



Institut Català
de Finances

2025

Pillar III Disclosure Report

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1. ICF GROUP PILLAR III

By issuing this document, the Institut Català de Finances Group (hereinafter referred to as the “Group” or “ICF Group”) is complying with Part Eight of Regulation (EU) 575/2013, which establishes the Basel III Pillar, as amended by Regulation (EU) 2019/876 (known as CRR II) and the most recent amendment introduced by Regulation (EU) 2024/1623 (known as CRR III), which took effect on 1 January 2025. This framework regulates the disclosure requirements for prudential information, including information on own funds, capital requirements, risk exposures, risk management and control processes, as well as other aspects relevant to solvency and capital adequacy as established by current legislation.

This document complies with Article 433 of CRR III, which establishes an annual frequency for the disclosure of information. The Prudential Relevance Report (hereinafter “IRP”) is published annually, though it may be published more frequently if market circumstances so warrant. The report is available on the ICF website (www.icf.cat).

According to Regulation 59 of Bank of Spain Circular 2/2016, the IRP contents have been reviewed by the institution’s internal audit unit through independent experts. Circular 3/2023 of 31 October introduced amendments to Circular 2/2016, without affecting the content of Norm 59 with regard to this verification obligation.

The contents of this report, which were not included in the entity’s financial statements, have been reviewed by the ICF Group’s Joint Audit and Control Committee. The ICF Group also declares that no required information has been omitted due to confidentiality.

1.1 Regulatory framework

Financial institutions are currently subject to the global capital regulatory framework known as Basel III. The legislative package that implements this framework in the European Union came into force on 1 January 2014, comprising Regulation (EU) No 575/2013 and Directive 2013/36/EU, known as CRR and CRD IV, respectively. While the Regulation is applied directly by the institutions of Member States, the CRD IV Directive required the following process for inclusion in the Spanish legal system:

1. Royal Decree Law 14/2013, of 29 November 2013, on urgent measures to adapt Spanish law to European Union regulations on the supervision and solvency of financial institutions.
2. Law 10/2014, of 26 June 2014, on the regulation, supervision and solvency of credit institutions.
3. Royal Decree 84/2015, of 13 February 2015, implementing Law 10/2014.
4. Bank of Spain Circulars 2/2014 and 2/2016.

In June 2019, the European Parliament and the Council published Regulation (EU) 2019/876, or CRR II, amending Regulation (EU) No 575/2013, and Directive (EU) 2019/878, or CRD V, amending Directive (EU) 2013/36, as part of the Basel III framework, which presents proposals for amendments of the CRR and CRD IV. CRR II took effect in June 2021, and CRD V was incorporated into Spanish law through Royal Decree 7/2021, which amended Law 10/2014, and Royal Decree 970/2021, which amended provisions including Royal Decree 84/2015.

The latest review of the legislative package under the Basel III framework, which is the culmination of the changes begun in 2017, took shape with the publication of Regulation (EU) 2024/1623 (CRR III) and Directive (EU) 2024/1619 (CRD VI) in the Official Journal of the European Union on 19 June 2024. The Regulation came into force on 1 January 2025. As for CRD VI, Member States have two years after its publication to implement it in their national regulatory framework. The goals of these changes are to make banking more transparent and robust to deal with future economic crises while at the same time fostering the transition to a more sustainable economy.

2. INTRODUCTION

2.1 Macroeconomic environment

The global economy has continued to show a moderate growth rate during 2025, in a context of progressive normalisation of the economic cycle after the episodes of high inflation in previous years. Price moderation has allowed for a gradual easing of monetary policies, with a reduction in interest rates that has helped to improve financing conditions. However, geopolitical uncertainties, trade tensions, and moderate growth in the euro area continue to constrain the international scenario, contributing to a certain degree of volatility in global economic activity.

As for the Catalan economy, in 2025, growth remained above that of the euro area, although it has gradually normalised after the strong expansionary rates of recent years. Forecasts put Catalan GDP growth at around 2.4% in 2025 and 2.1% in 2026, which is higher than expected for the euro area and in line with the Spanish economy as a whole. This growth is primarily driven by the strength of domestic demand, especially private consumption, which continues to benefit from sustained job creation and the gradual recovery in household purchasing power. Alongside this, investment is developing favourably, driven by improved financial conditions and the deployment of European funds linked to the economic recovery and transformation programmes.

In sectoral terms, the services sector remains the main driver of Catalan economic activity, with tourism, hospitality and business services playing a prominent role. The industrial sector has shown a more moderate growth in a context of lower dynamism in external demand, while construction has shown a positive growth linked to both public investment and improved financing conditions.

Regarding inflation, the trend of price moderation has been consolidated during 2025, with rates progressively approaching monetary policy objectives. This contributes to stabilising the economic environment and strengthening medium-term growth prospects.

Looking ahead to the coming years, the outlook is for continued economic growth in Catalonia, albeit at a more moderate pace. Nevertheless, some risks persist, associated with the European economic situation, geopolitical tensions and the evolution of international trade.

After the end of the financial year, on 28 February 2026, the armed conflict in the Middle East intensified, generating a high level of uncertainty in both the geopolitical arena and the international economy and financial markets. Ultimately, the consequences for the economy in general, and for the operations of the Institut Català de Finances Group in particular, are uncertain and will depend largely on the evolution and

extent of the conflict, as well as on the capacity of the various governments and economic actors to respond and adapt.

The Group's administrators continuously monitor the evolving situation and take timely action to address it and minimise its impacts.

2.2 Main conclusions

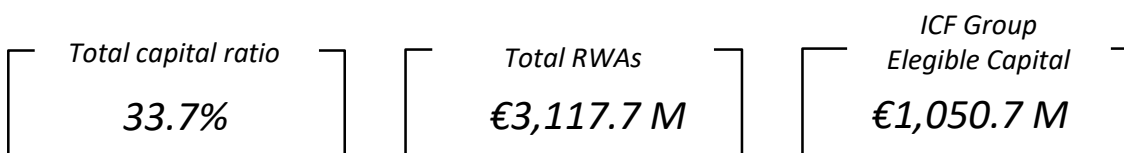
Credit risk

Credit risk is the ICF Group's primary risk, which is a natural consequence of its business model. At a prudential level, this risk accounts for 60.9% of total risk-weighted assets in credit investments. At the end of 2025, the NPL ratio stood at 6.6% and the NPL coverage ratio was 170.8%, higher than the average for the sector.



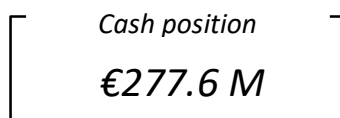
Capital and Solvency

As of 31 December 2025, the ICF Group maintains a solvency ratio of 33.7%, well above the required regulatory minimum¹, owing to high own funds and a conservative management policy.



Cash and cash equivalents

The ICF Group maintains a solid liquidity position with a total cash position at the end of 2025 of EUR 277.6 million, of which EUR 197.6 million is in fixed income investments, EUR 60 million in current accounts and EUR 20 million in deposits redeemable at notice:



¹ Minimum regulatory requirement of 11%, comprising 8% for total capital requirements, 2.5% for the capital conservation buffer and 0.5% for the counter-cyclical capital buffer. According to the Bank of Spain's 16 May 2024 press release, a 0.5% countercyclical capital buffer will apply from 1 October 2025.

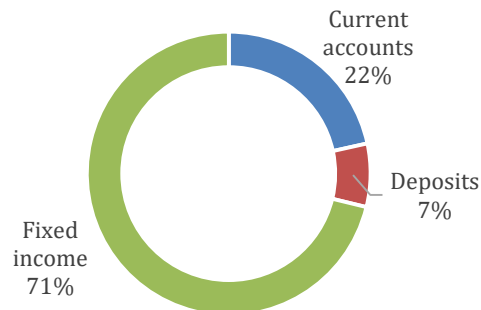


Figure 1. Group liquidity structure

Regulatory scope metrics

The ICF Group calculates, analyses and monitors the liquidity coverage ratio (LCR) and the net stable funding ratio (NSFR), following the minimum compliance requirements set out in Article 412 of Regulation No 575/2013 and its amendment in Article 428(b) of Regulation No 2019/876. At the end of the 2025 financial year, the ICF Group was in compliance with the regulatory limits set for the LCR and NSFR metrics:

<p><i>LCR</i></p> <p>191.9%</p> <p>Limit: 100%</p>

<p><i>NSFR</i></p> <p>112.5%</p> <p>Limit: 100%</p>
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Funding

In terms of funding, the ICF Group ended 2025 with a position of EUR 1,286 million, funded through various debt instruments. The ICF Group's funding tends to be non-current, with average residual maturity of 8.7 years, providing stable funding.

<p><i>Total funding</i></p> <p>€1,295 M</p>
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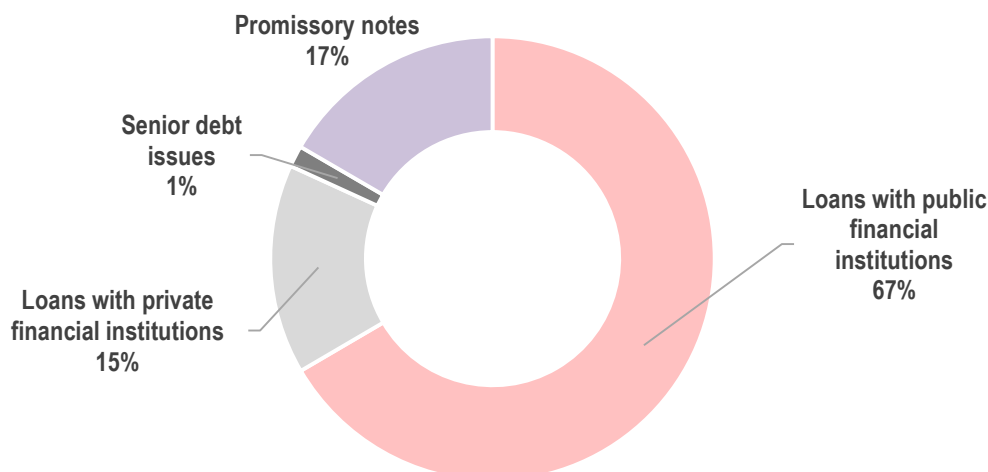


Figure 2. Funding structure.

3 ICF GROUP

3.1 Description of the Group

The Institut Català de Finances (hereinafter referred to as “the Institute”, “the Entity” or “the ICF”) is a public law financial institution with its own legal personality, subject to private law, which is wholly owned by the Generalitat de Catalunya. The Institute is governed by Legislative Decree 1/2022 of 26 July, which enacts the revised text of the Law on the Institut Català de Finances.

The ICF has its own assets and funds, and performs its roles with organisational, financial, capital, operational and management autonomy, being fully independent of public administrations.

As a credit institution, the ICF is subject to specific regulations and is therefore governed only by public basic legislation and the regulations issued by the applicable regulatory bodies of the European Union, given its special activities and nature. The Institute must prepare its annual financial statements and recognise its transactions in accordance with the accounting criteria and standards for credit institutions.

3.2 Scope of application

The Institut Català de Finances heads the Institut Català de Finances Group (hereinafter the “Group” or the “ICF Group”). As of 31 December 2025, and 2024, the Group comprised the following subsidiaries of the ICF, either directly or indirectly:

- Instruments Financers per a Empreses Innovadores, SL, a single-member limited company (hereinafter, “IFEM”), was incorporated by public deed on 12 December 2008. The company’s corporate purpose is

managing public programmes agreed with the Generalitat de Catalunya, the European Union and the Spanish Government, in the broadest sense of the term. To fulfil this purpose, the company uses investment, financing and guarantee instruments as it sees fit, including holding and managing financial investments in guarantee companies, venture capital firms and funds and investment in other state-owned or private enterprises. The company also awards financing and investment, both directly and indirectly through financial intermediaries.

On 31 May 2023, the ICF agreed to transfer the task of implementing the financial instruments in the Catalonia ERDF 2014-2020 Operational Programme to IFEM, together with all the rights and obligations arising from its role as the entity responsible for implementing these instruments, including all Eurocredit loan facility agreements.

The transfers were finalised in September 2023 through a non-monetary contribution to IFEM coupled with a monetary contribution. This resulted in a capital increase totalling EUR 175,000 thousand (EUR 156,263 thousand relating to the value of the economic rights stemming from the Eurocredit loan facility and EUR 18,737 thousand to the monetary contribution).

The ICF, IFEM's sole member, increased IFEM's capital by creating 1,750,000 new equity interests and amending IFEM's bylaws to reflect the new company capital figure of EUR 225,000 thousand following the increase.

In September 2024, IFEM joined the next phase of the Catalonia FEDER Operational Programme 2021-2027. On 18 December 2025, a second cash contribution was made through a capital increase, totalling EUR 33,374 thousand. This second increase in IFEM's capital, also by the ICF, its sole member, involved the creation of 333,744 new equity interests and the amendment of IFEM's bylaws to reflect the new company capital figure, which now stands at EUR 258,374 thousand.

- Institut Català de Finances Capital SGEIC, SA, single-member company (hereinafter, "ICF Capital"), was incorporated for an indefinite term on 26 February 2011 and is subject to Circular 1/2021 of 25 March of the National Securities Market Commission, which regulates venture capital management companies. It is also subject to the applicable legislation relating to this type of company, including Law 22/2015 of 12 November, and Royal Decree-Law 1/2011 of 2 July, which approves the Consolidated Text of the Law of Capital Companies, where applicable. The company's purpose and its principal activity is the administration and management of venture capital funds and the assets of venture capital companies. It is a single-member company, the sole member of which is the Catalan Institute of Finance.

- MAB Capital, FCR (hereinafter, "MAB Capital") is a venture capital fund that was established on 27 February 2012, having received prior authorisation from the National Securities Market Commission on 17 February 2012. On 2 March 2012, the National Securities Market Commission registered the fund in the administrative register of venture capital funds under number 134. Initially, the fund's duration was 10 years, extendable to 12 years. On 27 September 2021, this was extended to 12 years. The investment period ended on 31 December 2018. During the first quarter of 2024, the relevant corporate resolutions were adopted to extend the fund's term by an additional two years, bringing its total duration to 14 years. Similarly, the first quarter of 2026 has been extended by a further two years, until March 2028.

- Capital Expansió, FCR (hereinafter, "Capital Expansió") is a venture capital fund that was established on 20 July 2012, having received prior authorisation from the National Securities Market Commission on 6 July

2012. On 26 July 2012, the National Securities Market Commission registered the fund in the administrative register of venture capital funds under number 136. Initially, the fund's duration was 10 years, extendable to 12 years. On 27 September 2021, this was extended to 12 years. The investment period ended on 31 December 2018. However, in the first quarter of 2024, the relevant corporate resolutions were adopted to extend the fund's term. As a result of these amendments, the period of validity is now 14 years from registration with the CNMV. Regarding the 2026 financial year, the fund is expected to be liquidated within the first half of the year.

