Wise Assets Europe AS
Registry code 16267372
EFSA licence no. 4.1-1/174
Kopli tn 68a
Põhja-Tallinna linnaosa
Tallinn
Harju maakond
10412
Estonia

As at 31 March 2026

Wise Assets Europe AS disclosures based on Part Six of Regulation (EU) 2019/2033 Of The European Parliament And Of The Council of 27 November 2019 on the prudential requirements of investment firms and amending Regulations (EU) No 1093/2010, (EU) No 575/2013, (EU) No 600/2014 and (EU) No 806/2014 regarding the financial year ending 31 March 2026.

I. Risk management objectives and policies (EU 2019/2033 Art 47)

The objectives of Wise Assets Europe AS (from hereon "Wise Assets Europe" or "the Firm") Risk management program are:

1. To ensure the Firm maintains a risk management focus in order to mitigate the risks of harm to its customers, the Firm and the industry in general.
2. Establish and maintain risk appetite metrics, in line with our mission. The risk appetite metrics indicate the nature, type and desired level of risk that the Firm is willing to accept.
3. Establish risk management practices and processes by providing a clear and easy to use toolkit and process to identify, assess, manage and report on risks and ensure the completion of an annual company wide risk assessment.
4. Establish appropriate policies and procedures to ensure risk management practices are implemented.

<u>Own Funds Risk</u>

Own Funds risk is the risk that Wise Assets Europe has an insufficient level or composition of Own Funds to support its normal business activities and to meet its regulatory Own Funds requirements, both under normal operating environments and stressed conditions.

The Firm's Own Funds are composed of ordinary share capital, other reserves, and retained earnings.

The Firm's objectives when managing own funds risk are to:

- Adhere to regulatory requirements;
- Safeguard the Firm's ability to continue as a going concern, so that the Firm can continue to provide returns for shareholders and benefits for other stakeholders;
- Maintain an optimal capital structure to reduce the cost of capital; and
- Fund an orderly wind-down in a reverse stress scenario.

Wise Assets Europe has set risk limits and reporting requirements for monitoring its Own Funds requirement.

<u>Liquidity Risk</u>

Liquidity risk is the risk that Wise Assets Europe does not have the right type and quantity of funds, in the right place, at the right time, and in the right currency to meet liabilities as they fall due, both under normal operating environments and stressed conditions.

The products offered by Wise Assets Europe and its associated features can generate liquidity risk, however this is borne and managed ultimately by the Wise Group. The Wise Group holds sufficient total liquid resources to be able to withstand a severe market-wide and Wise-specific stress. Despite this, the Firm still holds liquid resources in excess of any regulatory liquidity requirements.

Wise Assets Europe has set risk limits and reporting requirements for monitoring its liquidity requirements.

<u>Concentration Risk</u>

Concentration risk arises when the Firm deposits client or corporate funds with any one singular institution, or a group of connected institutions. It is the risk that there are potential losses large enough to question the Firm's ability to continue as a solvent entity and/or to undertake essential business activities.

Wise Assets Europe manages concentration risk by diversifying exposures to counterparties as much as practical. Thorough due diligence takes place when onboarding all new third parties, with periodic reviews to ensure key partners remain financially stable.

Summary

As part of the Wise Assets Europe Risk Management Framework, we have established policies and procedures which are clearly and consistently formulated, documented, communicated to teams and include their roles, responsibilities and formal reporting structures for the management of any given material risk in the company.

The Wise plc Board is the ultimate governing body responsible for the Enterprise Risk Management Framework and overall risk oversight at group level, including strategy, appetite, resource, culture and capability. The Wise Assets Europe Management Board is responsible for entity-specific policies and frameworks and approval of the imposition of any specific requirements over and above those required at group level.

II. Information regarding internal governance arrangements (EU 2019/2033 Art 48)

Wise Assets Europe is committed to maintaining a management structure based on the principle that functions are clearly separated and independent of each other, ensuring mutual control at different levels and responsibilities.

The number of directorships held by members of the boards of Wise Assets Europe is three (3) Management Board members and three (3) Supervisory Board members which is appropriate and proportional considering the size and structure of the Firm. One member of the Supervisory Board is a Non-Executive Director.

The following 2 board members have external directorships.

- Tõnu Pekk (Non-executive Director) (2)
- Lars Trunin (1)

All remaining board members on both the Management and Supervisory Boards have no external directorships.

