

Kayan Carbon Token (KYNCO2) - K2

Whitepaper

Digital infrastructure for accessible carbon markets
and long term forest stewardship

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Our purpose

We are building a connection between the people who protect natural ecosystems and the people and organisations prepared to support that work. KYNCO2 is the utility token designed to coordinate payments, services and participation across the Kayan Forest ecosystem.

Our approach brings together environmental evidence, accountable project finance and blockchain infrastructure. We aim to make climate participation easier to access, environmental transactions easier to verify and the movement of ecosystem resources easier to follow.

This whitepaper explains our market thesis, the token's role, the controls embedded in its smart contract and the operating model through which digital participation can support measurable environmental and social outcomes.

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1. Abstract

Carbon markets can connect capital with activities that reduce emissions, remove greenhouse gases and protect threatened ecosystems. Their contribution depends on the quality of the underlying projects and the credibility of the systems that record, finance and account for their results.

Fragmented information, complex procurement and weak traceability make it harder for buyers and communities to participate with confidence.

Kayan Forest's response is an integrated ecosystem in which environmental evidence, project services, digital credit records and financial transactions can be connected through a common operational framework. KYNCO2 is the fungible utility token within that framework. It is intended to support authorised service payments, carbon NFT settlement routes, ecosystem incentives and application level accountability.

Our design separates three functions. Kayan's field and scientific processes establish environmental evidence. BiCO2's carbon asset workflows manage the contractual and registry relationship of project NFTs and issued credits. KYNCO2 coordinates economic activity without converting token ownership into a claim on land, carbon stocks or corporate profits. Keeping these roles distinct makes the system easier to explain, integrate and audit.

A controlled foundation for participation

The KYNCO2 core combines a lifetime mint cap with timestamped release authority, public supply accounting, role based compliance freezes, emergency pauses and administration through an external timelock. These mechanisms make selected controls enforceable in code and give users a visible record of material administrative actions. They support a compliance framework; they do not grant regulatory approval or determine whether a carbon claim is valid.

We propose a complete ten year supply framework with a 0.50% maximum opening release, gradual allocation ceilings and conditional programme spending. The economic objective is to match expansion with services delivered and funded operational capacity. Market liquidity is managed for orderly execution, without a promised price floor or investment return.

The outcome we seek

Our long term ambition is accessible market infrastructure connecting stewardship with paying users. The supplied valuations inform project planning: a central carbon NPV of USD 754 million net of modelled costs, and a separate USD 750.006 billion conditional six unit scenario. Their scopes and assumptions differ; neither values KYNCO2. Progress will be measured through accepted environmental evidence, paying service adoption, accountable community expenditure and independently supported outcomes [16][17].

2. Carbon markets and the next phase of climate finance

The future of carbon markets will be shaped by evidence, differentiated quality and the ability to connect climate finance with credible outcomes. Greater access to a weak credit does not improve its environmental value. Our starting point is therefore to make the underlying activity intelligible before making the transaction convenient.

The World Bank's State and Trends of Carbon Pricing 2026 reports that direct carbon pricing covers nearly 30% of global greenhouse gas emissions across 87 implemented policies. It also reports more than USD 107 billion in public budget revenue in 2025. These figures describe carbon pricing instruments broadly; they are not the addressable revenue of voluntary carbon projects or KYNCO2 [1].

Voluntary crediting, domestic compliance systems and international cooperation operate under different rules. Their participants increasingly need information on project type, methodology, vintage, verification, ownership and permitted use. A transparent digital interface can help organise that information, but acceptance remains dependent on the applicable programme and jurisdiction.

International cooperation and market interoperability

Article 6 of the Paris Agreement provides frameworks for international cooperation. Article 6.2 concerns accounting and reporting for internationally transferred mitigation outcomes; Article 6.4 establishes a UNFCCC crediting mechanism. Neither status is created merely by putting a credit on a blockchain [2]. Where international transfer or a particular compliance use is intended, authorisation and the applicable accounting treatment must be documented at the asset level.

We see an opportunity for infrastructure that can preserve these distinctions across an asset's life. A buyer should be able to understand what a unit represents, which evidence supports it, whether it remains transferable, and what claim—if any—its retirement supports. Interoperability begins with consistent identifiers and accountable reconciliation rather than a promise that every registry will accept every digital asset.

Our market thesis

We expect durable demand to favour usable services and credible environmental information. KYNCO2 is designed around that thesis: payment and coordination infrastructure for a functioning ecosystem, with growth paced by operational delivery. The thesis is strategic, not a forecast of carbon prices, credit demand or token appreciation.

3. Kayan Forest and the landscape approach

Kayan Holdings Limited holds the rights under a cooperation agreement with the participating villages and sub-districts of North Kalimantan Province that collectively hold productive and conserved forest totalling 8,680,424.21 ha on land and at sea, including 3,604,414.96 ha of customary, village and social forest and 199,734 ha of critical and very critical land that provides rights and continuous access for 60 years and grants exclusivity. The eligible project polygons, rights and consent evidence will be published before committing their outputs to buyers [16][17]. Morgan Lewis Stamford LLC, jointly with ABNR Counsellors at Law, reviewed the cooperation agreement and supports the view that the agreement constitutes legal, valid and binding obligations.

Our landscape approach considers rainforest, peatland, mangroves, waterways and local livelihoods as connected systems. Forest protection can support carbon storage while also maintaining habitats and watershed functions. Restoration and improved land management can contribute to resilience, but outcomes depend on site conditions, sound design and sustained stewardship. The IPCC identifies conservation, improved management and restoration as important mitigation options with potential biodiversity and livelihood benefits [3].

A practical theory of change

We aim to strengthen the economic and operational conditions for stewardship. Project development resources support rights documentation, baselines, local delivery and monitoring. Better evidence helps qualified buyers evaluate opportunities. Payments and project finance support accepted work. Transparent reporting allows participants to assess whether resources reached the intended activity and what results followed.

KYNCO2 contributes to this chain through payments, incentives and digital accountability. Its contribution is indirect: a token transfer is a financial event, not an environmental outcome. The link to sustainability becomes meaningful when a payment funds an identifiable activity, the activity is delivered and its results are assessed against a suitable baseline.

Communities as participants in project design

Local and Indigenous communities must be able to understand the activities proposed on their land, participate in decisions and access appropriate grievance mechanisms. Our operating model calls for documented consent processes, clear benefit arrangements, local participation and an accessible record of commitments. Digital access must complement engagement in the languages and formats communities can use.

The physical baseline cited in the carbon valuation is a Piesat remote sensing dataset dated 30 July 2026 covering Malinau, Bulungan, Nunukan and Tana Tidung. It reports 1,468 million tonnes of stored carbon, equivalent to approximately 5.39 billion tCO₂e, across that regional study scope. These are estimates of existing stocks, not issued credits or an inventory owned by KYNCO2 holders. The valuer did not independently ground truth the dataset [16, sections 10 and 22].

4. Carbon valuation and the commercial pathway

The Kayan opportunity begins with the capacity to finance protection over time. To evaluate that pathway, Ascent Partners Sustainability Advisory Limited prepared an independent carbon pipeline valuation effective 31 July 2026 and dated 1 August 2026. Version 14 models prospective carbon credit cash flows over 60 years at a 4.5% real discount rate, in real 2026 US dollars. It excludes land, timber, mineral rights, company equity and noncash ecosystem welfare [16].

