



**Instituto de Crédito Oficial**

# **Investor Presentation**

**August 2025**

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**Instituto de Crédito Oficial**

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**Funding profile**

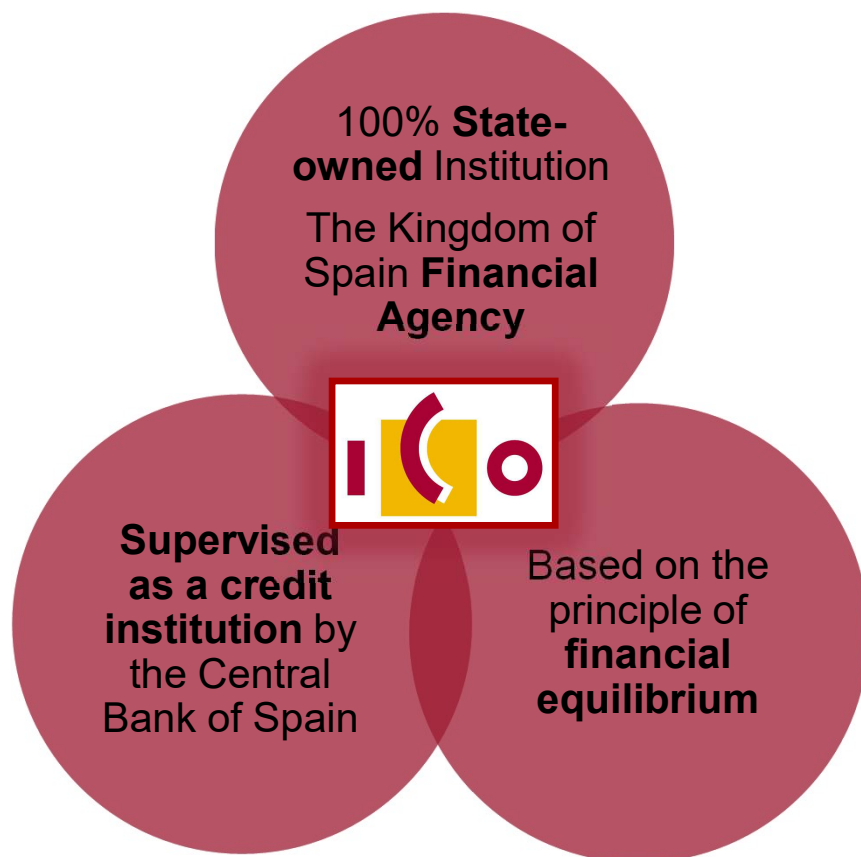
**3**

**ICO Social and Green Bonds**

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# Instituto de Crédito Oficial

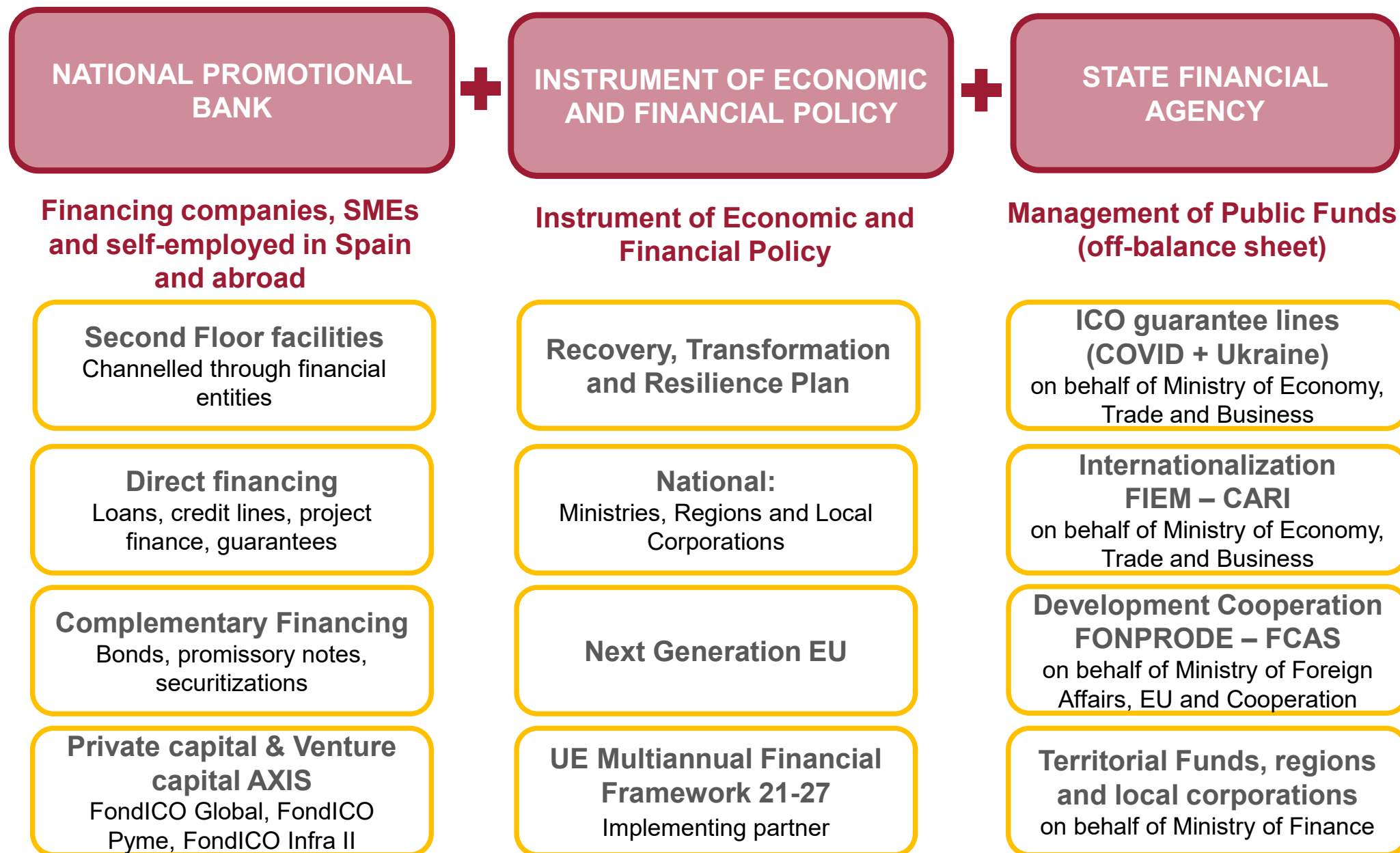




**Mission:** To support and promote economic activities that contribute to the **growth and improved distribution of wealth**, in particular, those that, due to their **social, cultural, innovating or environmental transcendence**, deserve to be fostered.

