paper	OTHR
F.5	The type of submission	NEWT
F.6	Crypto-Asset Characteristics	WAL serves as the medium of exchange for data storage services, and staking on the platform
F.7	Commercial name or trading name	Walrus Foundation
F.8	Website of the issuer	https://www.walrus.xyz/
F.9	Starting date of offer to the public or admission to trading	2025-03-27
F.10	Publication date	2025-07-17
F.11	Any other services provided by the issuer	N/A

F.12	Identifier of operator of the trading platform	PGSL
F.13	Language or languages of the white paper	English
F.14	Digital Token Identifier	Not available
F.15	Functionally Fungible Group Digital Token Identifier	N/A
F.16	Voluntary data flag	Mandatory
F.17	Personal data flag	true
F.18	LEI eligibility	N/A
F.19	Home Member State	Ireland
F.20	Host Member States	Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, Iceland, Liechtenstein, Norway

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

G.1	Purchaser Rights and Obligations	**Right of Transfer:** The holder can transfer the WAL tokens to third parties. Upon transfer, all rights and obligations are transferred to the new holder.

		Trading: If the WAL token is listed on cryptocurrency exchanges, holders can trade their tokens. **Right to Participate in Network Staking:** Holders may stake or delegate their WAL tokens to storage node operators. By doing so, they contribute to the protocol's operational integrity and may earn staking rewards based on performance and network participation. **Right to Exchange for Services/Products:** WAL token holders have the right to use their tokens within the Walrus protocol, primarily to purchase decentralized data storage services. This includes initiating and managing storage contracts that enable them to upload data to the Walrus network in exchange for WAL-denominated fees.
G.2	Exercise of Rights and obligations	**Procedure to Exercise Rights:** To use WAL's utility rights, a holder typically needs to interact with the Walrus platform: for instance, a holder can connect their wallet to the Walrus Platform and can use their tokens to purchase storage, and stake to earn rewards. Holders must actively spend, stake, or vote with their tokens.
G.3	Conditions for modifications of rights and obligations	The rights and obligations attached to WAL as described in this white paper reflect information available at the time of issuance. This white paper is issued by Kraken and does not constitute a commitment or guarantee by Walrus or any other party regarding future modifications. No promises, warranties, or assurances are made herein regarding future token functionality, and this section is provided solely for informational purposes.
G.4	Future Public Offers	N/A
G.5	Issuer Retained Crypto-Assets	2 150 000 000 WAL tokens are allocated to the community reserve. This allocation is intended for grants, ecosystem development, and long-term community initiatives. While designated for public benefit, the Community Reserve is currently under the Foundation's custodial control, as on-chain governance is not yet live. 500 000 000 of tokens are allocated to the Subsidies Pool, used to subsidize user storage costs during the protocol's early adoption phase. This is actively managed and disbursed by the Foundation.
G.6	Utility Token Classification	False

G.7	Key Features of Goods/Services of Utility Tokens	N/A
G.8	Utility Tokens Redemption	N/A
G.9	Non-Trading request	This white paper reflects a request to admit the token to trading.
G.10	Crypto-Assets purchase or sale modalities	N/A
G.11	Crypto-Assets Transfer Restrictions	Kraken may, in accordance with applicable laws and internal policies and terms, impose restrictions on buyers and sellers of these tokens.
G.12	Supply Adjustment Protocols	True
G.13	Supply Adjustment Mechanisms	The Walrus protocol includes manual supply-affecting features such as, Slashing and Burn Mechanism and Early Unstaking Penalties. **Slashing and Burn Mechanism**: When a storage node fails to meet performance standards, a portion of its staked WAL may be **slashed and permanently burned**, thereby reducing the circulating supply over time. **Early Unstaking Penalties:** Users who unstake WAL before the minimum lock period may forfeit a portion of their stake, which is also burned rather than redistributed. These supply adjustment mechanisms in Walrus are not live yet; these features are planned for future implementation
G.14	Token Value Protection Schemes	False

G.15	Token Value Protection Schemes Description	N/A
G.16	Compensation Schemes	N/A
G.17	Compensation Schemes Description	N/A
G.18	Applicable law	Any dispute relating to this white paper shall be governed by and construed and enforced in accordance with the laws of Ireland without regard to conflict of law rules or principles (whether of Ireland or any other jurisdiction) that would cause the application of the laws of any other jurisdiction, irrespective of whether WAL tokens qualify as right or property under the applicable law.
G.19	Competent court	Any disputes or claims arising out of this white paper will be subject to the exclusive jurisdiction of the Irish courts.