Carbon scenario	Revenue NPV USD (m)	Project cost NPV USD (m)	Net NPV USD (m)
Low	376	109	267
Central	863	109	754
High	1,647	109	1,538

Net means after the modelled project cost stack and remains gross of tax. The common USD 109 million cost NPV must be reconciled with cost monitoring, operating and community commitments. The model is not a statement of cash held, current revenue, signed offtake or funding already secured.

What the model can support

The central case provides a conditional financial planning reference of USD 754 million after modelled project costs. The report's level equivalent analysis implies approximately 4.36 million tCO₂e annually at USD 9.60 per tonne. This is an interpretation of the scenario arithmetic, not an issuance schedule, an independent project integrity rating or a delivery promise. The high case is primarily a price scenario and must not be represented as additional physical volume.

Annual credit vintages are discounted separately. A year 60 dollars has substantially less present value than a year one dollar. We therefore retain the report's discounted figures rather than multiplying an annual revenue assumption by 60 and describing the result as present value.

The evidence required before reliance

Extraordinary Assumption EA 1 is material: the scenario NPVs were supplied as controlled engagement inputs, and the original editable vintage level model was unavailable to the valuer for independent re-performance. The report requires archival source model verification, legal title review, independently verified free prior and informed consent, and the relevant authority's confirmation of transfer and corresponding adjustment treatment before the applicable third party reliance described in the report [16, sections 18 and 22].

As at 31 July 2026, the report records no Kayan specific credits as issued, validated or transacted. No later issuance evidence is established by the supplied reports. Valuation does not replace validation, verification or registry issuance. These conditions inform our project gates; they do not create rights or a floor price for KYNCO2.

5. Six proposed pathways for nature services

A second Ascent Partners report, signed by Simon Mak CFA on 15 October 2026 and effective 31 July 2026, evaluates six proposed cash generating units. It describes a conditional strategic value for internal planning, rather than a current market value, accounting fair value or recognised balance sheet amount. The model uses prospective pre-tax unlevered cash flows in real 2026 US dollars over 60 years, with no terminal value [17].

Proposed unit	Gross revenue USD bn per year	Conditional PV USD bn	Start year	Real discount rate
Carbon credits	0.080	1.538	1	4.5%
Biodiversity and restoration	86.860	373.272	5	9.0%
Watershed and soil services	44.494	225.596	5	8.0%
Sustainable forest products	9.688	30.401	4	11.0%
Cultural access and ecotourism	34.292	76.000	6	10.0%
Air quality services	10.098	43.199	5	9.5%
Total	185.512	750.006	—	Unit specific

Figures are converted from the report's USD millions and rounded. Revenue is the modelled steady state annual gross amount, not observed or contracted revenue. Model years are relative to its forecast; they do not establish calendar launch dates. Ramp periods range from one to six years [17, section 11].

Commercial potential with explicit conditions

The five noncarbon units account for more than 99.7% of the aggregate conditional present value. Their scale depends on substantial assumed future demand, margins and enforceable payment arrangements, none of which the valuation independently audits. A one percentage point increase in all discount rates lowers the reported aggregate to approximately USD 641.154 billion with cash flows unchanged. Revenue, cost and delivery shortfalls can create additional downside.

The carbon component is the USD 1.538 billion high case from the carbon report, already included in the total. It must not be added again or presented as the central carbon case. The conditional total is not capital raised, token collateral, corporate enterprise value or a forecast of KYNCO2 market capitalisation.

How this informs our utility strategy

We will assess each service as a separate commercial programme with documented rights, an identifiable payer, measurable outputs, delivery costs and payment security. KYNCO2 may support authorised settlement, data access and accepted operator work as those programmes become operational. Token ownership conveys no claim on these projected cash flows. We expand utility through services that customers use, with conservation duties and community rights governing which activities can proceed.

6. The role of KYNCO2

KYNCO2 is designed as a common utility layer for a network of environmental services. A shared payment asset can connect customer transactions, service provider compensation and ecosystem programmes while making their movement traceable. We pair that utility with service pricing that remains understandable to customers who budget in conventional currencies.

The initial commercial pathway is carbon credit NFT presales through BiCO2. We intend to integrate KYNCO2 into authorised settlement and service payment routes. The offer and checkout specification will identify whether it is accepted for purchase consideration, service fees or both. Customer rights are governed by the relevant order terms, rather than by the fungible token contract.

Utility	Participant need	Economic role
Authorised settlement	A convenient route to pay eligible BiCO2 orders and platform charges	Connects token use with a defined transaction
Environmental data services	Access to Digitech datasets, APIs and project information	Pays for delivered information services
Operator accountability	Bonds and rewards for accepted application level attestation work	Aligns service incentives with performance
Programme delivery	Payments and grants for approved development and community work	Coordinates resources with accepted deliverables
Governance participation	A structured voice in eligible ecosystem decisions	Adds accountability within defined legal and technical limits

Demand grounded in service activity

Sustainable token use requires customers or operators to need the services, not merely an expectation of resale. We will distinguish independent customer payments from grant funded activity, measure repeat usage and disclose subsidies. Reward distributions and trading volume are not substitutes for commercial adoption.

KYNCO2 does not represent a tonne of carbon dioxide equivalent, an interest in land, equity, debt, dividends or a share of carbon project revenue. A separate carbon NFT may represent a defined contractual entitlement or issued units. Its evidence, delivery terms and permitted claims belong to that asset's documentation.

7. An architecture connecting nature and digital participation

Our architecture separates environmental evidence from monetary accounting and from the legal identity of a carbon asset. Each layer has a defined responsibility, and each handover produces a record that another participant can reconcile. The result is designed to be inspectable without placing all environmental information or personal data on a public ledger.

Layer	Function	Connection
Landscape and communities	Project rights, field activity, monitoring access and benefit arrangements	Documented project identity and obligations
Digitech evidence	Satellite, drone, sensor and field observations; versioned analysis	Signed evidence manifests and controlled data access
BiCO2 asset services	Project onboarding, NFT orders, issuance evidence and retirement workflows	Unique asset and registry references
KYNCO2 utility	Payments, supply controls and allocation accounting	BSC transaction IDs, receipts and contract events
Assurance and reporting	Professional review, independent verification and corporate reporting	Public summaries with traceable supporting records

A common record without a common point of failure

A project ID links field records, monitoring periods and digital orders. A manifest hash identifies the exact version of supporting data. A transaction reference records payment and a registry reference identifies the environmental asset. We connect these identifiers through an auditable application layer rather than assuming a token balance proves an environmental result.

KYNCO2 operates on BNB Smart Chain; BiCO2's stated platform architecture uses MaalChain. The initial integration is therefore designed around verified payment proofs and reconciled order records. Any bridge or crosschain messaging service requires its own security model, finality policy, replay protection and audit before deployment.

Build status and activation

The fungible token core is developed and is undergoing preliminary CertiK audit work. Settlement adapters, allocation controllers, staking and holder governance are distinct components that require implementation and security acceptance. We activate each service only when its contracts, operating procedures and user documentation are ready. The roadmap identifies the sequence and its delivery gates.