Wise Assets Europe has established a Suitability Assessment Procedure, under which the Firm ensures that members of the Management Board and the Supervisory Board possess the necessary knowledge, education, skills, experience and professional qualifications required for their positions. Members are selected based on their individual expertise and with the aim of ensuring that, collectively, the Boards have adequate diversity and cover all relevant areas of knowledge.

In addition, the members of both the Management Board and the Supervisory Board are subject to an annual confirmation process, whereby members are required to confirm any changes affecting their suitability, with further assessment conducted where required, and the outcomes documented. By undertaking this action, Wise Assets Europe has put in place a robust governance framework ensuring the Firm is managed in a sustainable manner.

The Firm follows the Wise Group Diversity, Equity & Inclusion ("DEI") Strategy. Wise serves a global community of millions. And to do that, our team needs to reflect and understand all the diversity the world has to offer. To demonstrate our commitment to diversity, our Wise Assets Europe Management Board currently has diversity representation of 33% women. Long term, gender parity on the Board is the ultimate goal, as well as greater ethnic minority representation.

Inclusive hiring principles are built into our end-to-end process for Board and executive recruitment to promote diversity and source candidates with a range of backgrounds, cultures and experiences.

Specific measures that we take include:

- Training the Board and executive recruiting team in unconscious bias;
- Setting clear criteria for selection to mitigate performance bias;
- Limiting requirements for the role to minimise diverse candidates self-selecting out;
- Ensuring all search strategies include diverse candidate targeting;
- Removing gender bias from job descriptions and in-mail messages using a gender decoder;
- Ensuring a diverse, representative interview panel on every search;
- Adapting our process to accommodate and support the needs of diverse candidates.

The Firm does not have a separate Risk Committee, however Compliance and Risk functions have been established, which provide regular updates to both Boards. The Management Board has also appointed an Outsourced Risk Officer, who is an employee of the Wise Group.

III. Information regarding Own Funds (EU 2019/2033 Art 49)

The Firm is required to have own funds that satisfy all the following requirements, at all times:

$$\frac{\text{Common Equity Tier 1 capital}}{D} \geq 56\ \%$$

$$\frac{\text{Common Equity Tier 1 capital} + \text{Additional Tier 1 capital}}{D} \geq 75\ \%$$

$$\frac{\text{Common Equity Tier 1 capital} + \text{Additional Tier 1 capital} + \text{Tier 2 capital}}{D} \geq 100\ \%$$

where:
D being the highest of the three:

A. Permanent minimum capital as defined by EU 2019/2033 Art 14 (€150,000 for investment firm services);
B. Fixed overhead requirement as defined by EU 2019/2033 Art 13;
C. K-factor requirement as calculated in accordance with EU 2019/2033 Art 15.

With Eligible Capital only composed by CET1, all the above criteria are met at all times and forecasted to be fulfilled in the future.

		(a)	(b)
		Amount (€)	**Source based on reference numbers/letters of the balance sheet in the audited financial statements**
Common Equity Tier 1 (CET1) Capital: Instruments and reserves			
1	OWN FUNDS	2,577,683	
2	Tier 1 CAPITAL	2,577,683	
3	COMMON EQUITY TIER 1 CAPITAL	2,577,683	
4	Fully paid up capital instruments	150,000	d
5	Share premium	0	
6	Retained earnings	140,344	f
7	Accumulated other comprehensive income	0	
8	Other reserves	2,287,339	e,f
9	Minority interest given recognition in CET1 capital	0	
10	Adjustments to CET1 due to prudential filters	0	
11	Other funds	0	
12	{-}TOTAL DEDUCTIONS FROM COMMON EQUITY TIER 1	0	
13	{-}Own CET1 Instruments	0	
14	{-}Direct holdings of CET1 instruments	0	
15	{-}Indirect holdings of CET1 instruments	0	
16	{-}Synthetic holdings of CET1 instruments	0	
17	{-}Losses for the current financial year	0	
18	{-}Goodwill	0	

