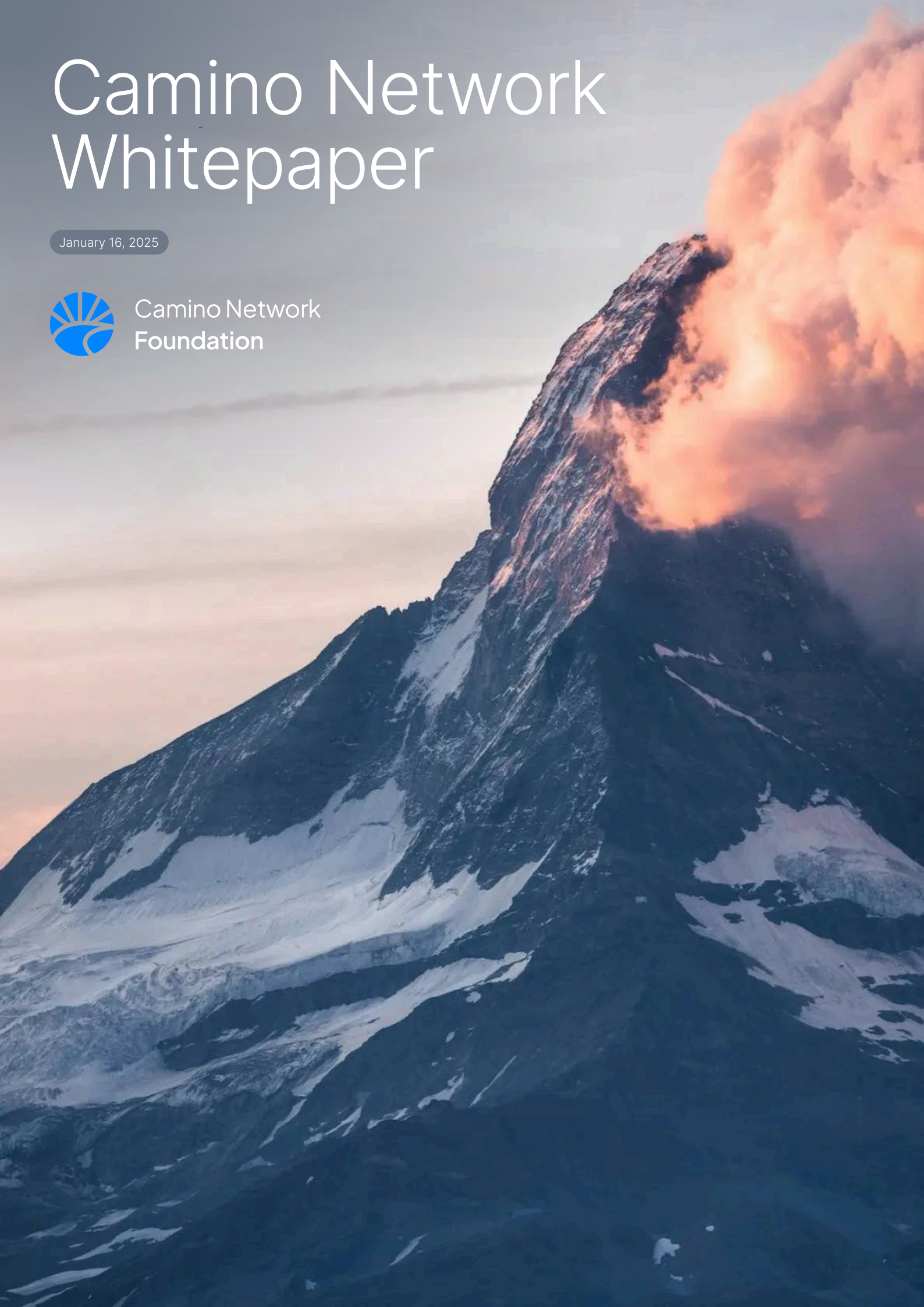
Camino Network Whitepaper

January 16, 2025

Camino Network
Foundation



Content

No.	Field	Content
I. Compliance with duties of information		
00	Table of contents	See above
01	Date of notification	See above
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	n/a
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 Camino token (also referred to as "CAM") is the native token of Camino Network, facilitating transactions and incentivizing participation in the corresponding consortium. As an essential component of Camino Network, the CAM token serves several functions and roles within the ecosystem: **Transaction utility** Paying on-chain transaction fees (gas fees). **Validators** A validator is a participant who operates a node on Camino Network and, as such, validates new transactions. To act as a validator, a participant in the ecosystem must "bond" a fixed amount of 100,000 CAM tokens to secure the network and validate transactions. Unlike some other blockchain networks Camino Network does not use slashing and delegation mechanisms. Instead, the bonding mechanism enhances the security of the network and ensures the commitment of the validators. The validator independently defines the period of his validator activity, and consequently, during this period, his CAM tokens are non-transferable and cannot be "unbonded". Neither the validator nor the Camino Network Foundation has the authority to unbond the corresponding CAM tokens before the expiration of the bonding period. After the bonding period expires, the tokens become freely transferable again. **Proposal creation** In the future, it is intended to implement a process whereby 2,000 CAM tokens be bonded to initiate proposals for voting. **Transactions** CAM tokens can be used to conduct transactions in Camino Network, in addition to

		other transaction options such as stable coins or Central Bank Digital Currency (CBDC).
09		n/a
10	Key information about the admission to trading	CAM tokens will be traded on the platforms Gate.io.

No.	Field	Content
A. Information about the offeror or the person seeking admission to trading		
A.1	Name	Camino Network Foundation
A.2	Legal Form	Foundation
A.3	Registered address	c/o Chain4Travel AG, Dammstrasse 16, 6300 Zug, Switzerland
A.4	Head office	n/a
A.5	Registration date	May 15th, 2023
A.6	Legal entity identifier	CHE-376.609.933
A.7	Another identifier required pursuant to applicable national law	n/a
A.8	Telephone no.	+41 41 244 00 85
A.9	E-mail address	foundation@camino.network
A.10	Response time (Days)	First response can be made within 2 business days (excl. weekend and public holidays).
A.11	Parent company	n/a
A.12	Members of the management body	Thomas Stirnimann, chairperson of the foundation board Bejamin Usinger, member of the foundation board Piotr Wojtowicz, member of the foundation board Yessin Omar Schiegg, member of the foundation board all c/o Chain4Travel AG, Dammstrasse 16, 6300 Zug, Switzerland