- ICF Venture Tech II, FCRE (hereinafter, "ICF Venture Tech II") is a venture capital fund that was registered on 28 June 2019 in the administrative registers of European venture capital funds of the National Securities Market Commission under number 11, having received prior authorisation on 21 June 2019 by the same body. The fund has a duration of 10 years, extendable to a maximum of 12 years.

- ICF Capital Expansion II, FCRE (hereinafter, "ICF Capital Expansion II") is a venture capital fund that was registered on 28 June 2019 in the administrative registers of European venture capital funds of the National Securities Market Commission under number 11, having received prior authorisation on 21 June 2019 by the same body. The fund has a duration of 10 years, extendable to a maximum of 12 years.

- ICF Venture Tech III, FCRE (hereinafter, "ICF Venture Tech III") is a venture capital fund registered on 12 July 2024 in the administrative registers of European venture capital funds of the National Securities Market Commission under number 153 and established on the basis of the private agreement entered into on 22 May 2024. The fund has a duration of 10 years, extendable to a maximum of 12 years.

The registered address is Gran Via de les Corts Catalanes, 635, Barcelona.

The scope of this document is therefore the consolidated group of institutions headed by the ICF. Prudential regulations apply to the entire consolidated Group.

3.3 Consolidated group for regulatory purposes

In accordance with the applicable regulations, the ICF consolidated group is presenting its annual accounts for the year ended 31 December 2025, as required by Bank of Spain Circular 4/2017 of 27 November, amended on 29 December 2025 by Circular 1/2025 with regard to credit institutions, public and confidential financial reporting standards, and financial statement models, and Circular 1/2013 of 24 May, with regard to the Credit Risk Central Information System.

Circular 1/2025 aims to ensure alignment with the International Financial Reporting Standards adopted by the European Union (IFRS-EU), subject to the provisions of the Commercial Code, and to prevent different accounting criteria being applied in individual and consolidated annual accounts.

In preparing the ICF Group's consolidated financial statements, all the subsidiaries and consolidated structured entities were fully consolidated. The associate Avalis de Catalunya is measured using the equity method.

The main differences between the solvency-related consolidated group of entities, as defined in Part One, Title II, Chapter 2 of the CRR, and the Accounting Circular centre, essentially concern the fact that the former takes a broader view of entities into account, whereas, from an accounting perspective, only entities consolidated due to their activities are considered. However, no difference was found for the purposes of preparing the present report of the consolidated ICF Group.

3.4 Consolidated financial statement for regulatory purposes

According to the European Banking Authority (EBA) document on disclosure of information under Titles II and III of Part Eight of Regulation (EU) 573/2013, the table below shows the reconciliation between accounting capital and regulatory capital as of 31 December 2025:

	Eligible capital	Total equity ICF Group
Tier 1	1,026.5	1,087.9
Paid-up capital	693.1	693.1
Reserves	313.3	313.3
Profit(loss) for the year	36.1	36.1
(-) Intangible assets	-0.2	N/A
(-) Deduction for material financial investments	0.0	N/A
(-) Deduction for non-material financial investments	-61.3	N/A
(+/-) Valuation adjustments	45.5	45.5
Tier 2	24.2	-
General provision (*)	151.1	N/A
(-) Excess general provision	-126.9	N/A
Total	1,050.7	1,087.9

(*) Hedging not assigned to individual operations

Table 1. Reconciliation between accounting capital and regulatory capital

The main differences between the two areas centre on the composition of Tier 2 capital, which is a purely prudential concept, and on the deductions that prudential regulation applies to the holding of non-significant financial interests. In the case of the ICF Group, these correspond to stakes in venture capital funds and companies.

3.5 Other general information

Provided the applicable legal framework is complied with and the necessary procedures are carried out, there are no material or legal impediments to equity transfers from the parent company, the ICF, to its subsidiaries.

Furthermore, if the subsidiaries comply with their bylaws and minimum reserve requirements, there are no material or legal impediments to equity transfers from the subsidiaries to the parent company.

At an individual level, by the end of December 2025, the entity will comply with its capital requirement obligations for Pillar I risks (credit risk, market risk and operational risk), as well as with the limits set by regulations.

No entities excluded from the consolidated Group have capital below the minimum level required by solvency regulations.

4. STRUCTURE, ORGANISATION AND INTERNAL GOVERNANCE OF RISK MANAGEMENT

This chapter sets out the ICF Group's risk management system, the strategies and processes making up risk management, and the ICF Group's governance and organisational structure to ensure effective risk management monitoring.

4.1 Strategies and processes for managing risks

Three lines of defence model

The ICF Group's Risk Management System is comprehensive and uses the three lines of defence model following the European Banking Authority's (EBA) guidelines, as set out in Guideline EBA/GL/2021/05 of 2 July 2021. On 7 August 2025, the EBA launched a consultation (EBA/CP/2025/20) with the aim of reviewing and updating the guidelines on internal governance to align them with the latest regulatory developments, including Directive (EU) 2024/1619 (CRD VI), strengthen the roles and responsibilities of management bodies and key functions, and incorporate good practices on diversity, gender equality and digital and cyber risk management.

The organisational framework based on the three lines of defence model separates the internal control functions from the business lines they oversee, thereby segregating functions and resources. This distinction is reflected in the following three-tiered classification of roles:

- *First line:* this includes business units and committees, which are the chief guarantors of the control environment for their own activities.
- *Second line:* this includes risk monitoring and control units and committees which are responsible for designing and upholding the Group's risk model, as well as verifying that it is correctly implemented in all areas.
- *Third line:* this is made up of Internal Audit which conducts an independent review to ensure compliance with and the effectiveness of corporate policies and oversee the actions of the first and second lines of defence.

Corporate risk map

The ICF Group has a corporate risk map in place which includes financial and non-financial risks that significantly impact the Group and therefore require follow-up and monitoring. This risk map quantifies each of the risks through the control systems and procedures in place, making it possible to monitor and mitigate the various risks by reinforcing the control environment. The risks are reported in aggregate as 14 corporate risks to the Joint Audit and Control Committee and the Supervisory Board for their control and oversight.

1. **Regulatory Risk.** Risk related to the breach of internal and/or external regulations.
2. **Governance risk.** Risk related to poor management and administration of the institution together with instability in its governance.
3. **Credit risk.** Risk of incurring losses due to borrowers' failure to meet their payment obligations or to a deterioration in their credit quality.
4. **Venture capital risk.** Risk of incurring losses stemming from venture capital investments.
5. **Cybersecurity and IT failure risk.** Risk of external cyber attacks, incidents with an impact on sensitive information and system failures.
6. **Reputational risk.** Risk related to events that have a direct negative impact on the institution's image and reputation.
7. **Human capital management risk.** Risk related to challenges in talent selection and/or retention and occupational health and safety management.
8. **Sustainability risk.** Risk related to lack of or improper integration of ESG criteria in operations.
9. **Strategic risk.** Risk based on failure to devise or implement a corporate strategy.
10. **Fraud risk.** Risk associated with wilful actions potentially involving both internal and external fraud.
11. **Operational risk.** Risk related to errors in the performance and management of processes associated with routine operations.
12. **Liquidity risk.** Risk of incurring losses due to insufficient funds or increased financing, preventing compliance with commitments as they fall due. It also includes the risk of being unable to close a position due to market imperfections.
13. **Interest rate risk.** Risk of incurring losses in the ICF Group's net interest margin and equity because of changes in the interest rate curve.
14. **Solvency and capital risk.** Risk of incurring insufficient capital from a regulatory perspective to cover unexpected losses at the entity.

Risk Appetite Framework and Risk Appetite Statement

The ICF Group has drawn up a risk appetite framework (RAF), which identifies the entity's risk management policies, procedures, roles and responsibilities. The ICF Group's RAF sets out general qualitative principles that apply to risk management and control. These principles fall into six broad categories, which are as follows:

1. *Risk profile.* The ICF Group shall adopt a medium risk profile to ensure the performance of its operations and fulfil a countercyclical role, without jeopardising its solvency.

2. *Solvency and hedging.* The Group must maintain liquidity and solvency levels that enable it to fulfil its obligations, even in stress scenarios. The Group will manage its risks in accordance with the principles of prudence.

3. *Concentration.* The Group must diversify its investment portfolio to ensure that no single business, customer or sector could put it at risk.

4. *Sustainability.* The Group's business operations should encourage investments that promote sustainable development.

5. *Compliance.* The Group's operations must always comply with regulations, paying particular attention to those relating to state aid and the European System of Accounts (ESA).

6. *Market and interest rate risk.* The balance sheet result should be stable, shaped exclusively by the margin generated from its core business. The Group will not engage in speculative activity.

The ICF Group has a risk appetite statement (RAS) which identifies, monitors and manages the main financial risks to which it is exposed. The statement also sets tolerance levels for these risks, aligning them with the Group's corporate strategy and its financial plan. The RAS metrics were reviewed and updated during 2025 to align them with the entity's strategic plan, which was approved in the 2025 financial year. Additional metrics were incorporated to strengthen the control environment.

In accordance with the activities it undertakes, and its risk map the main financial risks to which the Group is exposed are:

- Credit risk
- Management of interest rate risk in the banking book
- Solvency and capital risk
- Business risk and quality of assets
- Liquidity risk
- The risk of concentration
- Venture capital risk

The ICF Group has set out policies and procedures to form its operational framework for controlling and managing the risks to which it is exposed. These policies are overseen by the highest risk oversight body, the Joint Audit and Control Committee (hereinafter "JACC"), and approved by the Board of Directors. They are regularly reviewed and updated to accommodate any strategic or external changes which may occur.

4.2 Organisational structure

The ICF Group’s risk control and management structures are organised on a global scale and form part of a comprehensive management framework. This framework is overseen by the Joint Audit and Control Committee (JACC), a risk body appointed by the Supervisory Board. The following sections describe the ICF Group’s risk management and control structures and organisation.

Supervisory Board and delegated committees

At the end of the 2025 financial year, the governance structure related to the ICF Group’s risk management and control is as follows:

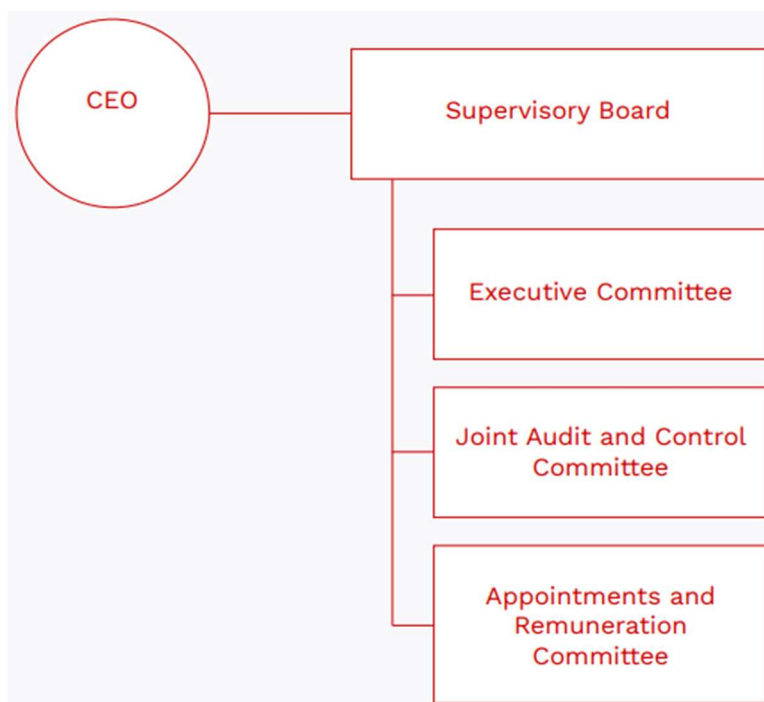


Figure 3. Composition of the ICF Group’s governing bodies

The composition as of 31 December 2025 is as follows:

	Supervisory Board	Executive Committee	Control Committees
Independent	Peydró Alcalde, José Luis Casas Onteniente, Joan B. Puig Pla, Francesc Xavier Soldevila García, Maria Pilar Hortalà i Vallvé, Carme Cots Juvé, Pere	Peydró Alcalde, José Luis Puig Pla, Francesc Xavier Hortalà i Vallvé, Carme	<u>Joint Audit and Control</u> Peydró Alcalde, José Luis Casas Onteniente, Joan B. Cots Juvé, Pere <u>Appointments and Remuneration</u> Soldevila García, Maria Pilar Hortalà i Vallvé, Carme Cots Juvé, Pere

Proprietary	Fernández Iruela, Juli Giménez Corrons, Eva Baron Torres, Jaume Trillas Jané, Francesc	Fernández Iruela, Juli	-
Executive	Servera Planas, Vanessa	Servera Planas, Vanessa	-

Table 2. Composition of the ICF Group's governing bodies

Supervisory Board

The Supervisory Board has the broadest powers concerning the management of the institution and is its highest decision-making body. It also oversees the entire operation of the corporate governance system, the integrity of reporting systems, the information disclosure process, and the effective oversight of senior management. The decisions taken in this governing body relating to the management and supervision of risks are based on a comprehensive analysis of all those factors that have a degree of influence on the organisation. It also, therefore, takes into account the risks affecting the other subsidiaries that make up the ICF Group, respecting the organisational and decision-making structure of the subsidiary concerned. Moreover, the Supervisory Board is responsible for approving policies on risk.

The current delegated committees of the Supervisory Board are described below.

- Executive Committee (EXC)
- Appointments and Remuneration Committee (ARC)
- Joint Audit and Control Commission (JACC)

The **Executive Committee** has been delegated the following powers:

- To decide on all matters delegated by the Supervisory Board. Specifically, and in accordance with the powers currently delegated, to decide on investment proposals relating to credit risk, or investments in venture capital or financial holdings.
- To decide on new products that are considered likely to have a significant impact on the entity's risk profile and subsequently report this to the Supervisory Board.
- To ensure the actions of the ICF Group are consistent with the risk tolerance framework defined by the Supervisory Board in conjunction with the other governing and management bodies.

The responsibilities of the **Appointments and Remuneration Committee (ARC)** are as follows:

- To propose the criteria and policies to be applied for the composition of the Supervisory Board, taking into account the principles of good repute, suitability, and good governance.
- Pursuant to the suitability and incompatibility requirements set out in the regulations governing credit institutions and following the policies and procedures approved by the relevant governing bodies, the ARC is responsible for assessing the suitability of the members of the ICF's Supervisory Board under the terms of the relevant Regulation on the dismissal, appointment and re-election of the members of the ICF's governing bodies. The chief executive officer is

responsible for reporting to this committee on the hiring of senior executives and key personnel undertaken in the performance of their duties. Key personnel are defined as those employees who can influence the risk profile of the entity, as set out in banking regulations.

