This white paper has been prepared in compliance with the requirements of the Commission Implementing Regulation 2024/2984 of 29 November 2024 implementing technical standards for the application of Regulation (EU) 2023/1114 of the European Parliament and of the Council with regard to forms, formats and templates for the crypto-asset white papers

White paper for crypto-assets other than asset-referenced tokens or e-money tokens

This crypto-asset white paper has not been approved by any competent authority in any Member State of the European Union. The person seeking admission to trading of the crypto-asset is solely responsible for the content of this crypto-asset white paper.

No	FIELD	CONTENT TO BE REPORTED
00	Table of contents	00 Table of contents
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		02 Statement in accordance with Article 6(3) of Regulation (EU) 2023/1114
		03 Compliance statement in accordance with Article 6(6) of Regulation (EU) 2023/1114
		04 Statement in accordance with Article 6(5), points (a), (b), (c), of Regulation (EU) 2023/1114
		05 Statement in accordance with Article 6(5), point (d), of Regulation (EU) 2023/1114
		06 Statement in accordance with Article 6(5), points (e) and (f), of Regulation (EU) 2023/1114
		07 Warning in accordance with Article 6(7), second subparagraph, of Regulation (EU) 2023/1114
		08 Characteristics of the crypto-asset
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		A.2 Legal form
		A.3 Registered address
		A.4 Head office
		A.5 Registration date
		A.6 Legal entity identifier
		A.7 Another identifier required pursuant to applicable national law

No	FIELD	CONTENT TO BE REPORTED
		A.8 Contact telephone number
		A.9 E-mail address
		A.10 Response time (Days)
		A.11 Parent company
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		B.3 Legal form
		B.4 Registered address
		B.5 Head office
		B.6 Registration date
		B.7 Legal entity identifier
		B.8 Another identifier required pursuant to applicable national law
		B.9 Parent company
		B.10 Members of the management body
		B.11 Business activity
		B.12 Parent company business activity
		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

No	FIELD	CONTENT TO BE REPORTED
		C.2 Legal form C.3 Registered address C.4 Head office C.5 Registration date C.6 Legal entity identifier C.7 Another identifier required pursuant to applicable national law C.8 Parent company C.9 Reason for crypto-Asset white paper Preparation C.10 Members of the Management body C.11 Operator business activity C.12 Parent company business activity C.13 Other persons drawing up the crypto-asset white paper according to Article 6(1), second subparagraph, of Regulation (EU) 2023/1114 C.14 Reason for drawing the white paper by persons referred to in Article 6(1), second subparagraph, of Regulation (EU) 2023/1114 Part D- Information about the crypto-asset project D.1 Crypto-asset project name D.2 Crypto-assets name D.3 Abbreviation D.4 Crypto-asset project description D.5 Details of all natural or legal persons involved in the implementation of the crypto-asset project D.6 Utility Token Classification D.7 Key Features of Goods/Services for Utility Token Projects D.8 Plans for the token D.9 Resource allocation D.10 Planned use of Collected funds or crypto-Assets Part E - Information about the offer to the public of crypto-assets or their admission to trading

No	FIELD	CONTENT TO BE REPORTED
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No	FIELD	CONTENT TO BE REPORTED
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No	FIELD	CONTENT TO BE REPORTED
		F.9 Starting date of offer to the public or admission to trading F.10 Publication date F.11 Any other services provided by the issuer F.12 Language or languages of the crypto-asset white paper F.13 Digital token identifier code 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 F.15 Voluntary data flag F.16 Personal data flag F.17 LEI eligibility F.18 Home Member State F.19 Host Member States Part G - Information on the rights and obligations attached to the crypto-assets G.1 Purchaser rights and obligations G.2 Exercise of rights and obligations G.3 Conditions for modifications of rights and obligations G.4 Future public offers G.5 Issuer retained crypto-assets G.6 Utility token classification G.7 Key features of goods/services of utility tokens G.8 Utility tokens redemption G.9 Non-trading request G.10 Crypto-assets purchase or sale modalities G.11 Crypto-assets transfer restrictions G.12 Supply adjustment protocols G.13 Supply adjustment mechanisms

No	FIELD	CONTENT TO BE REPORTED
		G.14 Token value protection schemes G.15 Token value protection schemes description G.16 Compensation schemes G.17 Compensation schemes description G.18 Applicable law G.19 Competent court Part H – information on the underlying technology H.1 Distributed ledger technology (DTL) H.2 Protocols and technical standards H.3 Technology used H.4 Consensus mechanism H.5 Incentive mechanisms and applicable fees H.6 Use of distributed ledger technology H.7 DLT functionality description H.8 Audit H.9 Audit outcome Part I – Information on risks I.1 Offer-related risks I.2 Issuer-related risks I.3 Crypto-assets-related risks I.4 Project implementation-related risks I.5 Technology-related risks I.6 Mitigation measures 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

No	FIELD	CONTENT TO BE REPORTED
01	Date of notification	2025-10-22
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 person seeking admission to trading 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 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.
04	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.
05	Statement in accordance with Article 6(5), point (d), of Regulation (EU) 2023/1114	The utility token 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.
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 or 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 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. 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.
08	Characteristics of the crypto-asset	The $SENT token is a multi-functional asset whose utility and economic design are inseparable from the Sentient Protocol’s growth and the active engagement of its stakeholders. $SENT tokens simultaneously serve multiple

No	FIELD	CONTENT TO BE REPORTED
		critical roles: • Gas for blockchain: All on-chain operations consume $SENT as gas. • Fees for AI artifacts: Users pay $SENT or accepted fiats (USD / stablecoins) to interact with artifacts. • Staking: Token holders can delegate $SENT directly to elected representatives (Reps) or indirectly via artifact contracts, to participate in governance, support artifacts and earn emission rewards. By staking with the artifact, the user also redirects emission to that particular artifact. • Governance: Enables holders (or their chosen Reps) to vote on protocol parameters, emission rates, artifact-funding weights, and fee levels. The $SENT token has no rights or obligations within Sentient Foundation. It does not grant governance powers, enforceable claims, or guarantees of utility.
10	Key information about the offer to the public or admission to trading	$SENT is currently not listed or available on any exchanges. Access will be limited to institutions located in supported jurisdictions. $SENT will be listed across different regulated crypto-asset service providers, and Sent Foundation intends to seek its admission to trading on future MiCA-compliant trading platforms.
Part A - Information about the offeror or the person seeking admission to trading		
A.1	Name	Sentient Foundation
A.2	Legal form	Cayman Foundation
A.3	Registered address	George Town Financial Centre, Intershore Suite, 303, P.O. Box 2002, George Town, Grand Cayman, Cayman Islands KY1-1104.
A.4	Head office	George Town Financial Centre, Intershore Suite, 303, P.O. Box 2002, George Town, Grand Cayman, Cayman Islands KY1-1104.
A.5	Registration date	2024-03-20
A.6	Legal entity identifier	Not applicable.
A.7	Another identifier required pursuant to applicable national law	Not applicable.

