Employment and Social Innovation (EaSI) strand
of the European Social Fund Plus (ESF+)

EUROPEAN CODE OF GOOD CONDUCT FOR MICROCREDIT PROVISION

DISCLOSURE OF FINANCIAL AND OPERATIONAL INFORMATION

2026-09-01[1]

Capitalia SE (henceforth, the provider) is being/has been evaluated for compliance with the European Code of Good Conduct for Microcredit Provision (henceforth, the Code).

The Code defines a unified set of standards for the microfinance sector in Europe. It serves as a self-regulation tool and a quality label for microfinance institutions committed to ethical finance. More information on the Code and the evaluation process can be found on the website of the European Commission.

As part of the evaluation of compliance with the Code, the provider has to disclose publicly financial and operational information with a view to enhancing transparency and comparability. This information is disclosed in the first column of Annex I of this document. It has been **externally validated**. After receiving the Code award, the provider commits to updating this information on an annual basis. If applicable, this updated information will be **self-reported** (non validated) and disclosed in columns 2-4 of Annex I of this document.

The disclosure of this information does not mean that the provider is awarded for their compliance with the Code. To verify if the provider is awarded, please consult the official list of institutions complying with the Code, communicated on the Code webpage under “List of awarded institutions”.

Further resources: Microcredit Provider Guidelines, Evaluator Methodology, EaSI strand of ESF+

[1] Please note: This template should be uploaded on the website of the provider during the evaluation process **as soon as the information has been validated** by the external evaluator. It should be updated every subsequent years in a form of self-reporting. The externally validated information (first column of Annex I) should be kept visible when self-reporting the updated information (columns 2-4 of Annex I) in the subsequent years. For more information, please consult the Microcredit Provider Guidelines.

ANNEX I: Externally validated and self-reported information

Clause in the Code Chapter IV – Reporting Standards	1. Externally validated provider data	2. Self-reported provider data (non validated)	3. Self-reported provider data (non validated)	4. Self-reported provider data (non validated)	4. Self-reported provider data (non validated)
	Year: 2021	**Year: 2022**	**Year: 2023**	**Year: 2024**	**Year: 2025**
4.2.1. Mission[2]	**Ownership:** we embrace our work responsibilities (own them), are proactive in solving problems; **Client focus:** we seek to provide expert advice to our clients, bringing client interests first; **Nice:** we are nice guys not finance sharks, but we will stand up for ourselves when abused; **Frugality:** no wasting of money or lavish expenses; **Getting things done:** we don't try, we do and we get things done; **Journey over destination:** we seek progress, but are not figure target oriented, instead focusing on	**For businesses:** Capitalia enables access to financing for small and medium sized companies in the Baltic countries to whom bank financing is unavailable, insufficient or unsuitable. Our target clients are all companies that have an annual turnover from EUR 100,000 to EUR 15,000,000. Our objective is with good service, continuous education of the target clients, expanded product offering and efficient procedures to offer financing and financial advice to the companies so that company's revenue can grow 50% per annum. Our social mission is improving financing availability to the SMEs.	**For businesses:** Capitalia enables access to financing for small and medium sized companies in the Baltic countries to whom bank financing is unavailable, insufficient or unsuitable. Our target clients are all companies that have an annual turnover from EUR 100,000 to EUR 15,000,000. Our objective is with good service, continuous education of the target clients, expanded product offering and efficient procedures to offer financing and financial advice to the companies so that company's revenue can grow 50% per annum. Our social mission is improving financing availability to the SMEs.	Help Baltic companies succeed by providing financing for growth. Guide investors to make educated investments to grow their capital.	**Fund Business Growth:** Supply SMEs across Latvia, Lithuania, and Estonia with business loans, venture debt financing, and advisory services. **Unlock Investor Value:** Connect retail and institutional investors with transparent, high-yield private debt opportunities in regional companies. **Bridge the Bank Gap:** Act as a nimble, modern alternative to rigid commercial bank lending to keep regional entrepreneurship moving.

[2] Clauses in red are priority clauses.

	the moment and the journey; **Professionals**: we are finance industry professionals, act, work and behave this way.	**For investors:** Capitalia enables access to investing for educated and informed investors, offering both own proprietary products for investing in Baltic companies, but also advice on building a portfolio with other asset classes. Our target clients are investors that have net worth (excluding permanent residence) of EUR 100,000 and more. Our social mission is improving financial competency among the investors	**For investors:** Capitalia enables access to investing for educated and informed investors, offering both own proprietary products for investing in Baltic companies, but also advice on building a portfolio with other asset classes. Our target clients are investors that have net worth (excluding permanent residence) of EUR 100,000 and more. Our social mission is improving financial competency among the investors		
4.2.2. Average disbursed loan size	61,262	61,006	79,924	97,694	100,796
4.2.3. Median loan size as % of gross national income	-	-	-	-	-
4.2.4[3] Percentage of female customers	-	-	-	-	-
4.2.5. Percentage of rural customers	-	-	-	-	-
4.2.6. Percentage of customers below the poverty line	-	-	-	-	-
4.2.7. Percentage of customers graduating to mainstream finance	-	-	-	-	-

[3] Clauses 4.2.4 – 4.2.10 are disclosed if relevant for target market and mission.