- To supervise the criteria applied for identifying and developing key ICF personnel.
- To propose to the Supervisory Board the remuneration policy and the system for awarding and the amount of any fixed and/or variable remuneration for members of the governing bodies, executives, and key personnel, ensuring it is compatible with the long-term interests of the institution and with appropriate and effective risk management.
- To propose programmes aimed at updating the knowledge of members of the governing bodies to the Supervisory Board.
- To inform the Supervisory Board and provide an opinion on transactions involving or potentially involving conflicts of interest, in accordance with the Code of Good Practice, as well as on related party transactions.
- At the request of the Chair of the Supervisory Board, issue an opinion to help the Board decide whether to authorise any member of the governing bodies to take up a new office in a different entity, or whether to dismiss an independent member of any governing body of the institute early.
- To make recommendations to the Supervisory Board regarding the appointment of a new chairperson or chief executive and, if necessary, make proposals to ensure that the process takes place in an orderly and well-planned manner.
- To monitor and follow up cases of bullying and sexual harassment involving key personnel.

The responsibilities of the **Joint Audit and Control Committee (JACC)** are as follows:

- To supervise the efficacy of control over the entity, as well as the functions of internal audit, regulatory compliance and internal control, global risk control and risk management and information systems. Also to supervise information security management tasks and conduct a biannual review of the indicators and controls relating to governance.
- To approve or amend the bylaws governing the functions referred to in the previous paragraph, while guaranteeing their independence and universal nature.
- To provide the Supervisory Board with an opinion on any matter within its powers, together with any financial information to be published, prior to decisions concerning the creation or acquisition of holdings in entities whose purpose or location differs from that approved in the ICF's investment policy.
- To supervise the preparation and presentation of regulatory financial information, ensuring its compliance with legal requirements and the proper application of accounting principles.
- To promptly receive any monitoring or requests for information from a supervisory body, regardless of the department responsible for complying with such requests.
- To define the entity's tolerance of general risks, ensure that the risk profile remains within the approved objectives, and keep the Supervisory Board informed of the measures adopted to correct any variance that may arise.

- To establish and supervise a mechanism that enables employees to report any potentially significant irregularities confidentially.

Chief Executive Officer

The CEO is freely appointed and removed at the discretion of the Generalitat de Catalunya, following a favourable report by the Appointments and Remuneration Committee and a proposal by the Minister of Economy and Finance. The CEO is responsible for the ordinary and extraordinary representation of the ICF in all areas and situations. Ms Vanessa Servera i Planas has been the ICF's CEO since 10 January 2023. Vanessa Servera i Planas.

The CEO's duties include:

- a) Managing and implementing the agreements and guidelines approved by the Supervisory Board.
- b) Coordinating and supervising the work delegated by the Supervisory Board to the institution's committees and management bodies referred to in point (f).
- c) Senior management and hiring of staff at the Institut Català de Finances, as well as the appointment of managers of its functional departments.
- d) Representing the Institut Català de Finances on the governing boards of companies in which it has direct or indirect investments, without prejudice to representing the Institute in other agreed areas.
- e) The internal organisation and structure of the Institut Català de Finances, in accordance with the Supervisory Board's approved guidelines concerning its functional departments, services, executive committees and investment committees, in the manner they consider most suitable for the successful performance of its ordinary operations, including the appointment of managers and specifying the employment system.
- f) Exercising the powers delegated to them by the Supervisory Board, as set out in an Authority document.

The CEO may submit any necessary changes and alterations to delegated powers for the approval of the Supervisory Board, based on the conclusions drawn by the management and/or governing bodies tasked with overseeing their application.

Management divisions and committees

The roles of the main divisions engaged in risk control and management are set out below.

The **Risk Monitoring and Management** division's roles include:

- Systematic monitoring and annual review of risks above a certain threshold as set out in its policy.
- Monitor symptoms and determine actions to be taken in the event of alerts generated by the system.
- Analysis and evaluation of adjustments to operations due to customer payment difficulties.
- Managing operations subject to irregularities to recover the investment.
- Deciding upon the recovery strategy and its transfer to litigation.

The **Global Risk Control** division's roles include:

- Systematically monitoring and analysing the evolution of all the ICF Group's relevant risks and checking that they are in line with the established policies.
- Proposing guidelines, methodologies and strategy for the management of all risks.
- Ensuring the integrity of the information systems and risk measurement techniques used to monitor the Group's risk profile in relation to its risk appetite.
- Monitoring and regular reporting of the main banking book risks to the Assets and Liabilities Committee (ALCO).
- Monitoring and reporting on the main risk indicators and their controls to the Joint Audit and Control Committee (JACC), and to other committees where necessary.

The **Anti-Money Laundering and Countering the Financing of Terrorism (AML/CFT)** area is assigned, among others, the following functions:

- Developing a control environment for all legislation covering the effective supervision of risks requiring the establishment of internal control mechanisms and defining procedures for related activities, such as the prevention of money laundering and terrorist financing and data protection.
- Monitoring internal issues that may be significant for the reputation of the ICF and its Group and contributing to the development of measures which the Regulatory Compliance division will be involved in implementing such as codes of conduct, security or internal governance.

The **Internal Audit and Control** division has a number of roles, including:

- Preparing internal audit and control plans which are to be reviewed at least once a year. They must take into account the specific requirements of the Joint Audit and Control Committee and be submitted for its consideration and approval.
- Examining and assessing management systems and procedures, risk assessment and control, and the assessment methods used.
- Regularly monitoring the compliance, appropriateness and effectiveness of the Group's policies, procedures, information systems and internal control systems, ensuring they conform to laws, standards and regulations. In particular, overseeing the internal financial reporting control system.

- Ensuring the Corporate Risk Map is maintained and updated to furnish a global and uniform view of the risks to which the entity is exposed.
- Providing guidance and support in identifying, assessing, monitoring, managing and mitigating the entity's risks.

Given their importance and relevance in the organisation and in risk management, the main management bodies involved are described below. Notwithstanding the above roles and responsibilities, the management committees in 2025 were as follows:

Management Committee: The functions of the Management Committee are:

- a) The deliberation, decision-making and monitoring of the ICF Group's general strategic aspects.
- b) Monitoring and controlling key aspects of business development, the entity's balance sheet and income statement.
- c) Monitoring the activities carried out by the subsidiary entities that make up the ICF Group.
- d) Submission to the Supervisory Board of the proposal for a borrowing limit, the management budgets, the reports and the annual accounts, both individual and consolidated.
- e) The review, evaluation and submission to the Supervisory Board of any internal policy or the amendment of an existing one, for its approval. The deployment of the various linked procedures must be approved, in general terms, by the management bodies with the relevant competence, or, if none exist, by the senior manager of the affected functional area.
- f) Decisions on new products or modifications to existing products that do not entail substantial changes to the ICF risk profile. All other decisions on new products that are considered likely to have a significant impact on the entity's risk profile must be referred to the Supervisory Board (exceptionally, they may be referred to the Executive Committee and subsequently reported to the Board).
- g) Approval of agreements linked to financing and/or investment lines.
- h) The approval of the specific regulations or regulatory framework for funding lines involving the granting of aid or subsidies managed by the ICF, and, where appropriate, the calls for applications to access them.
- i) Approval of the global price list for each product.
- j) Monitoring relevant cross-cutting aspects, such as:
 - Conclusions arising from internal audit activities.
 - Monitoring relevant reports and requirements from supervisory bodies or administrations.
 - Monitoring of the main procurement of products and services carried out.
 - Monitoring of actions in the areas of human resources, sustainability, communication and other cross-cutting matters.
 - Modifications to systems and procedures with cross-cutting implications.
- k) The management of all matters that may arise from the other management bodies, and particularly the decision, where appropriate, on any proposals they choose to submit.
- l) Supervising all risks of the ICF Group and ensuring compliance with established internal limits.
- m) Decisions relating to financial participations.

Assets and Liabilities Committee (ALCO). The functions of the Assets and Liabilities Committee are:

- a) Analysis of the economic environment and market conditions and how they affect the entity.
- b) Prospective analysis of the entity's position under liquidity and interest rate stress scenarios.

- c) Supervising the balance sheet strategies, both on the asset and liability side, to ensure they are aligned with the established solvency ratio targets, risk profile and profitability.
- d) Optimisation of the financial margin in accordance with the entity's risk profile and profitability.
- e) The proposal for measures to be taken in the event of non-compliance with the established limits, due to unforeseen market developments.
- f) Monitoring, controlling and mitigating the structural balance sheet risks (interest rate, liquidity and market) and ensuring compliance with established policies and their limits.
- g) Ensuring compliance with established risk policies and limits and proposing any necessary modifications.
- h) Approval of conditions for the contracting of the entity's borrowing operations, as well as of interest rate hedging operations.
- i) Submission of proposals to the Management Committee regarding product pricing tariffs.
- j) Submission of proposals to the Management Committee regarding financial risk, financial investment and pricing policies, as well as any subsequent amendment proposals. The Management Committee will also approve the procedures required to implement these policies.
- k) Tracking the profitability of products in the market.
- l) Tracking the budget and the evolution of disbursements by product.
- m) Reviewing the entity's liquidity and funding contingency plan.

Risk Monitoring Committee (RMC). The functions of the Risk Monitoring Committee are:

- a) Monitoring the overall development of the credit portfolio by risk category and its coverage.
- b) Monitoring credit transactions and economic groups to identify incidents that may have an impact in the global evolution of the entity's credit risk. This shall include, at a minimum, and in accordance with the limits defined by its remit, the following:
 - The review of operations and economic groups.
 - The review of the main non-performing assets.
 - The review of the rehabilitation and recovery of transactions.
 - The review of refinancing and restructuring operations.
 - The review of transactions and economic groups that, while not falling within the remit defined by the department, are considered relevant by the Risk Monitoring and Management department and referred to the Committee.

Based on the information provided by the Risk Monitoring and Management Department, the Committee must decide on the classification of the operations and the necessary coverage, in accordance with the limits defined by its remit.

- c) Taking decisions on the transfer of operations to a failed state, in accordance with the limits defined by its remit.
- d) Submission of proposals to the Management Committee for collective coverages that exceed the minimums set by the relevant regulations, in accordance with the provisions of the Corporate Accounting Policy, and subject to approval by the Supervisory Board.
- e) Tracking of tax assets linked to the loan portfolio.
- f) Reviewing and submitting proposals to the Management Committee for the valuation requirements of collateral for the credit portfolio, in accordance with the provisions of the Credit Risk Policy.

g) Communicating to the Management Committee on a quarterly basis the overall decisions that have been implemented.

Credit Investment Committee (CINC) The functions of the Credit Investment Committee are:

- a) Credit risk decisions and modifications of transactions below the amounts allocated to the Executive Committee or the Supervisory Board, provided they do not involve an increase in debt or a loss of guarantee and are in accordance with the limits defined by its remit.
- b) Any decision relating to operations, clients, risk and internal operations, provided it meets the thresholds defined within its terms of reference and does not involve an increase in debt or a loss of collateral.
- c) The modification of operations of related entities that does not involve an increase in debt or a loss of guarantee.
- d) Decisions on credit risk proposals for co-financed transactions, where, due to the accumulation of risk, they may fall to the Executive Committee or the Supervisory Board. The relevant authority must be informed afterwards.
- e) Decisions on credit risk proposals for certain ICF products, in accordance with the limits defined by its remit.
- f) Exercise of property rights and the initiation of judicial or insolvency proceedings for outstanding-risk operations in accordance with the limits defined by its remit. The relevant authority must be informed afterwards.
- g) Submission to the Management Committee of the proposed amendments to the Credit Risk Policy, together with the approval of the associated implementation procedures, for information purposes only.

The **Equity Investment Committee**. The functions of the Equity Investment Committee are:

- a) Making decisions on investments, divestments and amendments to management companies relating to equity instruments for both the ICF and IFEM, in accordance with the limits defined by its remit.
- b) Submission of proposals for investment, divestment and amendments to management companies relating to equity instruments to the relevant governing body, in accordance with the limits defined by its remit.
- c) The submission of proposals for all decisions relating to IFEM's equity instruments to the relevant IFEM body, in accordance with the limits defined by its remit.
- d) Submission of proposals to promote equity instruments to the relevant governing body, in accordance with the limits defined by its remit.
- e) Defining calls for expressions of interest to identify investment opportunities, as well as the subsequent follow-up.
- f) Submission of proposals to the Management Committee for amendments to the policy on investments in equity instruments, as well as the related procedures for their implementation, for information purposes only.

The **Digital Information Security Committee (DISC)**. The functions of the Digital Information Security Committee are:

- a) Supervising the appropriate use of and protection of information, while promoting the continuous improvement of the information security management system.
- b) Approving the adoption of measures in the event of information security incidents and overseeing the coordination between areas for their management.
- c) Defining the ICF Group's information security strategy.
- d) Coordinating the efforts of the various areas in information security to ensure they are consistent and aligned with the agreed strategy and to avoid duplication.
- e) Approval of the training and qualification requirements for administrators, operators and users in information security.
- f) Promoting compliance with information security obligations and monitoring the main risks.
- g) Submission of the Information Security Improvement Plan to the Management Committee.
- h) Submission of the information security policy proposal to the Management Committee, as well as the approval of the associated procedures for its implementation.
- i) Provide regular information to the Management Committee and the relevant governing bodies on the state of information security, as well as on the most relevant and cross-cutting aspects.

The Internal Control Body (OCI). The functions of the Internal Control Body are as follows:

- a) The design and coordination of the Group's policies on the prevention of money laundering and the financing of terrorism (AML/CFT), as well as the promotion of the development and implementation of procedures in accordance with the established policies.
- b) The design and approval of the operational procedures necessary to comply with AML/CFT.
- c) Submission to the governing bodies of the Group's entities for approval of substantial amendments to the Anti-Money Laundering and Countering the Financing of Terrorism Manual.
- d) The review and resolution of special examinations submitted by the head of the AML/CFT Unit and, where appropriate, approval of clients requiring their authorisation, in accordance with the Client Admission Policy.
- e) Approval of non-substantial changes or changes to the annexes of the Manual. However, the Joint Audit and Control Committee and the governing bodies must be informed annually.
- f) Approval of the employees' annual AML/CFT training plans and ensuring that employees receive the training.
- g) Annual approval of the ICF Group's risk analysis contained in the Risk Self-Assessment Report and the proposal for ratification by the governing bodies or by the body designated by them.
- h) Approval of the Risk and Controls Map for AML/CFT and the monitoring of its implementation and any incidents arising from it on a semi-annual basis.

The ICF Group also integrates the technical decision-making bodies into its management structure. These include functions and responsibilities different from those of management committees and complement the scope of decision-making. The technical bodies are the Risk Monitoring and Granting Committee, the Technical Committee on Equity Instruments and the Technical Committee on Liquidity.