<table>
<tr><th>No</th><th>FIELD</th><th>CONTENT TO BE REPORTED</th></tr>
<tr><td>A.8</td><td>Contact telephone number</td><td>+9710527458409</td></tr>
<tr><td>A.9</td><td>E-mail address</td><td>admin@sentient.foundation</td></tr>
<tr><td>A.10</td><td>Response time (Days)</td><td>Fifteen (15) days</td></tr>
<tr><td>A.11</td><td>Parent company</td><td>Not applicable.</td></tr>
<tr><td>A.12</td><td>Members of the management body</td><td>
<table>
<tr><th>Name</th><th>Position</th><th>Address</th></tr>
<tr><td>Sarah Wheeler</td><td>Director</td><td>George Town Financial Centre, Intershore Suite, 303, P.O. Box 2002, George Town, Grand Cayman, Cayman Islands KY1-1104</td></tr>
<tr><td>Sachi Kamiya</td><td>Director</td><td>George Town Financial Centre, Intershore Suite, 303, P.O. Box 2002, George Town, Grand Cayman, Cayman Islands KY1-1104</td></tr>
</table>
</td></tr>
<tr><td>A.13</td><td>Business activity</td><td>Sentient is an entity that leverages AI and blockchain technology. We build and operate the GRID, an open network where developers and organizations create, deploy, and monetize AI agents, models, and data services. Our own products (including Sentient Chat) and third-party artifacts run on this network.

Revenue comes from subscriptions and usage fees, marketplace commissions, and enterprise solutions. Sentient also has a blockchain that facilitates the operation of the protocol, enables payments, and supports the governance of the protocol. The protocol is used to incentivize the development of open source AI artifacts (agents, tools, models, etc.)</td></tr>
<tr><td>A.14</td><td>Parent company business activity</td><td>Not applicable.</td></tr>
<tr><td>A.15</td><td>Newly established</td><td>Yes</td></tr>
<tr><td>A.16</td><td>Financial condition for the past three years</td><td>Not applicable.</td></tr>
<tr><td>A.17</td><td>Financial condition since registration</td><td>Sentient Foundation is an early-stage organization. Since incorporation, operations have been funded by private investments and token treasury resources, rather than revenue from product sales.</td></tr>
</table>

No	FIELD	CONTENT TO BE REPORTED
		The $SENT project raised initial funding through private token sales. These funds have been used to finance development, research, and operational expenses. As a result, the entity has not posted traditional “profits” – expenditures have been focused on building the network and community. Because the project is not yet revenue-generating at scale, the financial condition is essentially that of a funded start-up / community project: it has sufficient runway (cash and token reserves) to continue operations for the near-to-mid term, but it is not cash-flow positive. The key financial events since inception include the token generation (which created the crypto-asset treasury), allocations of tokens to ecosystem development, and ongoing expenses for engineering, cloud infrastructure, hardware devices, and community growth. The share capital of the Sentient Foundation is USD 2 million. Capital has been injected before the anticipated date of the Token Generation Event for $SENT to cover forecasted activity via a capital injection of USD 2 million in November 2025. As of October 16 2025, its financial condition was close to USD 3 million as no activity had been done in 2025, with a Treasury position of USD 2 million, with no debt.
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	No
B.2	Name	Not applicable.
B.3	Legal form	Not applicable.
B.4	Registered address	Not applicable.
B.5	Head office	Not applicable.
B.6	Registration date	Not applicable.
B.7	Legal entity identifier	Not applicable.
B.8	Another identifier required pursuant to applicable national law	Not applicable.
B.9	Parent company	Not applicable,

No	FIELD	CONTENT TO BE REPORTED
B.10	Members of the management body	Not applicable.
B.11	Business activity	Not applicable.
B.12	Parent company business activity	Not applicable.
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	Not applicable.
C.2	Legal form	Not applicable.
C.3	Registered address	Not applicable.
C.4	Head office	Not applicable.
C.5	Registration date	Not applicable.
C.6	Legal entity identifier	Not applicable.
C.7	Another identifier required pursuant to applicable national law	Not applicable.
C.8	Parent company	Not applicable.
C.9	Reason for crypto-Asset white paper Preparation	Not applicable.
C.10	Members of the Management body	Not applicable.
C.11	Operator business activity	Not applicable.

No	FIELD	CONTENT TO BE REPORTED
C.12	Parent company business activity	Not applicable.
C.13	Other persons drawing up the crypto-asset white paper according to Article 6(1), second subparagraph, of Regulation (EU) 2023/1114	Not applicable.
C.14	Reason for drawing the white paper by persons referred to in Article 6(1), second subparagraph, of Regulation (EU) 2023/1114	Not applicable.
Part D- Information about the crypto-asset project		
D.1	Crypto-asset project name	Sentient Foundation
D.2	Crypto-assets name	$SENT
D.3	Abbreviation	$SENT
D.4	Crypto-asset project description	The $SENT token is a multi-functional asset whose utility and economic design are inseparable from the protocol's growth and the active engagement of its stakeholders. $SENT tokens simultaneously serve multiple critical roles: • Gas for blockchain: All on-chain operations consume $SENT as gas. • Fees for AI artifacts: Users pay $SENT or accepted fiats (USD / stablecoins) to interact with artifacts. • Staking: Token holders can delegate $SENT directly to elected representatives (Reps) or indirectly via artifact contracts, to participate in governance, support artifacts and earn emission rewards. • Governance: Enables holders (or their chosen Reps) to vote on protocol parameters, emission rates, artifact-funding weights, and fee levels. The $SENT token does not grant governance rights or enforceable obligations within the Sentient Foundation. Instead, it exists as a mechanism to support staking incentives, and ecosystem driven funding models.
D.5	Details of all natural or legal persons involved in the	