8. Supply integrity in the token contract

KYNCO2 implements ERC20 transfers and balances with ERC2612 permit approvals and enumerated access control. The developed source uses the name Kayan Carbon Token, the symbol KYNCO2, 18 decimal places and Solidity ^0.8.24. The lifetime maximum supply of KYNCO2 tokens is 100,000,000,000 tokens.

A cap on everything ever minted

The supply model limits cumulative minting rather than only the current balance of tokens outstanding. Burning a token therefore cannot create new authority to issue a replacement. This distinction matters for a long lived ecosystem: users can assess issuance against a fixed lifetime maximum even after voluntary burns.

The contract records totalMinted, totalScheduled and an accrued released amount. Each future tranche defines a timestamp and amount. Once its time arrives, it contributes to released(), and the minter may execute only the difference between released authority and cumulative minting. Unexecuted matured releases remain available; the passage of time and the act of minting are separate events.

$$\text{totalMinted} \leq \text{released}() \leq \text{totalScheduled} \leq \text{MAX_SUPPLY}$$

Public accounting and schedule administration

Observers can inspect the tranche list, released(), mintable(), totalMinted and totalScheduled. Minting and schedule changes emit events. Current outstanding supply is the ERC20 totalSupply: cumulative minting less burns. Neither outstanding supply nor matured authority is automatically equal to circulating supply, because escrows, restricted allocations and custody balances require separate classification.

The developed contract allows its administrator to cancel an unmatured tranche or append a future tranche, subject to chronological ordering, a 256 entry lifetime bound and the cap. It does not provide an immutable allocation schedule by itself. Our production design calls for a sealed approved release envelope and an allocation controller so that the economic plan cannot be bypassed through unrestricted mint destinations.

Burning and approval ergonomics

The core provides `burn()` and allowance based `burnFrom()`. These destroy KYNCO2 only; they do not retire a carbon credit. ERC2612 permit supports signed spending approvals with replay protection and expiry. It can reduce the number of user transactions, but a relayer or gas sponsorship service is still required if the user is not paying network gas directly [4].

9. Compliance controls integrated in code

Institutional and public participation requires a response to compromised wallets, unlawful use and operational incidents. KYNCO2 integrates narrowly identified administrative powers so that authorised decisions can have enforceable effects on transfers. We describe both the purpose of those powers and their boundaries. Code executes a decision; legal authority and evidence for that decision remain outside the token.

Provisional compliance freezing

COMPLIANCE_ROLE can freeze an account for 14 days and records a case reference. While an account is frozen, the transfer path rejects transactions to or from it. A frozen spender also cannot move another owner's tokens through an allowance. The provisional freeze expires automatically unless governance makes it indefinite.

The next provisional freeze for that address cannot begin until 30 days after its original provisional expiry. Lifting the freeze early does not shorten that interval. This limits repetitive use of fast compliance powers while preserving a delayed governance path for longer restrictions. Approvals and permit signatures are not themselves blocked by the global pause; transfer execution remains restricted.

Emergency pauses and orderly recovery

GUARDIAN_ROLE can stop transfers, minting and burning for seven days. Its fast pause is subject to a three day cooldown. The guardian may lift its own pause; it cannot lift a governance pause. A public reason identifier accompanies the action, allowing incident communications to be linked to an on-chain event.

The administrator can set, shorten or extend a pause up to 90 days from the action and can renew it. Governance can also ratify an indefinite freeze, including for an address without an existing provisional freeze. These are material powers: emergency actions have time limits, while governance restrictions may continue. We will make their use visible and subject to documented review.

Timelocked administration

The administrator is intended to be an independently verified TimelockController. At deployment the token checks that the address contains code and reports a delay of at least 24 hours. Our operating design specifies 48 hours. That check is not continuous enforcement of a permanent delay, so

production configuration and any hardening must preserve the approved notice period. Multisig authorisation, public scheduling and monitoring complement the token's role checks [5].

10. From compliance mechanisms to accountable operations

Compliance is a relationship between rules, evidence, responsible people and enforceable actions. A public token cannot infer identity, interpret a court order or establish a project's carbon rights from an address alone. Our operating model joins offchain assessment with on-chain execution and an accountable record of why an action was taken.

Identity and eligibility at service entry points

Authorised platform entry points will apply the approved customer verification, sanctions screening and jurisdictional policies. The applicable process depends on the service and its legal perimeter. The existing policy excluding Malaysian residents and Malaysian businesses from primary offers and sales remains in effect, pending the establishment of jurisdiction-specific legal arrangements.

Sensitive identity documents remain offchain with controlled access and retention. Onchain case references identify records without exposing personal allegations. Eligibility checks at an application or exchange do not make the core token a universal identity whitelist or prevent every secondary transfer to a restricted person.

Professional oversight and carbon market authority

NCDLT, identified at ncrics.com as NC DLT Asset Evaluators, is the professional oversight counterparty identified for the BiCO2 pathway. Its public materials describe valuation services regulated by RICS and chartered environmental expertise. BiCO2 describes integrated carbon projects, presale, trading and retirement services [6][7]. The scope of professional review must be tied to the specific engagement and asset.

Professional regulation of valuation work is distinct from a licence to operate an exchange, approval of KYNCO2 or eligibility under a carbon standard. We will identify the responsible legal entity, engagement scope, methodology and relevant authorisation for each service. Where formal regulatory approval is required, only the responsible authority can provide it.

Review and redress

A compliance case should identify its factual basis, decision maker, scope and review route. Where permitted, an affected user receives notice and a way to provide evidence or appeal. A shared custody wallet or liquidity pool may represent many participants; restrictions require an assessment of those wider effects and coordination with the responsible service.

The operational objective is to make administrative intervention proportionate and explainable. Timelock events and case hashes support scrutiny; they do not replace due process. Our governance

and reporting framework will disclose material interventions, their duration and their resolution without publishing confidential personal information.

11. Environmental evidence and carbon integrity

The quality of a digital carbon asset begins before tokenisation. A project needs an appropriate methodology, a credible baseline, documented rights, conservative quantification, monitoring and independent assessment. The ICVCM Core Carbon Principles provide a reference for governance, tracking, transparency, verification, additionality, permanence, quantification, avoiding double counting and safeguards [8]. We use these principles to guide due diligence, not as a claim of CCP approval.

A versioned monitoring pipeline

The Piesat dataset cited in the valuation is an existing regional analytical input; Digitech's proposed monitoring service is a separate delivery programme. Its pipeline will combine spatial observations, drone surveys, ground instruments and field records according to each project's methodology. Every bundle carries project and geographic references, observation dates, methodology and model versions, device or survey identity, calibration details and quality flags. Raw records are retained with controlled access and redundancy.

An evidence manifest groups the files and their hashes. Signed submissions and later corrections preserve provenance. Public commitments allow an auditor to check whether a disclosed file matches a recorded version. A valid hash establishes integrity of bytes; sensor quality, truthfulness and scientific interpretation still require competent review.

Quantification and uncertainty

The valuation reports a gross avoided emissions envelope of approximately 7.68 million tCO₂e per year before leakage, buffer and risk deductions. It is a regional analytical estimate, not a verified project issuance entitlement. The eventual crediting baseline must use eligible project boundaries and the accepted methodology; monitored project emissions, leakage, uncertainty and required buffers then determine issuable units. Avoided emissions are distinct from removals [16, sections 10 and 11].