5. ELIGIBLE CAPITAL AND CAPITAL REQUIREMENTS

5.1 Regulatory framework

The breakdown of the ICF Group's eligible capital is established as shown in Part Two of Regulation (EU) No 575/2013. When applied to the ICF Group, eligible capital is made up of the sum of Tier 1 capital plus Tier 2 capital. The components of Tier 1 capital are defined in Chapter 1 Article 25 of the CRR. Prudential filters are defined in Articles 32 to 35 of the Regulation. The ICF Group's Tier 2 capital complies with Article 62(c).

5.2 Eligible capital

Below is a breakdown of the items that make up the ICF Group's eligible capital as of 31 December 2025, as well as a comparison with the position on 31 December 2024:

ICF GROUP ELIGIBLE CAPITAL	2025	2024	Differences
Tier 1	1,026.5	994.9	31.6
Paid-up capital	693.1	693.1	0.0
Reserves	313.3	278.7	34.6
Profit(loss) for the year	36.1	33.1	3.0
(-) Intangible assets	-0.2	-0.2	0.0
(-) Deduction for material financial investments	0.0	0.0	0.0
(-) Deduction for non-material financial investments	-61.3	-53.7	-7.6
(+/-) Valuation adjustments	45.5	43.9	1.6
Tier 2	24.2	24.0	0.2
General provision (*)	151.1	115.1	36.0
(-) Excess general provision	-126.9	-91.1	-35.8
Eligible capital = Tier 1 + Tier 2	1,050.7	1,018.9	31.8

(*) Hedging not assigned to individual operations

Table 3. Annual comparison of the breakdown of the Group's eligible capital

At the end of the 2025 financial year, Tier 1 capital stood at €1,026.5 million, with a net increase of €31.6 million compared with the previous financial year, mainly due to the results of the year.

Total regulatory capital, which is the sum of Tier 1 capital plus Tier 2 capital (the ICF Group does not include any capital items eligible as Additional Tier 1), has increased compared to year-end 2024 by EUR 31 million to EUR 1,050.7 million.

The chart below shows the performance of eligible capital through its various components:



Figure 4. Annual performance of the ICF Group's eligible capital. The *net deductions* item also includes change in intangible assets.

5.3 Capital requirements

Credit risk and operational risk are the ICF Group's only Pillar I risks with capital requirements. The Group's main risk is credit risk² at 95.6% of capital consumption, followed by operational risk at 4.4% (see Figure 5). As the ICF Group held no positions in the trading book at the end of December 2025, it is exempt from market risk capital requirements.

² Credit risk also includes counterparty and CVA risk.

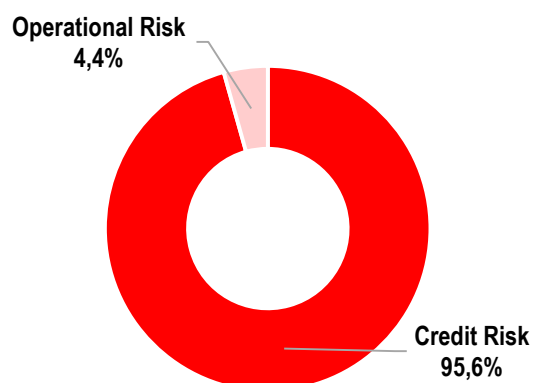


Figure 5. Capital consumption by risk type (Pillar 1 risks).

The weighting of assets by credit risk follows the standard methodology and incorporates the most recent amendments set out in CRR III. The table below breaks down the calculation of risk-weighted assets and capital requirements for Pillar I risks by product and risk as of 31 December 2025:

<i>Millions of euros</i>	Financial exposure: On-balance and off- balance sheet items	Prudential exposure: On-balance and off- balance sheet items ⁽¹⁾	RWA density ⁽²⁾	Risk-Weighted Assets (RWA)	Pillar I risks cap. req. (8% RWA)	% of total RWA
CREDIT RISK	3,717.5	3,555.4	80%	2,981.9	238.7	95.6%
a) Credit investment	2,899.4	2,685.4	65%	1,898.0	151.9	60.9%
<i>Loans and available credit</i>	2,740.3	2,605.9	68%	1,864.7	149.2	59.8%
<i>Guarantees</i>	159.1	79.5	21%	33.3	2.7	1.1%
b) Venture capital (direct and funds)	378.3	288.5	199%	573.9	46.0	18.4%
<i>Shareholdings and venture capital (balance sheet risk):</i>	258.8	190.3	250%	475.7	38.1	15.3%
<i>Venture capital (commitments)</i>	119.5	98.2	100%	98.2	7.9	3.1%
c) Current accounts and deposits	82.5	82.5	50%	41.2	3.3	1.3%
d) Fixed income investments	197.6	197.6	36%	71.8	5.7	2.3%
e) Other assets	80.2	80.2	100%	80.2	6.4	2.6%
f) Deferred tax assets	78.4	78.4	250%	196.1	15.7	6.3%
g) Derivatives	1.1	142.8	85%	120.7	9.7	3.9%
Counterparty risk	-	31.6	30%	9.5	0.8	0.3%
CVA risk ⁽³⁾	-	111.2	100%	111.2	8.9	3.6%
OPERATIONAL RISK ⁽⁴⁾	-	135.8	100%	135.8	10.9	4.4%
TOTAL	3,717.5	3,691.2	84%	3,117.7	249.6	100.0%

Table 4. Composition of Risk-Weighted Assets (RWAs) and Pillar 1 risk capital requirements

(1) Prudential exposure in on-balance and off-balance sheet items as established in Regulation (EU) No 575/2013 and subsequent amendments (CRR III).

(2) Risk-weighted asset density calculated with reference to the financial exposure of on-balance and off-balance-sheet items, excluding venture capital activities and derivatives that are valued on a prudential exposure basis.

(3) CVA risk capital requirements are calculated in accordance with Article 384 of the CRR. According to Article 92, exposure is calculated by multiplying capital requirements by 12.5.

(4) The capital requirements for operational risk are calculated using the business indicator methodology, in accordance with CRR III.

The breakdown of capital requirements by product is shown below:

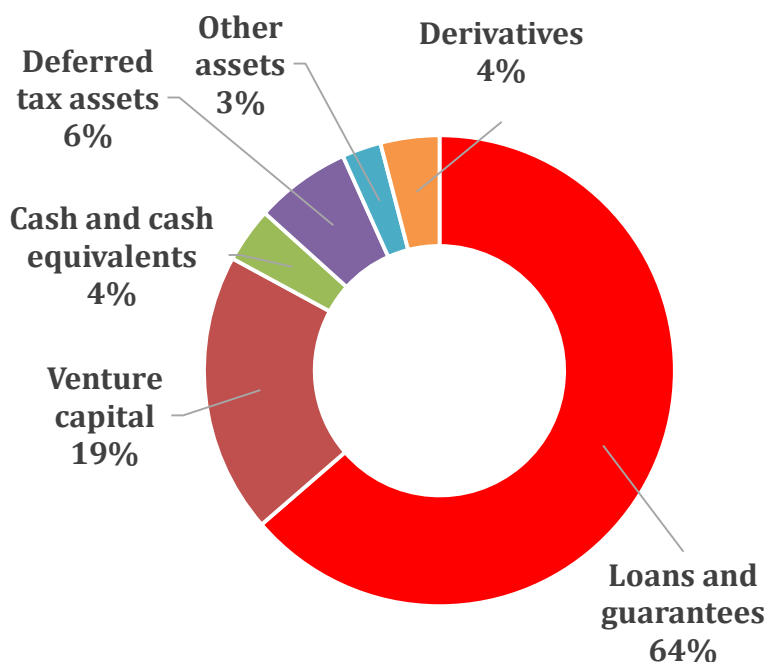


Figure 6. Capital consumption by product type

The ICF Group’s total risk-weighted assets amounted to EUR 3,117.7 million, of which 60.9% were from credit investments, in line with the Group’s activity.

The Pillar I minimum capital requirement at year-end 2025 is EUR 249.4 million and the ICF Group held an available capital buffer of EUR 801.3 million. For illustrative purposes, a comparative table with respect to year-end 2024 is shown below:

	2025	2024	Differences
ICF Group EC	1,050.7	1,018.9	31.8
Total RWAs	3,117.7	2,967.6	150.1
Pillar I Risks Capital Requirements (8%)	249.4	237.4	12.0
Available capital	801.3	781.5	19.8

Table 5. Annual comparison of eligible capital (EC), risk-weighted assets (RWAs), capital requirements and available capital.

The ICF Group complies with all regulatory limits for capital ratios as of 31 December 2025:

Minimum requirements

Capital ratios	2025	Total	Minimum ³	Buffer ⁴ capital	Countercyclical buffer ⁵
Common Capital Ratio (CET1)	32.9%	7.5%	4.5%	2.5%	0.5%
Total capital ratio	33.7%	11.0%	8.0%	2.5%	0.5%

Table 6. ICF Group capital ratios at year-end 2025

5.4 Solvency trends

The historical evolution of the total capital ratio over the last three years is shown below, with the fall mainly due to the increase in the portfolio.

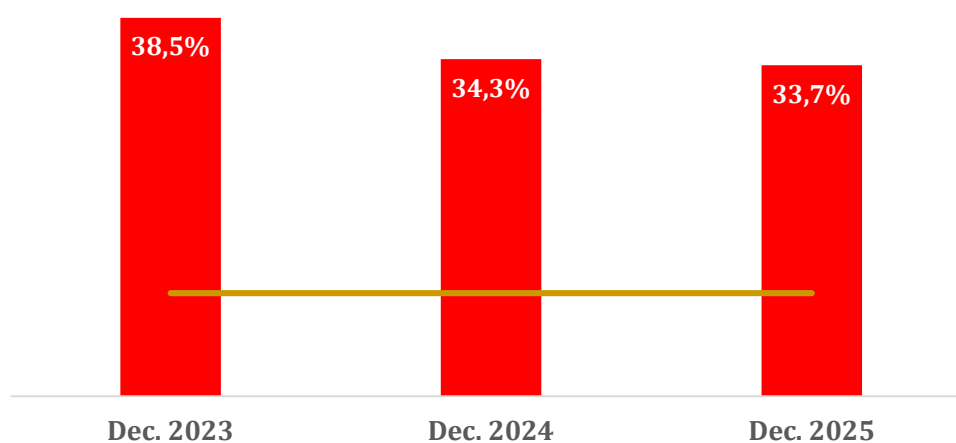


Figure 7. Historical performance (last three years) of the ICF Group's total capital ratio and the regulatory limit (11%).

At the end of the 2025 financial year, the ICF Group's leverage ratio is 33.1%, a figure that comfortably complies with the regulatory limits set by the 3% leverage ratio following the guidelines of Article 429 in Regulation (EU) No 575/2013 and its amendment in Regulation (EU) No 2019/876 (as indicated in recital 10 of the latter).

	2025	2024	Differences
Leverage ratio	33.1%	33.2%	-0.1%

Table 7. Annual comparison of the ICF Group's leverage ratio.

³ Chapter I, Section 1, Article 92 of EU Regulation No 575/2013.

⁴ Chapter 4, Section 1, Article 129 of Directive 2013/36/EU.

⁵ Countercyclical buffer of 0.5% from the fourth quarter of 2024 and applicable from 1 October 2025 plus its increase to 1% in the fourth quarter of 2025 and applicable from 1 October 2026 (Bank of Spain statement of 16 May 2024 and subsequently in the statement of 18 December 2024).

6. CREDIT RISK

6.1 Regulatory framework

Credit risk is the possibility of incurring economic loss arising from borrowers' potential failure to meet their financial obligations. This risk is calculated according to the standardised approach (Title II, Chapter 2, Section 1 of Regulation EU No 575/2013 2013 and its amendments in Regulation (EU) No 2019/876). Credit risk adjustments and risk mitigation techniques are applied according to Articles 442 and 453 respectively of Regulation (EU) No 575/2013.

6.2 Accounting definition of default and impaired positions

Impaired exposures and objective evidence of impairment

For the purpose of determining the risk of default, the Group applies a definition that is consistent with that used for the internal management of credit risk of financial instruments and takes into account quantitative and qualitative indicators.

The Group considers that there is objective evidence of impairment (OEI) when one or more events with a negative impact on its estimated cash flows have occurred. Observable data relating to the following events constitute evidence that a financial asset is credit-impaired:

- Unpaid instalments past-due 90 days. Likewise, all operations of a borrower are included when the number of transactions with overdue balances with more than 90 days exceeds 20% of the amounts pending collection.
- There are reasonable doubts about the total reimbursement of the asset.
- Significant financial difficulties of the issuer or the borrower.
- Breach of contractual clauses, such as non-payment or default events.
- Granting by the lender of concessions or advantages due to economic or contractual reasons owing to financial difficulties of the borrower which otherwise would not have been granted and which show evidence of impairment.
- An increase in the likelihood that the borrower enters bankruptcy or in any other financial reorganisation situation.
- Disappearance of an active market for the financial instrument caused by the financial difficulties of the issuer.
- Purchase or origin of a financial asset with a significant discount that reflects the credit losses suffered.

Classification of operations based on credit risk due to insolvency

Financial instruments, including off-balance-sheet items, are classified in the following categories, taking into account whether there has been a significant increase in credit risk since the original recognition of the transaction and if there has been a default event:

- Stage 1 – Standard risk: the risk of a default event has not had a material increase from the initial recognition of the transaction. The impairment value correction for this type of instrument is equivalent to the 12-month expected credit losses.
- Stage 2 – Standard risk requiring special surveillance: the risk of a default event has had a material increase from the initial recognition of the transaction. The impairment value correction for this type of instrument is calculated as the expected credit losses throughout the life of the transaction.
- Stage 3 – Non-performing: the transaction has been subject to a default event. The impairment value correction for this type of instrument is calculated as the expected credit losses throughout the life of the transaction.
- Write-off risk – Transactions for which the Group has no reasonable recovery expectations. The impairment value adjustment for this type of instrument is equivalent to its carrying amount and involves the total derecognition of the asset.

A table of the main credit risk indicators as of December 2025 (and a comparison with December 2024) is shown below:

	2025	2024	Differences
Total portfolio (millions of euros)	2,700	2,395	305
Non-performing (millions of euros)	177.8	160.3	17.5
NPL ratio	6.6%	6.7%	-0.1
Coverage ratio	170.8%	158.6%	12.2

Table 8. Annual comparison of portfolio volume and non-performing risk (includes loans and guarantees gross of provisions), NPL ratio and coverage ratio.

6.3 Valuation adjustments due to impairments and allowances for contingent liabilities and commitments

Credit risk impairment provisions are calculated based on the criteria set out in Bank of Spain Circular 4/2017, as amended by Circular 6/2021. These provisions may be supplemented by any additional amounts judged necessary to reflect the characteristics of borrowers, sectors or portfolios that cannot be identified in the general process of estimating the impairment provision.