<table>
<tr><th>No</th><th>FIELD</th><th colspan="4">CONTENT TO BE REPORTED</th></tr>
<tr><td></td><td>implementation of the crypto-asset project</td><td colspan="4"><table>
<tr><th>Name</th><th>Position</th><th>Address</th></tr>
<tr><td>Andrew Bednoff</td><td>Senior Software Engineer</td><td>George Town Financial Centre, Intershore Suite, 303, P.O. Box 2002, George Town, Grand Cayman, Cayman Islands KY1-1104</td></tr>
<tr><td>Rishabh Sharma</td><td>Smart Contract Engineer</td><td>George Town Financial Centre, Intershore Suite, 303, P.O. Box 2002, George Town, Grand Cayman, Cayman Islands KY1-1104</td></tr>
<tr><td>Sarang Parikh</td><td>Blockchain Lead</td><td>George Town Financial Centre, Intershore Suite, 303, P.O. Box 2002, George Town, Grand Cayman, Cayman Islands KY1-1104</td></tr>
<tr><td>Shriya Tyagi</td><td>Smart Contract Developer</td><td>George Town Financial Centre, Intershore Suite, 303, P.O. Box 2002, George Town, Grand Cayman, Cayman Islands KY1-1104</td></tr>
</table></td></tr>
<tr><td>D.6</td><td>Utility Token Classification</td><td colspan="4">Yes</td></tr>
<tr><td>D.7</td><td>Key Features of Goods/Services for Utility Token Projects</td><td colspan="4">Sentient is an entity that leverages AI and blockchain technology. We build and operate the GRID, an open network where developers and organizations create, deploy, and monetize AI agents, models, and data services. Our own products (including Sentient Chat) and third-party artifacts run on this network. Revenue comes from subscriptions and usage fees, marketplace commissions, and enterprise solutions.

Sentient also has a blockchain that facilitates the protocol's operation, payment processing, and governance of the protocol. The protocol is used to incentivize development of open source AI artifacts (agents, tools, models, etc.).

SENT token is used to govern the protocol, allow users to pay for services in SENT, pay fees for blockchain</td></tr>
</table>

No	FIELD	CONTENT TO BE REPORTED
		activity and stake SENT to direct emissions to the right artifacts. Holding $SENT does not grant any governance rights or enforceable obligations, including rights to dividends, interest, revenue share, profits, equity, ownership, voting rights in the company, liquidation rights, or claims on any treasury or cash flows. $SENT is designed for network utility only. It is used for paying network fees and services and for on-chain governance of protocol parameters. There is no promise or expectation of profit from the efforts of others, and there are no buyback, burn, or yield commitments.
D.8	Plans for the token	$SENT is a network utility token used to pay for AI services and fees across the GRID, and for on chain governance of protocol parameters. It is not a claim on equity, revenue, or assets. **Past milestones.** ● Core research and infra shipped, including multi-agent routing, model fingerprinting, open benchmarks, and the consumer app Sentient Chat. ● GRID services live in beta with partner integrations for agents, data, and compute. ● Token design finalized for fees, staking with Representatives, and protocol governance. ● Smart contract architecture has been drafted, and a security review has been initiated. **Future milestones.** ● Token Generation Event and Initial Circulating Supply will launch. ● The utility token will become available on exchanges for access. ● Staking with Representatives will go live, and emissions will begin according to the public schedule. ● Governance will bootstrap to set protocol parameters. ● Ecosystem Grants and Builder Rewards programs will roll out. ● Audits, monitoring, and upgrade pathways will continue. ● Payments in $SENT will expand across Sentient Chat and third-party artifacts. All planned uses of the $SENT token remain subject to market conditions, regulatory compliance, and the evolving needs of the $SENT-protocol ecosystem and/or the Sentient Foundation.
D.9	Resource allocation	Sentient Foundation funds the Sentient Labs entity and invests in the development of the protocol and related applications. Sentinet Labs has an annual expense of USD 4 million. All resource allocation decisions are made to support the core mission of the $SENT-protocol ecosystem and/or the Sentient Foundation.

No	FIELD	CONTENT TO BE REPORTED
D.10	Planned use of Collected funds or crypto-Assets	Not applicable, as this white paper was drawn up for the admission to trading and not for collecting funds for the crypto-asset-project.
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	The issuer seeks admission of the $SENT token to trading on multiple exchanges in order to enhance liquidity, increase market visibility, and provide a transparent mechanism for users to participate in the ecosystem. The primary goal is to support the long-term sustainability and operational needs of the Sentient Foundation by funding research and development, validator coordination infrastructure, and ecosystem growth initiatives.
E.3	Fundraising target	Not applicable.
E.4	Minimum subscription goals	Not applicable.
E.5	Maximum subscription goals	Not applicable.
E.6	Oversubscription acceptance	Not applicable.
E.7	Oversubscription allocation	Not applicable.
E.8	Issue price	Not applicable.
E.9	Official currency or any other crypto-assets determining the issue price	Not applicable, as this white paper is written to support admission to trading and not for the initial offer to the public.
E.10	Subscription fee	Not applicable, as this white paper is written to support admission to trading and not for the initial offer to the public.
E.11	Offer price determination method	Once the token is admitted to trading its price will be determined by demand (buyers) and supply (sellers).

No	FIELD	CONTENT TO BE REPORTED
E.12	Total number of offered/traded crypto-assets	Total supply of SENT = 34359738368
E.13	Targeted holders	ALL
E.14	Holder restrictions	There are no specific restrictions on the type of holders; however, compliance with local regulations is required. The holder restrictions are subject to the rules applicable to the Crypto Asset Service Provider as well as additional restrictions the Crypto Asset Service Providers might set in force.
E.15	Reimbursement notice	Not applicable, as this white paper is written to support admission to trading and not for the initial offer to the public.
E.16	Refund mechanism	Not applicable.
E.17	Refund timeline	Not applicable.
E.18	Offer phases	Not applicable.
E.19	Early purchase discount	Not applicable.
E.20	Time-limited offer	Not applicable.
E.21	Subscription period beginning	Not applicable.
E.22	Subscription period end	Not applicable.
E.23	Safeguarding arrangements for offered funds/crypto- Assets	Not applicable.
E.24	Payment methods for crypto-asset purchase	The payment methods are subject to the respective capabilities of the Crypto Asset Service Provider listing the crypto-asset.
E.25	Value transfer methods for reimbursement	Not applicable.

