2025 Q4 Update to the Newton Protocol & NEWT Disclosure & Transparency Report

January 31, 2026

This Q4 2025 update supplements the Newton Protocol and NEWT Transparency Report originally published in June 2025 and the subsequent Q3 2025 update. It provides limited updates on developer progress, regulatory disclosures, ecosystem growth, audits, and treasury operations. Except as expressly noted below, the disclosures in the prior reports remain accurate and unchanged.

The section numbering that follows corresponds to the initial Transparency Report.

2. Project and Protocol

Developer Tooling and Documentation

Since the Q3 2025 update, the Newton Protocol ecosystem has continued to mature from a developer-experience perspective. New developer documentation and a streamlined quickstart guide have been published to support application teams integrating Newton Protocol's policy engine and verification workflows.

These materials are designed to reduce integration complexity and accelerate adoption by providing:

- Clear architectural overviews of the Newton Protocol policy and verification model
- Quickstart for developers to use Newton Protocol to prevent transactions involving sanctioned entities
- Step-by-step integration guidance for submitting intents and verifying authorization receipts
- Reference implementations and example flows for common use cases
- Updated SDK documentation and developer tooling guidance

The documentation is publicly available at:

- Quickstart: https://docs.newt.foundation/developers/overview/quickstart
- SDK Reference: https://docs.newt.foundation/developers/reference/sdk-reference
- Building Policies: https://docs.newt.foundation/developers/advanced/building-policies

3. Roadmap

There are no material changes to the roadmap disclosed in the June 2025 Transparency Report or the Q3 2025 update. The Foundation continues to prioritize incremental decentralization, developer enablement, and security-first deployment of policy verification infrastructure.

4. Technology and Infrastructure

New Integrations and Data Providers

During Q4 2025, Magic Labs, as a core contributor to the Newton Protocol ecosystem, developed and deployed several integrations that expand the range of offchain and onchain inputs that can be referenced by Newton Protocol policies.

These integrations referred to in prior disclosures as "data providers" or "oracles" enable policies to reference verifiable external signals without exposing raw data onchain. Recent integrations include:

- **Identity and Social Graph Guardrails (Neynar / Farcaster)**
  Integration of Neynar data to enable policy-based verification of Farcaster identities, allowing applications to enforce onchain guardrails tied to social identity signals (e.g., account authenticity, reputation, or engagement thresholds) before transaction execution.

- **Treasury Yield and Risk Signals (Massive)**
  Integration of Massive's treasury yield and risk data to support trading and treasury management guardrails, enabling applications and agents to condition actions on verifiable yield metrics, exposure limits, or risk parameters.

- **Identity Verification and KYC Attestations (Veriff)**
  Launch of a Veriff data oracle enabling identity verification and KYC checks to be referenced by Newton Protocol policies. This allows applications to enforce identity-based constraints through verifiable attestations, without exposing raw personal data onchain.

- **Transaction Context and Onchain Activity Signals (Etherscan)**
  Integration of Etherscan data to support real-time transaction guardrails, enabling policies that reference address behavior, contract metadata, or transaction context prior to execution.

- **DeFi and AI Trading Signals (Vaults.fyi)**
  Integration of Vaults.fyi data to enable AI-driven trading and DeFi strategies to operate within predefined policy constraints, such as strategy selection, allocation bounds, or

protocol-specific risk limits.

- **Wallet-Level Risk and Compliance Signals (Magic Labs)**
  Integration of Magic Labs wallet risk data to enforce pre-transaction compliance and safety policies, providing reference implementations for how Web2 and Web3 signals can be adapted into verifiable policy inputs.

- **Ecosystem Distribution and Developer Reach (Magic Labs)**
  Ongoing collaboration with Magic Labs to support broader Newton Protocol adoption through wallet and developer integrations, expanding access to policy-based guardrails across consumer and developer-facing applications.

Additional technical detail on these integrations is available in public protocol blog posts at: https://blog.newt.foundation/.

These integrations are illustrative of how Newton Protocol can serve as a neutral policy layer across heterogeneous systems, rather than as endorsements of any specific application.

New Security Audit – Prover Infrastructure

In Q4 2025, the Foundation commissioned an additional independent security audit of the Newton Protocol prover infrastructure, conducted by **Halborn**. This audit focused on the correctness, security assumptions, and robustness of the prover implementation used in policy verification workflows.

The audit did not identify any critical vulnerabilities that would materially affect the safety or integrity of the Protocol. The full audit report is provided below as an appendix to Exhibit B: Audit Reports and Code Repositories. As with prior disclosures, the Foundation treats third-party audits as an important but not exhaustive component of its broader security and risk management framework.

8. Verification of Data

Treasury Operations and Custody Diversification

As part of ongoing treasury risk management and operational best practices, the Magic Newton Foundation has onboarded Coinbase Prime as an additional qualified custodian. This step is intended to diversify custody arrangements, reduce single-provider risk, and improve operational resilience.

The Foundation has established new onchain wallet addresses associated with Coinbase Prime custody for certain treasury categories. These addresses supplement, rather than replace, previously disclosed wallets.