Methods for estimating expected credit losses through insolvency

Impairment losses on these instruments equate to the negative difference between the current values of their expected future cash flows discounted at the effective interest rate and their respective carrying amounts.

When estimating the future cash flows of the debt instruments the following are taken into account:

- The total amount expected to be obtained during the remaining life of the instrument, including any amounts that may be payable under the guarantees covering it (after deducting the costs necessary for their adjudication and subsequent sale). The impairment loss takes into account the probability of collecting interest which is accrued, expired or not collected.
- The different types of risk to which each instrument is subject.
- The circumstances in which payment could foreseeably occur.

The assessment of possible impairment losses on these assets depends on whether customers are considered individually material or non-material, following a review of the portfolio and the monitoring policy applied by the entity.

Once the thresholds are set, the process is as follows:

- Individualised analysis: for individually significant assets, an analysis is carried out to identify customers with objective evidence of impairment (OEI), dividing them into two groups:
 - Customers with OEI: the loss incurred is calculated as the difference between the present value of the expected future flows (repayment of the principal plus interest) for each customer transaction (discounted using the original effective interest rate) and its carrying amount. Accordingly, both the going concern and the gone concern hypotheses are considered.
 - Customers with no OEI: there is no objective evidence of impairment, and no type of provision is required given their acceptable credit situation. These exposures are classified under homogeneous risk groups and are tested collectively for impairment.
- Collective testing: for non-significant exposure with OEI and other cases of exposure, a collective calculation is made for homogeneous risk groups to obtain both the generic coverage associated with a group of transactions and coverage for specific transactions which have similar risk characteristics, allowing them to be classified in homogeneous groups. For these purposes, the ICF uses the risk parameters of Bank of Spain Circular 4/2017 as a reference with the minimum percentages specified, which are based on historical experience of the Spanish market, increased if considered necessary for any group in particular based on their risk characteristics and management's estimate of the amount of expected loss based on our current economic conditions.

6.4 Changes due to impairments and provisions for credit risk

As of 31 December 2025, hedging for non-impaired operations includes an amount of EUR 144,012 thousand (EUR 92,150 thousand in 2024) for transactions classified as standard and EUR 61,304 thousand (EUR 64,920 thousand euros in 2024) for transactions classified as standard under special surveillance.

The calculation of provisions for credit risk impairment, calculated in accordance with the accounting policy described in note 2, has been supplemented by additional allowances derived from the macroeconomic and geopolitical environment, a situation which generates uncertainty about the evolution of the Group's customers' businesses and, therefore, about the severity of the loss they may generate in the event of default, which the institute has stressed to assess its potential impact. In view of the foregoing, the Group has supplemented the provisions for credit risk impairment with the additional amounts considered necessary to reflect the particular characteristics of the borrowers, amounting to EUR 124,655 thousand and EUR 25,798 thousand for stages 1 and 2 respectively (EUR 77,285 thousand and EUR 37,247 thousand as of 31 December 2024).

Millions of euros

2025	Stages 1 and 2 Not Impaired		Stage 3 Impaired		Total
	Individual	Collective	Individual	Collective	
Gross amount					
Balance on 1 January 2025	-	2,108.8	38.6	116.2	2,263.6
Balance on 31 December 2025	-	2,390.9	28.9	138.6	2,558.4
Impairment					
Balance on 1 January 2025	-	-157.1	-35.8	-56.8	-249.6
Charges/Recoveries	-	-53.6	22.6	-26.5	-57.5
Transfers between stages	-	5.3	-3.2	-2.1	-
Transfer to write-offs	-	-	-	8.4	8.4
Balance on 31 December 2025	-	-205.4	-16.4	-76.9	-298.7

Table 9. Breakdown of the annual evolution of accounting provisions for credit risk corresponding to customer loans (includes equity loans and excludes guarantees).

6.5 Geographical distribution of exposures

The classification of the ICF Group's loan portfolio by area of investment as of 31 December 2025 is shown below. The Group's operations focus on promoting the growth of Catalan companies, so its natural area of activity is the Region of Catalonia:

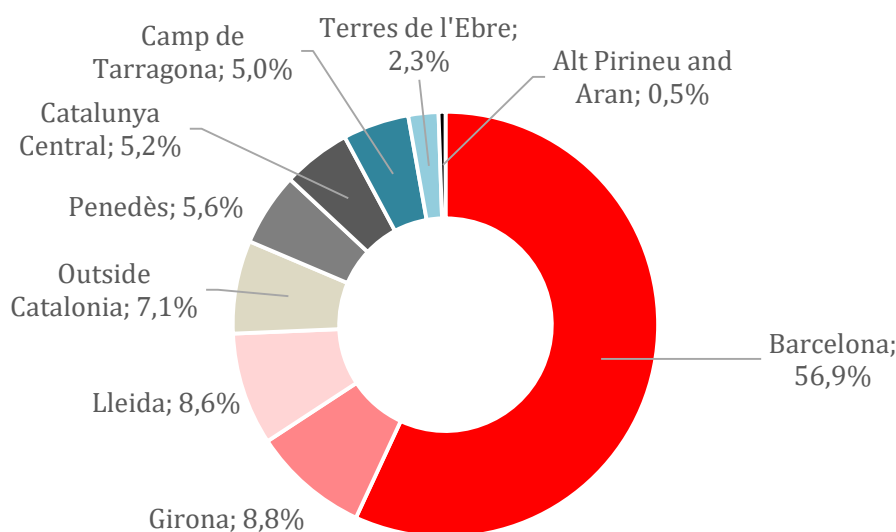


Figure 8. Territorial distribution of the loan portfolio (calculated by gross exposure).

The geographical breakdown used is based on traditional Catalan jurisdictions (*vegueries*). The Barcelona area represents 56.9% of the ICF's portfolio, in line with its share of Catalonia's total GDP.

The table below shows the gross carrying amount of loans broken down into performing and non-performing loans, provisions for impairment and net carrying amount (total carrying amount minus provisions for impairment) by county investment area:

Millions of euros	Non-performing	Performing	Provisions	Total ⁶
Alt Pirineu i Aran	0.9	13.3	-1.1	13.1
Barcelona	125.9	1,410.6	-188.1	1,348.4
Camp de Tarragona	10.1	125.8	-35.0	100.9
Catalunya Central	9.4	130.6	-18.3	121.7
Girona	7.3	231.5	-15.5	223.3
Lleida	4.1	226.7	-10.8	220.0
Penedès	4.1	146.2	-12.6	137.8
Terres de l'Ebre	0.1	61.6	-1.1	60.6
Outside Catalonia	15.9	175.4	-21.1	170.1
TOTAL	177.8	2,521.7	-303.6	2,395.9

Table 10. Territorial distribution of non-performing loans and (standard and specific) accounting provisions for credit risk (loans and guarantees, not including equity loans).

6.6 Distribution of exposure by counterparty or sector

⁶ The differences between this total net credit risk exposure as calculated by the solvency ratio are caused by the different treatment of generic provisions, valuation adjustments and managed funds.

The segmentation of the loan portfolio as of 31 December 2025, distributed by CNAE, is shown below:

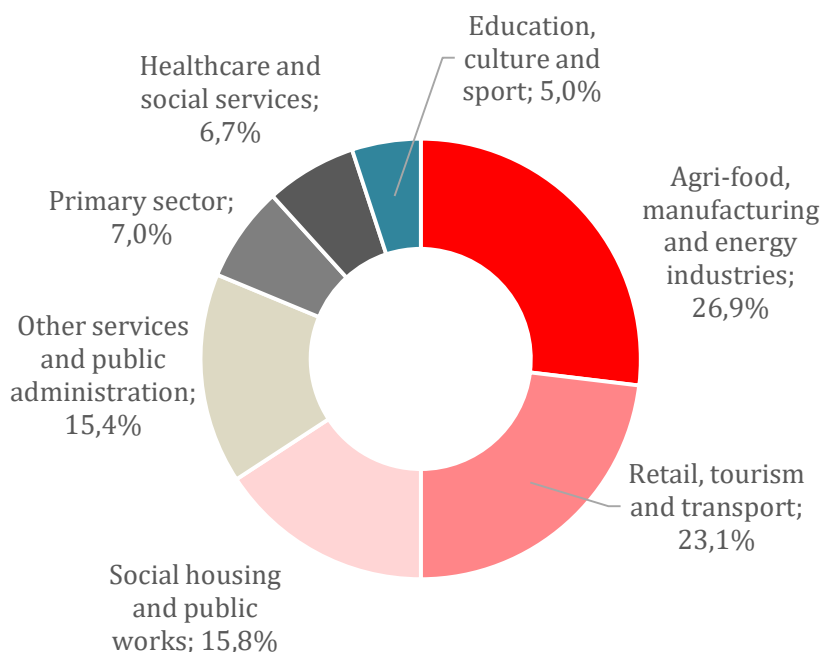


Figure 9. Sector segmentation of the loan portfolio (calculated by gross exposure).

The table below shows the gross carrying amount of the loan portfolio broken down into performing and non-performing loans, provisions for impairment and net carrying amount (total carrying amount minus provisions for impairment) by investment sector:

<i>Millions of euros</i>	Non-performing	Performing	Provisions	Total
Agri-food, manufacturing and energy industry	67.6	659.4	-99.0	628.0
Primary sector	3.3	186.2	-5.8	183.7
Retail, tourism and transport	41.0	581.7	-76.4	546.3
Social housing and public works	0.0	426.6	-13.6	413.0
Education, culture and sport	18.4	117.6	-22.3	113.8
Healthcare and social services	5.8	175.2	-33.6	147.3
Other services and public administration	41.7	375.0	-52.9	363.8
TOTAL	177.8	2,521.7	-303.6	2,395.9

Table 11. Sector distribution of non-performing loans and accounting provisions for credit risk (includes loans and guarantees and excludes equity loans).

Investment in the construction and public works sector derives solely and exclusively from investment through social housing and public works facilities.

6.7 Distribution of exposure by residual maturity

The table below shows the maturity of cash instruments, customer loans, deposits with credit institutions, and debt securities as of 31 December 2025, categorised by tenor according to their contractual terms:

<i>Millions of euros</i>	Demand deposits	Less than a month	1-3 months	3-12 months	1-5 years	> 5 years	Total
Cash, deposits in central banks and other demand deposits	60.1	-	-	-	-	-	60.1
Loans and receivables	-	33.1	59.6	244.6	982.2	967.3	2,286.9
Deposits with credit institutions	-	10.0	5.0	5.0	2.3	-	22.3
Central banks	-	-	-	-	-	-	-
Customer loans	-	23.1	54.6	239.6	979.9	967.3	2,264.5
Debt securities	-	0.3	13.8	69.0	114.4	0	197.6
Total	60.1	33.5	73.4	313.6	1,096.6	967.3	2,544.6

Table 12. Time distribution of expected cash flows (data with value adjustments).

6.8 Impairment losses and reversals for previously recognised losses

Impairment losses on financial assets not measured at fair value through profit (loss) for 2025 and 2024 are as follows:

<i>Millions of euros</i>	2025	2024
Impairments or (-) or reversals of impairments to financial assets not recognised at fair value through profit or loss:		
<i>Allocations to provisions</i>	(97.8)	(60.5)
<i>Recoveries</i>	40.8	15.5
<i>Recoveries of written-off assets and other</i>	2.7	9.6
Total loans and receivables	(54.3)	(35.5)
Total other available-for-sale financial assets	-	-
Financial assets at cost	-	-
Total financial assets at cost	-	-
Total	(54.3)	(35.5)

Table 13. Annual evolution of provisions for credit risk.

6.9 External credit assessment institutions (ECAI) used

The ICF Group uses the external credit assessment institutions (ECAIs) S&P, Moody's, Fitch and DBRS, which are all recognised by the European Central Bank, to determine the risk weights applicable to exposures from fixed income investments and positions held with financial institutions through deposits, current accounts, pass-through transactions and derivatives. The conditions indicated in Article 138 of Regulation (EU) No 575/2013 are applied to determine the final assessment for exposure.

A comparison between 2025 and 2024 of the distribution of the Group's exposures by rating for investments in fixed income and derivatives is shown below. At the end of December 2025, 100% of total exposures are in investment grade investments.

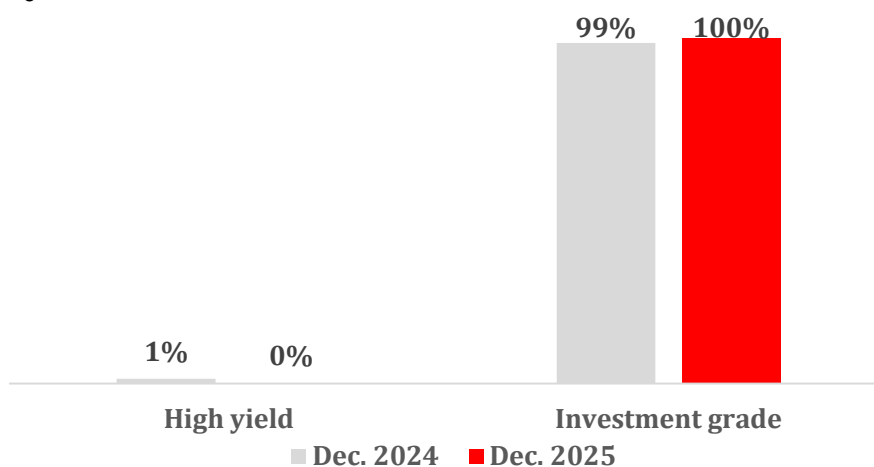


Figure 10. Distribution by counterparty rating of fixed income investment and derivatives

6.10 Application of risk mitigation techniques

The ICF Group uses the credit risk mitigation techniques referred to in Article 453 of Regulation (EU) No 575/2013. In this respect and following the principle of prudence, credit risk mitigation techniques are only used through guarantees corresponding to regional governments and banking institutions (including Avalis SGR), as set out in Article 201(1)(b) and (f) of Regulation (EU) No 575/2013, or as mortgage collateral as defined in Articles 124 and 199 of Regulation (EU) No 575/2013.

Lastly, the ICF Group calculates credit risk capital requirements according to Article 501 of Regulation (EU) No 575/2013 for exposures to small and medium-sized enterprises (SMEs), for which a correction factor of 0.7619 applies. Regulation (EU) No 2019/876 increases the application of this correction factor for exposures up to €2.5 million and applies a factor of 0.85 to exposures above this limit.

6.11 Capital requirements for credit risk

The ICF Group applies the risk weightings as set out in CRR III, using the standard method to calculate credit risk-weighted assets.

As of 31 December 2025, 95.6% of risk-weighted assets (RWAs), totalling EUR 2,982 million, were classified under credit risk. It should be noted that these are RWAs after risk reduction techniques acceptable under applicable standards have been applied. Capital requirements for credit risk amounted to EUR 238.7 million.

6.12 Capital requirements for counterparty and CVA risk

Counterparty credit risk refers to the possibility of incurring losses as a result of the other contracting party to a financial agreement failing to fulfil their contractual obligations in a timely and appropriate manner.