No	FIELD	CONTENT TO BE REPORTED
E.26	Right of withdrawal	Not applicable, as this white paper is written to support admission to trading and not for the initial offer to the public.
E.27	Transfer of purchased crypto-assets	The transfer of purchased crypto-assets are subject to the respective capabilities of the Crypto Asset Service Provider listing the crypto-asset.
E.28	Transfer time schedule	Not applicable, as this white paper is written to support admission to trading and not for the initial offer to the public.
E.29	Purchaser's technical requirements	The technical requirements that the purchaser is required to fulfil to hold the crypto-assets of purchased crypto-assets are subject to the respective capabilities of the Crypto Asset Service Provider listing the crypto-asset. Technical requirements may include the following: a compatible digital wallet or exchange account; access to the internet; and a device (computer or mobile) to manage digital wallet with a private key and/or exchange account to carry out transactions.
E.30	Crypto-asset service provider (CASP) name	Not applicable.
E.31	CASP identifier	Not applicable.
E.32	Placement form	NTAV
E.33	Trading platforms name	Trading on relevant MiCAR-compliant trading platforms is sought, e.g. Binance Exchange, Coinbase Exchange and OKX Exchange, among others
E.34	Trading platforms Market identifier code (MIC)	Binance CXBINA Coinbase GDAX Kraken KBE OKX (formerly OKEx) CXOKEX Bybit CXBBIT
E.35	Trading platforms access	This depends on the trading platform listing the crypto-asset.

No	FIELD	CONTENT TO BE REPORTED
E.36	Involved costs	The use of services offered by Exchanges may involve costs, including transaction fees, withdrawal fees, and other charges. These costs are determined and set by the respective Exchanges and are not controlled, influenced, or governed by the Issuer. Consequently, any changes to fee structures or the introduction of new costs are solely at the discretion of these platforms.
E.37	Offer expenses	Not applicable.
E.38	Conflicts of interest	MiCA-compliant Crypto Asset Service Providers shall have strong measurements in place in order to manage conflicts of interests. Due to the broad audience this white-paper is addressing, potential investors should always check the conflicts of interest policy of their respective counterparty.
E.39	Applicable law	Not applicable, as this white paper is written to support admission to trading and not for the initial offer to the public.
E.40	Competent court	Not applicable, as this white paper is written to support admission to trading and not for the initial offer to the public. .
Part F - Information about the crypto-assets		
F.1	Crypto-asset type	The crypto-asset described in the white paper is classified as a crypto-asset under the Markets in Crypto-Assets Regulation (MiCAR) but does not qualify as an electronic money token (EMT) or an asset-referenced token (ART). The crypto-asset described in the white paper qualifies as a utility token, as it is only intended to provide access to a good or a service supplied by its issuer. It is a digital representation of value that can be stored and transferred using distributed ledger technology (DLT) or similar technology. The crypto-asset does not aim to maintain a stable value by referencing an official currency, a basket of assets, or any other underlying rights. Instead, its valuation is entirely market-driven, based on supply and demand dynamics, and not supported by a stabilization mechanism. It is neither pegged to any fiat currency nor backed by any external assets, distinguishing it clearly from EMTs and ARTs. Furthermore, the crypto-asset is not categorized as a financial instrument, deposit, insurance product, pension product, or any other regulated financial product under EU law. It does not grant financial rights, voting rights, or any contractual claims to its holders, ensuring that it remains outside the scope of regulatory frameworks applicable to traditional financial instruments.
F.2	Crypto-asset functionality	See row D.8.

No	FIELD	CONTENT TO BE REPORTED
F.3	Planned application of functionalities	See row D.8
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 crypto-asset white paper	OTHR
F.5	The type of submission	NEWT
F.6	Crypto-asset characteristics	$SENT is a decentralized, digital asset with a total supply of 34,359,738,368 $SENT Tokens.
F.7	Commercial name or trading name	$SENT
F.8	Website of the issuer	https://www.sentient.xyz/
F.9	Starting date of offer to the public or admission to trading	2025-11-19
F.10	Publication date	2025-11-19
F.11	Any other services provided by the issuer	Not applicable.
F.12	Language or languages of the crypto-asset white paper	English
F.13	Digital token identifier code used to uniquely identify the crypto-asset or each of the several crypto assets to which the white paper relates, where available	Not applicable.
F.14	Functionally fungible group digital token identifier, where available	Not applicable.
F.15	Voluntary data flag	Not applicable, as this white paper is written to support admission to trading and not for the initial offer to the

No	FIELD	CONTENT TO BE REPORTED
		public.
F.16	Personal data flag	true
F.17	LEI eligibility	true
F.18	Home Member State	Ireland
F.19	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, Lichtenstein, Iceland, Norway
G.1	Purchaser rights and obligations	Purchasers and Holders of $SENT tokens can use them to pay for decentralized AI services on Sentient, participate in governance decisions, and participate in the network. They do not acquire any governance rights or enforceable obligations within the Sentient Foundation. The $SENT token serves purely as a utility token, allowing holders to participate in network-related activities such as staking incentives and access to decentralized validator infrastructure.
G.2	Exercise of rights and obligations	$SENT token holders can exercise their rights by using tokens as payment on the Sentient decentralized AI infrastructure, participating in governance via community proposals and voting mechanisms, and committing a specific amount of $SENT as collateral for staking.
G.3	Conditions for modifications of rights and obligations	The rights and obligations of the $SENT token holders may be modified under certain conditions as determined by the Sentient Foundation in accordance with the Sentient Foundation's governance and operational needs. Any changes will be communicated to purchasers in a transparent manner.
G.4	Future public offers	Not applicable.
G.5	Issuer retained crypto-assets	6,871,947,674 $SENT Tokens are retained with the foundation
G.6	Utility token classification	Yes
G.7	Key features of goods/services of utility tokens	The $SENT token is a multi-functional asset whose utility and economic design are inseparable from the Sentient Protocol's growth and the active engagement of its stakeholders. $SENT tokens simultaneously serve multiple critical roles: • Gas for blockchain: All on-chain operations consume $SENT as gas. • Fees for AI artifacts: Users pay $SENT or accepted fiats (USD / stablecoins) to interact with