A.13	Business activity	The main business activity of the Camino Network Foundation is to develop, promote, support, coordinate, educate, inform, and implement technological ecosystems using blockchain technology in the global tourism market. The Camino Network Foundation is primarily dedicated to supporting Camino Network, the first Layer 1 blockchain for the travel industry, built on a fork of the open-source Avalanche blockchain, as well as promoting a degree of decentralization within such a network.
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	The Camino Network Foundation raised 8.8 Mio CHF through Pre-sale and Seed investment. This capital has been allocated to build the technological foundation (the Camino blockchain), develop the business eco-system and applications on top of it.

No.	Field	Content
B. Information about the issuer, if different from the offeror or person seeking admission to trading		
n/a		

No.	Field	Content
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		
n/a		

No.	Field	Content
D. Information about the crypto-asset project		

D.1	Crypto-asset project name	Cam Token (CAM)
D.2	Crypto-assets name	Cam Token (CAM)
D.3	Abbreviation	CAM
D.4	Crypto-asset project description	The CAM is the native token of the Camino Network that facilitates transactions and incentivizes participation in the Camino Consortium. The Camino Consortium is the Consortium of travel-related entities that participate in and technically operate the Camino Network, together with the Camino Network Foundation. Chain4Travel AG, a blockchain development company domiciled at Dammstrasse 16, 6030 Zug, Switzerland and registration number: CHE-364.921.803, minted the CAM Token at a time when the foundation was being formed but had not yet been fully established. Chain4Travel AG continues developing the Camino Network incl. the CAM to meet and implement the purpose of the Camino Network Foundation.
D.5	Details of all natural or legal persons involved in the implementation of the crypto-asset project	Camino Network Foundation has contracted the services of Chain4Travel AG.
D.6	Utility Token Classification	n/a
D.7	Key Features of Goods/ Services for Utility Token Projects	n/a
D.8	Plans for the token	The CAM total supply is 1 billion tokens, of which 900 million were minted and allocated in batches from Genesis time (October 31, 2022, 12:00:00 UTC) until the Camino mainnet go-live, which happened on April 26, 2023. At go-live, the first Validator nodes were spun up by Chain4Travel AG on behalf of the Camino Network Foundation. The first Validator nodes run by the travel industry promptly aggregated, to ensure from the onset that no single entity has the power to steer consensus or otherwise single-handedly influence the network. Some CAM tokens have associated rights for holders who have decided to proceed with their deposit/lock/bond. Camino Network has outlined rewards to incentivize long-term