Permanence arrangements can include monitoring obligations, reversal procedures and programme specific buffers. Those arrangements belong to the environmental credit framework. KYNCO2 supply reserves and application staking are not substitutes for carbon reversal reserves or independent verification.

Preventing duplicate claims

Credit records must identify programme, project, vintage, quantity and unique serials. Our asset workflow requires reconciliation with the authoritative registry or documented issuance system, control of tokenised units and confirmation of retirement. Blockchain prevents unauthorised changes

within its own rules; duplicate issuance or claims in another system must also be addressed through registry procedures and legal accountability.

12. Carbon NFTs through their complete lifecycle

A single interface should make the status of a carbon asset easy to understand. Our lifecycle separates project financing from issued mitigation outcomes and separates ownership from use. This allows early finance to support project development without blurring the delivery risk faced by the buyer.

Lifecycle state	What the participant holds	Transition evidence
Pre issuance	A defined conditional contractual entitlement to future delivery	Accepted offer, project documentation, delivery schedule and remedies
Active and verified	Issued eligible units or the documented tokenised entitlement to them	Independent verification, issuance evidence, registry mapping and custody
Retired	A record of units consumed for a named purpose and beneficiary	Authoritative retirement reference, serials, quantity and claim context

Financing development before issuance

BiCO2 presales are intended to provide a route for eligible buyers to fund future delivery. Each offer must explain what is being financed, the delivery conditions, long stop date and response to shortfalls. Customer proceeds should be managed under the stated escrow or custody terms and released against agreed milestones. A pre issuance NFT cannot support a claim that the promised emissions benefit has already been delivered.

KYNCO2 settlement is designed to produce a traceable payment reference linked to that order. The offer specifies price currency, quote expiry, conversion basis, refund treatment and the entity responsible for delivery. Presale proceeds, service fee revenue and foundation token inventory remain separate accounts.

Issuance retirement and evidence continuity

A valuation, remote sensing stock estimate or financing commitment cannot move an NFT into Active and Verified status. Only verified issuance evidence permits that transition. A state transition identifier and one time reconciliation checks prevent duplicate processing. Each tokenised lot must remain connected to the actual units and cannot be simultaneously available for use in another venue. If the token represents a certificate rather than the units themselves, that distinction must be visible.

Retirement removes the relevant units from further trading or use and creates a beneficiary specific evidence record. The tokenised representation must be disabled or marked nontransferable

consistently with its legal design. Burning KYNCO2 neither performs this transition nor creates a climate claim. The carbon NFT contract and the fungible utility token have separate responsibilities.

13. Bringing participation to a wider audience

Our aim is to widen access to credible climate participation without requiring every user to understand blockchain infrastructure. Individuals, smaller businesses, local delivery organisations and corporate buyers need different interfaces, but they should be able to inspect the same underlying evidence. Accessibility means clearer choices, usable payments and understandable rights—not unrestricted access in every jurisdiction.

A service first user experience

A participant should see the project, asset status, service price and relevant terms before encountering wallet permissions. The checkout provides a conventional invoice, a clear settlement amount and a receipt linked to the relevant order. Where authorised payment partners support fiat or stablecoins, conversion can be handled in the service layer with disclosed fees and slippage.

ERC2612 permits can support an approval by signature rather than a separate approval transaction. A future gas sponsorship service can reduce the need for a new user to obtain BNB first. Both require clear consent and spending limits. Users must see what they authorise, how long it remains valid and how to revoke access.

Smaller transactions and practical constraints

Digital settlement can make smaller service purchases and standardised records easier to administer. Minimum purchase sizes depend on actual fees, custody arrangements, legal obligations and unit divisibility. We do not assume that a one tonne credit can be fractionally claimed without an explicit registry and accounting design.

Local participation also depends on connectivity, language and trusted support. Community delivery programmes should offer assisted onboarding and conventional payment options where lawful and appropriate. Where self custody is selected, explain key recovery limitations. Where custody is provided, disclose the custodian, segregation model and user recovery process.

Evidence that can travel with the transaction

A public explorer can provide transaction confirmation, while a project interface presents the corresponding evidence in plain language. QR linked certificates should resolve to a persistent record showing status, beneficiary and authoritative references. Public views should protect personal information and sensitive ecological locations.

The wider benefit is a common evidence trail for participants who would otherwise depend on fragmented documents. A small business can buy an eligible service and keep an auditable receipt; a community programme can follow an approved disbursement; a researcher can inspect a versioned dataset. Each interaction is useful because it connects to a real service or obligation.

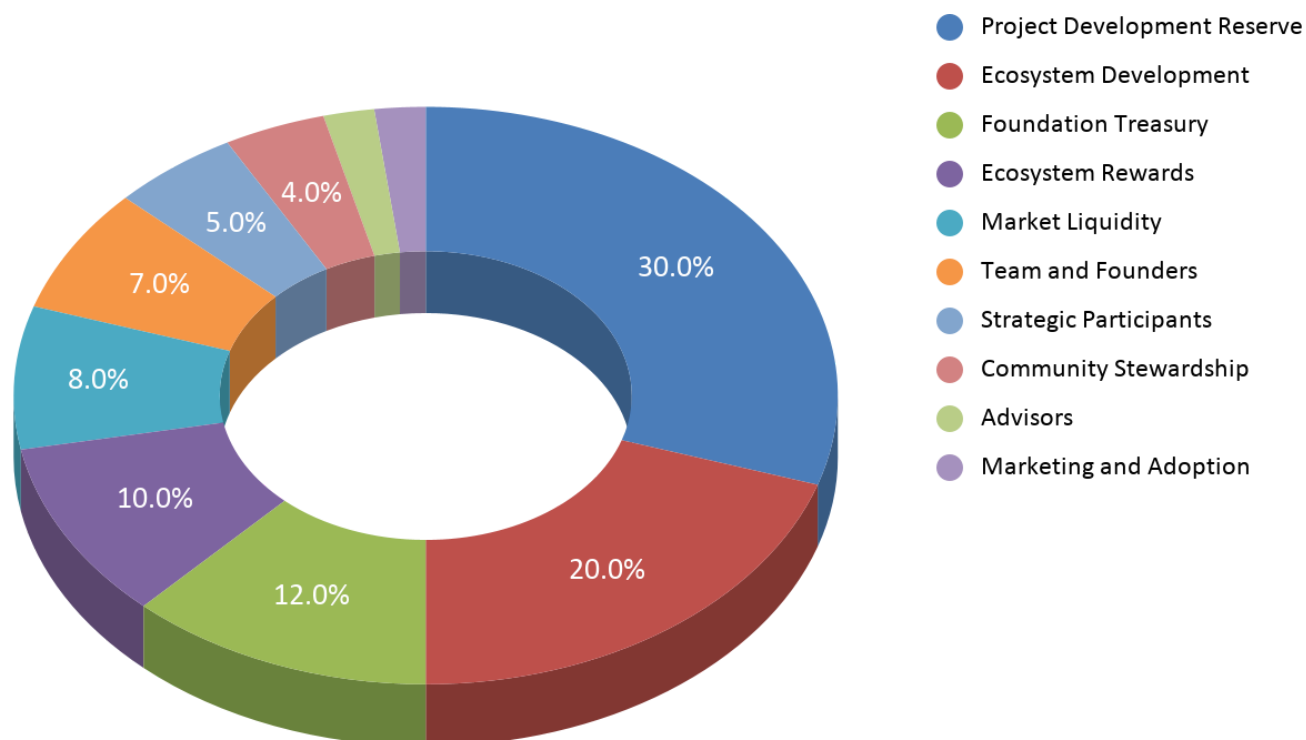
14. Token economics and allocation

We propose a supply system that funds infrastructure and ecosystem work over a long horizon while making issuance visible. Valuation estimates are not spendable treasury assets and do not trigger minting or accelerated releases. The maximum remains 100 billion KYNCO2, consistent with the developed core. The allocation and release terms below are the proposed production economics and require final contractual and implementation approval before launch. They are distinct from the existing token's aggregate mint controls.