No	FIELD	CONTENT TO BE REPORTED
		artifacts. • Staking: Token holders can delegate $SENT directly to elected representatives (Reps) or indirectly via artifact contracts, to participate in governance, support artifacts and earn emission rewards. By staking with the artifact, the user also redirects emission to that particular artifact. • Governance: Enables holders (or their chosen Reps) to vote on protocol parameters, emission rates, artifact-funding weights, and fee levels.
G.8	Utility tokens redemption	$SENT tokens can be redeemed for services on the Sentient Protocol by selecting desired services and paying with tokens through the protocol's interface.
G.9	Non-trading request	Sought
G.10	Crypto-assets purchase or sale modalities	Not applicable, as the admission to trading of the tokens is sought.
G.11	Crypto-assets transfer restrictions	The $SENT token may be subject to certain transfer restrictions to comply with legal, regulatory, and operational requirements. These restrictions ensure that the token remains compliant with Regulation (EU) 2023/1114 and any relevant jurisdictional laws. • Jurisdictional Restrictions: $SENT tokens cannot be transferred or sold to individuals or entities located in prohibited jurisdictions, as defined by the Sentient Foundation and the Crypto Asset Service Providers. This includes jurisdictions under sanctions or areas where the transfer or trading of crypto-assets may be restricted due to legal or regulatory requirements (e.g., Russia). • AML/KYC Compliance: Transfers of $SENT tokens may be restricted if the purchaser's identity cannot be verified through the required AML/KYC procedures. Transactions involving unverified users may be blocked or reversed to maintain compliance with anti-money laundering and counter-terrorism financing regulations. • Token Lock-up Periods: Certain $SENT tokens may be subject to lock-up periods or vesting schedules as part of the $SENT token sale terms. During these periods, $SENT tokens cannot be transferred or traded. These restrictions will be clearly communicated to purchasers prior to the sale. • Secondary Market Restrictions: $SENT tokens may face restrictions on secondary market trading depending on the platform and applicable regulations. The Crypto Asset Service Providers can impose their own restrictions in agreements they enter with their clients. The Crypto Asset Service Providers may impose restrictions to buyers and sellers in accordance with applicable laws and

No	FIELD	CONTENT TO BE REPORTED
		internal policies and terms. These transfer restrictions are designed to protect both the purchasers and the broader ecosystem, ensuring that the $SENT token remains compliant with legal obligations and functions securely within its intended use.
G.12	Supply adjustment protocols	No
G.13	Supply adjustment mechanisms	Not applicable.
G.14	Token value protection schemes	No
G.15	Token value protection schemes description	Not applicable.
G.16	Compensation schemes	Not applicable.
G.17	Compensation schemes description	Not applicable.
G.18	Applicable law	Subject to mandatory applicable law, any dispute arising out of or in connection with this white paper and all claims in connection with the $SENT token shall be exclusively, including the validity, invalidity, breach or termination thereof, subject to the jurisdiction of the courts in the Cayman Islands.
G.19	Competent court	Subject to mandatory applicable law, any dispute arising out of or in connection with this white paper and all claims in connection with the $SENT token shall be exclusively, including the validity, invalidity, breach or termination thereof, subject to the jurisdiction of the courts in the Cayman Islands.
Part H – information on the underlying technology		
H.1	Distributed ledger technology (DTL)	Distributed Ledger Technology ("DLT") refers to a digital system for recording transactions in which the transactions and their details are recorded in multiple places at the same time. Unlike traditional databases, distributed ledgers have no central data store or administration functionality. Instead, the ledger is decentralized, and consensus on the transactions is achieved through a process that involves multiple nodes, each maintaining its own copy of the ledger. The benefits of DLT include increased transparency, enhanced security, improved traceability, and greater efficiency of transactions. One of the most well-known forms of DLT is a blockchain, which is a subtype characterized by its use of a chain of blocks to manage the ledger. Each block contains a list of transactions and is cryptographically linked to the previous block, ensuring that the data once recorded, cannot be altered retroactively without altering all

No	FIELD	CONTENT TO BE REPORTED
		subsequent blocks. Blockchains also introduce features like smart contracts, notably to automate and enforce pre-defined transactions and logic through code, thereby reducing the need for intermediaries and further boosting efficiency. Blockchains offer significant benefits for consumer choice and interoperability as well. Consumers have the advantage of accessing the open-source code of these blockchains, allowing them to review, verify, and select the platform that best suits their needs. This transparency empowers users to make more informed decisions. Additionally, the open nature of blockchains promotes interoperability, meaning that any type of application that follows the same technical standards can integrate with the blockchain without anyone's permission. This flexibility enables a wide range of applications to work seamlessly together, fostering innovation and making it easier for different services to connect and interact within the blockchain ecosystem. Sentient Foundation issues the $SENT tokens on the Ethereum blockchains in order to leverage these benefits.
H.2	Protocols and technical standards	**Sentient Blockchain overview** Sentient runs as an Ethereum Layer 2 built with Polygon CDK. We use the CDK sequencer for transaction ordering and post state commitments and data to Ethereum L1 for settlement and data availability. This keeps fees low, preserves EVM compatibility, and inherits Ethereum security. **Stack components used** • **Settlement and data availability:** Ethereum L1 for final settlement and DA. • **Rollup framework:** Polygon CDK for a zk-enabled EVM L2. • **Sequencing:** CDK sequencer for deterministic ordering and fair inclusion. • **Bridging and messaging:** Standard L1↔L2 bridge contracts to move assets and verify messages. • **Token standard:** $SENT will be an ERC-20 token. • **Tooling:** OpenZeppelin libraries, Foundry or Hardhat for testing and deployments. **Relevant references** • Ethereum developer docs: https://ethereum.org/en/developers/docs/ • Polygon CDK overview: https://polygon.technology/polygon-cdk • Polygon CDK docs: https://docs.polygon.technology/cdk/ • OpenZeppelin Contracts: https://docs.openzeppelin.com/contracts **Smart contracts on Sentient**