		commitment, recognizing the importance of active and trusted members.
D.9	Resource allocation	The Camino Network Foundation has selected Chain4Travel AG for research, development, marketing and operational resources. The Camino Foundation has established a Take-off Grant Program for teams and individuals sharing the vision of the new travel ecosystem to access funding, technical and marketing support. There are 200 Mio CAM tokens dedicated to dApp incentives.
D.10	Planned use of Collected funds or crypto-Assets	The funds are intended to further enhance the Camino Network, the business eco system of travel companies, to educate the travel industry on web 3, and to advance the technology foundation to accommodate future needs of the industry.

No.	Field	Content
E. Information about the admission to trading		
E.1	Admission to trading	The crypto-asset white paper concerns their admission to trading.
E.2	Reasons for admission to trading	In order to enable the further technological development and enhance the network, the funds collected through the sale of CAM tokens are allocated to that goal, the Camino Foundation being a non-profit organization.
E.3	Fundraising target	n/a
E.4	Minimum subscription goals	n/a
E.5	Maximum subscription goals	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 any 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	It is prospectively planned to allocate CAM tokens up to the amount of 7 Mio in Q1 2025.
E.13	Targeted holders	All types of investors.
E.14	Holder restrictions	Non eligible persons and residents of restricted states.
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	Pre-sale of future tokens via SAFTs at CHF 0.001429 and CHF 0.10, to which lock up and vesting periods apply.
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	To hold CAM, a purchaser needs to directly manage a CAM compatible wallet and its private keys or have a third party manage such a wallet and keys. CAM wallets may be

		cold wallets, disconnected from the internet or hot wallets, connected to the internet.
E.30	Crypto-asset service provider (CASP) name	n/a
E.31	CASP identifier	n/a
E.32	Placement form	n/a
E.33	Trading platforms name	CAM will be listed on the trading platform Gate.io.
E.34	Trading platforms Market identifier code (MIC)	n/a
E.35	Trading platforms access	Investors can access the trading platform through its website.
E.36	Involved costs	n/a
E.37	Offer expenses	n/a
E.38	Conflicts of interest	n/a
E.39	Applicable law	n/a
E.40	Competent court	n/a

No.	Field	Content
F. Information about the admission to trading		
F.1	Crypto-asset type	Under the MiCAR, CAM is a crypto-asset of the “other” type.
F.2	Crypto-asset functionality	CAM tokens serve as access to the Camino Network and enable users to pay on-chain transaction fees (gas fees). Additionally, CAM token holders with 100,000 bonded CAM tokens can act as validators to secure the network and validate transactions.In the future, it is intended to implement a process whereby 2,000 CAM tokens be bonded to initiate proposals for voting. CAM tokens can be used to conduct transactions in Camino Network, in addition to other transaction options such as stable coins or Central Bank Digital Currency (CBDC).

F.3	Planned application of functionalities	The Camino Mainnet was launched in April 2023 and it has been in development since then.
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	White paper for crypto-assets other than asset-referenced tokens or e-money tokens.
F.5	The type of submission	New.
F.6	Crypto-asset characteristics	Native Token of the Camino Network (Layer 1 Blockchain)
F.7	Commercial name or trading name	CAM
F.8	Website of the issuer	https://foundation.camino.network/
F.9	Starting date of admission to trading	17.01.2025 (prospective)
F.10	Publication date	17.01.2025
F.11	Any other services provided by the issuer	n/a
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	CAM
F.14	Functionally fungible group digital token identifier, where available	n/a
F.15	Voluntary data flag	n/a
F.16	Personal data flag	Yes.
F.17	LEI eligibility	n/a
F.18	Home Member State	Italy

