PAYWARD LTD

CRYPTO ASSET RISK DISCLOSURE

Siacoin (SC)

Last updated on September 08, 2026

Disclaimer

Please note that this risk disclosure is not exhaustive of all risks associated with trading SC. Investors should perform their own assessment to determine the appropriate level of risk for their personal circumstances. Be sure to do your own research and due diligence while taking into account your own financial situation and risk tolerance. Please review the Risk Summary for additional discussion of general risks associated with the assets made available in the platform. These materials are for general information purposes only and are not investment advice or a recommendation or solicitation to buy, sell or hold any crypto asset or to engage in any specific trading strategy. The information contained in this risk disclosure is based on publicly available information that may be inaccurate, incomplete, or change at any time.

What is Siacoin and how does it work?

Sia is a decentralized cloud storage network that lets users store and retrieve data without relying on a central provider. Files are encrypted, split into shards, and distributed across a global network of independent storage hosts. The network is open source and maintained by the Sia Foundation. Siacoin (SC) is the native coin of the Sia blockchain.

SC is the medium of exchange on the Sia network. Renters pay hosts in SC to store their data, and hosts commit SC as collateral to guarantee they keep that data available.

Who is behind the project?

Sia was created in 2013 by its founders David Vorick and Luke Champine. The Sia Foundation now maintains the network, with Nate Maninger serving as its President after Luke Champine moved into a blockchain research role. The Sia Foundation is a not for profit organization that supports development of the open source Sia protocol.

Tokenomics of Siacoin

The total supply of SC is approximately 62.2 billion tokens, with roughly 56.0 billion in circulation as of September 2026. SC has no fixed maximum supply; new coins are issued as block rewards to the miners who secure the network. Siacoin was launched through mining in 2015 with no initial coin offering and no premine.

General Risks

Like all other digital assets, there are some general risks to investing in *SC*. These include short history risk, volatility risk, liquidity risk, demand risk, forking risk, code defects, cryptography risk, regulatory risk, concentration risk, electronic trading risk and cyber security risk. For more information on general risks associated with smart contracts and digital assets, see Kraken’s Risk Statement.

Risks specific to Siacoin

Competition
The Siacoin network faces competition from other decentralized storage networks such as Filecoin, Arweave, Storj, and others. SC's value derives from its broader adoption in the market. If the Siacoin network fails to achieve sufficient adoption compared to the other options in the market, this could negatively impact the value of SC.

Proof of Work Pushback
Proof of Work cryptocurrencies have come under considerable criticism because of their energy use. Regulatory efforts around the world could move to clamp down on Proof of Work mining, making it harder for the network to operate and affecting market perception. These criticisms could have negative impacts on the value of SC.

Adoption by Protocols & Users
SC's value derives from protocols building on Siacoin. If Siacoin fails to attract sufficient adoption, this could negatively impact the value of SC.

Due Diligence

Prior to listing on the Kraken platform, Kraken performed due diligence on SC and determined that SC is unlikely to be a security or derivative under UK securities legislation. Our analysis generally includes, but is not limited to, reviewing publicly available information on the following:

- The creation, governance, usage and design of SC, including the source code, security and roadmap for growth in the developer community and, if available, the background of the developer(s) that created SC;
- The supply, demand, maturity, utility and liquidity of SC;
- Material technical risks associated with SC, including any code defects, security breaches and other threats concerning SC and its supporting blockchain (such as the susceptibility to hacking and impact of forking), or the practices and protocols that apply to them; and
- Legal and regulatory risks associated with SC, including (i) any pending, potential, or prior civil, regulatory, criminal, or enforcement action relating to the issuance, distribution, or use of SC, and (ii) consideration of statements made by any regulators or securities regulatory authorities in the UK, other regulators of the International Organization of Securities Commissions, or the regulator with the most significant connection to SC about whether SC, or generally about whether the type of crypto asset, is a security and/or derivative.

Don't invest unless you're prepared to lose all the money you invest. This is a high-risk investment and you should not expect to be protected if something goes wrong. [Take 2 mins to learn more.]

offered by Payward Ltd are unregulated and not covered by the Financial Services Compensation Scheme as well as the FCA’s consumer protection regulations. Note the value of cryptoassets can go down as well as up, gains may be subject to Capital Gains Tax and there may be extra charges when paying via credit card from your provider.