The ICF Group, in compliance with Article 286 of Regulation (EU) No 575/2013, has drawn up a counterparty risk management policy which is included in the ICF Group's Financial Risk Policy.

It should be noted that the ICF Group does not carry out repurchase agreements (repos) or use credit default swaps (CDS). The ICF Group only uses financial derivatives as a tool for managing financial risk. When these operations comply with certain requirements they are treated as hedging operations.

The capital requirements regarding counterparty risk stemming from the ICF Group's positions on interest rate derivatives are calculated using the original exposure method and the notional value of the contract, which is weighted according to the residual maturity and rating of the financial institution.

The calculation of the credit valuation adjustment or CVA is an adjustment included in the valuation of the derivative to account for the counterparty's credit risk. The methodology employed in the prudential area for calculating CVA, as at the end of December 2025, is the *basic approach CVA* or BA-CVA (basic method), as set out in Article 384 of Regulation (EU) 2024/1623 (CRR III).

The capital requirements for CVA resulting from the ICF Group's interest rate derivative positions are also calculated based on Article 384 of Regulation (EU) No 575/2013.

As of 31 December 2025, the RWAs derived from exposure to derivative instruments (including counterparty and CVA risk) totalled EUR 120.7 million and the capital requirements stood at EUR 9.7 million.

6.13 CMOF/ISDA agreements and netting processes

When the ICF Group designates a transaction as a hedge, it does so from the inception date of the transactions or instruments included in that hedge and provides adequate documentation of the hedging transaction in accordance with current regulatory requirements. This documentation includes the adequate identification of the hedged position(s) and the hedging instrument(s) involved, as well as the nature of the risk to be hedged, and the criteria or methods used by the ICF Group to assess the effectiveness of the hedge throughout its lifetime, taking into account the risk to be hedged.

The ICF Group uses ISDA (International Swaps and Derivatives Association) or CMOF (*Contrato Marco de Operaciones Financieras*, or Master Agreement for Financial Transactions) contracts to secure counterparty derivatives. These contracts have enabled the ICF Group to establish netting agreements with its derivative counterparties, allowing it to offset between contracts of the same type. The offsetting of positive and negative derivative market values with the same counterparty allows the Group, in the event of the

bankruptcy of the former, to owe (or be owed) a single amount, rather than a set of values for each individual transaction.

The ICF Group complies with the requirements of EMIR (Regulation No 648/2012), EMIR Refit (Regulation No 2019/834) and, most recently, the latest amendment, published on 5 December 2024 (EU Regulation 2024/2987). This regulation specifies the reporting obligations for entities which trade in derivatives. In the ICF Group, the only entity trading in derivatives is the ICF, which is classified as a Non-Financial Counterparty (NFC) for EMIR reporting purposes.

7. MARKET RISK IN THE TRADING BOOK

Market risk is defined as the possibility of incurring losses in the value of positions held in financial assets in the trading book due to price variations.

7.1 Capital requirements for market risk

According to Article 325 of the CRR III, entities must calculate their own funds requirements for market risk on all their trading book positions and for all positions in their investment book that are subject to foreign exchange and/or commodity price risk. However, since the ICF Group's policies explicitly prohibit the use of the trading book and there are therefore no positions in the trading book as of 31 December 2025, it is exempt from capital requirements for market risk.

8. INTEREST RATE RISK IN THE BANKING BOOK

8.1 Regulatory framework

CRR III provides, in Article 448, that financial institutions must publish, in relation to interest rate risk exposure on positions not included in the trading book, the following information:

- Changes in economic value and in the interest margin calculated under the six disturbance hypotheses for supervisory purposes in accordance with Article 98(5) of Directive 2013/36/EU and its amendments (CRD VI).
- A description of the hypotheses and parameterisations used to assess changes in economic value and financial margin.
- A description of the definition, measurement and control of interest rate risk in its investment portfolio.

8.2 Nature of interest rate risk

Interest rate risk in the banking book is inherent to the activity of the ICF Group and is caused by changes in the yield curve, which impact net interest income and on the economic value of the entity.

The main sources of interest rate risk affecting the ICF Group are:

- **Reinvestment or repricing risk:** caused by differences in the time of maturity or the repricing of lending and borrowing transactions. For fixed-rate transactions, the risk occurs at the time of maturity, while for variable-rate transactions, this happens when the coupon is reset.
- **Basis risk:** this arises when the asset and liability positions are benchmarked against different repricing bases (EUR3M, EUR6M, EUR12M).
- **Yield curve risk:** caused by unexpected movements or changes in interest rates that do not affect all periods of the curve equally.
- **Optionality risk:** risk arising from explicit or implicit options affecting assets or liabilities.

8.3 Management of interest rate risk in the banking book

The ICF Group monitors metrics of interest rate risk in the banking book monthly. This monitoring includes risk limits, which are defined in the Group's policies. The results of monitoring this risk are reported on a monthly basis to the Asset and Liability Committee (ALCO) and on a quarterly basis to the Joint Audit and Control Committee (JACC).

Risk monitoring metrics

Currently, the ICF Group uses the following structural interest rate risk metrics:

- **Repricing gap.** This measures net interest income sensitivity to changes in the yield curve caused by different maturity schedules or repricing of lending and funding transactions which are sensitive to interest rate movements.
- **Net interest income (NII) sensitivity.** This measures the impact on net interest income of changes in the yield curve. It is evaluated by comparing the 1-year net interest margin according to the base scenario corresponding to the implicit market rate scenario with the net interest margin obtained in a stress scenario, designed using disruptions in the market yield curve. The difference in outcome is related to the financing margin of the base-case scenario.

Net interest income sensitivity is a metric based on dynamic scenarios, in other words, simulations of future balance sheet behaviour. To make projections for this metric, a constant balance is assumed, whereby positions maturing within the projected period are automatically renewed with the same financial characteristics.

- **Economic value (EV) sensitivity.** It measures the impact on the present value of balance sheet assets and liabilities of changes in the yield curve. This impact is evaluated by comparing the economic value calculated in the base scenario, which includes implicit market curves, with the

result of the EV calculated for a stressed scenario, designed using disruptions in the market yield curve. The result is expressed in relation to the economic value of interest rate sensitive balance sheet items.

Net interest income and economic value sensitivity

The ICF Group monitors the sensitivity of the financial margin and economic value across different scenarios. The main scenarios used are detailed below.

- **Regulatory scenario.** This scenario is defined in the EBA/GL/2022/14 guidelines and applies an instantaneous parallel shift of -200 bp at all points on the yield curve.
- **Parallel scenario (+/-100 bp).** This scenario applies an instantaneous parallel shift of +/-100 bp at all points on the yield curve.

Below are the results of the changes in economic value and net interest income with two different curve change scenarios.

Scenario	Change in Economic Value	Change in Net Interest Income
Regulatory scenario (+/-200 bp)	-2.6% / +2.9%	+4.7% / -4.0%
Parallel scenario (+/-100 bp)	-1.4% / +1.4%	+2.3% / -2.3%

Table 14. Economic value and net interest income sensitivity to scenarios of instant and parallel shifts in the yield curve

Additionally, Article 98, paragraph 5, of the CRR III sets out the supervisory review and assessment of financial margin sensitivity metrics and economic value across six supervisory scenarios, which are defined in more detail in the EBA's Technical Standards Report (EBA/RTS/2022/10). These scenarios have a floor below 0% and adapt dynamically according to the current interest rate environment:

- *Parallel Up:* parallel increase of all points of the curve by +200 bp.
- *Parallel Down:* parallel decrease of all points on the curve by -200 bp.
- *Steepener:* fall in short-term rates and increase in long-term rates. Overall increase in the slope of the curve.
- *Flattener:* increase in short-term rates and fall in long-term rates. General decline in the slope of the curve.
- *Short Up:* increase in short-term rates.
- *Short Down:* decrease in short-term rates.

These scenarios include a -1.5% floor on immediate maturities which gradually increases by +3 basis points to 0% at maturities of 50 years or longer as determined by the EBA's technical standards (EBA/RTS/2022/10, Article 4(k)).

Article 98(5)(a) and (b) of the CRR III sets out the minimum thresholds for changes in economic value and net interest margin above which supervisory mechanisms are activated.. Specifically, a - 15% decrease in

Tier 1 capital is considered significant, as assessed using the worst-case scenario of the six supervisory shock scenarios (Article 98(5)(a)). A significant decrease in net interest income is also considered significant (Article 98(5)(b)). In the latter, the EBA Technical Standard (EBA/RTS/2022/10) defines a significant decrease in net interest income as a limit of 2.5% of Tier 1 capital, but the EBA’s 2023 opinion report (EBA/Op/2023/03) suggested raising this limit to 5%.

The results of this supervisory outlier test (Table 15) show levels below the established supervisory limits.

EBA scenarios (SOT)	Change in Economic Value	Change in EV (€m)	Change in Net Interest Income (€m)
Parallel Up	-2.6%	-34.9	2.8
Parallel Down	+2.9%	38.9	-2.4
Steeper	+0.9%	11.9	
Flattener	-1.4%	-18.0	
Short Rates Up	-2.1%	-27.1	
Short Rates Down	+2.2%	29.1	
Maximum Loss		-34.9	-2.4
% of CET1		-3.43%	-0.24%

Table 15. Sensitivity of economic value and net interest income for the SOT scenarios defined by the EBA. The maximum is the worst case scenario.

Repricing gap

The static repricing gap (assets minus liabilities) in millions of euros at the end of 2025 is set out below. The graph shows the discrete structure, at monthly intervals up to 1 year, and its cumulative structure:

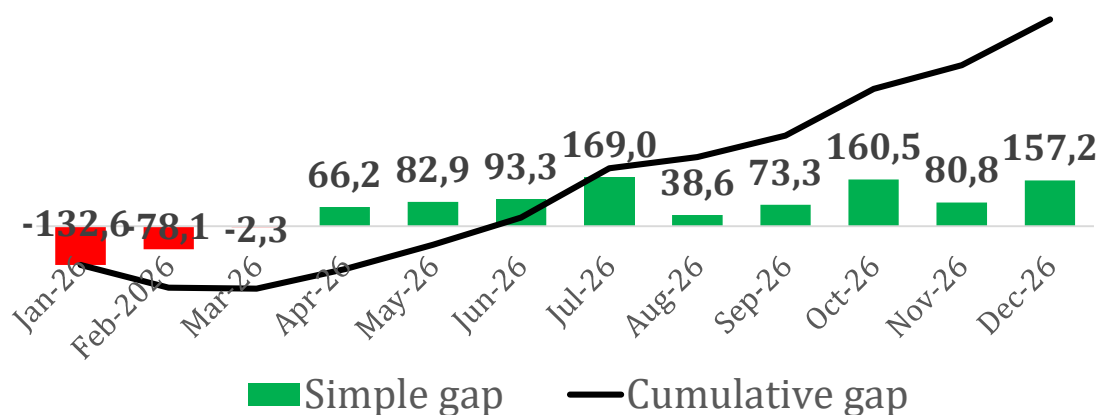


Figure 11. 12-month repricing gap (figures in millions of euros)

The following table also shows the repricing gap for a period of 25 years:

Millions of euros	IR-Sensitive Balance		% of total assets		STATIC GAP		
	RENEWAL	Assets	Liabilities	Assets	Liabilities	Simple	Cumulative
Up to 1 month	179.3	311.9	6.1%	10.5%	-132.6	-132.6	-4.5%
1 to 3 months	366.9	447.3	12.4%	15.1%	-80.4	-213.0	-7.2%
3 to 6 months	518.1	275.8	17.5%	9.3%	242.3	29.3	1.0%
6 to 12 months	875.5	196.1	29.5%	6.6%	679.4	708.7	23.9%
Cumulative 12 m	1,939.8	1,231.1	65.5%	41.5%		708.7	23.9%
1 to 2 years	135.4	53.1	4.6%	1.8%	82.3	791.0	26.7%
2 to 3 years	107.9	24.1	3.6%	0.8%	83.8	874.8	29.5%
3 to 4 years	79.4	22.6	2.7%	0.8%	56.8	931.6	31.4%
4 to 5 years	74.9	16.9	2.5%	0.6%	58.0	989.6	33.4%
5 to 7 years	52.2	25.4	1.8%	0.9%	26.8	1,016.4	34.3%
7 to 10 years	65.6	25.9	2.2%	0.9%	39.7	1,056.1	35.6%
10 to 15 years	86.5	30.6	2.9%	1.0%	55.9	1,112.0	37.5%
15 to 20 years	81.7	24.7	2.8%	0.8%	57.0	1,169.0	39.4%
20 to 25 years	60.2	16.6	2.0%	0.6%	43.6	1,212.6	40.9%
25 to 30 years	44.7	88.7	1.5%	3.0%	-44.0	1,168.6	39.4%
TOTAL	2,728.3	1,559.6	92.1%	52.6%		1,168.7	39.4%

Table 16. Repricing gap up to 25 years.

Basis risk

The Group also controls its basis risk, analysing the distribution of benchmark bases for both assets and liabilities to determine whether their distribution in the balance sheet is in line with the Group's target interest rate exposure. The breakdown as of 31 December 2025 is as follows:

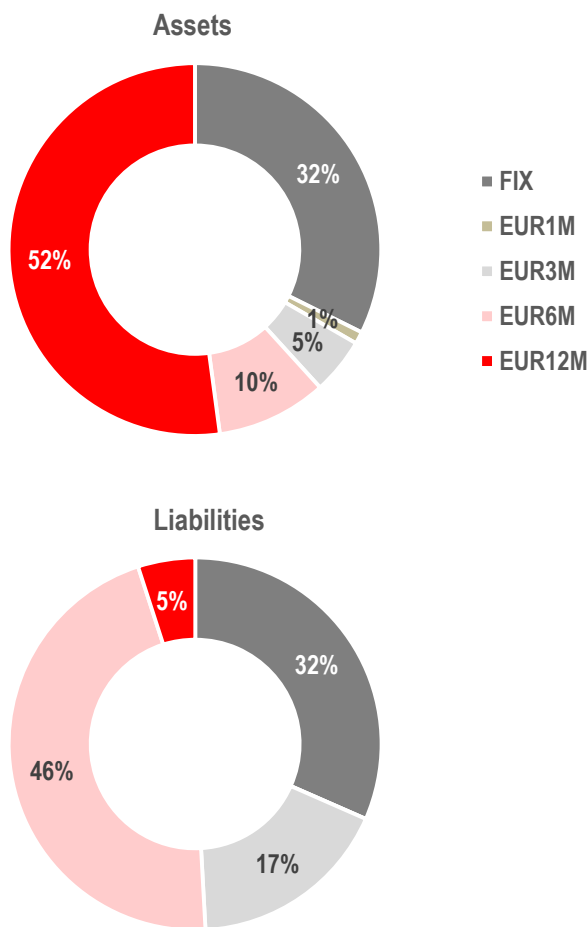


Figure 12. Distribution of assets and liabilities by type of curve.