F.19	Host Member States	n/a

No.	Field	Content
G. Information on the rights and obligations attached to the crypto-assets		
G.1	Purchaser rights and obligations	Purchasers of CAM acquire property over the CAM tokens, which includes a bundle of rights. CAM tokens serve as access to the Camino Network and enable users to pay on-chain transaction fees (gas fees). Additionally, CAM token holders with 100,000 bonded CAM tokens can act as validators to secure the network and validate transactions. In the future, it is intended to implement a process whereby 2,000 CAM tokens be bonded to initiate proposals for voting. CAM tokens can be used to conduct transactions in Camino Network, in addition to other transaction options such as stable coins or Central Bank Digital Currency (CBDC).
G.2	Exercise of rights and obligations	See G.1.
G.3	Conditions for modifications of rights and obligations	n/a
G.4	Future public offers	n/a
G.5	Issuer retained crypto-assets	756 Mio.
G.6	Utility token classification	n/a
G.7	Key features of goods/services of utility tokens	n/a
G.8	Utility tokens redemption	n/a
G.9	Non-trading request	An admission to trading is sought.
G.10	Crypto-assets purchase or sale modalities	n/a
G.11	Crypto-assets transfer restrictions	n/a
G.12	Supply adjustment protocols	Not possible, fixed amount. No additional CAM above 1 bn can be minted. 900 Mio CAM

		have been preminted, 100 Mio CAM are minted on the fly for validator rewards.
G.13	Supply adjustment mechanisms	n/a
G.14	Token value protection schemes	n/a
G.15	Token value protection schemes description	n/a
G.16	Compensation schemes	Yes.
G.17	Compensation schemes description	Validators of the Camino Network are eligible to receive 30% of the gas fees as incentive for running hardware and securing the network.
G.18	Applicable law	Switzerland
G.19	Competent court	Zug

No.	Field	Content
H. Information on the underlying technology		
H.1	Distributed ledger technology (DTL)	Camino Network is a fork of Avalanche blockchain and has been adapted to meet the specific needs of travel and travel tech companies within Camino Network: The Camino Network uses a Proof of Stake and Authority (PoSA), with required KYB for validators (see H.4). – EVM compatible, supports Ethereum-based smart contracts, access to of-chain functionality via well-known contracts – Mandatory KYC process for developers deploying smart contracts – Fixed transaction fees (with option for validators to vote on base fee alteration proposals, see H.5) No code available as it is the native token if the Camino Blockchain.
H.2	Protocols and technical standards	The Camino Blockchain is designed with a focus on scalability, security, and decentralization, utilizing state-of-the-art protocols and technical standards to ensure interoperability and transparency. Below are the key protocols and technical standards employed: 1. Consensus Mechanism: Camino Blockchain uses a Proof of Stake and Authority (PoSA) consensus mechanism to achieve a high level of security and

		scalability. This mechanism ensures that transactions are verified by a network of validators, reducing energy consumption and increasing efficiency compared to traditional Proof of Work (PoW) systems. 2. Smart Contracts: Camino Blockchain supports smart contract functionality that allows developers to create decentralized applications (dApps). It uses the EVM (Ethereum Virtual Machine) for compatibility with Ethereum-based smart contracts, allowing easy integration and adoption of existing Ethereum-based tools and services. 3. Interoperability: To ensure interoperability with other blockchains, Camino Blockchain employs the IBC (Inter-Blockchain Communication) protocol, allowing assets and data to be transferred securely between Camino and other blockchains in the Camino Network ecosystem. 4. Security Standards: Camino Blockchain implements cryptographic techniques such as Elliptic Curve Digital Signature Algorithm (ECDSA) for signature generation and SHA-256 hashing for transaction integrity. Additionally, zero-knowledge proofs (ZKPs) are used to enhance privacy and data protection while maintaining verifiability. 5. Governance Protocol: Camino Blockchain adopts a decentralized governance model using token-based voting mechanisms to ensure that all network participants can propose and vote on protocol upgrades or changes. The governance structure is designed to be transparent and participatory, empowering stakeholders to contribute to the decision-making process. 6. Scalability and Layer-2 Solutions: Camino Blockchain is designed with scalability in mind, utilizing Layer-2 solutions such as sidechains and rollups to increase throughput and reduce latency. This approach ensures that the network can handle a growing number of transactions as adoption increases. 7. Data Standards: Camino Blockchain follows JSON-RPC and RESTful API standards for external communication and integration with other systems. This allows for easy integration with existing applications and tools, providing seamless access to blockchain data and services. 8. Compliance with Regulatory Standards: The Camino Blockchain is built with a strong emphasis on regulatory compliance, This includes implementing KYC (Know Your Customer) as mandatory requirement to deploy smart contracts. 9. Storage and Data Integrity: To ensure the integrity of the blockchain, Merkle trees are employed for efficient data storage and retrieval. The Camino