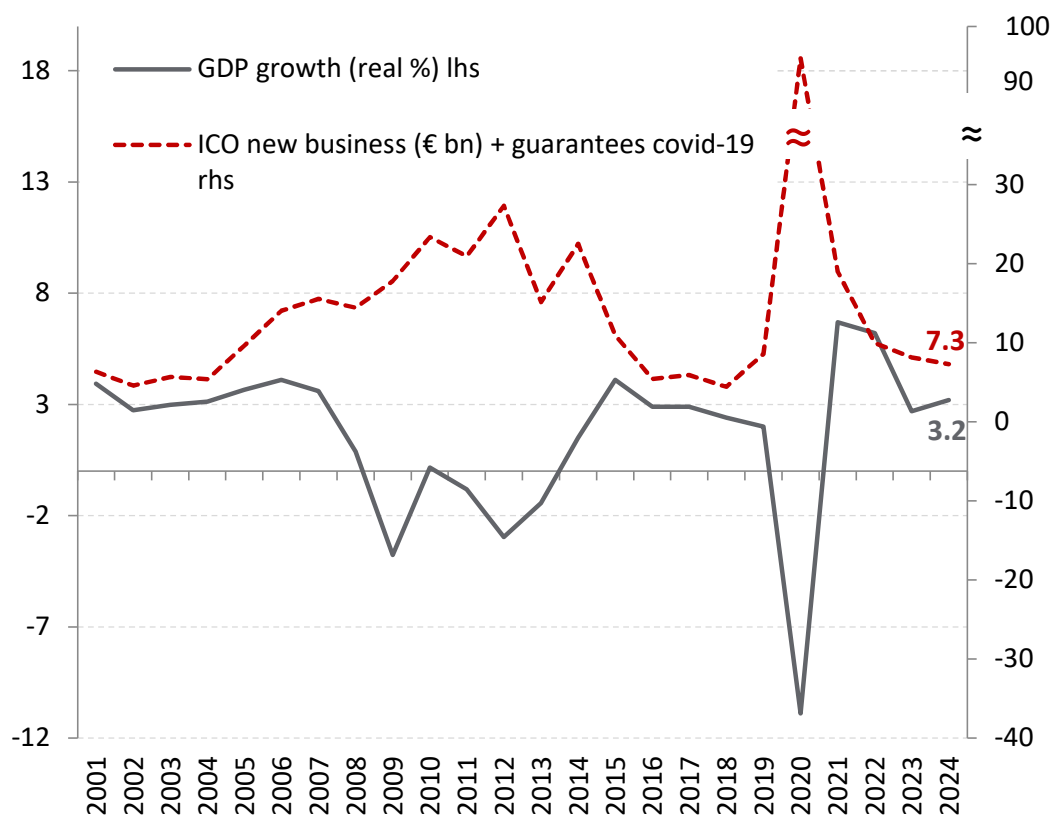


To achieve its objectives, ICO performs three main functions



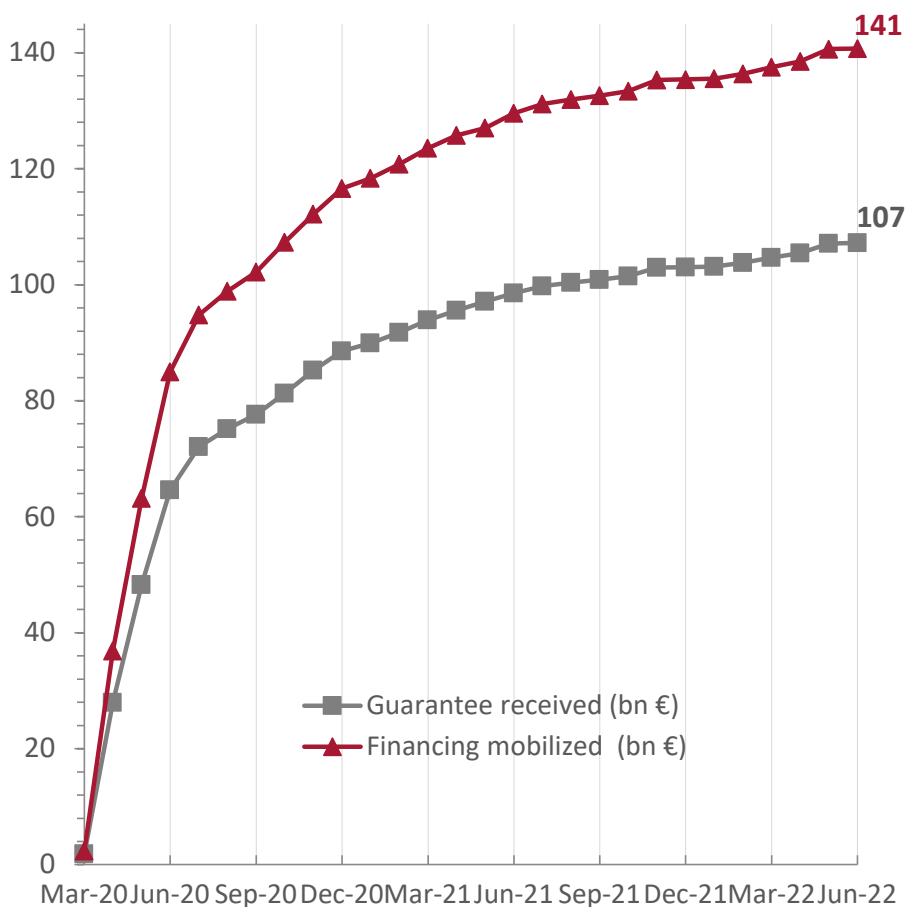
ICO, in its capacity as a national promotional bank, has traditionally worked **countercyclically** through the macroeconomic phases in the Spanish economy

ICO lending (€ bn) vs economic activity (GDP %)



Source: ICO, INE

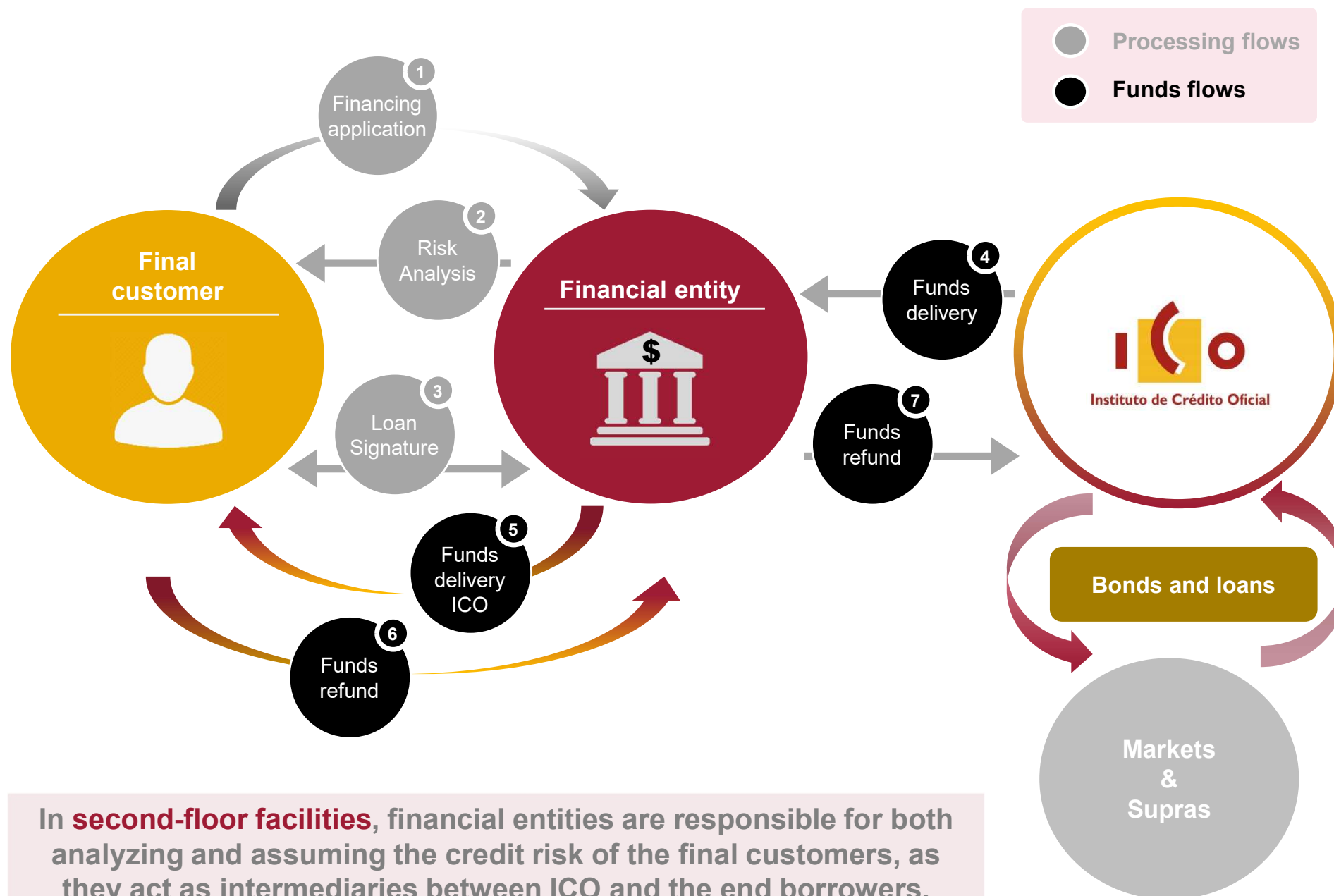
Financing mobilized by Government guarantee line ICO Covid-19 (total, bn €)



Source: ICO



## Second-floor facilities scheme



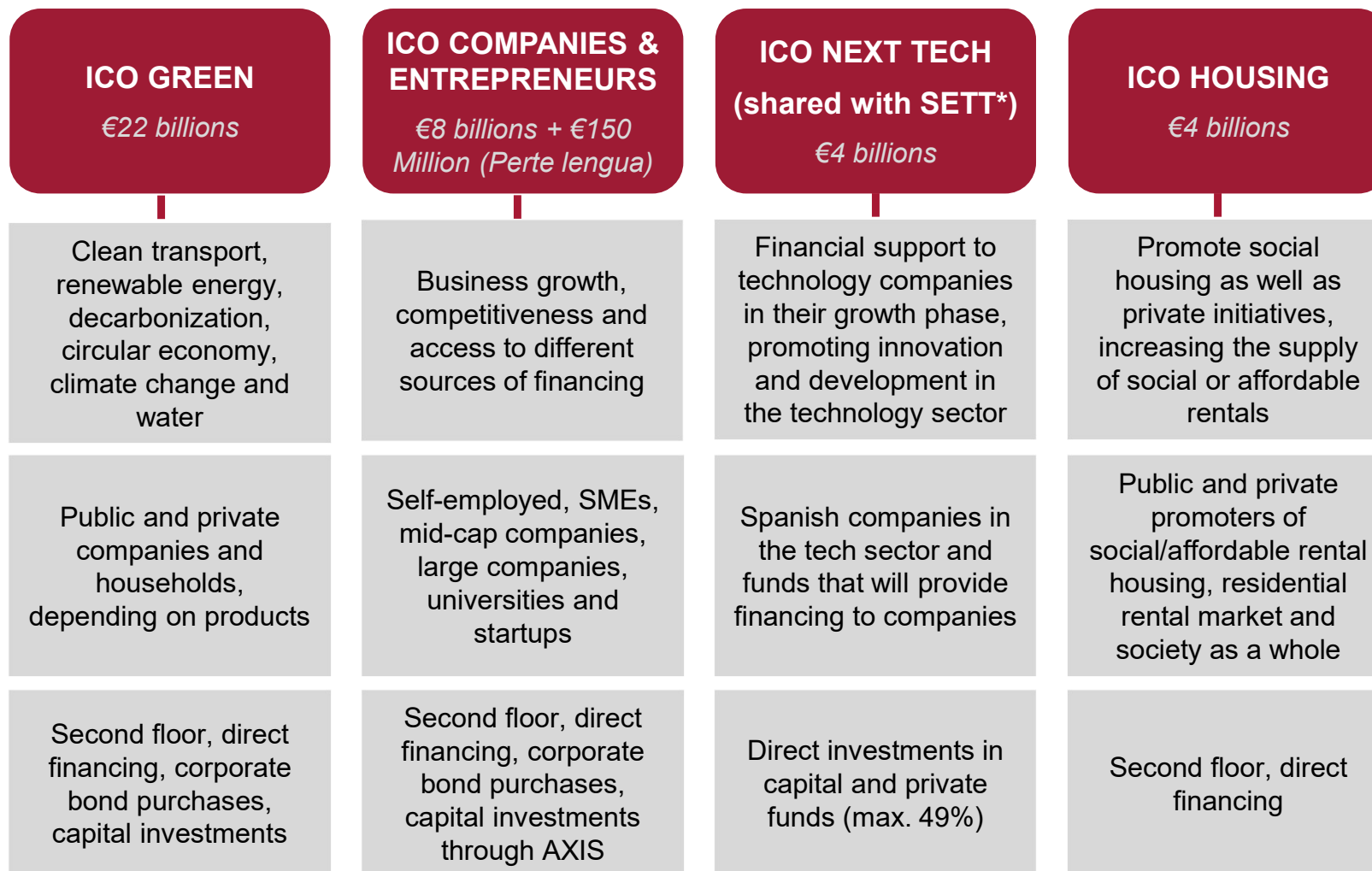
In **second-floor facilities**, financial entities are responsible for both analyzing and assuming the credit risk of the final customers, as they act as intermediaries between ICO and the end borrowers.