8.4 Capital requirements for interest rate risk

The ICF Group has no capital requirements for interest rate risk.

9. EXCHANGE RATE RISK

9.1 Capital requirements for exchange rate risk

In accordance with Article 351 of CRR III, a minimum threshold is established below which entities are exempt from calculating capital requirements for foreign exchange risk. This minimum is met when the sum of net global foreign exchange positions does not exceed 2% of the computable own funds.

The ICF Group has no capital requirements for exchange rate risk.

10. LIQUIDITY RISK

10.1 Regulatory framework

According to Article 86 of Directive 2013/36/EU, institutions must identify, measure, manage and control liquidity risk and establish appropriate policies, procedures and systems to identify, measure and manage it.

10.2 Nature of liquidity risk

The ICF Group is exposed to the following liquidity and funding risks:

- **Financing liquidity risk:** probability that the organisation will incur losses or be unable to take on new business due to the inability to meet its commitments or finance additional needs.
- **Market liquidity risk:** this is the risk to which the entity is exposed when it is unable to unwind a particular position as a result of market imperfections.

10.3 Management of liquidity risk

Unlike other financial institutions, the ICF Group has two distinctive features that simplify its liquidity management:

1. Absence of retail or wholesale deposits. The Group sources financing in the capital markets by means of debt issues, loans and promissory notes. Except for promissory notes, which are contracted with maturities of between 12 and 18 months, the rest of the instruments have long maturities.

2. Activity focused on the medium and long term. The ICF Group awards financing with longer maturity periods than the private sector average.

These two standout features result in an alignment of maturities between assets and liabilities coupled with stable liquidity which enables a management approach targeting the medium and long term to a greater extent. In terms of intraday liquidity management, payment commitments are largely covered by liquid cash, the upshot of conservative liquidity policies.

Likewise, to enhance its liquidity to cope with unforeseen scenarios, the ICF Group has a €100 million loan agreement in place concluded equally between two credit institutions which it renews on an annual basis.

Liquid cash at year-end 2025 and a comparison with 2024 are shown below:

	2025	2024
Current accounts (€m)	60	128

Fixed income (€m)	198	276
Deposits (€m)	20	40
Total (€m)	278	444

Table 17. Annual changes in the composition of the ICF Group's liquidated cash flow (management data).

It should be noted that during 2025, much of the new activity has been financed from cash reserves, which explains the annual decrease in cash reserves of €166 million. However, for liquidity purposes, the Group has more than €600 million contracted to meet its planned activities.

Fixed income investments strictly comply with financial investment policies whose criteria include high credit ratings and short durations to ensure their status as liquid assets.

Liquidity is managed within the areas of responsibility of the three lines of defence. In particular, the following management bodies are involved:

- **Technical Liquidity Committee:** this committee reports regularly to the ALCO. It is made up of members from all the areas involved in liquidity risk management and is responsible for monitoring liquidity risk at the Group level.
- **Asset and Liability Committee (ALCO):** it is responsible for monitoring whether the Group's financial structure is in line with the liquidity needs and risk profiles established by the Supervisory Board. It also analyses liquidity scenarios and survival horizons and proposes action plans.

The areas engaged in liquidity risk management and control are:

- **Treasury and Capital Markets:** it designs and executes strategies for managing liquidity and obtaining funding as directed by the Asset and Liability Committee (ALCO).
- **Global Risk Control:** it oversees tracking and monitors the metrics defined for liquidity risk management. It also monitors metrics as well as the level of compliance, as set out in the policies.

Liquidity risk metrics

The ICF Group manages liquidity risk through a series of metrics that have been identified and defined to respond to the entity's risk profile. The liquidity risk metrics which are measured, monitored and managed include:

- **Static liquidity gap:** this allows the time distribution of net inflows and outflows in order to detect possible liquidity shortfalls in a particular period. It is a projection of future flows under the balance sheet depletion assumption.

- **Survival horizon:** this metric calculates the number of months an institution can meet its payment obligations without obtaining new funding. The calculation of this metric is based on dynamic scenarios.
- **Liquidity Coverage Ratio (LCR):** this is a regulatory metric defined in Delegated Regulation 2015/61 supplementing Regulation (EE) No 575/2013 in Part Six, Title I. The ratio was developed to promote the short-term resilience of the liquidity risk profile of banks by ensuring that they have sufficient high-quality liquid assets (HQLA) to survive a 30-calendar day liquidity stress scenario. Its purpose is to promote the resilience of entities' short-term liquidity risk profiles and to ensure that they have sufficient high-quality liquid assets (HQLA) to withstand a 30-calendar-day stress scenario. From a regulatory perspective, a minimum of 100% is set, in accordance with Article 4 of Delegated Regulation (EU) 2015/61.
- **Net stable funding ratio (NSFR):** it measures the extent to which long-term obligations are fulfilled through a variety of stable funding instruments in both normal and stressed situations. This metric includes a 100% regulatory minimum in accordance with Article 428b of Regulation (EU) No 2019/876 amending Regulation (EU) No 575/2013.

Static liquidity gap

The ICF Group monitors the static liquidity gap each month. This gap is calculated in the short and long term to analyse possible mismatches between liquidity inflows for lending transactions and liquidity outflows for funding transactions. It should be noted that the cumulative liquidity gap is always positive in the long term:

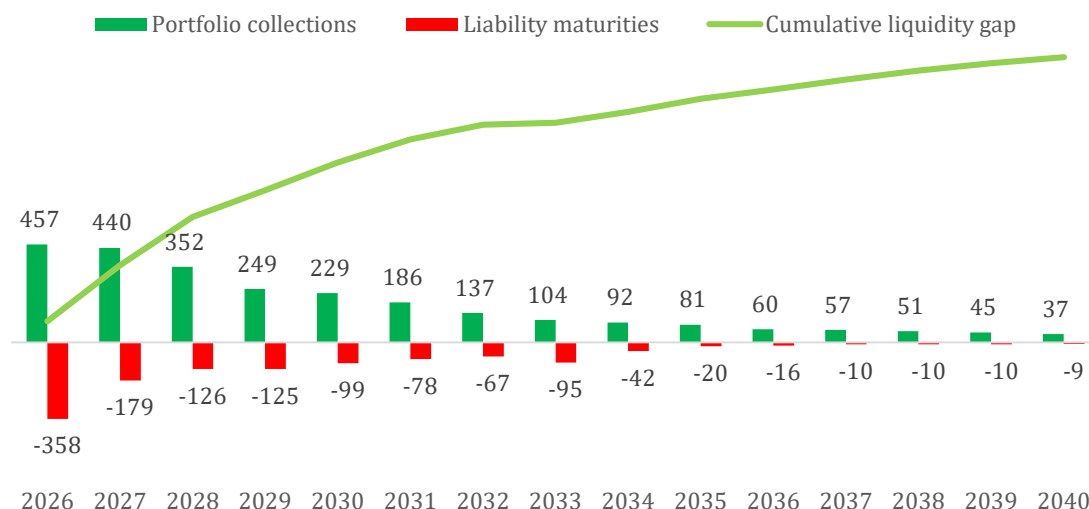


Figure 13. Annual static liquidity gap (figures in millions of euros).

Survival horizon

To calculate the survival horizon at the end of December 2025, the ICF Group started from an initial liquidity buffer of EUR 694 million made up of: (a) cash and callable deposits of €80 million, (b) a credit facility of €690 million, (c) a fixed income instrument which, for calculation purposes, is assumed to incur a 5% loss on its nominal value, amounting to a total of €186 million and thus simulating a volatile market when unwinding positions.

Two calculations of the survival horizon are conducted, simulating two dynamic scenarios with the following characteristics:

- **Base scenario:** this scenario simulates changes in the balance sheet over time, taking into account budgeted activity. It thus incorporates forecasts of disbursements according to new transactions.
- **Stressed scenario:** this scenario stresses the base scenario, increasing new business activity by 50% compared to base activity.

The result at year-end 2025 was a survival horizon of 16 months for the base scenario and 10 months for the stressed scenario, values that are within policy limits.

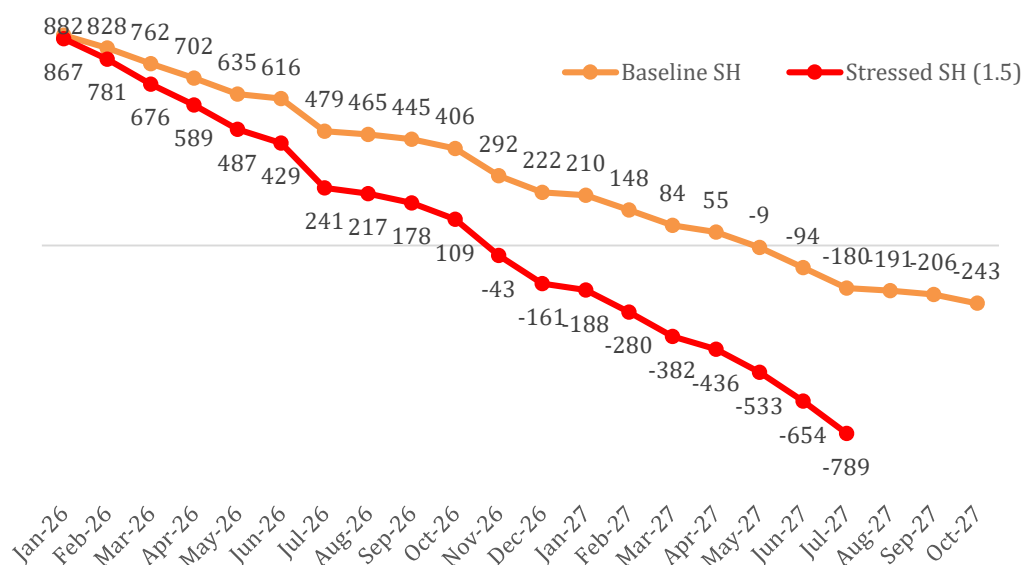


Figure 14. Evolution of cash for calculating the survival horizon.

Regulatory ratios

In line with Article 412 of Regulation (EU) No 575/2013 and its amendment in Article 428(b) of Regulation (EU) No 2019/876, which set a minimum compliance requirement of 100%, the ICF Group includes the liquidity coverage ratio (LCR) and net stable funding ratio (NSFR) regulatory metrics in its liquidity risk management framework.

The ICF Group’s liquidity coverage ratio closes the 2025 financial year at 191.9%, which is above the regulatory limits. At the end of 2024, high-quality liquid asset (HQLA) funds stood at EUR 137.7 million, with Tier 1 liquid assets accounting for 79.2% of total HQLA funds.

The net stable funding ratio at the end of 2025 was 112.5%, which is above the regulatory minimums (100%).

	31/12/2025	31/12/2024
LCR	191.9%	509%
NSFR	112.5%	126%

Table 18. Annual evolution of liquidity risk metrics.

10.4 Funding strategies

At the end of the 2025 financial year, the ICF Group had EUR 1,295 million in funding. The main sources of financing are in the capital market through own debt issues, loans and promissory notes. 67% of the funding is loans from the public banking sector. The breakdown of funding by product type is shown below:

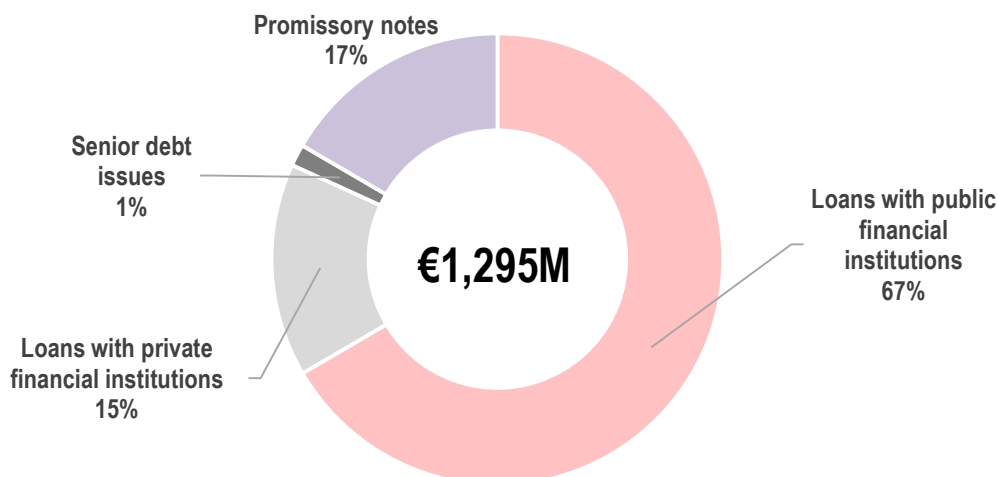


Figure 15. Distribution by type of funding product at year-end 2025.

10.5 Capital requirements for liquidity risk

The ICF Group does not use its own funds to cover liquidity risk.

11. OPERATIONAL RISK

11.1 Regulatory framework

The information concerning operational risk complies, as of year-end December 2025, with Article 446 of Regulation (EU) No 575/2013. In accordance with Article 312 of CRR III, the ICF Group *calculates its own funds requirements for operational risk under the business indicator component (BIC)*, in accordance with Article 313 of CRR III.

11.2 Definition of operational risk

The ICF Group applies the definition of operational risk set out in Article 4 of Regulation (EU) No 575/2013: “the risk of loss resulting from inadequate or failed internal processes, people, or systems, or from external events, including legal risk”.

The sources of risk the ICF Group includes in this definition are:

- Internal fraud
- External fraud
- Labour relations and workplace safety
- Customers, products and business practices
- Damage to material assets
- Business disruptions and system failures
- Process execution, delivery and management

11.3 Capital requirements for operational risk

In accordance with Article 312 of CRR III, the ICF Group *calculates its own funds requirements for operational risk under the business indicator component (BIC)*, in accordance with Article 313 of CRR III. Taking into account the business indicator calculated in accordance with Articles 313 and following, the ICF Group is assigned a 12% weighting on the business indicator.

	Average over the last three financial years
BUSINESS INDICATOR COMPONENT	90.5
Financial component (includes gains and losses on financial operations)	-0.2
Services component (includes operating income and expenses, commissions)	24.5
Interest, lease and dividend component	66.2
OWN FUNDS REQUIREMENTS	10.9

Table 19. Calculation of capital requirements for operational risk.

Capital requirements for operational risk amount to EUR 10.9 million.

12. ESG RISKS

12.1 Introduction and regulatory framework

Land temperature data confirm a continuous rise in the planet's temperature over and above seasonal variations. Global warming is triggering an increase in extreme weather events such as hurricanes, floods, fires and heat waves. These risks are classified as physical risks. In response, the Paris Agreement (COP21), a universally binding agreement on climate change, was adopted in 2015. Its main goal is to restrict the rise in global temperature to 2°C, and preferably to 1.5°C, compared to pre-industrial times by 2100, achieving climate neutrality by the middle of this century. To achieve these goals, the signatory countries are implementing various measures which also involve regulatory changes. These changes, which will have an impact on businesses, are known as 'transition risk'.

