



Institut Català
de Finances



INSTITUT CATALÀ DE FINANCES GROUP SUSTAINABILITY REPORT 2024

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LETTER FROM THE CEO



Institut Català
de Finances



Generalitat
de Catalunya

LETTER FROM THE CEO

Sustainability is the **driving force behind public development banking**. From the outset, the ICF, which is celebrating its 40th anniversary in 2025, has sought to ensure that the financing it provides to businesses and organisations helps towards the Catalan economy's sustainable growth. **Generating prosperity** only makes sense if it is environmentally friendly and shared by everyone.

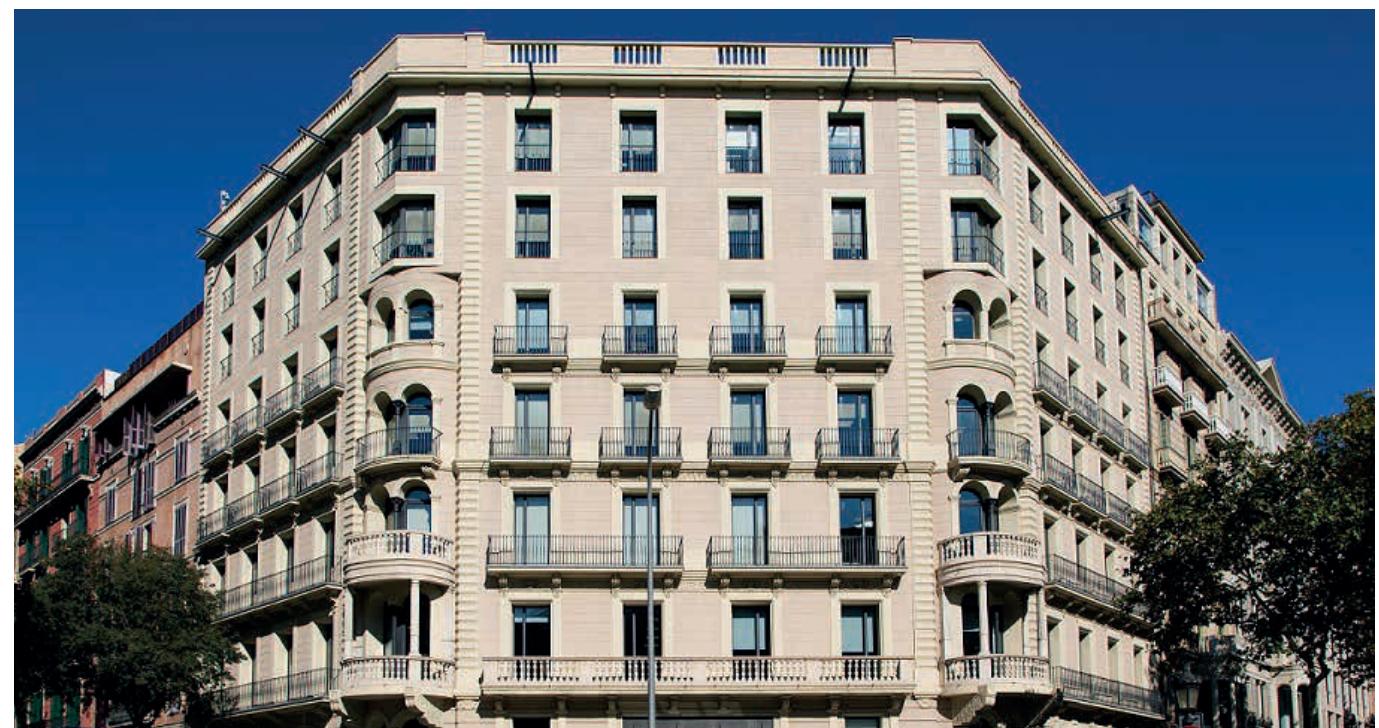
At the ICF we are mindful that very long-term financing and investment, the core of our business, needs to be a lever for enterprises and organisations to undertake the projects required to **decarbonise, grow and hire more and better staff** or unlock social transformation initiatives.

Our sustainability review for 2024 shows that we are on the right track as one out of every two euros in loans and guarantees **has been earmarked for projects meeting environmental, social and governance (ESG) criteria**, and this figure is up 39% on the previous year, an increase of €121 million.