19	{-}Other intangible assets	0	
20	{-}Deferred tax assets that rely on future profitability and do not arise from temporary differences net of associated tax liabilities	0	
21	{-}Qualifying holdings outside the financial sector which exceeds 15% of own funds	0	
22	{-}Total qualifying holdings in undertaking other than financial sector entities which exceeds 60% of its own funds	0	
23	{-}CET1 instruments of financial sector entities where the institution does not have a significant investment	0	
24	{-}CET1 instruments of financial sector entities where the institution has a significant investment	0	
25	{-}Defined benefit pension fund assets	0	
26	{-}Other deductions	0	
27	CET1: Other capital elements, deductions, and adjustments	0	
28	ADDITIONAL TIER 1 CAPITAL	0	
29	Fully paid up, direct issued capital instruments	0	
30	Share premium	0	
31	{-}TOTAL DEDUCTIONS FROM ADDITIONAL TIER 1	0	
32	{-}Own AT1 Instruments	0	
33	{-}Direct holdings of AT1 Instruments	0	
34	{-}Indirect holdings of AT1 Instruments	0	
35	{-}Synthetic holdings of AT1 Instruments	0	
36	{-}AT1 Instruments of financial sector entities where the institution does not have a significant investment	0	
37	{-}AT1 Instruments of financial sector entities where the institution has a significant investment	0	
38	{-}Other deductions	0	
39	Additional Tier 1: Other capital, deductions, and adjustments	0	
40	TIER 2 CAPITAL	0	
41	Fully paid up, directly issued capital instruments	0	
42	Share premium	0	
43	{-}TOTAL DEDUCTIONS FROM TIER 2	0	
44	{-}Own T2 Instruments	0	
45	{-}Direct holdings of T2 Instruments	0	
46	{-}Indirect holdings of T2 Instruments	0	
47	{-}Synthetic holdings of T2 Instruments	0	
48	{-}T2 Instruments of financial sector entities where the institution does not have a significant investment	0	
49	{-}T2 Instruments of financial sector entities where the institution has a significant investment	0	
50	Tier 2: Other capital elements, deductions and adjustments	0	

		a	c
		Balance sheet as in audited financial statements (at period end)	**Cross reference to EU IF CC1**
	Assets		
a	Current Assets	13,508,608	
b	Fixed Assets	-	
	Total Assets	13,508,608	
	Liabilities		
c	Current Liabilities	10,930,924	
	Total Liabilities	10,930,924	
	Shareholders Equity		
d	Share Capital	150,000	4
e	Voluntary Reserve	2,115,000	8
f	Other Reserves	312,683	6,8
	Total Shareholders Equity	2,577,683	

		a
		Free text
1	Issuer	Wise Assets Europe AS
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	N/A
3	Public or private placement	Public
4	Governing law(s) of the instrument	Estonia
5	Instrument type (types to be specified by each jurisdiction)	Ordinary Shares
6	Amount recognised in regulatory capital (Currency in millions, as of most recent reporting date)	€150,000
7	Nominal amount of instrument	€150,000
8	Issue price	€0.10
9	Redemption price	N/A
10	Accounting classification	Shareholders' Equity
11	Original date of issuance	09/07/2021
12	Perpetual or dated	Perpetual
13	Original maturity date	N/A
14	Issuer call subject to prior supervisory approval	No
15	Optional call date, contingent call dates and redemption amount	N/A
16	Subsequent call dates, if applicable	N/A
	Coupons / dividends	
17	Fixed or floating dividend/coupon	N/A
18	Coupon rate and any related index	N/A
19	Existence of a dividend stopper	No
20	Fully discretionary, partially discretionary or mandatory (in terms of timing)	N/A
21	Fully discretionary, partially discretionary or mandatory (in terms of amount)	N/A
22	Existence of step up or other incentive to redeem	No
23	Noncumulative or cumulative	N/A

24	Convertible or non-convertible	N/A
25	If convertible, conversion trigger(s)	N/A
26	If convertible, fully or partially	N/A
27	If convertible, conversion rate	N/A
28	If convertible, mandatory or optional conversion	N/A
29	If convertible, specify instrument type convertible into	N/A
30	If convertible, specify issuer of instrument it converts into	N/A
31	Write-down features	N/A
32	If write-down, write-down trigger(s)	N/A
33	If write-down, full or partial	N/A
34	If write-down, permanent or temporary	N/A
35	If temporary write-down, description of write-up mechanism	N/A
36	Non-compliant transitioned features	N/A
37	If yes, specify non-compliant features	N/A
38	Link to the full term and conditions of the instrument (signposting)	N/A

IV.Information regarding Own Funds Requirements (EU 2019/2033 Art 50)

Wise Assets Europe is a Class 2 firm as it is not a Small and Non-Interconnected firm and is hence subject to a variable own funds requirement according to EU 2019/2033 Art 11 that is the highest of:

1. Its permanent minimum capital requirement, which under EU 2019/2033 is set as €150,000; ***Or***

2. Its fixed overheads requirement ("**FOR**") under EU 2019/2033 Art 13. FOR is equal to one quarter of the firm's relevant expenditure during the preceding year according to audited financial statements; ***Or***

3. Its K-Factor Requirement ("**KFR**") under EU 2019/2033 Art 15. The Firm has assessed all K-factors and has deemed applicable to the Firm only the following:
   a. **K- Assets Safeguarded and Administered (K-ASA),**
   b. **K- Net Position Risk (K-NPR)** and
   c. **K- Client Orders Handled (K-COH).**

The Firm FOR results from the accounting framework ("**IFRS**") used by the Firm and the most recent annual financial statements. It is equal to one quarter of the firm's relevant expenditure. Wise Assets Europe relevant expenditure has materially changed during the year, following strong growth of the Assets product. As such FOR is now calculated on projected relevant expenditure for the current year basis. As part of the ICARA process, audited 31 March 2026 FOR has been compared to forecast relevant expenditure for the financial year ahead. As forecast FOR growth exceeds 30% as compared to actuals from the most recent financial year, the forecast FOR has been used.

The table below provides details of the K-factors that are applicable to the Firm as at 31 March 2026.

	2026	**2025**
	€	**€**
Sum of K-AUM, K-CMH and K-ASA	634,630	408,031
Sum of K-COH, K-DTF	34,463	20,432
Sum of K-NPR, K-CMG, K-TCD and K-CON	40,799	123,069
K-Factor Requirement	**709,892**	**551,532**

The Firm has assessed the above K-Factor requirement to apply against all three categories of harms: Risks to the Market ("**RtM**"), Risks to Firm ("**RtF**") and Risks to the Customer ("**RtC**").

The table below provides the Own Funds Requirement calculation for the Firm as of 31 March 2026.

	2026	2025
Capital Requirement	**€**	**€**
Highest of:		
Permanent Minimum Requirement	150,000	150,000
K-Factor Requirement	709,892	551,532
Fixed Overhead Requirement	1,436,965	715,866
Own Funds Requirement	**1,436,965**	**715,866**
Eligible Capital Available	2,577,683	1,574,142
Surplus Ratio to Own Funds Requirement	**179.4%**	**219.9%**

The Firm has controls in place to monitor that it holds adequate own funds to:

a. Remain viable throughout the economic cycle, with the ability to address any material potential harm that may result from its ongoing activities; and
b. That its business can be wound down in an orderly manner, minimizing harm to consumers or to other market participants.

The Firm did not opt for any transitional provisions and tables below describe the Own Funds structure and provide a reconciliation to amounts reported in the Annual Report.

V. Information regarding remuneration policy and practices (EU 2019/2033 Art 51)

The Firm's principles relating to remuneration are part of the Wise Group Remuneration Policy, which has been designed to attract, retain, and motivate world-class talent in order to deliver our mission and promote sustainable long-term success.

The Wise Group remuneration principles are applicable to all Group entities, including Wise Assets Europe, and aim to ensure that the reward packages for all employees (both executives and across entities of the Group) support our long-term goals, align Wisers with shareholder interests, are compliant with regulatory requirements, and are market competitive. Regular market benchmarking is undertaken to support this objective in line with the Wise Group. These principles are gender-neutral in nature. Wise Assets Europe does not offer any variable remuneration in the form of cash. All variable remuneration relates to share-based compensation.

The firm has seven employees as at 31 March 2026, who received total compensation of €414,767 in the financial year ending 31st March 2026. Of this remuneration, €361,103 relates to fixed base remuneration and €53,664 relates to variable remuneration in the form of share-based payments. No guaranteed variable, deferred compensation or termination benefits were granted or paid during the year. Non-Executive Director fees totalled €700 for the period. No further Management and Supervisory Board members received any compensation over the period. Remuneration figures are aggregated for privacy reasons.

The Firm benefits from the derogation indicated in Directive (EU 2019/2034 Art 32 (4)), due to meeting the requirements of both:

A. the average value of on and off-balance sheet assets, over the four year period immediately preceding the given financial year, totalling less than €100m; and
B. there is no individual annual variable remuneration exceeding €50,000.

Information regarding the Group policy and practices can be found in: "2026 MIFIDPRU 8 Disclosures" on: https://wise.com/owners/results-reports-presentations.