Allocation	% and bn	TGE bn	Cliff periods	Remaining periods
Project Development Reserve	30	0.00	6	114
Ecosystem Development	20	0.00	3	117
Foundation Treasury	12	0.00	12	108
Ecosystem Rewards	10	0.00	0	120
Market Liquidity	8	0.40	0	120
Team and Founders	7	0.00	18	72
Strategic Participants	5	0.05	6	48
Community Stewardship	4	0.00	6	114
Advisors	2	0.00	12	48
Marketing and Adoption	2	0.05	0	120
Total	100	0.50	—	—

Amounts are billions of tokens. Initial release is included within each allocation. A cliff defers the start of the remaining release without accumulating an immediate cliff payout. Each period is 30 days. The opening ceiling comprises 400 million liquidity inventory, 50 million strategic tokens and 50 million adoption tokens.

Project and ecosystem pools fund accepted development and integrations; community resources support approved local programmes. Operator subsidies depend on accepted work. Liquidity tokens are controlled inventory, not funded cash depth. Contractual team, advisor and strategic vesting remains separate from conditional programme spending.

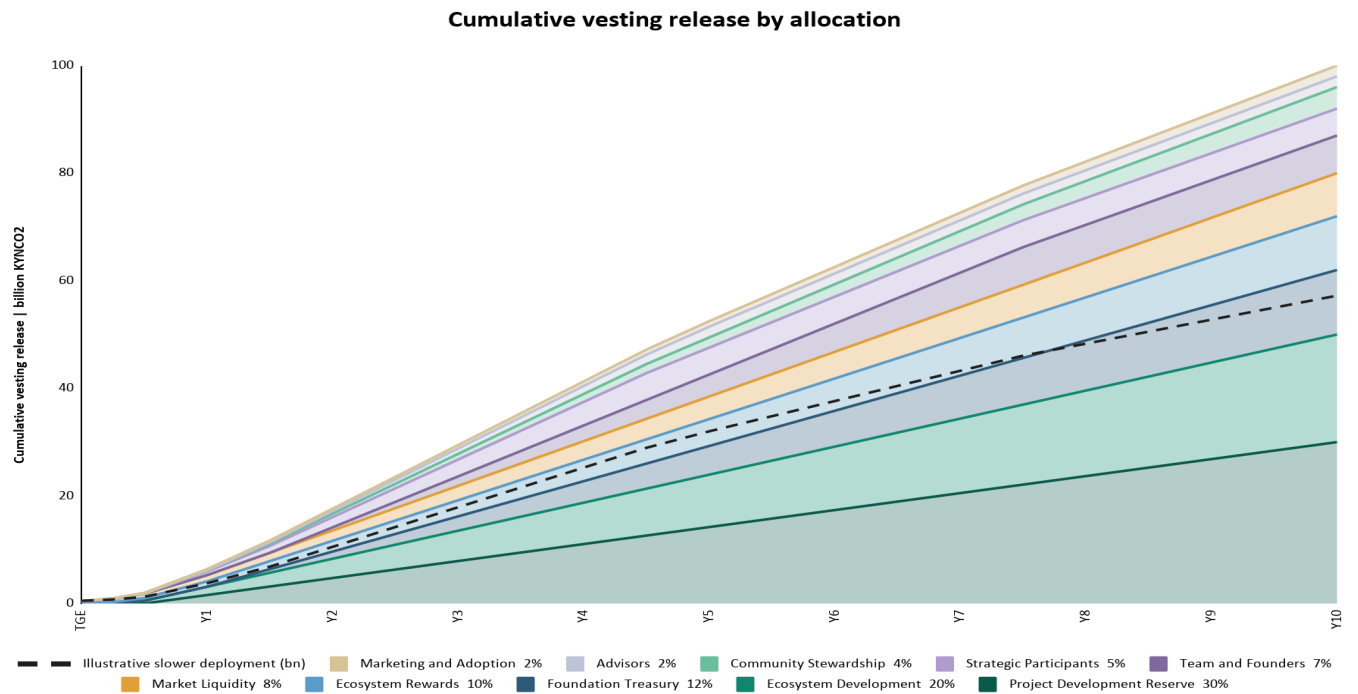


The relationship between supply and value

The opening reference price is USD 0.10 for KYNCO2 listing for open market trading at designated DEX & CEX. At the maximum supply of 100 billion KYNCO2 tokens this implies USD 10 billion in fully diluted value; it is not an independent valuation or a redemption promise. Neither the carbon NPV nor the conditional six unit valuation calibrates that reference price, provides backing or changes the approved release envelope. The 500 million opening ceiling implies USD 50 million only if all those tokens are counted as circulating at that price. Service adoption, market conditions and actual circulation determine subsequent outcomes.

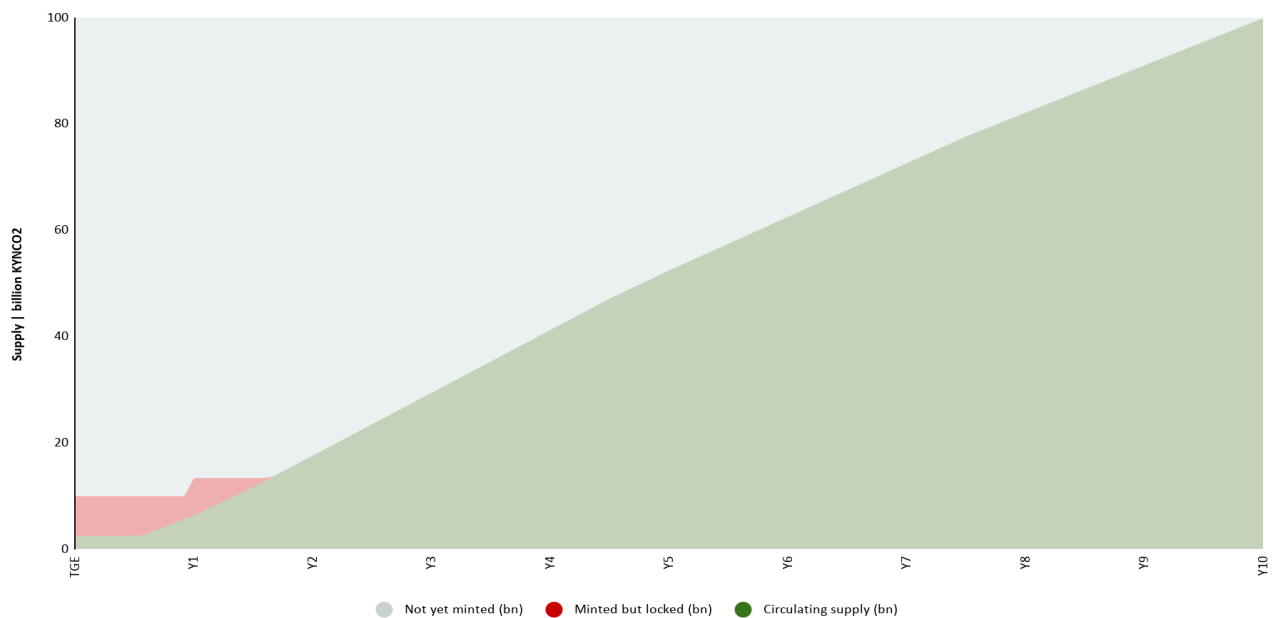
15. Full supply distribution and release plan