From a financial perspective, climate, physical and transition risks should be factored into institutions' risk management processes. In 2021, the European Central Bank published a guide outlining its supervisory expectations regarding climate risks. The EBA's definitive guide on ESG risk management was published in January 2025, following the mandate set out in CRD VI. It addresses materiality analysis, data quality and embedding ESG risks in risk management and business strategy, among other things. These guidelines will apply from 11 January 2026 and from 11 January 2027 for small and non-complex entities.

12.2 Commitment to sustainability

The ICF Group is firmly committed to sustainability and is thus a member of various initiatives. Since 2021, the ICF Group has been a signatory to the United Nations Global Compact, a sustainable development initiative. Since 2023, it has been a signatory to the Generalitat de Catalunya's voluntary agreements for calculating its carbon footprint, which also include a commitment to annual initiatives to reduce it. ICF Capital is a signatory to the United Nations Principles for Responsible Investment^{and}, as of December 2024, the ICF Group has adopted the PCAF methodology, committing to the calculation and publication of its portfolio's CO₂ emissions.

12.3 Integration into the business model

The ICF Group continues to make progress in mainstreaming sustainability in its business model. In lending, transactions are labelled to determine their impact: environmental, social or relating to governance. Some of the ICF's facilities already include this categorisation from the outset such as its Ecoverda facility and social housing transactions. Similarly, when making investment decisions, fixed income portfolio management also takes into account ESG factors relating to emissions.

In terms of venture capital, ESG criteria are taken into account when determining investment in a fund, as per Articles 8 and 9 of EU Regulation 2019/2088 on sustainable finance disclosures. In terms of governance, ICF Capital has an ESG committee that oversees ESG investments.

In 2025, the ICF Group launched a promissory note programme with a maximum volume of €200 million, in line with sustainable market regulations and practices. This represents another step in integrating sustainability into the organisation's entire business model.

12.4 Climate risks

The ICF Group calculates the carbon footprint of its investment portfolio (both lending and venture capital) and publishes the result in its sustainability report. This calculation is the starting point for the materiality analysis of the transition risks assessed in the portfolio.

In 2025, a materiality analysis of physical risk was carried out, focusing on credit risk, which is the ICF Group's main risk. At the close of the 2025 financial year, a review of the loan portfolio was carried out in terms of both live risk and available credit.

The methodology focuses on assessing the qualitative impact of physical risk on the credit portfolio through its exposure and vulnerability. The aggregated qualitative impacts of flood, fire and drought risk are included for each county, to provide an indication of physical risk exposure. With regard to vulnerability, sectoral segmentation has been carried out based on economic activity, using a qualitative scale. The results show that the agriculture and tourism sectors would be most affected by physical risk. This analysis has been aligned with the inclusion of additional provisions arising from the impact of physical risk on the credit portfolio.

13. INTERNAL CAPITAL ASSESSMENT PROCEDURES

Each year the ICF Group calculates its internal capital, which includes Pillar I and Pillar II risks, as part of drawing up its capital and liquidity self-assessment report. Pillar I encompasses credit risk, market risk and operational risk. The capital requirements for the first two are calculated under the standardised methodology, while operational risk uses the *business indicator component*. The total capital requirement at year-end 2025 for Pillar I risks is EUR 249.6 million, as shown in Table 5 of this report.

Pillar II includes individual and sector concentration risk, interest rate risk and other risks. The capital requirements for all these risks are calculated using the simplified methodology described in the Bank of Spain's Capital Self-Assessment Processes (PAC) guidelines. At the end of December 2025, the risk of sector concentration and interest rates were both zero, and the sum of the individual concentration risks and other risks was not significant in relation to the institution's available equity at the end of the year.

This calculation is backed up by projections over a 3-year time horizon of the institution's capital and solvency based on the guidelines of the Bank of Spain's Capital Self-Assessment Processes (PAC). Projections are made with different scenarios (based and stressed) to assess the impact of solvency in situations of external economic tensions (macroeconomic scenarios) as well as situations or events which the institution might find itself in (idiosyncratic scenarios). The results of the stress tests show that the institution's own resources are comfortably able to cope with stress situations.

14. INFORMATION ON EQUITY INVESTMENTS AND INSTRUMENTS

14.1 Available-for-sale financial assets and portfolios held for strategic purposes

Available-for-sale assets

The changes to items classified as "Financial assets at fair value through other comprehensive income" during the 2025 financial year are summarised below:

	2025	2024
Venture capital instruments		
Outstanding risk in venture capital entities	211.5	193.9
Valuation adjustments	35.5	36.2
Subtotal venture capital instruments	246.9	230.1
Other equity investments	40.7	40.7
Valuation adjustments	-36.2	-36.2
Subtotal other equity investments	4.5	4.5
Total capital instruments	251.4	234.6

Table 20. Changes in the breakdown of assets classified in the financial assets portfolio at fair value through other comprehensive income.

The valuation adjustments include:

- For venture capital instruments: changes in fair value.
- For debt securities: changes in fair value, accrued interest and premiums to be accrued.

When venture capital companies are set up, the Group is committed to paying out a fixed amount to ensure these financial vehicles can perform the operations for which they were established. These commitments

are always enforceable, in accordance with the contracts signed for amounts detailed under “Outstanding disbursements of venture capital entities” in the previous table.

As of 31 December 2025, the total value of outstanding commitments to be disbursed was EUR 119,506 thousand (compared to EUR 119,180 thousand on 31 December 2024).

In the 2025 financial year, dividends totalling EUR 21,371 thousand from venture capital instruments were recorded. In the 2024 financial year, dividends totalling EUR 4,072 thousand from venture capital instruments were recorded.

Annex III of the’ annual report contains details of the Group’s main investees which are neither subsidiaries nor associates, together with relevant information about them.

Portfolios held with strategic aims

The holding in Avalis de Catalunya, SGR and Arrendadora Ferroviaria, SA is accounted for using the equity method. This employs the best available estimate of its theoretical carrying amount on the date that the annual financial statements were prepared:

Thousands of euros	2025	2024
Avalis de Catalunya, SGR		
Equity interest	4.7	4.7
Equity method adjustment	2.7	2.7
Arrendadora Ferroviaria, SA		
Equity interest	0.03	0.03
Equity method adjustment	-0.03	-0.03
Closing balance	7.4	7.4

Table 21. Holding in Avalis de Catalunya, SGR

14.2 Accounting policies and measurement of equity instruments

Financial assets at fair value through other comprehensive income are always recorded at their fair value. Changes that occur in this fair value are accounted for with a balancing entry in net equity under “Cumulative other comprehensive income”.

Officially listed debt securities and capital instruments are measured monthly, based on the information obtained from the organised markets in which they are quoted.

Investment in venture capital companies and funds is measured at least once a year. Investments are classified under three headings, according to the difference between their cost and fair value:

1. If the fair value is greater than the value of the investment. In such cases, the investment is remeasured by the difference taken to net equity.

2. If the fair value is between 90% and 100% of the cost of the investment during the first years of operation of the vehicle. Changes in the value of an instrument of up to 10% are not treated as a loss. Rather, they are due to associated management costs and are necessary in order to create value in the companies being invested in by venture capital entities. No accounting adjustment is therefore made to the investment.
3. If the fair value is less than 90% of the cost of the investment or is between 90% and 100% and not associated with management costs. Differences are treated as valuation adjustments and will be recorded in full against net equity.

15. INFORMATION ON REMUNERATION

The present information on remuneration has been prepared based on the following regulations:

- Directive 2013/36/EU and successive amendments (CRD VI).
- EBA guidelines on remuneration policies (EBA/GL/2015/22) and subsequent updates, such as the guide on internal governance (EBA/GL/2021/05) which also include aspects concerning remuneration policies.
- Chapter XIII of Royal Decree 771/2011 of 3 June.
- Bank of Spain Circular 4/2011 of 30 November, amending Circular 3/2008 of 22 May on determination (Rule 117a).

15.1 Information on the decision-making process used for establishing the remuneration policy of the identified staff

The governing bodies involved in defining the remuneration policy of the identified staff are the Supervisory Board and the Appointments and Remuneration Committee.

Supervisory Board

The ICF's Supervisory Board has the non-delegable duties and responsibilities attributed to a corporation's board of directors by the Spanish Capital Companies Law. Decisions relating to the remuneration of the institution's directors, executives and key personnel are taken within the framework of the remuneration policy approved by the sole owner.

Appointments and Remuneration Committee

Notwithstanding other duties that may be assigned to it by the Supervisory Board, the Appointments and Remuneration Committee has the following powers in relation to remuneration:

- Approve the appointment and progress of the entity's key personnel.
- Propose to the Supervisory Board the remuneration policy and the fixed and/or variable remuneration system and amounts received by the directors, senior executives and key personnel identified; plus the other contractual conditions of senior executives.
- Propose annual remuneration for identified staff that must be approved by the Supervisory Board.
- Periodically review the general principles regarding remuneration.

The Appointments and Remuneration Committee comprises at least two independent members, who are appointed and removed by the Supervisory Board based on their knowledge, skills, and experience of the members and the duties of this committee. The members of this committee are selected in accordance with the requirements of suitability, good repute and good governance, taking into account regulatory stipulations concerning conflicts of interest.

The Committee meets at least twice a year and as often as necessary in order to perform its duties properly, and also when called by its chair or at the request of any of its members or the Chief Executive Officer.

15.2 Identified staff

As of 31 December 2025, identified staff comprises individuals occupying posts whose level of responsibility and ability to take risks has an impact on the entity's risk profile; it also includes any employee whose total remuneration is in the same salary range as senior executives and employees who take on risks. Specifically, at the date of this report, the following persons are deemed to be included in the ICF Group's identified staff:

- Executive directors
- Non-executive directors
- Senior management and key personnel:

Corporate Director of Audit, Compliance and Legal Affairs; Risk Director; Director of Venture Capital Investments; Director of Administration, Finance and Markets; Director of Risk Monitoring and Management; Sales Director; Director of Human Resources and Organisation; Chief Technology Officer; Chief Financial Officer; Director of Administration and Capital Markets; Director of Internal Audit and Control; and Director of Products, Brand and Sustainability.

15.3 Overview of the Group's remuneration policy

The Group's remuneration policy is designed to encourage behaviours that ensure value is created over the long term with results that are sustainable. To this end, the variable remuneration system is based not only on targets but also on how these are achieved.

In accordance with the relevant legal framework and the corporate vision and strategy, the remuneration policy is based on the following principles:

- It must be in line with the business strategy, goals, values and long-term interests of the Group and its sole shareholder, including measures to avoid conflicts of interest.

- It must apply the principle of restraint and be linked to results based on prudent and responsible risk taking, producing a remuneration system that supports the profitability and long-term sustainability of the organisation, building in the precautions needed to prevent excessive risk taking and the rewarding of unfavourable results.
- Directors' pay must reasonably reflect the importance of the organisation and the current economic situation. This principle of proportionality is applicable to the general remuneration policy of the Group and takes into account its size, internal organisation, nature, the scope and complexity of its activities and its risk profile.
- The ratio between fixed and variable components of remuneration must be balanced and effective, whereby the fixed component represents a sufficiently high proportion of total remuneration.
- The remuneration paid to the members of the Supervisory Board must comply fully with the principles of transparency and public disclosure.

The current remuneration policy, proposed by the Appointments and Remuneration Committee, was approved by the Supervisory Board on 16 December 2025. The amounts related to this policy are updated according to the same percentage increase as the public sector on an annual basis.

15.4 Qualitative information on the remuneration of the identified staff

Directors, members of the Supervisory Board

The remuneration policy for directors complies with the provisions of Articles 217 and following, of the Spanish Capital Companies Law, as amended by Law 31/2014.

In any event, the remuneration of the members included in this remuneration policy is in reasonable proportion to the importance of the organisation and the current economic situation.

The proprietary directors of the Supervisory Board receive no remuneration, as they hold senior positions in the Government of Catalonia. The remuneration paid to independent members is entirely fixed, with no variable component, staff welfare benefits, remuneration in kind or any contractual term providing compensation for removal from office, or any savings or retirement schemes.

In addition to fixed remuneration, the Executive Director receives variable remuneration assessed by the independent members of the Appointments and Remuneration Committee and, finally, the same benefits in kind as other employees.

In addition to their annual remuneration as members of the Supervisory Board, the independent members of the Executive Committee, the Joint Audit and Control Committee, and the Appointments and Remuneration Committee are entitled to the annual remuneration expressly agreed upon by the Supervisory Board in payment for their activities and time dedicated.

The institution has taken out public liability insurance for all its directors.

The entity's senior executives and key personnel

Fixed remuneration

The fixed remuneration of senior executives and key personnel consists of predetermined, non-discretionary remuneration that does not directly depend on performance. It is established by taking into consideration the employee's level of responsibility, experience and, if applicable, length of service in the organisation.

The Appointments and Remuneration Committee is responsible for reviewing whether the fixed remuneration of senior executives is in line with the services provided and responsibilities assumed.

Variable remuneration

This remuneration is tied to the Group's objectives and to respective individual targets. It is, therefore, subject to the achievement of specific, measurable targets that are directly linked to the long-term interests of the institution insofar as they contribute to value creation.

It is linked to specific terms in line with prudent risk management and not just based on the general performance of the markets. For this purpose, financial and non-financial indicators are established based on the corresponding achievement scales and according to the weighting assigned to each indicator, in accordance with the amendment to the remuneration policy proposed by the Nomination and Remuneration Committee and approved by the Supervisory Board on 16 December 2025. The quantitative measures are based on indicators such as total business, NPL ratios, gross margin and pre-tax profit.

The variable remuneration is only paid if profits before provisions are at least 80%.

The Appointments and Remuneration Committee ensures that the variable remuneration adheres to the principles of restraint and professional performance, and that it is linked to the organisation's overall performance. This ensures that the combination of fixed and variable remuneration is aligned with the organisation's objectives.

15.5 Quantitative information on the remuneration of the identified staff

The remuneration paid to the Group's identified staff during the 2025 financial year was as follows:

Thousands of euros	Directors ⁽¹⁾	Key personnel ⁽²⁾	Total
No. of beneficiaries	11	12	23
Fixed remuneration 2025	284	997	1,281
Variable remuneration 2025 (*)	32	178	210

(*) Variable remuneration has been provisioned up to the maximum expected level, although it is subject to assessment by the Appointments and Remuneration Committee and approval by the Supervisory Board. It has been accrued in 2025 and will not be paid until the 2026 financial year.

(1) Includes the Executive Director and the other Directors as of 31 December 2025.

(2) Key personnel.