

PAYWARD LTD

CRYPTO ASSET RISK DISCLOSURE

WorldCoin (WLD)

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Last updated on August 26, 2025

Disclaimer

Please note that this Crypto Asset Statement is not exhaustive of all risks associated with trading WLD. 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 Crypto Asset Statement is based on publicly available information that may be inaccurate, incomplete, or change at any time.

What is WorldCoin and how does it work?

Worldcoin is a cryptocurrency project designed to establish a global identity and financial network. At its core, Worldcoin focuses on proof of humanness using World ID, a digital identity system. Individuals can verify their unique human identity using a custom-built biometric device called the Orb, which scans their iris to issue an Orb-verified World ID.

The network operates alongside its native token, WLD, which is primarily used to cover transaction fees on World Chain, a Layer 2 network built on the OP Stack (Optimism).

To interact with the Worldcoin ecosystem, users download the World App, the official wallet supporting World ID verification and access to WLD tokens. By integrating World ID, Worldcoin aims to address challenges such as distinguishing humans from bots, enabling fair resource distribution, and supporting equitable decision-making processes like democratic voting.

Who is behind the project?

Worldcoin was founded by a team that includes OpenAI's CEO Sam Altman, Alex Blania, and Max Novendstern. The project has been developed and initially supported by Tools for Humanity (TFH), a Delaware-based company with a subsidiary in Germany.

Tokenomics of WLD

The distribution of WLD tokens is as follows:

Category	Total Supply
World Community	75%
Initial Development Team	9.8%
TFH Investors	13.5%
TFH Reserve	1.7%
Total:	100%

General Risks

Like all other digital assets, there are some general risks to investing in WLD. 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 WLD

Competition

Worldcoin faces competition from other digital identity platforms such as Polygon ID and BrightID. WLD's value depends on the project's ability to achieve broad adoption in the market. If Worldcoin fails to gain sufficient adoption compared to other options, it could negatively affect the value of WLD.

Due Diligence

Prior to listing on the Kraken platform, Kraken performed due diligence on WLD and determined it was permitted to make WLD available for trading to UK users. Our analysis generally includes, but is not limited to, reviewing publicly available information on the following:

- The creation, governance, usage and design of WLD, including the source code, security and roadmap for growth in the developer community and, if available, the background of the developer(s) that created WLD;
- The supply, demand, maturity, utility and liquidity of WLD;
- Material technical risks associated with WLD, including any code defects, security breaches and other threats concerning WLD 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 WLD, including (i) any pending, potential, or prior civil, regulatory, criminal, or enforcement action relating to the issuance, distribution, or use of WLD, 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 WLD about whether WLD, 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.](#)

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