Proposed cumulative release ceilings across all allocations

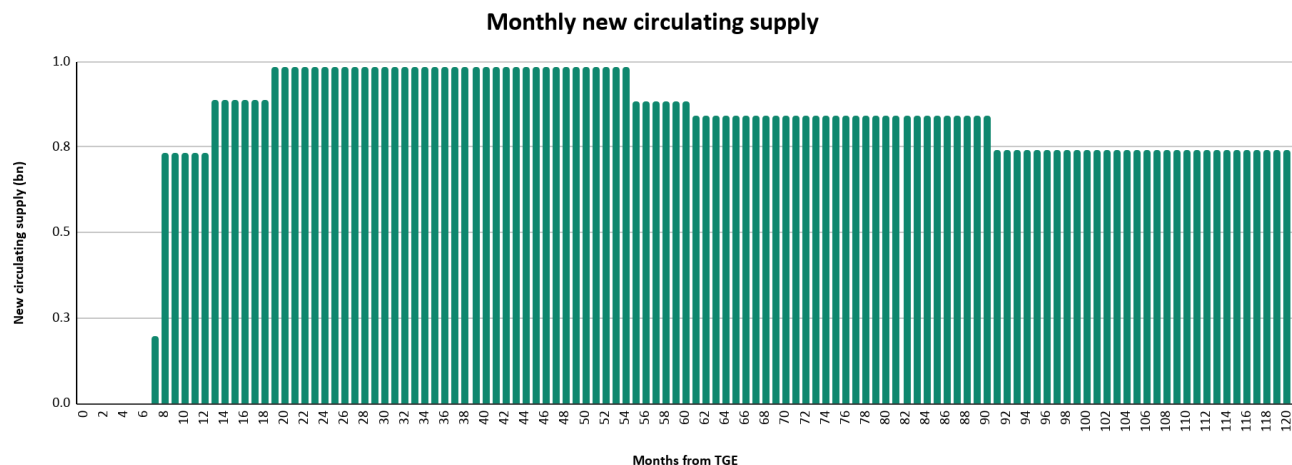


The dashed series illustrates 50% deployment of programme releases after TGE with contractual vesting unchanged. These are release models, not forecasts of circulation or market price.

KYNCO2 supply schedule: circulating, locked and not yet minted



Out of 10 billion KYNCO2 minted on TGE, 7.5 billion remain locked (represented by the Minted but locked) and hence only 2.5 billion remain in circulation on TGE



16. A disciplined release and circulation framework

Scheduled authority, minted supply and circulation measure different things. Scheduled authority defines what the monetary rules permit. Minted supply records executed issuance. Circulation depends on who can transfer the tokens and on the restrictions of escrows, custody and allocations. We will disclose the method used to reconcile these quantities.

$$E_i(m) = I_i + (A_i - I_i) \times \min(1, \max(0, (m - c_i) / d_i))$$

For pool i , A is its cap, I its initial release, c its cliff and d its remaining duration. The completed period m is measured from TGE in 30 day intervals. The 120 period horizon spans 3,600 days, approximately ten years; deployment publishes exact UTC timestamps.

Checkpoint	Maximum bn	Maximum %	New authority bn
TGE	10.000	10.000%	—
Y1 / M12	13.402	13.402%	3.402
Y2 / M24	17.641	17.641%	4.239
Y3 / M36	29.464	29.464%	11.823
Y4 / M48	41.287	41.287%	11.823
Y5 / M60	52.491	52.491%	11.204
Y6 / M72	62.576	62.576%	10.085
Y7 / M84	72.661	72.661%	10.085

Checkpoint	Maximum bn	Maximum %	New authority bn
Y8 / M96	82.163	82.163%	9.502
Y9 / M108	91.081	91.081%	8.919
Y10 / M120	100.000	100.000%	8.919

Programme authority follows delivered capacity

The proposed Release Controller applies immutable per allocation ceilings, tracks prior disbursement and restricts destinations. Programme deployment is limited by accepted budgets and the period increment. Deferred authority does not automatically become a later bulk release; any resumption remains within normal period limits. Contractual vesting instead preserves the beneficiary's accrued entitlement.

The maximum first year release is 12.8 times the TGE ceiling. Smoothing releases therefore does not remove dilution risk. Our approach combines published limits with slower programme deployment where delivery or funding is insufficient. Production acceptance must verify that role changes and alternate minters cannot bypass the approved envelope.

17. Economic sustainability and corporate social responsibility

Our financial model links the development of useful services with the cost of delivering them. Environmental data, project administration and eligible transaction services can generate fees. Those receipts meet service liabilities and operating costs before discretionary programme expenditure. The six unit valuation expands our strategic opportunity set; its prospective revenue assumptions are not the operating budget, proof of customers or a basis for spending customer escrow. Finite token allocations provide development capacity; they are not a substitute for a viable service business.

A circular service economy

Chainlink's service payment and payment abstraction model offers a reference for connecting conventional customer payments with a service token. Filecoin's utility linked issuance provides a different lesson: part of a subsidy can be deferred until meaningful work is delivered [9][10]. We adapt these principles to Kayan's services without claiming their networks, adoption or economic performance.

We propose eligible service fees priced in conventional invoice currencies with bounded conversion into KYNCO2. A proposed 5% token payment discount applies only where the remaining fee covers delivery costs. The underlying NFT purchase price is separate. Operator compensation should gradually depend more on external service receipts and less on the finite subsidy pool.

A measurable climate and CSR contribution

We propose dedicating 1% of eligible gross platform service fee receipts to climate and community programmes, net only of refunds and indirect taxes. NFT purchase principal, customer escrow, loans, capital contributions, treasury token sales and unrealised appreciation are excluded. This fee based definition replaces the ambiguous gains based wording in the earlier economics proposal and is subject to board approval.

Programme accounts will record accrual, transfer and expenditure separately. CSR expenditure may support local training, monitoring, community infrastructure or other approved activities, with beneficiaries participating in priorities. The same expenditure is not automatically a carbon offset, a verified SDG outcome or a tax deductible contribution.