		Blockchain also supports decentralized file storage using IPFS (InterPlanetary File System) for distributed, tamper-proof storage of large files and data. 10. Energy Efficiency: By adopting a Proof of Stake mechanism and incorporating energy-efficient consensus protocols, Camino Blockchain ensures a low-carbon footprint while maintaining high levels of security and decentralization.
H.3	Technology used	See H.2.
H.4	Consensus mechanism	Camino Network uses a customized consensus protocol known as Proof-of-Stake & Authority (PoSA). The PoSA consensus protocol is designed using distinct elements from both PoS and PoA: – From PoS, emphasis is placed on the importance of validators having a substantial stake in the Camino Network ecosystem, ensuring their vested interest in the network's success. – From PoA, the principal of having identifiable validators has been incorporated, ensuring transparency and trustworthiness. The result is a consensus mechanism that provides rapid, secure transactions and efficient energy consumption that still does not centralize validation or consensus. It also implements public blockchain checks and practices of PoS to avoid abuse or malicious takeovers that can happen in a heterogeneous environment, such as the travel industry.
H.5	Incentive mechanisms and applicable fees	Validators of the Camino Network are eligible to receive 30% of the gas fees as incentive for running hardware and securing the network. 30% of the gas fees are used for the dApp incentive pool offering grants to eligible companies to incentivise development and growth of the ecosystem. The remaining 40% of gas fees are burned.
H.6	Use of distributed ledger technology	Yes, DLT operated by the issuer.
H.7	DLT functionality description	Camino Blockchain utilizes **Proof of Stake and Authority (PoSA)** to ensure the integrity and performance of the network. The distributed ledger is maintained by a decentralized set of validators who verify transactions and propose new blocks to the network. This ensures that no single party can control the blockchain, maintaining its decentralized and trustless nature. **Transaction Processing**

		Transactions on the Camino Blockchain are submitted by network participants, and upon validation by a set of validators, they are grouped into blocks. Once a block is validated through the consensus process, it is appended to the blockchain. The system records each transaction immutably, ensuring transparency and providing a full audit trail. • **Transaction Validation**: Validators verify transactions through a series of checks, ensuring that they are legitimate (i.e., signed by the correct private keys) and adhere to protocol rules (e.g., sufficient balance, correct transaction format). Invalid transactions are rejected, and only valid transactions are included in the blockchain. • **Block Finality**: Once a block is added to the chain, it achieves **finality** meaning it cannot be altered or reversed without a consensus of the majority of validators, ensuring the security and immutability of the blockchain's ledger. **Distributed Consensus Mechanism** • **Validators** are selected based on the amount of cryptocurrency they stake, ensuring that participants with more at stake have a greater incentive to act honestly. The PSOA model ensures that transactions are processed efficiently, with a low energy footprint, and that network participants have the ability to directly participate in decision-making processes regarding governance and protocol upgrades. **Ledger Transparency and Immutability** The Camino Blockchain provides **full transparency** to all users while maintaining privacy controls. Each transaction and block on the blockchain is visible to all participants but can be selectively hidden or protected using advanced cryptographic techniques such as **zero-knowledge proofs (ZKPs)**, ensuring both privacy and transparency. • **Immutability**: Once data is recorded on the blockchain, it cannot be modified, deleted, or tampered with. This immutability ensures that once a transaction is confirmed, it is securely stored in the distributed ledger across multiple nodes, ensuring that the history of the blockchain is permanent and resistant to tampering. • **Data Integrity**: The use of **Merkle Trees** ensures that the data structure is optimized for storing and verifying transactions efficiently. Each block contains a hash of the previous block, linking the blocks together in a chain that is virtually impossible to alter without detection. **Interoperability and Cross-Chain Communication** To allow seamless interaction with other blockchains, Camino Blockchain employs the **IBC (Inter-Blockchain Communication)** protocol. IBC allows for the secure transfer of assets and data between Camino and other blockchains, ensuring that users and developers can engage with various blockchain ecosystems without the need for centralized intermediaries. **Smart Contracts and dApps**