4.2.8. Percentage of minority customers	-	-	-	-	-
4.2.9. Percentage of start-up businesses funded	-	-	-	-	-
4.2.10. Percentage of customers on welfare benefits	-	-	-	-	-

4.4.1. Number of active borrowers	258	277	248	249	265
4.4.2. a) Total number of loans disbursed this year	239	230	225	205	220
4.4.2. b) Total value of loans disbursed this year	14,641,599	14,031,396	17,982,929	20,027,348	22,175,014
4.4.2. c) Total number of loans outstanding	341	388	368	381	356
4.4.3. a) Value of current loan portfolio	11,604,020	12,539,298	12,379,054	16,361,533	18,608,010
4.4.3. b) Value of gross loan portfolio	13,836,787	14,750,397	15,379,103	20,957,740	23,290,962
4.4.3. c) Value of net loan portfolio	13,262,658	13,750,945	14,258,088	19,818,582	21,479,244
4.4.4. a) Portfolio at Risk - PAR30	1,080,046	2,144,530	2,548,414	2,581,127	4,682,951
4.4.4. b) Portfolio at Risk - PAR90	843,381	1,592,350	1,358,854	990,688	3,490,136
4.4.5. Proportion related-party lending	0	0	0	0	0
4.4.6. a) Total value of assets	2,965,105	2,798,569	3,093,454	1,636,374	1,434,868
4.4.6. b) Total value of liabilities	2,274,427	2,169,505	2,464,147	992,694	788,262
4.4.7. Operational Sustainability Ratio	1.40	1.20	1.15	1.12	1.00

4.4.8. a) Subsidies received (amount)	-	-	-	-	-
4.4.8. b) Number of active volunteers	-	-	-	-	-
4.4.9. Cost Per Loan	-	-	-	-	-
4.4.10. a) Number of loan officers	5	5	5	6	9
4.4.10. b) Number of total personnel	17	14	18	18	27

4.5. Total Number of complaints received in the reported year	0	0	0	1	10

ANNEX II: DEFINITIONS

4.2.1.	Provider's mission statement
4.2.2.	Calculated using following formula: Total value of loans disbursed/total number of loans disbursed
4.2.3.	Calculated using following formula: (Median loan size/gross national income per capita)*100. Last available date for GNI
4.2.4.	Calculated using following formula: (Number of female customers/total number of customers)*100. Total number of customers refers to active borrowers
4.2.5.	Calculated using following formula: (Number of rural customers/total number of customers)*100. Total number of customers refers to active borrowers. Rely on national definition of urban/rural
4.2.6.	Calculated using following formula: (Number of customers below poverty line/total number of customers)*100. Total number of customers refer to active borrowers. Nationally/regionally defined income level below which households are considered poor.
4.2.7.	Graduating to mainstream finance refers to customers moving on to taking out loans from mainstream finance providers such as banks and building societies. Calculated using following formula: (Number of customers graduating to mainstream finance/total number of customers)*100. Total number of customers refer to active borrowers
4.2.8.	Calculated using following formula: (Number of minority customers/total number of customers)*100. Total number of customers refer to active borrowers.
4.2.9.	Calculated using following formula: (Number of start-up businesses funded/total number of customers)*100. Total number of customers refer to active borrowers.
4.2.10.	Calculated using following formula: (Number of customers on welfare benefits/total number of customers)*100. Total number of customers refer to active borrowers. Rely on national definition.
4.4.1.	Refers to number of individuals with outstanding loan balance with provider or primarily responsible for repaying any portion of Gross Loan Portfolio. Individuals with multiple loans with provider should be counted as single borrower.
4.4.3. a)	Refers to the outstanding value of all loans that do not have any instalment of principal past due excluding accrued interest.
4.4.3. b)	Refers to the outstanding principal balance of all outstanding loans, including current, delinquent, and restructured loans, but not loans that have been written off or interest receivable.
4.4.3. c)	Net loan portfolio is calculated by subtracting the impairment loss allowance from gross loan portfolio.
4.4.4. a)	Refers to the value of all loans outstanding that have one or more instalments of principal past due more than a certain number of days. Includes entire unpaid principal balance, both past due and future instalments, but not accrued interest. It does not include performing loans that have been restructured or rescheduled. Providers should at least measure and disclose PAR 30 days as this is the internationally recognised measure.
4.4.4. b)	Refers to value of all loans outstanding with principal past due more than certain number of days. Includes entire unpaid principal balance, both past-due and future instalments, but not accrued interest. It includes also delinquent (late or overdue more than a certain number of days) restructured or rescheduled. It does not include performing loans that have been restructured or rescheduled. Providers should at least measure and disclose PAR 90 days as this is the internationally recognised measure.
4.4.5.	Related-party lending refers to board members, staff or immediate family receiving loans or investment from microcredit providers. Disclose related party-lending as proportion of loan portfolio.
4.4.6. a)	Sum of property, plant and equipment, investment property, goodwill, intangible assets other than goodwill, other financial assets, loans and receivables, investment accounted for using equity method, biological assets, non-current assets classified as held for sale, inventories, current tax assets, deferred tax assets, trade and other receivables and cash and cash equivalents
4.4.6. b)	Sum of total trade and other payables, provisions for employee benefits, other provisions, deferred revenue, other financial liabilities, other non-financial liabilities, current tax liabilities, deferred tax liabilities and liabilities included in disposal groups classified as held for sale. NOTE: Does not include equity.
4.4.7.	This is calculated using the following formula: Operating revenue/(financial expense + loan loss provision expense + personnel expense + administrative expense).
4.4.8. a)	Providers will disclose the amount of operating grants it receives annually (amount).
4.4.8. b)	Providers will disclose the number of active volunteers as per the reported period.
4.4.9.	Cost per loan calculated as follows: (Personnel expense+administrative expense+financial expense+loan loss provision expense)/total numbers of loans disbursed
4.5.	All issues that an applicant, active or previous client report through the formal complaint procedure should be recorded as a complaint.