Resilience and transparency

We will budget against cash liabilities, preserve customer escrow and separately track token inventory. A target 12 month operating runway excludes the assumed liquidation value of KYNCO2 and remains conditional on funding. Quarterly financial and allocation reconciliation should show where resources went, while environmental and social reporting explains the outcomes of funded work. CSR accruals arise from eligible realised fee receipts, not valuation gains or assumed future CGU revenue. Neither ledger alone tells the full impact story.

18. Sustainability outcomes and the SDGs

Our sustainability framework connects activities with measurable results. The UN Sustainable Development Goals provide a common language for that connection [11][12]. The mapping below states intended contributions and proposed evidence; it is not a UN endorsement, certification or claim that token issuance itself achieves an SDG.

Goal and relevant target	Kayan contribution pathway	Evidence we intend to track
SDG 13 / 13.1 and 13.3	Risk monitoring, community preparedness and climate capability	Monitoring coverage, warning response and completed training
SDG 15 / 15.2 and 15.5	Forest stewardship, restoration and habitat protection	Eligible managed area, verified interventions and biodiversity indicators
SDG 8 / 8.3 and 8.5	Local enterprise participation and fair paid delivery work	Local contracts, paid work, compensation and worker safeguards
SDG 9 / 9.5	Environmental research and monitoring capability	Validated datasets, field capacity and operational tools

Goal and relevant target	Kayan contribution pathway	Evidence we intend to track
SDG 12 / 12.6	Better corporate sustainability evidence	Traceable project records and completed reporting packages
SDG 16 / 16.6	Accountable administration and resource records	Published disbursements, interventions and grievance resolution
SDG 17 / 17.16	Cooperation across communities, science and finance	Active delivery partnerships and independently reviewed outputs

From activity to attributable outcomes

We distinguish money allocated, activities completed, outcomes observed and results attributable to the intervention. For example, monitoring equipment deployed is an output; an independently supported reduction in project emissions is an outcome. A grant to a community is a disbursement; sustained improvements in a defined local indicator require additional measurement.

Each project selects a baseline, reporting period, responsible data owner and assessment method. Watershed programmes can also contribute to SDG 6 where water quality or availability outcomes are supported by project evidence. We will avoid adding SDG labels to activities without a credible causal pathway or counting the same environmental result more than once.

19. Corporate participation and credible climate claims

A business entering carbon markets needs a procurement process, a financial record and evidence for the statement it intends to make. Our planned corporate pathway connects these needs through one documented workflow. It is designed for sustainability teams, procurement officers, finance functions and external reviewers—not only digital asset specialists.

A corporate participation sequence

A company first defines its purpose: a future delivery commitment, an eligible issued credit purchase, a contribution to climate action or a data service. It selects projects against its quality criteria, reviews the asset terms and completes eligibility checks. Settlement then produces an invoice and a linked transaction record. When issued units are retired, the company receives beneficiary specific evidence.

Consider a business funding a pre issuance project lot. Its immediate record supports a financing contribution and contractual entitlement, not a claim that the future tonnes already offset its emissions. After issuance and retirement, the supporting record must identify units, vintage, beneficiary and permitted use. KYNCO2 payment provides transaction traceability; it does not determine the company's climate claim.

Complementing internal decarbonisation

Voluntary Carbon Markets Integrity Initiative (VCMI's) claims framework treats high quality credit purchases and retirement as action beyond a company's internal decarbonisation efforts and requires supporting disclosure and assurance [13]. GHG Protocol guidance distinguishes offset transactions from corporate inventory accounting [14]. Our reporting architecture is designed to retain those distinctions.

A corporation should not subtract its KYNCO2 holdings, project contributions or a share of modelled landscape carbon stocks from reported emissions. The valuation reports are financial planning evidence, not carbon verification or assurance of corporate climate claims. The asset it purchases, the retirement completed and the applicable reporting framework determine what can be said. We will provide evidence packages that help the buyer substantiate its own assessment rather than advertise automatic carbon neutrality.

Beyond carbon procurement

CSR and nature related programmes can support local capacity, habitat monitoring or community priorities without issuing a carbon credit. We will document their budgets, beneficiaries and results separately. TNFD's disclosure framework provides a reference for organising governance, strategy, risk and impact management, and metrics around nature related issues [15]. Data made available through our ecosystem may assist that work; it does not by itself certify a company's reporting alignment.

20. Roadmap from launch to a mature ecosystem

Our roadmap progresses from a controlled token and settlement launch to paid services, independent operational capacity and broader participation. Each phase is subject to defined delivery milestones, ensuring that commitments expand in line with demonstrated operational capability. Dates beyond the confirmed launch arrangements are indicative planning targets, subject to readiness and applicable approvals. The environmental workstream will proceed in accordance with the dependencies, validation requirements and milestones identified in the valuation reports; carbon credit issuance is not guaranteed by a predetermined date [16, section 22].

Phase and target window	What we will deliver	Gate to the next phase
Foundation / Q4 2026	Approved economics and release manifest; source model archive and re-performance; coordinate mapping and project rights and consent workplan	Security acceptance, verified roles, funded liquidity and documented custody; environmental delivery terms kept conditional

Phase and target window	What we will deliver	Gate to the next phase
Market entry / mid December 2026	P2PB2B direct listing and the authorised BiCO2 settlement pathway	End to end order, payment and refund tests; public addresses and clear user terms
Service adoption / H1 2027	Customer invoices and supply dashboard; carbon methodology assessment, eligible polygons and field calibration pilot	Reconciled receipts; title and consent evidence; , including PPPS approvals for social and customary forest ; applicable authority and registry confirmations before committed delivery
Independent operations / H2 2027	Attestor pilot and challenge process; costed monitoring, fire and permanence plan; project validation workstream	Independent operators and audited modules; accepted methodology evidence; no NFT activation before verified issuance
Participation and scale / 2028	Corporate reporting and governance pilot; buyer backed feasibility studies for selected noncarbon services	Stable operations and reviewed controls; distinct rights, measurable delivery and enforceable pilot payment terms
Landscape expansion / 2029 onward	Scale monitoring and integrate additional eligible projects and partners	Project rights, local participation, viable unit economics and verified outcomes

What progress will mean

We will track service adoption, settlement success, independent customer receipts, funded quote capital and reconciliation exceptions. Environmental programmes will track their own accepted baselines, interventions and verified results. Community reporting will explain who participated, what resources were received and which outcomes can be supported by evidence.

If a gate is missed, the affected programme remains limited and we publish a recovery plan. We will not describe delayed infrastructure as operational or accelerate unearned subsidies to replace missing utilities. Our objective is a durable operating ecosystem whose growth can be inspected at each stage.

21. Risk management and participant protections

Our ambition depends on environmental execution, customer adoption, technology and responsible market participation. Each carries uncertainty. The protections described here are designed to make

those uncertainties manageable and visible, rather than imply a risk free token or a guaranteed climate outcome.