		Camino Blockchain supports **smart contract execution**, which allows the automation of processes and the development of decentralized applications (dApps). These smart contracts are self-executing contracts with the terms of the agreement directly written into code, ensuring that processes are carried out automatically when the conditions are met, without the need for third-party intermediaries. The blockchain also supports **Ethereum Virtual Machine (EVM)** compatibility, enabling developers to deploy Ethereum-based smart contracts directly on the Camino Blockchain without modification.
H.8	Audit	Yes, twice.
H.9	Audit outcome	The two audits produced 9 total findings, 3 of which were classified as Low and 6 as Informational. There were no critical findings. All findings have been mitigated before setting live the mainnet.

No.	Field	Content
I. Information on risks		
I.1	Offer-related risks	**Third Party Risk**: In cases where crypto-assets are admitted to trading at a third party, there is a risk that the third party may fail to fulfil their obligations due to insolvency, compliance issues, or fraud, resulting in loss of crypto-assets. **Regulatory Compliance Risks**: Crypto asset service provider, such es operators of an exchange, must follow various regulations in different jurisdictions. Non-compliance may lead to fines, sanctions, or bans on the offering, affecting its success and market acceptance. **Legal Risks**: Legal uncertainties, potential litigation, or adverse judicial rulings can present considerable risks to the admitting to trading. Legal challenges may impact the legality, usability, or value of a crypto-asset. **Conflicts of Interest**: If the issuer's interests or the third party interests do not align with those of the crypto asset holders, risks arise and potentially leading to decisions that are not in the best interests of the asset holders, impacting the value of a crypto-asset or damage the credibility of the project.
I.2	Issuer-related risks	**Regulatory Compliance Risks**: Crypto asset issuers must follow various regulations in

		different jurisdictions. Non-compliance may lead to fines, sanctions, or bans on the offering, affecting its success and market acceptance. **Operational Risks**: These involve the issuer's internal processes, personnel, and technologies that impact crypto-asset operations. Failures can cause disruptions, financial losses, or reputational damage. **Financial Risks**: Issuers encounter liquidity, credit, and market risks that may impact their operations, obligations, or the stability and value of the crypto-asset. **Legal Risks**: Legal uncertainties, potential litigation, or adverse judicial rulings can present considerable risks to issuers. Legal challenges may impact the legality, usability, or value of a crypto-asset. **Fraud and Mismanagement Risks**: The issuer may engage in fraudulent activity or mismanagement, which can affect the usability or value of a crypto-asset or harm the project's credibility. **Reputational Risks**: Negative publicity, whether due to operational failures, security breaches, or association with illicit activities, can damage they issuer's reputation and, by extension, the value and acceptance of the crypto-asset. **Technology Management Risks**: Inadequate management of technological updates or failure to keep pace with technological advancements can render a crypto-asset, or the project it is connected to, obsolete or vulnerable to security risks. **Dependency on Key Individuals**: The success of some crypto projects can be highly dependent on the expertise and leadership of key individuals. Loss or changes in the project's leadership can lead to disruptions, loss of trust, or project failure. **Conflicts of Interest**: If the issuer's interests do not align with those of the crypto asset holders, risks arise and potentially leading to decisions that are not in the best interests of the asset holders, impacting the value of a crypto-asset or damage the credibility of the project. **Counterparty Risks**: Risks associated with the issuer's partners, suppliers, or collaborators, including the potential for non-