Part H – information on the underlying technology

H.1	Distributed ledger technology	WAL is implemented on Sui. Sui is a public blockchain using a delegated Proof-of-Stake (dPoS) consensus mechanism. It features an object-centric data model, where assets and smart contract states are represented as programmable objects. Each object has a unique ID and ownership, enabling parallel execution of transactions that don't interact with the same objects.
H.2	Protocols and technical standards	Sui features an object-based data model and the Move programming language for smart contracts. The Walrus protocol smart contracts and token ledger reside on Sui. The WAL token itself conforms to Sui's asset standard (a Move resource type representing a fungible token).
H.3	Technology Used	The WAL token uses Sui's native Move-based asset model, where tokens are represented as on-chain objects and transferred through programmable smart contracts defined in the Sui blockchain's Move language. Sui network tokens follow a custom asset standard built into its Move-based framework.

H.4	Consensus Mechanism	Sui uses a delegated Proof-of-Stake (dPoS) consensus combined with an object-centric execution model. For simple transactions like WAL transfers that don't involve shared state, Sui bypasses consensus entirely, achieving near-instant finality and high parallel throughput.
H.5	Incentive Mechanisms and Applicable Fees	WAL relies on the existing incentive mechanisms and fee structures of the Sui blockchain.
H.6	Use of Distributed Ledger Technology	false
H.7	DLT Functionality Description	N/A
H.8	Audit	False
H.9	Audit outcome	N/A
Part J - Information on the suitability indicators in relation to adverse impact on the climate and other environment-related adverse impacts		
S.1	Name	Payward Global Solutions Limited
S.2	Relevant legal entity identifier	9845003D98SCC2851458
S.3	Name of the crypto-asset	walrus

S.4	Consensus Mechanism	The Sui blockchain utilizes a Byzantine Fault Tolerant (BFT) consensus mechanism optimized for high throughput and low latency.
		
		Core Components:
		
		1. Mysten Consensus Protocol:
		   - The Sui consensus is based on Mysten Labs' Byzantine Fault Tolerance (BFT) protocol, which builds on principles of Practical Byzantine Fault Tolerance (pBFT) but introduces key optimizations for performance.
		   - Leaderless Design: Unlike traditional BFT models, Sui does not rely on a single leader to propose blocks. Validators can propose blocks

simultaneously, increasing efficiency and reducing the risks associated with leader failure or attacks.

- Parallel Processing: Transactions can be processed in parallel, maximizing network throughput by utilizing multiple cores and threads. This allows for faster confirmation of transactions and high scalability.

2. Transaction Validation:

Validators are responsible for receiving transaction requests from clients and processing them. Each transaction includes digital signatures and must meet the network's rules to be considered valid. Validators can propose transactions simultaneously, unlike many other networks that require a sequential, leader-driven process.

3. Optimistic Execution:

Optimistic Consensus: Sui allows validators to process certain non-contentious, independent transactions without waiting for full consensus. This is known as optimistic execution and helps reduce transaction latency for many use cases, allowing for fast finality in most cases.

4. Finality and Latency:

The system only requires three rounds of communication between validators to finalize a transaction. This results in low-latency consensus and rapid transaction confirmation times, achieving scalability while maintaining security.

5.Fault Tolerance:

The system can tolerate up to one-third of validators being faulty or malicious without compromising the integrity of the consensus process.

| S.5 | Incentive Mechanisms and Applicable Fees | Security and Economic Incentives:

1. Validators:
    Validators stake SUI tokens to participate in the consensus process. They earn rewards for validating transactions and securing the network.
2. Slashing:
    Validators can be penalized (slashed) for malicious behavior, such as double-signing or failing to properly validate transactions. This helps maintain network security and incentivizes honest behavior.
3. Delegation:
    Token holders can delegate their SUI tokens to trusted validators. In return, they share in the rewards earned by validators. This encourages widespread participation in securing the network.

Fees on the SUI Blockchain:
1. Transaction Fees:
    Users pay transaction fees to validators for processing and confirming transactions. These fees are calculated based on the computational |

		resources required to process the transaction. Fees are paid in SUI tokens, which is the native cryptocurrency of the Sui blockchain. 2. Dynamic Fee Model: The transaction fees on Sui are dynamic, meaning they adjust based on network demand and the complexity of the transactions being processed.
S.6	Beginning of the period to which the disclosure relates	2024-05-28
S.7	End of the period to which the disclosure relates	2025-05-28
S.8	Energy consumption	13885.30080 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 network(s) sui 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.