Risk	Exposure	Design response
Environmental delivery	Monitoring errors, reversals, delays or shortfalls	Conservative methods, independent review, delivery remedies and programme specific reserves
Rights and communities	Disputed rights or weak local participation	Project documentation, consent processes, benefit arrangements and grievance access
Valuation assumptions	Unverified source model and highly conditional noncarbon revenue	Close report prerequisites; reforecast rights, price, costs and contracted demand
Commercial demand	Services may not generate sufficient receipts	Stage budgets against usage and delivery; report subsidies and runway
Supply and markets	Release growth, volatility or shallow liquidity	Published ceilings, conditional programme deployment and funded inventory mandates
Technology and custody	Exploits, key loss, adapter failure or counterparty insolvency	Audited modules, multisig custody, scoped intervention and tested recovery
Legal perimeter	Different treatment across jurisdictions and changing rules	Service level eligibility, qualified advice and documented authorisations
Administrative powers	Indefinite freezes or renewed governance pauses	Public role register, delayed governance, case references and review procedures

Stress Discipline

A significant decline in token prices can reduce the purchasing power of treasury holdings and the market value of token bonds. Reduced market turnover may constrain orderly execution, while losses in quoted market capitalisation can weaken available liquidity and market depth. Accordingly, cash-denominated liabilities must be distinguished from token holdings, and customer funds must remain segregated from discretionary treasury and market operations, subject to the applicable custody and safeguarding arrangements.

Risk exposures vary by participant and stage of participation. Pre-issuance buyers face delivery and project-execution risks; buyers of active carbon credits face risks relating to credit quality, verification, eligibility and the validity of environmental claims; and token holders face utility, liquidity and

market-price risks. The platform must clearly communicate the applicable terms, limitations and risk disclosures to each participant group. A shared brand or technical infrastructure does not consolidate their contractual rights, guarantee performance or eliminate the distinct risks associated with each product.

Information and legal notice

KYNCO2 is a utility design, not a promise of investment returns or a substitute for jurisdiction specific legal classification. This whitepaper is an informational development document, not personalised legal, tax or investment advice or an unrestricted offer. Token value may fall substantially, and liquidity may be unavailable. Project, commercial and technical statements must be read with their status and the applicable transaction terms.

22. Technical specification and publication standard

Core parameter	Specification
Token / network	Kayan Carbon Token / KYNCO2; ERC20 compatible BEP20 on BNB Smart Chain
Decimals / lifetime mint cap	18 / 100,000,000,000 KYNCO2
Release accounting	Initial authority plus ordered timestamp tranches; maximum 256 lifetime schedule entries
Role system	DEFAULT_ADMIN_ROLE, MINTER_ROLE, COMPLIANCE_ROLE and GUARDIAN_ROLE
Fast intervention	14 day provisional freeze; seven day guardian pause; documented cooldowns
Governance intervention	Indefinite ratified freeze; renewable pauses up to 90 days per action
Approvals and burns	ERC2612 permit; burn() and burnFrom(); no carbon retirement in the utility token

Production disclosure

Before token activation, we will publish the final contract address, verified source, compiler and dependency versions, bytecode identifiers, constructor parameters, supply manifest and administrative roles. The audit disclosure will identify its scope, covered artifacts and remediation status. New modules require their own acceptance before taking customer funds or staking deposits.

For environmental assets, publication must identify the responsible legal entities, project rights, applicable methodology, verification arrangements, authoritative issuance system and the terms of any pre issuance offer. Professional engagements are described by their actual scope. No association with a standards body or partner implies endorsement of KYNCO2.

Our long term direction

We intend KYNCO2 to become a practical coordination tool within a credible nature services economy. Its purpose is fulfilled when people can access useful services, understand the environmental activity they support and follow the accountability of the organisations delivering it. Blockchain contributes a durable transaction and control layer. The lasting value of the ecosystem will come from the quality of the work connected to that layer.

Valuation sources and interpretation

Source register

[16] Ascent Partners Sustainability Advisory Limited. Independent Valuation Report The Kayan Project North Kalimantan Conservation Concession. Version 14.0; reference VH1251020-04973WY; job KAYAN-20260731-004-R4. Effective 31 July 2026; dated 1 August 2026. Supplied file Kayan_Valuation_v14.pdf. Key sections: 1 and 11 carbon cash flows; 2.6 publication; 10 physical baseline; 12 and Appendix E.4 welfare; 18.4 EA 1; 22 prerequisites; 26 conclusions and reliance restrictions.

[17] Ascent Partners Sustainability Advisory Limited. Valuation of Proposed Cash Generating Units in The Kayan Project for Kayan Holdings Limited. Reference VH1251020-04973WY. Effective 31 July 2026; signed and dated 15 October 2026 by Simon Mak CFA. Supplied file Kayan-CGU-Valuation-Report-v1_final signed.pdf. Key sections: 9 to 12 assumptions, inputs and results; 14 conclusion; Appendices I to III restrictions, inputs and sensitivities.

Ecological significance and financial value

The carbon report separately presents an estimated USD 388.696 billion ecosystem welfare value, derived from benefit-transfer references, an assumed screening area of 1.5 million hectares and a 60-year present-value calculation. This figure is a non-cash analytical estimate of ecosystem benefits, not a financial asset or a measure of project revenue. The assumed screening area does not constitute a verified project boundary and is distinct from the wider 8.68 million-hectare planning scope. This welfare estimate is excluded from the carbon discounted cash flow (DCF) analysis and must not be aggregated with the proposed cash-generating unit (CGU) valuations, recognised as revenue, or represented as collateral or backing for the token [16, section 12 and Appendix E.4].

Existing physical carbon stocks, estimated avoided-emissions potential, independently verified emission reductions and issued carbon credits represent distinct quantities and stages of environmental accounting. Physical carbon stocks may demonstrate the ecological significance of

conservation and stewardship, but do not, by themselves, establish ownership of tradable environmental attributes or the availability of credits for sale. Avoided-emissions estimates remain subject to applicable methodologies, baselines, additionality requirements, monitoring and verification before any eligible credits can be issued. Similarly, implied annual issuance estimates serve as financial cross-checks rather than guarantees of future issuance, while gross emissions estimates must be distinguished from the net quantities remaining after methodology-based deductions and applicable adjustments.

These distinctions will be maintained consistently across website disclosures, NFT metadata, investor materials and corporate communications to ensure that environmental estimates, valuation assumptions, verified outcomes and issued credits are accurately represented and not conflated with realised revenue or token backing.

Rights and assurance boundaries

Both valuation reports are based on supplied information and assumptions concerning legal rights, future project delivery and anticipated commercial activity. Neither report independently establishes legal title, community consent, an approved project design, verified emissions reductions, binding buyer commitments or actual cash receipts. The conditional results of the cash-generating unit (CGU) model do not constitute audited historical performance. The carbon valuation report also identifies limitations on model access and qualifies its position against applicable valuation standards; accordingly, it must not be represented as an unqualified fair value certification under IFRS 13.

Before either report is referenced or reproduced in public-facing materials, written approval must be obtained from the relevant valuer for the proposed form, extracts and context of disclosure. Permission to publish or refer to a report does not, in itself, satisfy the report's conditions for reliance or grant reliance rights to token holders or other third parties. Unless and until the applicable prerequisites are fulfilled and the relevant reliance rights are expressly established, the valuation materials are intended for internal planning, assessment and review, and should not be relied upon by third parties as the basis for investment, purchase or other transactional decisions.

Any revised valuation results, material changes to underlying assumptions or updated assessments must be identified by a new effective date, with the relevant limitations, qualifications and conditions of reliance disclosed as applicable.

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Public references accessed 16 October 2026. They support the market, scientific and technical discussion.