In terms of the environment, this year we have kicked off **two key partnerships** which enable us to offer financing on attractive terms to businesses and organisations for sustainable projects. Firstly, we have agreed a guarantee programme with the **European Investment Fund** to finance energy efficiency projects. These guarantees, which cover up to 70% of the risk, allow us to finance slightly riskier projects which would not otherwise find funding in the private market.

Secondly, we have come to an agreement with the **Ministry of Territory, Housing and Ecological Transition** to set up a €78 million credit facility in which the Ministry will subsidise part of the interest paid by customers with resources from the Catalan Government's Climate Fund, which in turn is financed by 50% of the revenue raised by the tax on CO2 emissions from motor vehicles and 20% of the levy on facilities that impact

the environment. This means that part of the resources paid by the public for activities with adverse environmental impacts comes back in the shape of projects which mitigate these impacts.



Staying in the environment but turning to in-house measures at the ICF, in 2024 we have leased a **fleet of electric vehicles** for business travel by the institution's staff. This will enable us to cut down on the mileage clocked up by polluting vehicles for work purposes.

In 2024, we have for the first time calculated the greenhouse gas emissions we have enabled through our financing. This allows us to reliably measure how effectively the ICF is helping to reduce this negative impact on ecosystems. **During 2024, the ICF has financed projects which have prevented a total of 245,634 t CO2-eq.**; the main projects funded were investments in photovoltaic panels, electric cars and developing housing with an A energy rating.

As for our efforts to ensure that the prosperity generated by businesses and organisations is shared, in the social sphere in 2024 the ICF has continued to play an active role in financing publicly-subsidised housing. The shortage of affordable housing is now one of the biggest problems for Catalan society. **In 2024, the ICF has really stepped up its funding for publicly-subsidised housing.** In partnership with the Catalan Housing Agency, it offers very long-term loans with attractive

terms which have already made it possible to finance the construction of 4,371 affordable housing units throughout Catalonia.

However, the ICF's social sustainability efforts are not confined to housing alone. One of our core roles is to provide financing to non-profits which find it hard to get funding from the private sector. In 2024, 29% of the ICF's business (€237 million) has been allocated to this kind of organisation.

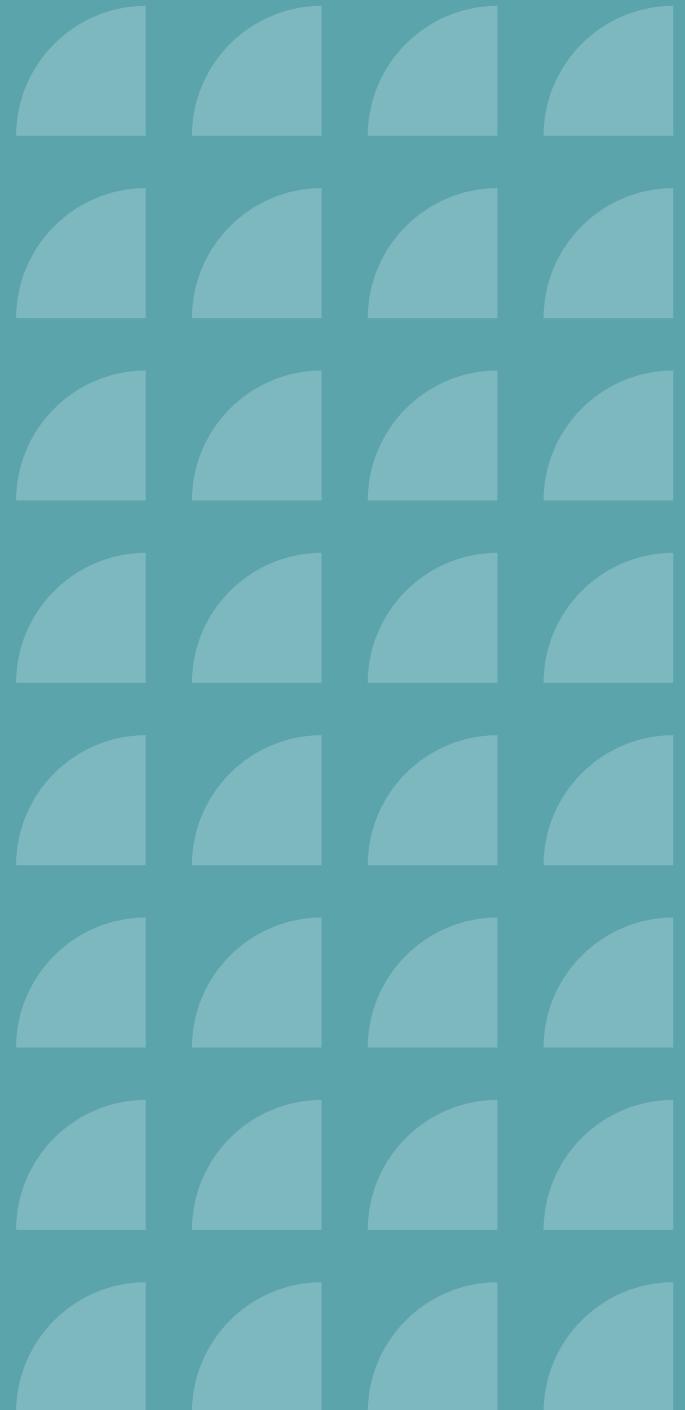
This report outlines in greater detail the ICF Group's endeavours in 2024 to pursue its goal of furnishing a genuine **lever for transforming** economic activity in Catalonia to make it more environmentally and socially sustainable.