**ICO's Board of Directors approved in September 2024 an addendum to its Strategy 2022-2027 with the following key elements:**

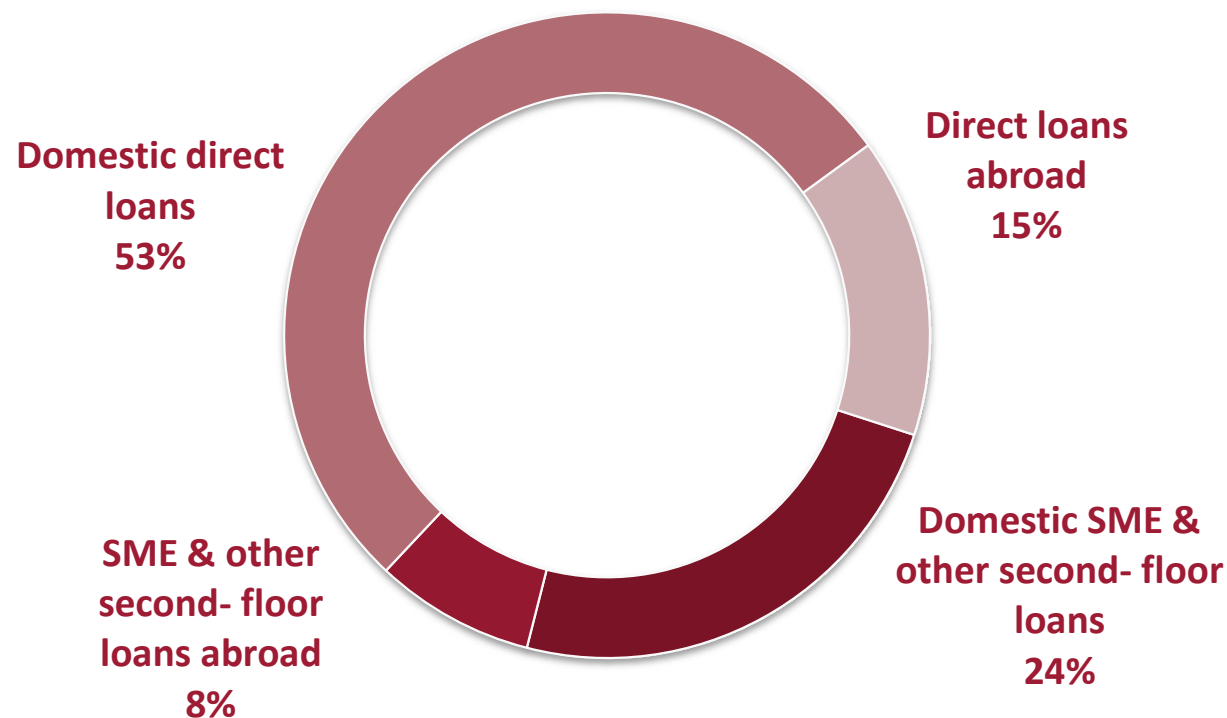
- ☐ **Direct Activity:** Increased focus on direct operations to SMEs and Midcaps, **filling market gaps** and reorienting ICO's business **beyond its countercyclical role**.
  - **Addressing Market Failures in Intangible Financing:** Filling the gap in funding for digitalization, licenses and workforce training.
  - **Under-Capitalized SMEs:** Tackling the challenge of growth-limited SMEs due to limited access to capital.
  - **Non-Bank Financed Companies:** Providing solutions for companies lacking access to traditional banking.
  - **Affordable Housing Initiative** and other infra-financed sectors or firms: Special focus on activity related to social housing projects where private bank funding is insufficient.
- ☐ Deployment of **EU Next Generation Funds** in the context of the Spanish Recovery, Transformation and Resilience Plan.



ICO will mobilize up to **€38 billions of Next Generation EU loans** in the second phase of the Recovery, Transformation and Resilience Plan through 4 facilities



\* Sociedad Estatal para la Transformación Tecnológica



Data as of 30<sup>th</sup> June 2025

ICO loan **portfolio** is split 68% - 32%\* between **direct lending and second floor facilities**, respectively

**23%** of the loan book is **international**

\* 32% corresponding to intermediated loans represents risk linked to the financial sector, acting as an intermediary, rather than being directly associated with end clients or specific sectors.

## Financial highlights (I)

	2021	2022	2023	2024	30/06/2025*
<b>Total assets</b> (Mill. EUR)	37,766	29,775	31,657	37,780	42,106
<b>Equity &amp; reserves<sup>1</sup></b> (Mill. EUR)	5,354	5,515	5,689	5,385	5,651
<b>Pre-tax profit</b> (Mill. EUR)	171.70	178.11	336.89	330.82	185.69
<b>Net interest income</b> (Mill. EUR)	104.55	125.73	290.25	254.57	133.01
<b>Gross revenue</b> (Mill EUR)	181.86	204.58	361.50	358.23	168.06
<b>Profitability</b> ROA	0.49%	0.53%	1.09%	0.93%	0.94%
<b>Tier I Ratio</b>	36.94%	33.62%	26.49%	23.02%	23.04%
<b>Non-Performing Loans</b>					
Direct Loans	3.81%	3.67%	4.20%	4.03%	3.80%
Total loans incl. second floor loans	2.33%	2.31%	2.76%	2.54%	2.44%
Provision coverage ratio	157%	171%	128%	142%	147%
<b>Efficiency</b>					
Operating expenses over gross revenue	24.61%	23.37%	13.63%	15.11%	16.73%

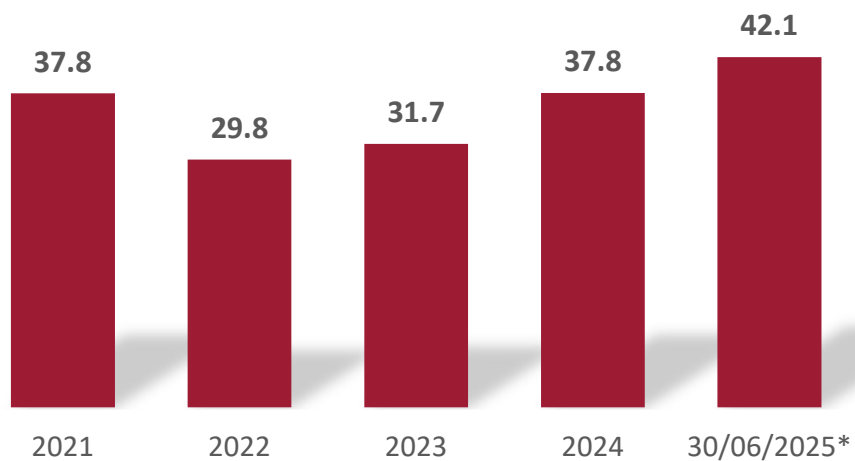
Source: ICO

\* Unaudited figures

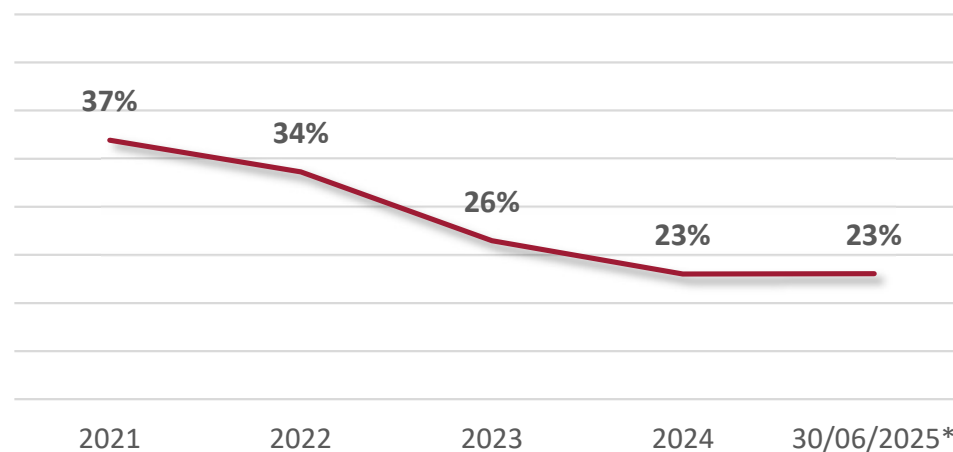
(1) Eligible capital for solvency purposes.