Magic Labs has also onboarded Coinbase Prime for custody of certain assets related to its operations as a contributor to the Newton Protocol ecosystem. As with prior disclosures, Magic Labs' assets remain distinct from Foundation-controlled treasury assets.

The new wallet addresses can be found below as an appendix to Exhibit A: Onchain Addresses.

10. Financial Overview and Transparency

Liquidity Management

During Q4 2025, the Magic Newton Foundation migrated a portion of protocol-owned $NEWT liquidity to a professionally managed liquidity vault operated by Arrakis on Uniswap v4. This migration is intended to support deeper and more resilient liquidity while applying active management strategies consistent with industry best practices for protocol-owned liquidity. Participation in third-party liquidity management protocols does not constitute an endorsement of those protocols and remains subject to the Foundation's internal risk management and oversight processes.

11. Protocol Governance

There are no material updates to the Newton Protocol governance framework since the Q3 2025 update. The Protocol remains in Phase 0: Governance Planning, during which governance efforts are focused on documentation, principle-setting, and long-term structural design, while formal onchain governance, community voting, and protocol-level decision-making remain inactive. Consistent with prior disclosures, the Magic Newton Foundation continues to retain oversight responsibility during this early build-out phase, with current efforts prioritized on technical development, security, and validation of the Protocol's core policy and verification infrastructure rather than governance activation. For additional detail on Phase 0 governance and the planned progression toward decentralization, see the Foundation's Governance Model documentation: https://docs.newt.foundation/governance/governance-model.

12. Community and Public Relations Initiatives

Regional Community Expansion

During Q4 2025, the Foundation and ecosystem contributors supported the creation of additional region-specific community channels to facilitate local engagement, education, and developer participation. These include:

- A dedicated Korean Telegram group
- Additional Telegram groups serving other regional communities, including Vietnam

These channels are intended to improve accessibility, language support, and local coordination, and do not have governance authority or special status within the Protocol. Further details regarding participation and moderation guidelines will be provided as these communities mature.

Korea Blockchain Week (KBW)

Newton Protocol participated in and hosted a series of events during Korea Blockchain Week (KBW) focused on policy-aware infrastructure, agent safety, and verifiable authorization.

Across panels and presentations, Newton Protocol contributors discussed the evolution of the Protocol from automation primitives to a generalized policy engine, with emphasis on pre-transaction guardrails, offchain data verification, and applications at the intersection of AI and onchain systems. These sessions were intended to support developer education, ecosystem awareness, and technical dialogue around verifiable policy enforcement.

In addition to participating in third-party panels, Newton Protocol co-hosted a dedicated ecosystem event during KBW to convene developers and infrastructure teams around security, rollups, and the future of policy-aware execution.

Token2049 Singapore Presence

Newton Protocol maintained an on-the-ground presence during Token2049 Singapore as part of its ongoing ecosystem and partnership development efforts. During the event, Foundation and ecosystem representatives engaged with developers, infrastructure providers, and potential partners to explore integration opportunities and raise awareness of Newton Protocol's policy engine approach. Participation at Token2049 was focused on relationship-building and ecosystem outreach rather than formal announcements or protocol changes.

Ecosystem Event – New York City

During Q4 2025, Newton Protocol co-hosted a dedicated ecosystem event in New York City focused on the future of secure, verifiable infrastructure for rollups, agents, and policy-aware execution.

The event was hosted in collaboration with The Rollup and featured participation from a group of leading industry, infrastructure, and protocol teams, including zkSync, Plume, WisdomTree, Radius, Token Relations, Openledger, Union, and Hibachi, among others. Discussions centered on shared challenges and design patterns around scalability, security, verification, and the role of policy and guardrails in next-generation onchain systems.

By convening teams operating across rollups, data availability, and execution infrastructure, the event reflected Newton Protocol's positioning as part of a broader cohort of foundational infrastructure projects working on the underlying primitives required for secure and scalable decentralized applications. The gathering was intended to foster technical dialogue,

relationship-building, and alignment across infrastructure layers rather than to announce products or commercial arrangements.

13. Legal and Regulatory Considerations

Updated MiCA Disclosure

In light of the Protocol's architectural evolution described in the Q3 2025 update towards a generalized policy engine, the Foundation has filed an updated disclosure under the EU Markets in Crypto-Assets Regulation (MiCA).

This updated MiCA disclosure reflects:

- The current scope and functionality of the Newton Protocol
- The role and utility of the NEWT token in the updated architecture
- Clarifications consistent with prior transparency reporting

The updated filing is available at: mica.newt.foundation

Exhibit A: Onchain Wallet Addresses

Foundation-Controlled Wallets:

- Onchain Ecosystem Growth Fund
    - 0x8E840E73dF8ef1E346d773a67EA93890bE18451b
    - 0x7A93a3d4f66b992D98e389886BbE1BE2ceD13545
- Network Rewards
    - 0x21556f68e6AD480896867887090b6e7f7ce94dE0
    - 0x281FcC17357A91305135DD4422A71568AD725db0
- Onchain Ecosystem Development Fund
    - 0x2a11d5118b9640101f107413D9CBF8681924cF61

Magic Labs:

- 0x6B424017Fc9458a6f1d8839c1C3b52785a679bb1

Exhibit B: Audit Reports and Code Repositories

Newton Protocol Prover Audit