No	FIELD	CONTENT TO BE REPORTED
		The blockchain will host multiple contracts that let users use $SENT for governance and staking. These contracts follow audited patterns and are currently under external security review. Sentient Foundation does not have any ability or obligation to prevent or mitigate attacks or resolve any other issues that might arise with any $SENT supported blockchain.
H.3	Technology used	The $SENT token uses the existing ERC-20 token standard on Ethereum.
H.4	Consensus mechanism	Blockchains rely on consensus mechanisms to ensure their decentralized network of nodes can reach agreement around transaction validity and ordering. Ethereum relies on Proof-of-Stake consensus, which requires that validators stake the native token (e.g. ETH) as collateral in order to qualify as a validator. Validators are selected for consensus based on the proportion of tokens they have staked, and in some cases can lose some of the staked token if they have been shown to sign invalid transactions. What Sentient blockchain uses as consensus mechanism ● Model: Validity rollup (zk rollup) on Ethereum ● Ordering: A CDK sequencer orders L2 transactions and builds L2 blocks ● Finality and security: Ethereum Proof of Stake verifies zk validity proofs and provides data availability How consensus works in practice ● Sequencing (L2 ordering). ● A sequencer collects user transactions, orders them, and produces L2 blocks. This is not a separate PoS or PoW network at L2. It is a block proposer that provides soft finality as soon as a block is accepted by the sequencer. ● Proving (state correctness). ● For each batch of L2 blocks, a zk validity proof is generated that attests the new L2 state root was computed by correctly executing all transactions from a known prior state. ● Verification on Ethereum (hard finality). ● The sequenced batch, its calldata, and the zk proof are posted to Ethereum L1. An on-chain verifier contract checks the proof. Once verified under Ethereum's Proof of Stake, the L2 state transition attains economic finality. At that point, reverting would require breaking the proving system or Ethereum itself. ● Data availability on Ethereum. ● Transaction data and commitments are published to Ethereum. This lets anyone reconstruct the L2 state and, if needed, generate proofs. It also enables escape hatches. ● L2 does not run its own consensus like PoS or PoW. ● Safety comes from zk validity proofs that Ethereum verifies.

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		● Finality comes from Ethereum PoS once the proof is accepted on L1. ● Liveness and ordering are provided by the sequencer. If a sequencer censors or goes offline, users can force-include transactions or exit via L1 mechanisms.
H.5	Incentive mechanisms and applicable fees	The Ethereum blockchain on which the $SENT token is issued has developed its own incentive mechanisms and request fees to realize transactions. Please refer to the Ethereum website for more details on the mechanisms in place. Sentient Foundation uses an emissions driven staking economy. Users stake $SENT to either artifacts or representatives. Staking acts as a vote that routes future emissions. Stakers earn a share of the emissions that their stake helps direct. **Incentive primitives** ● **Artifacts**: Agents, models, or data providers that can receive emissions. ● **Representatives (REPs)**: Delegates that vote on which artifacts receive emissions. ● **Emissions**: Protocol rewards distributed per epoch based on votes and routing policy. **How staking works** ● **Stake to an Artifact** o User stakes $SENT on a specific artifact. o This stake is counted as a vote to route emissions to that artifact. o The artifact's emissions share increases with more stake-weighted votes. o The user earns staking rewards from the artifact's emissions pool, pro rata to their stake and time staked. ● **Stake to a REP** o User stakes $SENT to a REP instead of a specific artifact. o The REP aggregates delegated stake and votes on emissions allocation across artifacts. o The REP receives emissions for its role. A portion of those emissions is shared with REP stakers, pro rata. o Users can switch REPs or reallocate stake subject to unbonding rules defined in the contracts.

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		Applicable fees ● **Staking fees**: None. There is no protocol fee on staking, claiming, or un-staking. ● **Network fees**: Users pay standard gas fees for L2 transactions on the Sentient blockchain where these contracts live. Gas reflects L2 computation plus the amortized cost of posting data to Ethereum. No additional protocol surcharge.
H.6	Use of distributed ledger technology	True
H.7	DLT functionality description	**Sentient Blockchain overview** Sentient runs as an Ethereum Layer 2 built with Polygon CDK. We use the CDK sequencer for transaction ordering and post state commitments and data to Ethereum L1 for settlement and data availability. This keeps fees low, preserves EVM compatibility, and inherits Ethereum security. **Stack components used** • **Settlement and data availability:** Ethereum L1 for final settlement and DA. • **Rollup framework:** Polygon CDK for a zk-enabled EVM L2. • **Sequencing:** CDK sequencer for deterministic ordering and fair inclusion. • **Bridging and messaging:** Standard L1↔L2 bridge contracts to move assets and verify messages. • **Token standard:** $SENT will be an ERC-20 token. • **Tooling:** OpenZeppelin libraries, Foundry or Hardhat for testing and deployments. **Relevant references** • Ethereum developer docs: https://ethereum.org/en/developers/docs/ • Polygon CDK overview: https://polygon.technology/polygon-cdk • Polygon CDK docs: https://docs.polygon.technology/cdk/ • OpenZeppelin Contracts: https://docs.openzeppelin.com/contracts
H.8	Audit	As we are understanding the question relating to "technology" to be interpreted in a broad sense, the answer to whether an audit of "the technology used" was conducted is "no", we cannot guarantee, that all parts of the technology used have been audited. This is due to the fact this report focusses on risk, and we cannot guarantee that each part of the technology used was audited.

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H.9	Audit outcome	Not applicable. The Sentient Layer 2 chain is built in collaboration with Gateway.fm, leveraging the Polygon CDK stack and Polygon zkEVM technology. The underlying stack has been reviewed by multiple independent third parties. For detailed information, security reports, and audit summaries, see: ● **Polygon Security Reports Hub:** https://docs.polygon.technology/security/security/reports/ ● **Hexens Audit Summary:** https://polygon.technology/blog/polygon-zkevm-results-of-hexens-security-audit ● **Spearbit Audit Summary:** https://polygon.technology/blog/polygon-zkevm-results-of-spearbits-security-audit ● **zkEVM Audits (GitHub):** https://github.com/0xPolygonHermez/zkevm-rom/tree/main/audits ● **Risk Disclosures & Ongoing Audits:** https://docs.polygon.technology/zkEVM/get-started/risk-disclosures/ ● **Gateway CDK-Erigon Overview and Documentation:** https://gateway.fm/cdk-erigon/ | https://docs.gateway.fm/cdk-erigon/
Part I – Information on risks		
I.1	Offer-related risks	1. Market and Liquidity The admission to trading of $SENT is subject to risks related to market volatility, regulatory developments, and trading conditions. While $SENT will be actively traded on global exchanges and generally has high liquidity, its price can fluctuate significantly due to factors such as macroeconomic conditions, investor sentiment, technological advancements, and speculative trading activity. Liquidity risks may arise from changing market conditions, regulatory actions, or exchange delistings, which could impact the ease of buying or selling $SENT at expected prices. Additionally, regulatory developments in different jurisdictions may introduce new compliance obligations, trading restrictions, or limitations on market access, potentially affecting the availability of $SENT for trading. 2. Regulatory and Compliance This white paper has been prepared with utmost caution; however, uncertainties in the regulatory requirements and future changes in regulatory frameworks could potentially impact the token's legal status and its tradability. There is also a high probability that other laws will come into force, changing the rules for the trading of the token. Therefore, such developments shall be monitored and acted upon accordingly. Broader financial and cryptocurrency market risks, such as systemic downturns, operational failures of key exchanges, or security breaches, could further impact trading stability. As the regulatory landscape evolves, there