According to the forty-ninth Additional Provision of Act 42/2006 on the General-Government Budget Act, Tier I Ratio may in no case fall below 9.50%. ICO's own funds are of the highest quality (only equity and reserves). ICO has not issued neither subordinated debt, preferred stocks, contingent convertibles nor any other hybrid instruments.

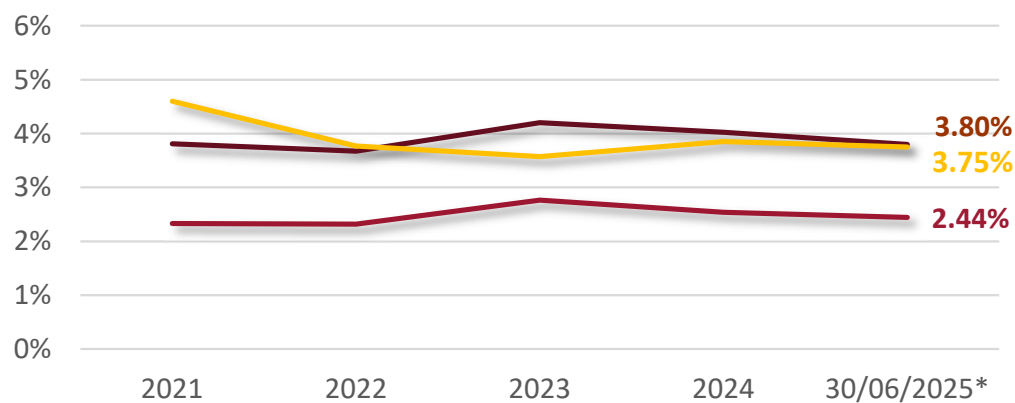
## Total Assets (EUR billion)



## TIER I capital ratio %

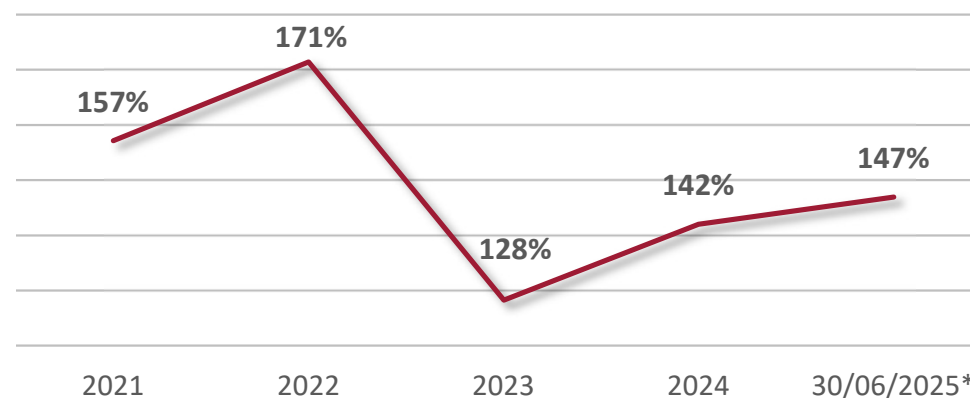


## NPL Ratios %



— ICO Direct Loans  
 — ICO Total Loans (incl. mediation)  
 — Total Spanish Financial System (March '25)