Vanessa Servera i Planas
CEO of the ICF

02

THE ICF



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This ICF Group sustainability report for 2024 is a compilation and summary of all the institution's non-financial information. Although the institution has been keenly aware for years of the importance of mainstreaming environmental and social criteria in its business operations, gathering comparable and verifiable data is still a challenge.

Some 97% of the ICF's customers are entrepreneurs or SMEs with a strong focus on business performance and maintaining and growing their operations, yet they have relatively small structures. This poses a problem when trying to compile key information. A significant part of the data in this report has been calculated by aggregating information provided by customers and setting the ICF's own criteria to decide whether a financing transaction can be considered green or social.

The structure of this report is based on the ESG initialism. After an introduction to the ICF (section 2), our environmental (E) efforts are outlined in section 3 followed by social (S) aspects in section 4. These two sections have a similar internal structure: first, background is provided for each area, then actions in credit investments are examined followed by venture capital actions, and finally the ICF's in-house endeavours are described. The fifth and final section covers the ICF's internal governance (G) on sustainability and provides an overview of in-house policies.



2.1 The group

The ICF is the Government of Catalonia's public development bank and our mission is to cater for the financing and investment needs of the Catalan business community and social organisations. With financing solutions based on loans, guarantees and venture capital investment, the ICF contributes to the Catalan economy's growth, innovation and sustainability.

We meet the financing and investment needs of the Catalan business and social communities