		fulfilment of obligations that can affect the issuer's operations.
I.3	Crypto-assets-related risks	**Regulatory and Tax Risk**: Changes in the regulatory environment for crypto-assets (such as consumer protection, taxation, and anti-money laundering or license requirements) could affect the use, value, or legality of crypto-assets in a given jurisdiction. **Liquidity Risk**: CAM may experience low liquidity, making it challenging to buy or sell large quantities without impacting the market price, which could result in significant losses, particularly in fast-moving market conditions. **Custodial risk**: Crypto-assets may to be stolen from exchanges or wallets, private keys may be lost, or the custodial services may fail. These events can lead to the irreversible loss of crypto-assets. **Market Risk**: Crypto-assets are highly volatile, with prices fluctuating due to market sentiment, regulatory news, technological changes, and economic factors. **Smart Contract Risk**: Crypto-assets may be associated with, or issued through, smart contracts. These are codes executed on a blockchain that automatically perform programmed functions when predefined conditions are met. Vulnerabilities or bugs in the smart contract code can expose blockchain users to potential hacks and exploits. Any defect in the code could lead to unintended outcomes, such as the loss of crypto-assets or unauthorized access to sensitive data. **Counterparty Risk**: In cases where crypto-assets are used in contractual agreements or held on exchanges, there is a risk that the counterparty may fail to fulfill their obligations due to insolvency, compliance issues, or fraud, resulting in loss of crypto-assets. **Reputational Risk**: The reputation of CAM may be damaged being associated with illicit activities, high-profile thefts, or technological failures, which may also affect the user trust and market value.
I.4	Project implementation-related risks	**Scalability Challenges**: While Camino Blockchain employs Layer-2 solutions, the growth of user base and transaction volume could strain the network, impacting performance and transaction speed.

		Security Vulnerabilities: Despite using advanced cryptographic standards, potential flaws in the implementation of smart contracts or the consensus mechanism could expose the network to hacks or exploits. **Interoperability Risks**: Cross-chain communication using the IBC protocol may face compatibility issues with other blockchains, risking disruption of asset transfers. **Centralization Risk**: Over-reliance on a limited number of validators or delegates could lead to centralization, reducing decentralization and trust within the network. **Governance Issues**: Disagreements or conflicts in governance decisions, especially regarding protocol upgrades or changes, could lead to forks or delays in network development.
I.5	Technology-related risks	**Risk related to Private Keys**: The security of crypto-assets depends on private key management, which is essential for accessing and controlling the assets (e.g., initiating transactions). Inadequate management practices, or the loss or theft of private keys or their credentials, can result in the permanent loss of access to crypto-assets. **Cyber Security Risks**: Blockchain networks can be exposed to various cyber-attacks, such as 51% attacks, where an entity gains control of the majority of the network's consensus, Sybil attacks, or DDoS attacks. These incidents may disrupt the network's operations and impact data integrity, influencing its security and reliability. **Scalability**: As the number of users and transactions grows, a blockchain network may face scaling challenges. This could lead to increased transaction fees and slower transaction processing times, affecting usability and costs. **Reliance on Underlying Technology**: Blockchain technology is dependent on foundational infrastructures, including specific hardware and network connectivity. These components may be susceptible to attacks, outages, or other interferences. **Settlement and Transaction Finality**: A blockchain's settlement is designed to be probabilistic, meaning there is no absolute guaranteed finality for a transaction. There is a theoretical risk that a transaction could be reversed or multiple versions of the ledger could persist due to circumstances such as

		forks or consensus errors. The risk decreases as more blocks are added, making it more secure over time. Under normal circumstances, however, once a transaction is confirmed, it cannot be reversed or cancelled. Crypto-assets sent to an incorrect address cannot be retrieved, resulting in the loss of those crypto assets. **Economic Self-sufficiency and Operational Parameters**: A blockchain network may not achieve the necessary transaction volume required for self-sufficiency and economic viability to incentivize block production. If this inflection point is not reached, a network may become less relevant, insecure, or result in changes to the protocol's operational parameters, including monetary policy, fee structure and consensus rewards, governance model, or technical specifications such as block size or intervals. **Consensus Failures or Forks**: Faults in the consensus mechanism can lead to forks, where multiple versions of the ledger coexist, or network halts, potentially destabilizing the network and reducing trust among participants. **Protocol Vulnerabilities**: Even with thorough testing, there is always a risk that unknown bugs may exist in a blockchain protocol, which could be exploited to disrupt network operations or manipulate account balances. Also, bugs or vulnerabilities in smart contract code can expose blockchain networks to potential hacks and exploits. Any flaw in the code can lead to unintended consequences, such as the loss of crypto-assets or unauthorized access to sensitive data. **Technological Disruption Risk**: Advances in technology or the development of new technologies could render blockchain systems, or their components, insecure or obsolete. This may result in the theft or loss of crypto-assets or compromise the integrity of data within the network. **Governance Risk**: Governance in blockchain technology involves the processes for making decisions about network changes and protocol upgrades. Ineffective governance models can result in poor decision-making, delayed responses to issues, and potential network forks, which could affect stability and integrity. Additionally, there is a risk of disproportionate influence by a group of stakeholders, leading to centralized power