## Provision coverage ratio %

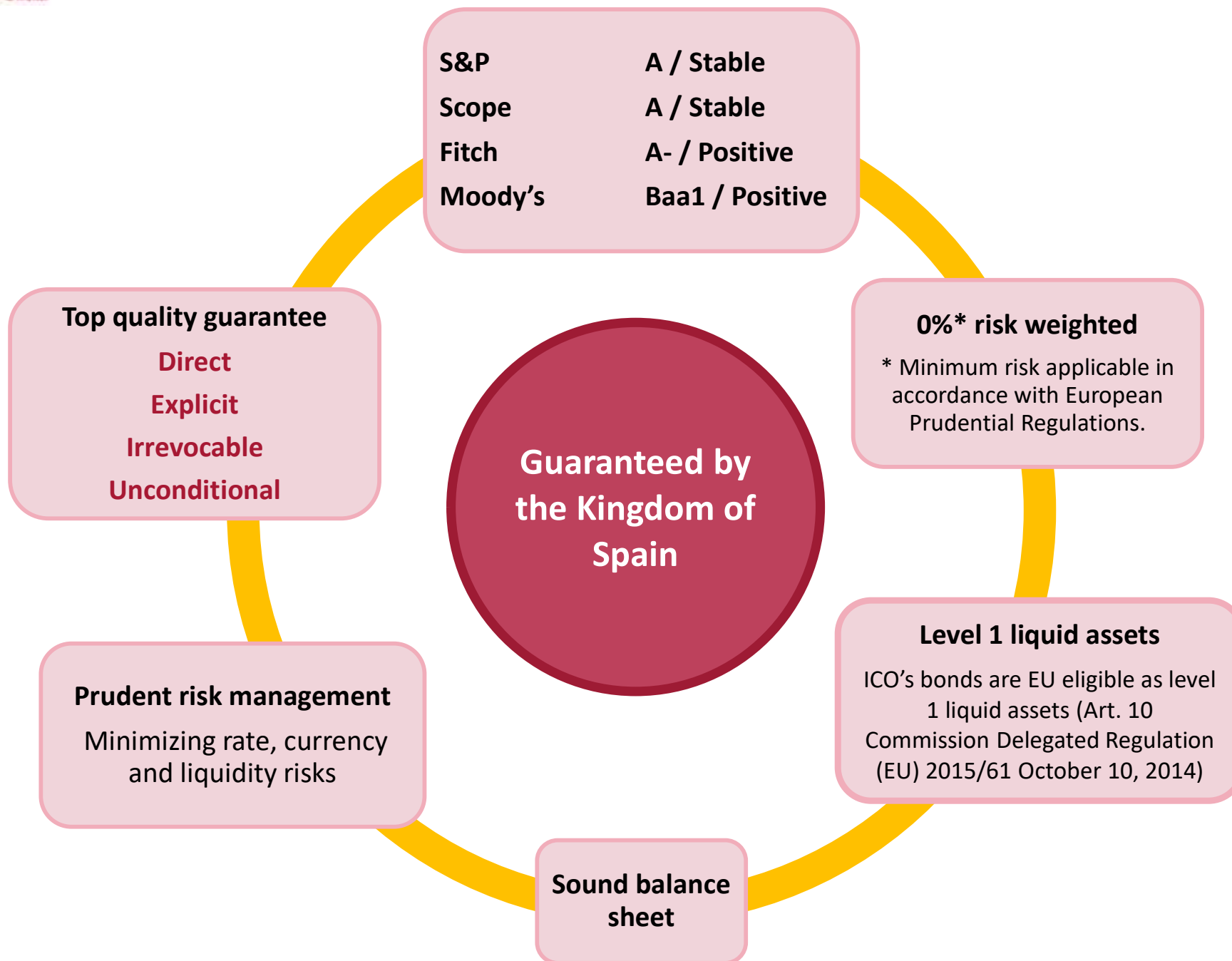


Source: ICO  
 Data as of 30<sup>th</sup> June 2025  
 \*Unaudited figures

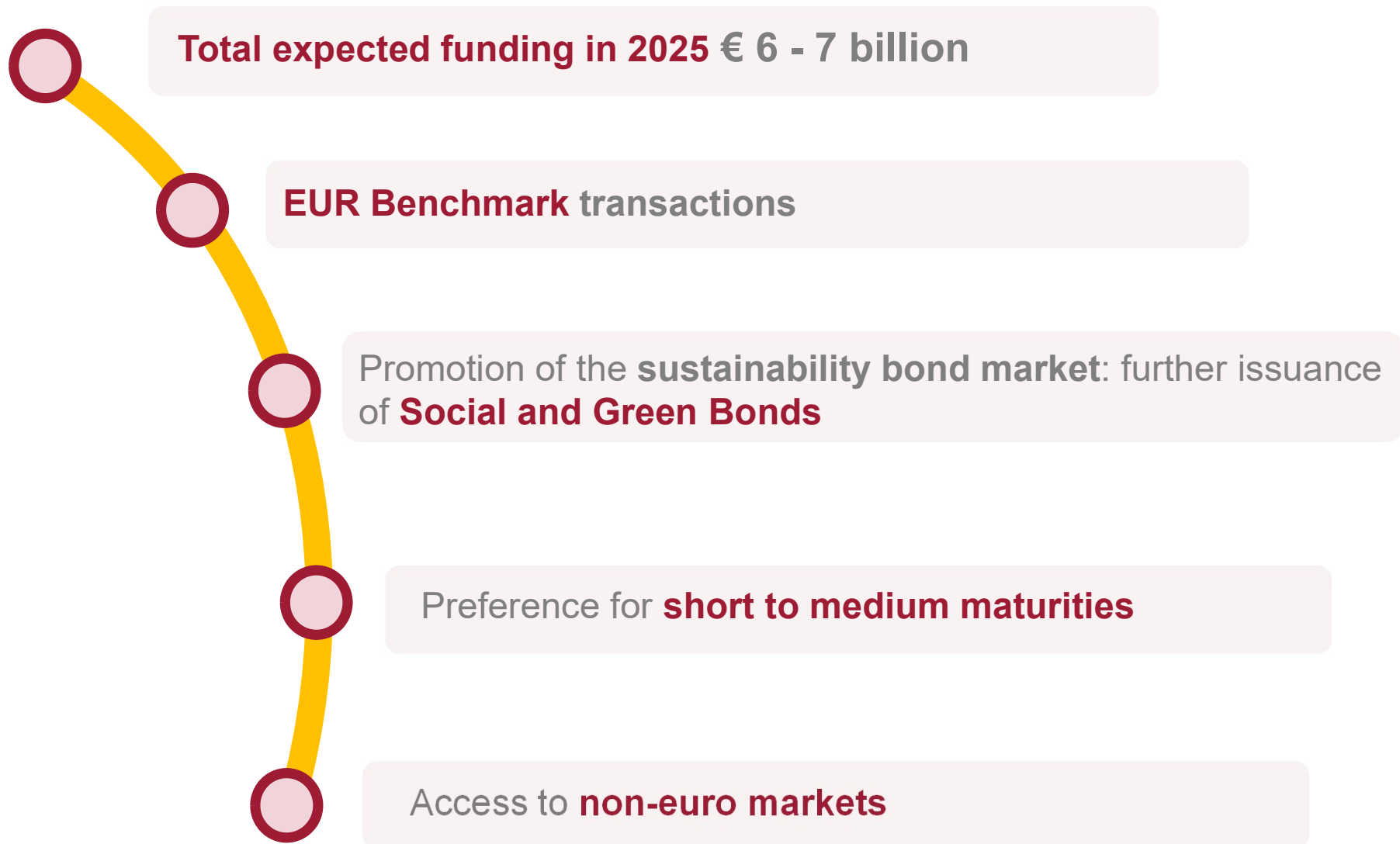
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# Funding Profile