No	FIELD	CONTENT TO BE REPORTED
		is a risk that new legal requirements or enforcement actions could affect $SENT's trading status, influencing investor access and market conditions. 3. Operational and Technical Blockchain Dependency: The token is entirely dependent on the blockchain the crypto-asset is issued upon. Any issues, such as downtime, congestion, or security vulnerabilities within the blockchain, could adversely affect the token's functionality. Smart Contract Risks: Smart contracts governing the token may contain hidden vulnerabilities or bugs that could disrupt the token offering or distribution processes. Connection Dependency: As the trading of the token also involves other trading venues, technical risks such as downtime of the connection or faulty code are also possible. Human errors: Due to the irrevocability of blockchain-transactions, approving wrong transactions or using incorrect networks/addresses could result in funds not being accessibly anymore. Custodial risk: When admitting the token to trading, the risk of losing clients' assets due to hacks or other malicious acts is given. This is due to the fact the token is hold in custodial wallets for the clients. 4. Counterparty As the admission to trading involves the connection to other trading venues, counterparty risks arise. These include, but are not limited to, the following risks: General Trading Platform Risk: The risk of trading platforms not operating to the highest standards is given. Examples like FTX show that especially in nascent industries, compliance and oversight-frameworks might not be fully established and/or enforced. Listing or Delisting Risks: The listing or delisting of the token is subject to the trading partner's internal processes. Delisting of the token at the connected trading partners could harm or completely halt the ability to trade the token. 5. Liquidity Liquidity of the token can vary, especially when trading activity is limited. This could result in high slippage when trading a token. 6. Failure of one or more Counterparties Another risk stems from the internal operational processes of the counterparties used. As there is no specific oversight other than the typical due diligence check, it cannot be guaranteed that all counterparties adhere to the best market standards. Counterparties could go bankrupt, possibly resulting in a total loss for the clients' assets hold at that counterparty.

No	FIELD	CONTENT TO BE REPORTED
I.2	Issuer-related risks	1. Insolvency As with every other commercial endeavor, the risk of insolvency of the issuer is given. This could be caused by but is not limited to lack of interest from the public, lack of funding, incapacitation of key developers and project members, force majeure (including pandemics and wars) or lack of commercial success or prospects. 2. Counterparty In order to operate, the issuer has most likely engaged in different business relationships with one or more third parties on which it strongly depends on. Loss or changes in the leadership or key partners of the issuer and/or the respective counterparties can lead to disruptions, loss of trust, or project failure. This could result in a total loss of economic value for the crypto-asset holders. 3. Legal and Regulatory Compliance Cryptocurrencies and blockchain-based technologies are subject to evolving regulatory landscapes worldwide. Regulations vary across jurisdictions and may be subject to significant changes. Non-compliance can result in investigations, enforcement actions, penalties, fines, sanctions, or the prohibition of the trading of the crypto-asset impacting its viability and market acceptance. This could also result in the issuer to be subject to private litigation. The beforementioned would most likely also lead to changes with respect to trading of the crypto-asset that may negatively impact on the value, legality, or functionality of the crypto-asset. 4. Operational Failure to develop or maintain effective internal control, or any difficulties encountered in the implementation of such controls, or their improvement could harm the issuer's business, causing disruptions, financial losses, or reputational damage. 5. Reputational The issuer faces the risk of negative publicity, whether due to, without limitation, operational failures, security breaches, or association with illicit activities, which can damage the issuer’s reputation and, by extension, the value and acceptance of the crypto-asset. 6. Competition There are numerous other crypto-asset projects in the same realm, which could have an effect on the crypto-asset in question. 7. Unanticipated Risk In addition to the risks included in this section, there might be other risks that cannot be foreseen. Additional risks may also materialize as unanticipated variations or combinations of the risks discussed.
I.3	Crypto-assets-related risks	Sentient ($SENT) is a decentralized digital asset with no central issuer, reducing risks typically associated with

No	FIELD	CONTENT TO BE REPORTED
		centrally controlled crypto-assets. However, trading, holding, and using $SENT involves several inherent risks. Market Risk: The price of $SENT is highly volatile, influenced by macroeconomic trends, investor sentiment, regulatory developments, and technological advancements. Market fluctuations can lead to significant gains or losses, and trading conditions may be impacted by broader financial market instability or shifts in demand for digital assets. Liquidity Risk: While Sentient generally maintains high liquidity across major exchanges and decentralized finance (DeFi) platforms, extreme market conditions, regulatory actions, or changes in exchange policies could reduce market accessibility and affect trading volumes, potentially leading to increased price slippage or temporary illiquidity. Custodial and Self-Custody Risks: Ownership of $SENT requires secure private key management, as the loss or compromise of private keys results in the permanent loss of assets. Users storing $SENT on centralized exchanges or custodial platforms face counterparty risks, including exchange insolvency, hacking incidents, operational failures, or regulatory intervention that may affect asset availability. Scams: The irrevocability of transactions executed using blockchain infrastructure, as well as the pseudonymous nature of blockchain ecosystems, attracts scammers. Therefore, investors in crypto-assets must proceed with a high degree of caution when investing in if they invest in crypto-assets. Typical scams include – but are not limited to – the creation of fake crypto-assets with the same name, phishing on social networks or by email, fake giveaways/airdrops, identity theft, among others. Regulatory and Taxation Risks: Sentient operates across multiple regulatory jurisdictions, each with varying rules on taxation, securities classification, and compliance requirements. Future regulatory developments could impact the use of $SENT in DeFi, staking, or smart contract applications, potentially leading to new legal obligations, restrictions, or enforcement actions affecting asset utility and adoption. Smart Contract and Protocol Risks: Sentient supports decentralized applications (dApps) and smart contracts, which introduces risks associated with software vulnerabilities, coding errors, and potential exploits. Flaws in smart contracts or protocol-level logic may lead to security breaches, financial losses, or disruptions in network functionality. Quantum Computing Threats: Advances in quantum computing may pose long-term risks to cryptographic security, potentially affecting key management, transaction signing mechanisms, and overall network integrity. While current cryptographic standards remain secure, ongoing research and potential future upgrades may be required to mitigate emerging threats. Privacy Concerns: All transactions on the blockchain are permanently recorded and publicly accessible, which can potentially expose user activities. Although addresses are pseudonymous, the transparent and immutable nature of blockchain allows for advanced forensic analysis and intelligence gathering. This level of transparency can make it possible to link blockchain addresses to real-world identities over time, compromising user privacy. Counterparty risk: Engaging in agreements or storing crypto-assets on exchanges introduces counterparty risks,