		and decisions that may not reflect the interests of the broader public. **Privacy Risk**: The inherent transparency and immutability of blockchain technology can present challenges to user anonymity and privacy. As all transactions are publicly recorded on the blockchain, there exists a potential risk for the exposure of sensitive data. The ability of the public to link certain transactions to specific addresses may result in vulnerabilities such as phishing attacks, fraud, or other malicious activities. **Data Corruption Risk**: Corruption of blockchain data, whether through software bugs, human error, or malicious tampering, can undermine the reliability and accuracy of the system. **Third-Party Risks**: Crypto-assets depend on exchanges and wallet providers for trading and storage. These platforms can face security breaches, operational failures, and regulatory issues, risking loss or theft of crypto-assets.
I.6	Mitigation measures	**Consensus protocol**: Employing a potent Proof of Stake & Authority (PoSA), Camino Network ensures blockchain integrity and immutability while negating the risks of undue centralization or malicious intrusion. **Network security**: Best-in-class network security tools, like firewalls and intrusion detection systems, are in place. Regular security audits, combined with advanced monitoring tools such as Grafana, aid in repelling potential network threats, thus securing nodes and data transmission. **Secure smart contract deployment**: Enforcing KYC and KYB verifications for smart contract deployments reduces the probability of malicious intentions. This protocol fosters a sense of accountability and curtails the possibility of unauthorized actions. **Comprehensive auditing**: Routine audits are conducted not just for smart contract codes but also for integral components of the infrastructure including 'caminogo', 'camino-node', and 'camino-wallet'. These evaluations are performed by third-party security experts proficient in blockchain technology, guaranteeing a comprehensive review of Camino's security ecosystem. For an in-depth insight into our most recent audit across these components, click here to access the

		complete audit report, illustrating our technological soundness and risk precautions. **Bug Bounty program**: Championing a proactive security stance, Camino Network's bug bounty program incentivizes experts and community members to uncover and report system vulnerabilities, fostering ongoing platform refinement. **Compliance and regulatory frameworks**: Camino Network adheres to established compliance and regulatory frameworks applicable to the travel industry. By integrating relevant regulatory requirements, such as anti-money laundering (AML) and counter-terrorism financing (CTF) measures, the platform aims to foster trust and ensure adherence to legal obligations. Camino Network complies with the regulations that apply to blockchain and crypto assets that are not directly related to the travel industry, but to the technology of Camino Network and the Camino Token.

No.	Field	Content
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.	The consensus mechanism used in the Camino Blockchain, **Proof of Stake and Authority (PoSA)** has several environmental benefits compared to traditional Proof of Work (PoW) systems: 1. **Lower Energy Consumption**: PSoA significantly reduce the energy consumption required to secure the network since validators are chosen based on their stake rather than solving complex computational problems. This drastically lowers the carbon footprint compared to PoW-based blockchains like Bitcoin. 2. **Reduced Carbon Emissions**: By avoiding the need for energy-intensive mining operations, Camino Blockchain minimizes its environmental impact, contributing to a lower overall carbon footprint in the blockchain space. 3. **Minimal E-Waste**: As there is no need for specialized mining hardware, Camino Blockchain does not generate

		significant electronic waste, a common issue in PoW systems. Overall, the consensus mechanism used in Camino Blockchain is designed to be environmentally sustainable, with minimal adverse impacts on climate and the environment.

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