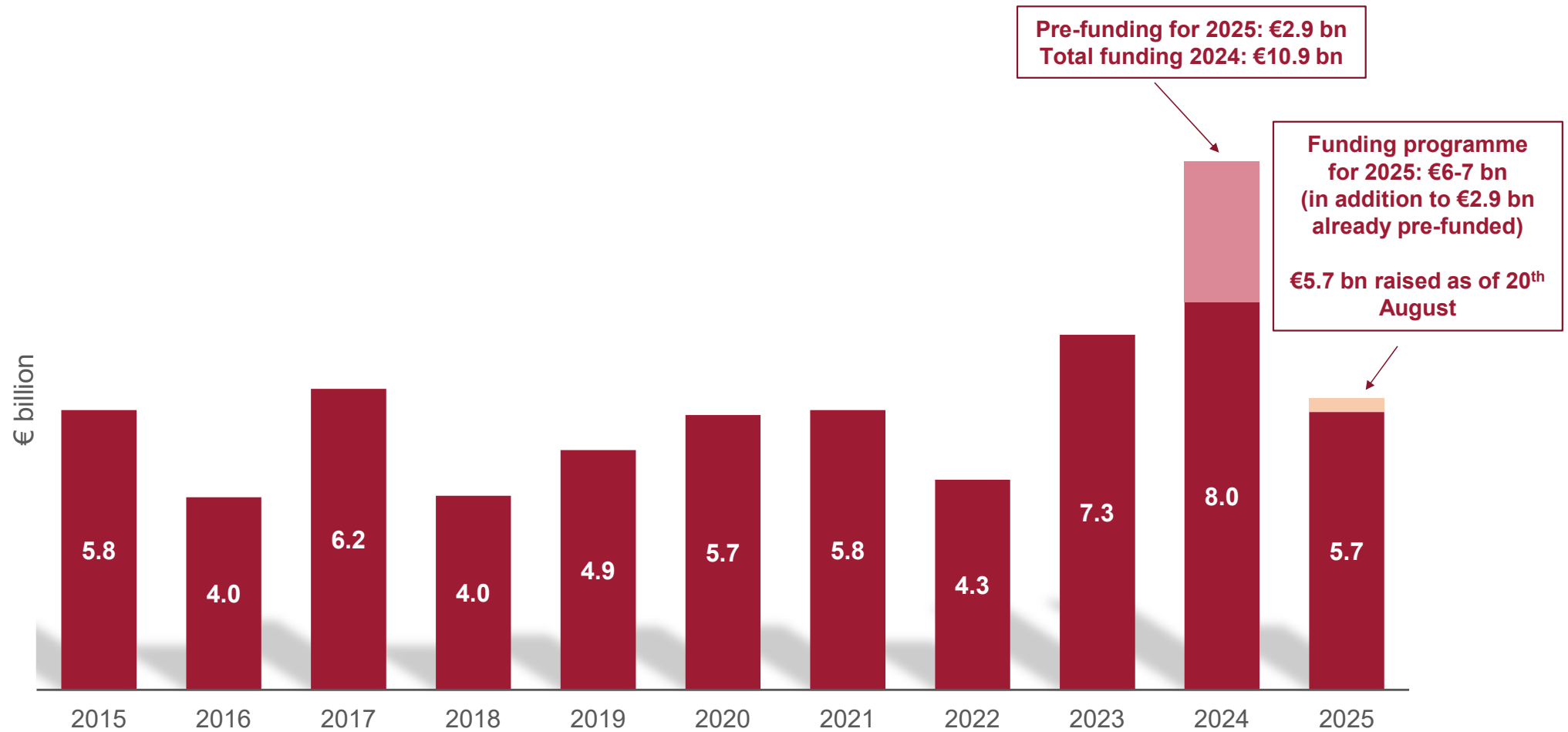




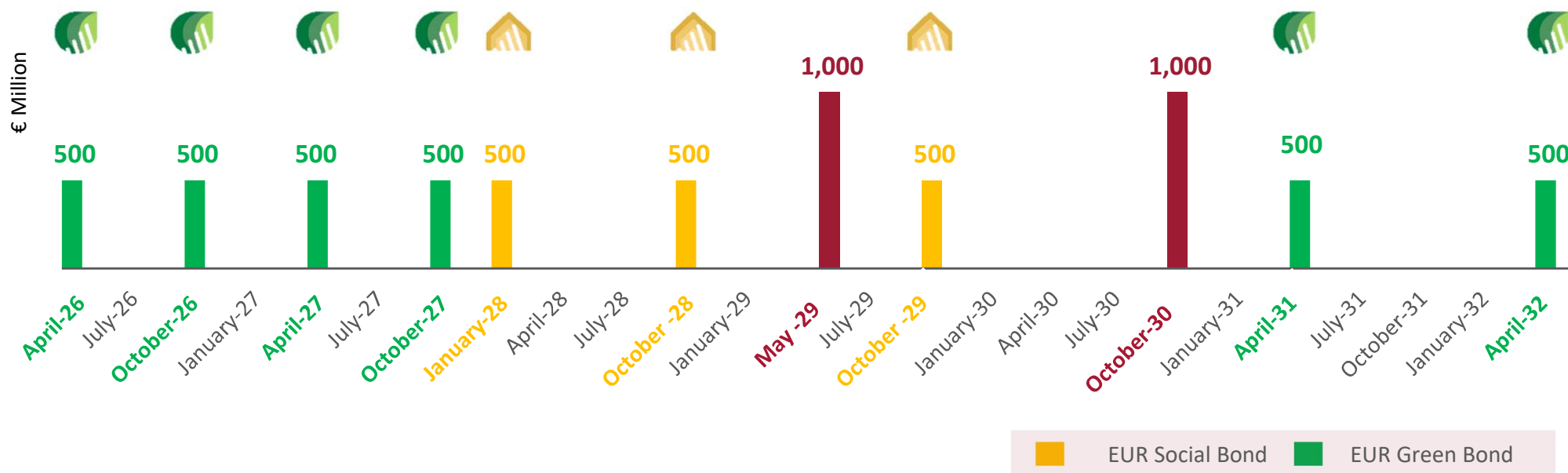




# Funding activity



## Benchmark Curve



Data as of 31<sup>st</sup> July 2025

## Strategy

**Benchmark** minimum size: **500 Million**

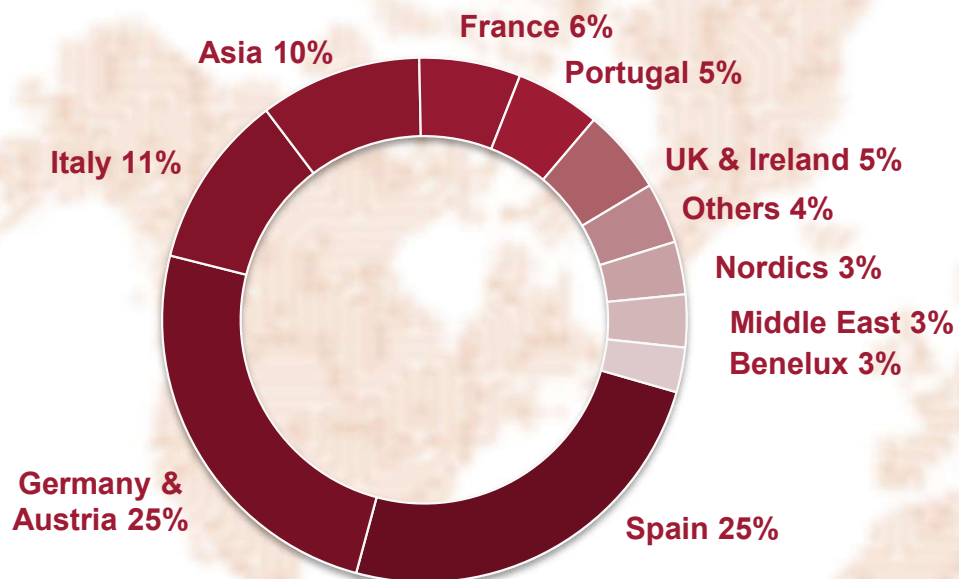
**Taps** minimum size: **50 Million**  
(adding up clips of 25 Million)

**Private placements** minimum size: **10 Million**

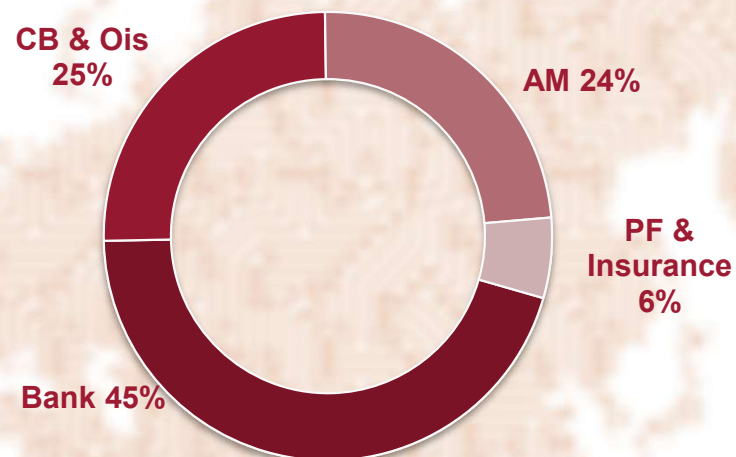
# Borrowing Profile

(benchmark transactions 2024)