No	FIELD	CONTENT TO BE REPORTED
		including the failure of the other party to fulfill their obligations. Investors may face potential losses due to factors such as insolvency, regulatory non-compliance, or fraudulent activities by counterparties, highlighting the need for careful due diligence when engaging with third parties. Reputational concerns: Crypto-assets are often subject to reputational risks stemming from associations with illegal activities, high-profile security breaches, and technological failures. Such incidents can undermine trust in the broader ecosystem, negatively affecting investor confidence and market value, thereby hindering widespread adoption and acceptance. Technological Innovation: New technologies or platforms could render ($SENT's design less competitive or even break fundamental parts (i.e., quantum computing might break cryptographic algorithms used to secure the network), impacting adoption and value. Participants should approach the crypto-asset with a clear understanding of its speculative and volatile nature and be prepared to accept these risks and bear potential losses, which could include the complete loss of the assets' value. Community and Narrative: All trading activity is based on the intended market value and its its community and the popularity of the narrative. Declining interest or negative sentiment could significantly impact the token's value. Interest Rate Change: Historically, changes in interest, foreign exchange rates, and increases in volatility have increased credit and market risks and may also affect the value of the crypto-asset. Although historic data does not predict the future, potential investors should be aware that general movements in local and other factors may affect the market, and this could also affect market sentiment and, therefore most likely also the price of the crypto-asset. Anti-Money Laundering/Counter-Terrorism Financing: It cannot be ruled out that crypto-asset wallet addresses interacting with the crypto-asset have been, or will be used for money laundering or terrorist financing purposes, or are identified with a person known to have committed such offenses. Market Abuse: It is noteworthy that crypto-assets are potentially prone to increased market abuse risks, as the underlying infrastructure could be used to exploit arbitrage opportunities through schemes such as front-running, spoofing, pump-and-dump, and fraud across different systems, platforms, or geographic locations. This is especially true for crypto-assets with a low market capitalization and few trading venues, and potential investors should be aware that this could lead to a total loss of the funds invested in the crypto-asset. Timeline and Milestones: Critical project milestones could be delayed by technical, operational, or market challenges.
I.4	Project implementation-related risks	As this white paper relates to the "admission to trading" of the crypto-asset, the implementation risk is referring to the risks on the Crypto Asset Service Providers side. These can be, but are not limited to, typical project management risks, such as key-personal-risks, timeline-risks, and technical implementation-risks. Sentient, as a decentralized, open-source blockchain, relies on continuous protocol upgrades, validator

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		participation, and network optimizations to maintain performance and adoption. However, several implementation risks may affect its scalability, governance, and technical execution. Protocol Development and Upgrade Risks: Sentient's network upgrades require broad consensus. Delays, software bugs, or governance disputes could impact upgrade rollouts, potentially leading to network inefficiencies or temporary forks if consensus is not reached. Unexpected software failures in protocol updates could also introduce security vulnerabilities or cause disruptions in transaction processing. Scalability and Network Performance Challenges: While Sentient is designed for high transaction throughput, past congestion events have demonstrated scalability limitations during peak demand. If transaction volumes continue to rise faster than infrastructure improvements, network latency, failed transactions, or fee spikes could become recurring issues.
I.5	Technology-related risks	As this white paper relates to the "admission to trading" of the crypto-asset, the technology-related risks mainly lie in the settling on the $SENT-Protocol. The blockchain uses a heavily audited base stack, and users interact only through on-chain smart contracts. Before deployment, all production contracts undergo multiple independent security audits, formal verification where applicable, and rigorous testnet trials. 1. Blockchain Dependency Risks $SENT-Protocol Downtime: Potential outages or congestion of the $SENT-Protocol could interrupt on-chain token transfers, trading, and other functions. Private Key Management: Token holders must securely manage their private keys and recovery phrases to prevent permanent loss of access to their tokens, which includes trading-venues, who are a prominent target for dedicated hacks. 2. Network Security Risks Attack Risks: The $SENT-Protocol may face threats such as denial-of-service (DoS) attacks or exploits targeting its consensus mechanism, which could compromise network integrity. We also run continuous monitoring, real-time alerting, and a public bug bounty to further reduce residual risk. The primary residual risk is a smart contract exploit that could drain staking funds. 3. Evolving Technology Risks Technological Obsolescence: The fast pace of innovation in blockchain technology may make $SENT less competitive or become outdated, potentially impacting the usability or adoption of the token.
I.6	Mitigation measures	Not applicable.
Part J – Information on the sustainability indicators in relation to adverse impact on the climate and other environment-related adverse impacts		

No	FIELD	CONTENT TO BE REPORTED
J.1	Adverse impacts on climate and other environment- related adverse impacts	Where possible, the Sentient Foundation seeks to operate the most energy efficient and least environmentally impactful product. With this objective in mind, the blockchain technology, Ethereum, selected for the initial issuance of the $SENT token uses a Proof of Stake consensus mechanism for transaction verification. Proof of stake (PoS) is a consensus mechanism used in blockchain networks as an alternative to proof of work (PoW). PoS relies on validators holding a certain amount of cryptocurrency to secure the network and validate transactions, as opposed to the energy-intensive mining process used in PoW. Compared to PoW, PoS has a much lower environmental impact. PoW requires miners to solve complex mathematical problems using large amounts of computational power, which consumes a significant amount of electricity. This has led to concerns about the environmental impact of PoW, as it contributes to greenhouse gas emissions and climate change. In contrast, PoS requires much less energy to operate, as validators are not required to perform complex calculations. This means that the environmental impact of PoS is significantly lower than that of PoW. Additionally, some PoS networks have implemented various sustainability measures, such as using renewable energy sources or carbon offsets, to further reduce their environmental impact. However, it is worth noting that PoS is not without environmental impact. While it may not consume as much energy as PoW, PoS still requires the use of computers and servers, which have their own environmental impact in terms of manufacturing and disposal. Additionally, the energy consumption of PoS networks can increase as the number of validators and transactions on the network grows. Overall, PoS is a more environmentally friendly alternative to PoW. The Ethereum Foundation estimated that the existing Proof-of-Work system consumes 5.13 gigawatts on a continuing basis, whereas the Proof of Stake system consumes 2.62 megawatts on a continuing basis, meaning it uses about 99.95% less energy than Proof-of-Work.