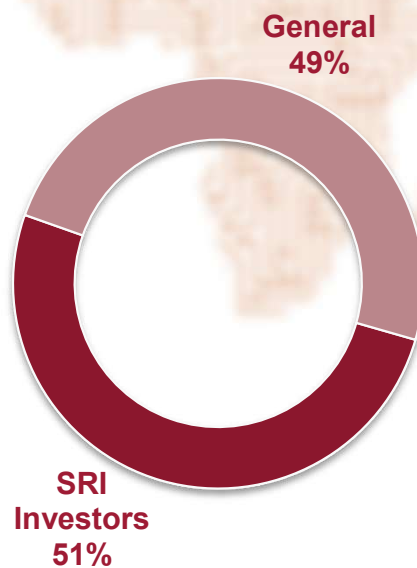
By Region



By Investor Type

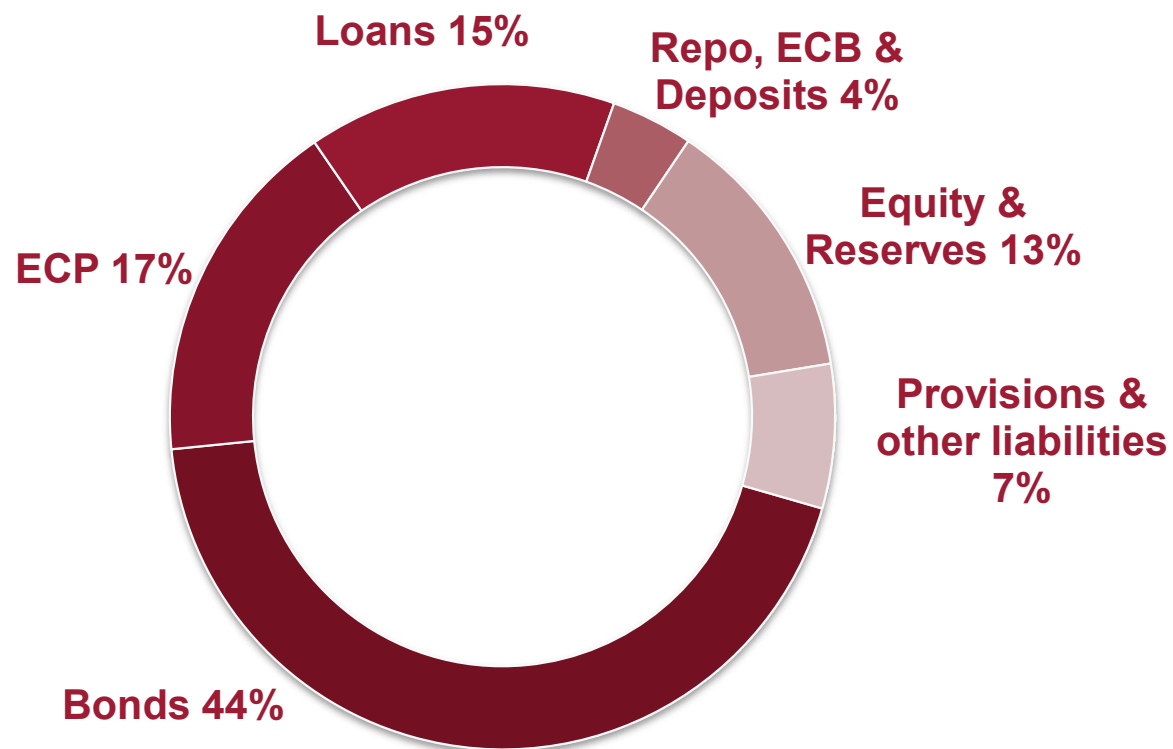


By ESG participation



Data as of 31<sup>st</sup> December 2024

## Liability Breakdown

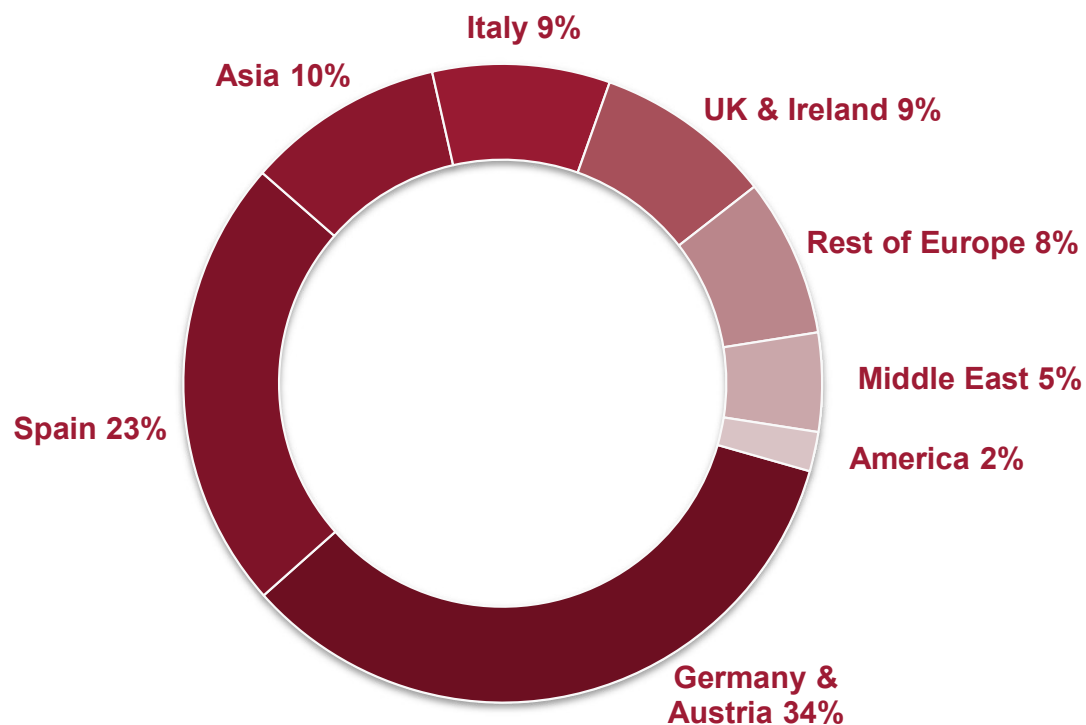


**Total Liabilities: €42,106 Million**

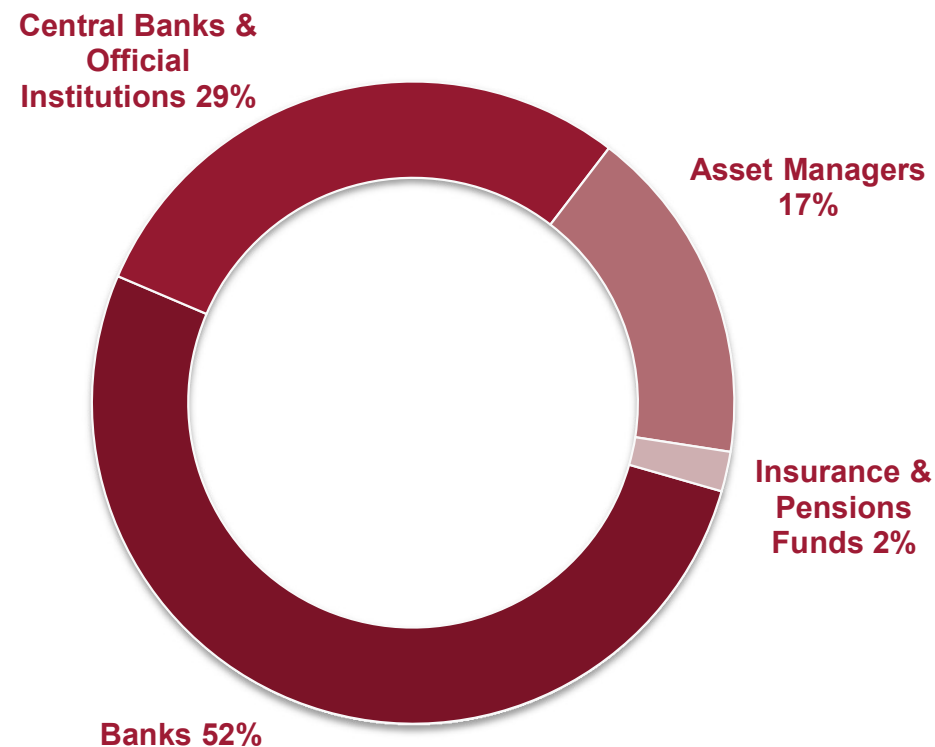
# Latest ICO Conventional Bond

**ICO €1,000 Million 2.70% Oct 2030**  
**Issued in September 2024**

**By Region**



**By Investor Type**





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# ICO Social and Green Bonds



ICO issued its inaugural social bond in early 2015 when no guidelines were still established on this regard. Since this first issuance, ICO has demonstrated its leadership in the social bond market, having issued **11 social bonds amounting to over €5,550 Million**, so far.

ICO reinforced this commitment to the sustainable bond market with the debut on the green bond market in 2019. Since then, the institution has issued **7 green bonds amounting to €3,500 Million**.

ICO has become a referent in the sustainable bond market by having issued **more than €9,050 Million** in different types of sustainable bonds that will help to contribute to a more sustainable world.



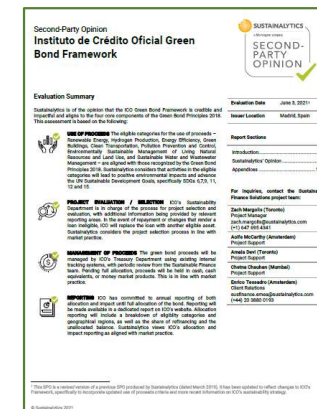
Aligned with best-in-class market standards



## Framework (June 2021)



## Second Party Opinion (June 2021)



## Project Categories



Renewable energy



Pollution prevention and Control



Green buildings



Environmentally sustainable management of living natural resources and land use



Energy efficiency



Hydrogen production & storage



Clean transportation



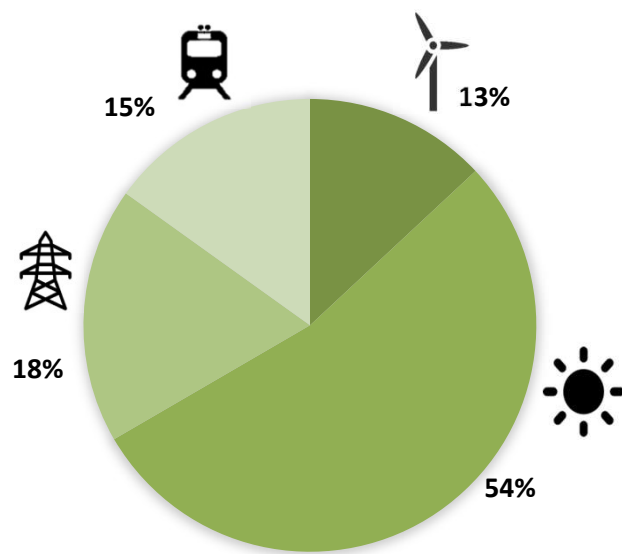
Sustainable water and wastewater management

## SUSTAINABLE DEVELOPMENT GOALS

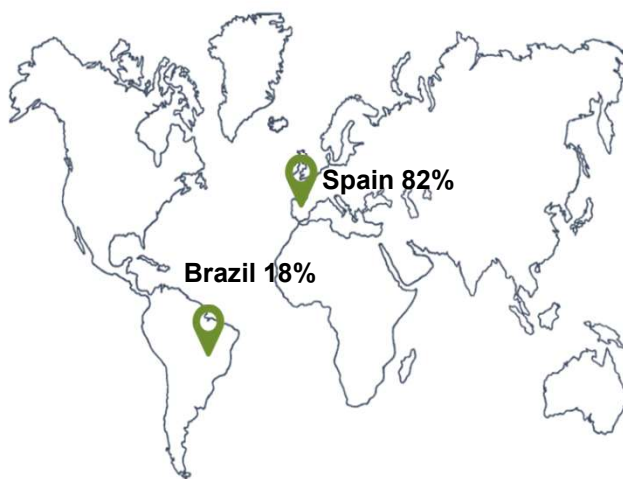




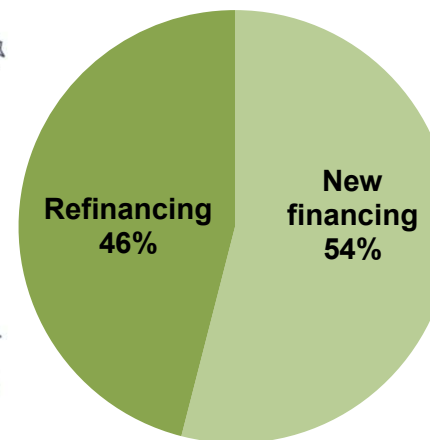
Green Bond €500 Million 3.05% due April 2031 issued March 2024 (XS2793252060)



Breakdown by energy source



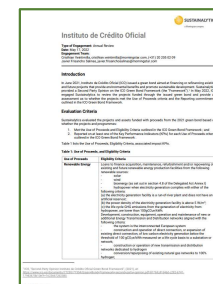
Breakdown by country



Share of financing vs refinancing



Green Bond Reporting

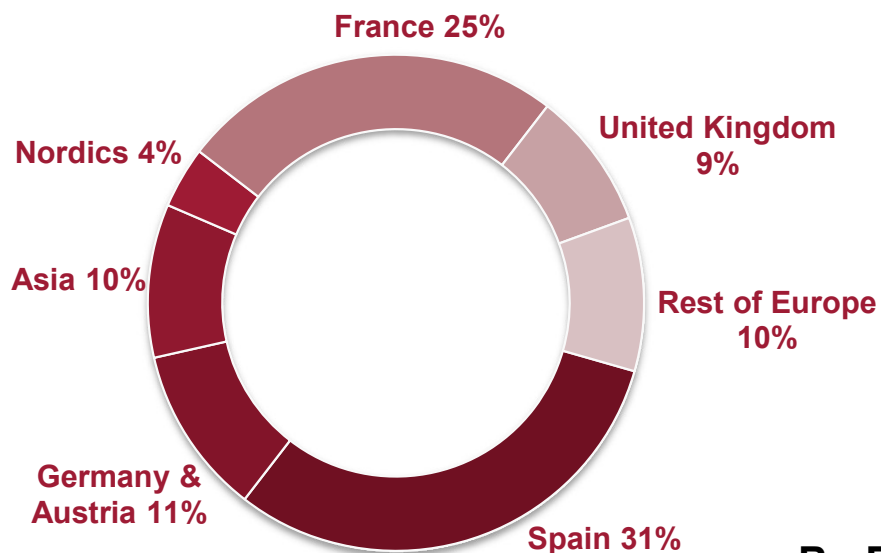


Portfolio Review

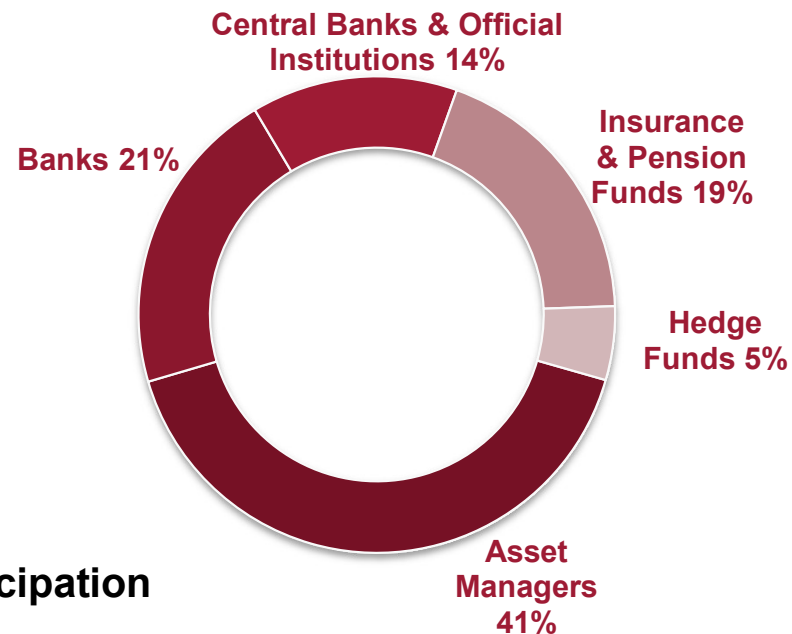
Type of Project	Installed Capacity (MW)	Annual energy production distributed (MWh)	Km of energy distribution network built	Energy distributed (MWh)	Purchased trains	Annual GHG emissions avoided Tn CO2e	Allocated million EUR
Solar photovoltaic	3,193	12,021,427	-	-	-	52,743	267,845,162
Wind	300	868,100	-	-	-	14,636	65,255,436
Energy distribution networks	-	-	236,869	1,026,328	-	18,681	91,424,392
Clean transportation	-	-	-	-	7	331	75,475,009
<b>Total</b>	<b>3,493</b>	<b>12,889,527</b>	<b>236,869</b>	<b>1,026,328</b>	<b>7</b>	<b>86,390</b>	<b>500,000,000</b>

## 7<sup>th</sup> ICO **GREEN BOND** €500 Million 2.867% April 2032 Issued in May 2025

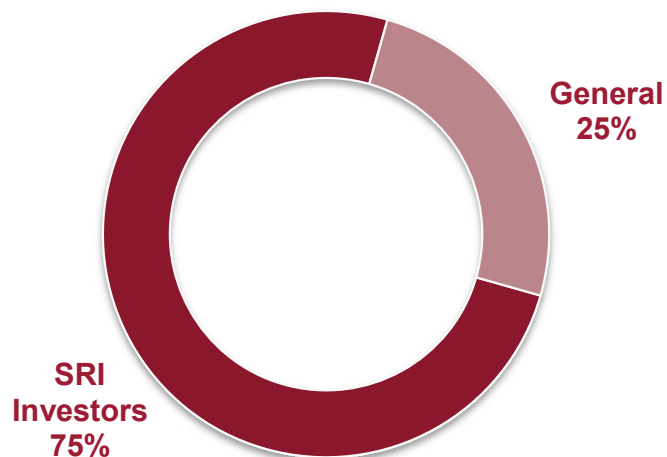
By Region



By Investor Type



By ESG participation



Aligned with best-in-class market standards



## Framework (March 2020)



## Second Party Opinion (March 2020)



## SUSTAINABLE DEVELOPMENT GOALS



### Project Categories

**SME** **SME Lending** (Economically underperforming regions/ Depopulation/ Natural or health disasters)



**Socioeconomic advancement & empowerment**



**Social Housing**



**Access to essential services** (education/ healthcare/ profesional training)



**Affordable basic infrastructure** (Water and Sanitation/ Connectivity and digital Access)

### Targeted populations:

SMEs in line with EU's standards, economically underperforming region, municipalities experiencing depopulation, regions affected by a natural disaster

Aged / disabled individuals, companies with a high % of disabled workforce, victims of gender violence, risk population and minorities, migrants, social EU funds, social start ups

Eligible beneficiaries according to socio-economic requirements set by regional governments

Hospitals/ Healthcare (open to all population), senior healthcare centres/homes, Public education (open to all population)

Rural areas, underserved areas, excluded and/or marginalized populations and/or communities, all population in Spain (water)



**€500 Million** for social projects that have help mobilize **€781 Million** funds



## Social Housing

- **€54.66** Millions allocated
- Construction of a total of **1,303 homes** to be incorporated into the rental market for vulnerable groups

**11%**



## Access to essential services: Access to healthcare

- **€15** Millions allocated
- **7 senior healthcare centres / homes** built
- Capacity for **1,039 new residents**

**3%**



## SME

### SME Lending: Economically underperforming regions

**75%**

- **€375.30** Millions allocated
- **3,501 projects** financed
- **32,600 jobs** created and/or retained



### Affordable basic infrastructure: Water and sanitation

**10%**

- **€48.80** Millions allocated
- **2 sanitation projects** financed
- **933,100 beneficiaries**
- **518,400 m3/day** of drinking water supplied



### Access to essential services: Access to education

**1%**

- **€6.24** Millions allocated
- **5 education centers** improved
- **369 teachers** trained that will teach **1,452 students**



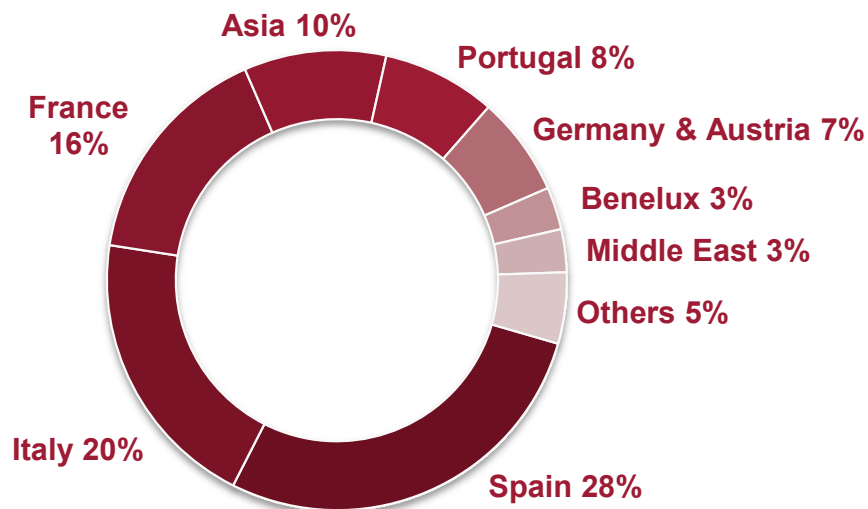
## Social Bond Reporting



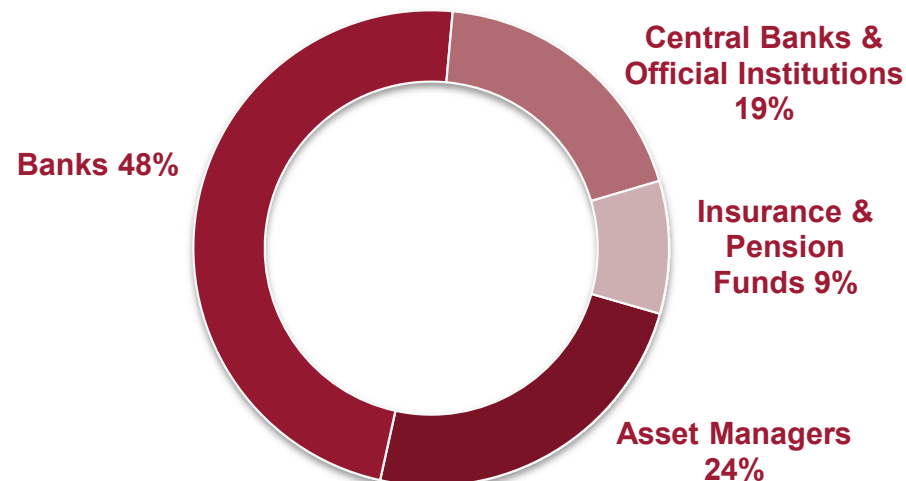
## Portfolio Review

## 11<sup>th</sup> ICO **SOCIAL BOND** €500 Million 3.05% October 2029 Issued in June 2024

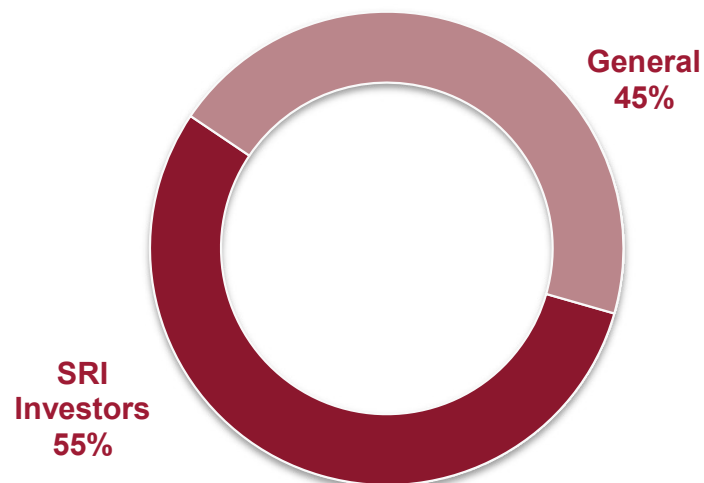
By Region



By Investor Type



By ESG participation



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