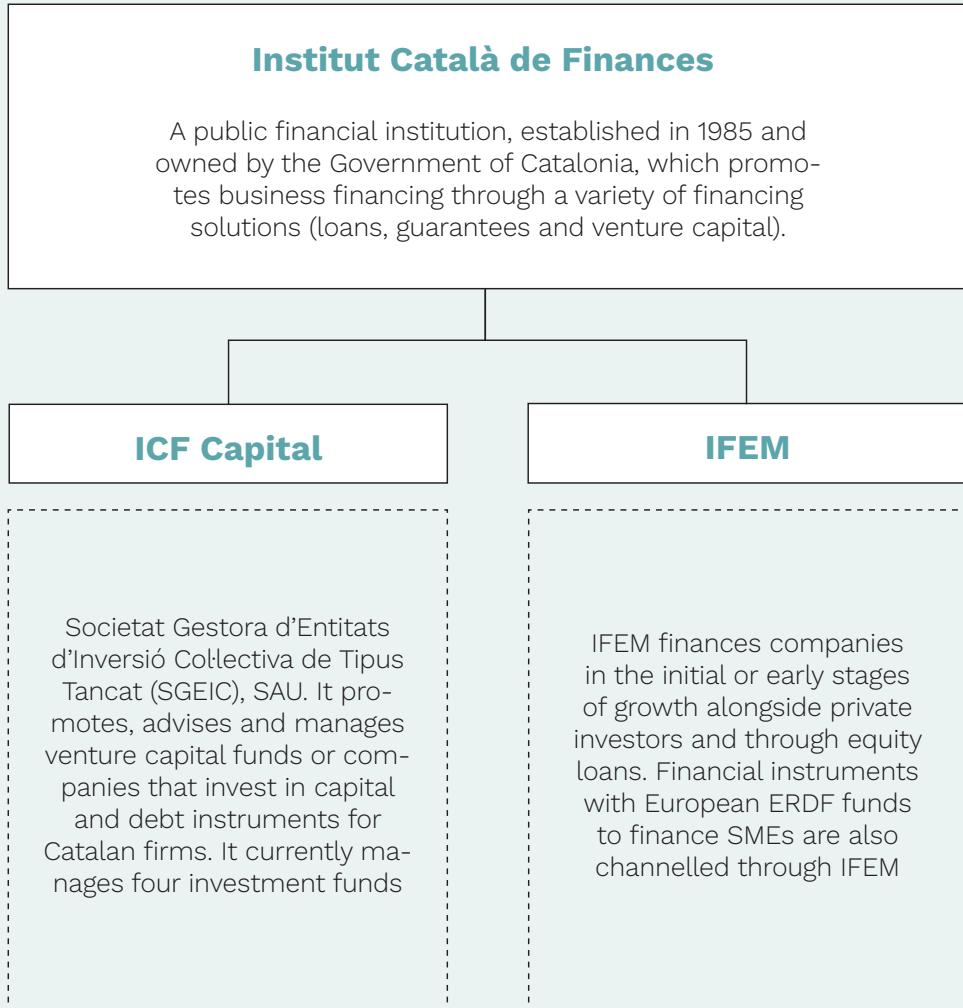
To accomplish its mission, the ICF seeks to contribute to the economy, society and the environment while supporting projects and initiatives aligned with the country's key strategic drivers: reindustrialisation, the green transition and the social shield.

The ICF operates through a number of companies which offer the self-employed, start-ups, SMEs and organisations a range of solutions tailored to their needs.

Institut Català de Finances: a public financial institution, established in 1985 and owned by the Government of Catalonia, which promotes business financing through a variety of financing solutions (loans, guarantees and venture capital).

Instruments Financers per a Empreses Innovadores (IFEM): IFEM finances companies in the initial or early stages of growth alongside private investors and through equity loans. Financial instruments with European ERDF funds to finance SMEs are also channelled through IFEM.

ICF Capital: Societat Gestora d'Entitats d'Inversió Col·lectiva de Tipus Tancat (SGEIC), SAU. It promotes, advises and manages venture capital funds or companies that invest in capital and debt instruments for Catalan firms. It currently manages four investment funds.





2.2 Business model

Our operations largely concern providing **loans and guarantees** and investing in **venture capital**.

2.2.1 Loan solutions

We design financing solutions for almost all business sectors to support projects aligned with Catalonia's strategic objectives and **add to the private financial sector's offering**.

Our close partnership with the Government of Catalonia means we can provide **facilities with advantageous conditions** for particular purposes. Likewise, we manage facilities featuring preferential conditions due to co-financing from the EU's European Regional Development Fund (ERDF) which seeks to invest in growth and employment.

- ▶ Financing for investment projects and working capital needs.
- ▶ Addressed to entrepreneurs, the self-employed, SMEs, large companies and public and private sector organisations.
- ▶ Medium- and long-term financing.
- ▶ Loans to unlock projects in digitalisation and reindustrialisation, the green transition, social housing, upgrading the primary sector, etc.
- ▶ Loans backed by Avalis de Catalunya for guarantees for the self-employed and SMEs.

2.2.2 Guarantee solutions

- ▶ Financial guarantees for large companies or significant amounts of money.

2.2.3 Venture capital solutions

Through venture capital investment, **we back start-ups** with innovation projects and foster the growth and consolidation of existing companies. To this end, the institution has two business lines:

- ▶ Investment in **venture capital funds** run by independent managers in the seed, development and growth segments across a number of sectors.
- ▶ Direct investment in companies and start-ups through **three own funds** managed by ICF Capital and one public-private vehicle.
 - **ICF Capital Expansió II:** fund equipped with €50 million to invest in business growth projects via capital increases.
 - **ICF Venture Tech II:** fund furnished with €20 million to invest in innovation projects with growth potential via debt, convertible debt and/or equity.
 - **ICF Venture Tech III:** fund allocated €40 million to invest in start-ups in more consolidated growth phases in the digital, industrial and climate sectors.
- ▶ IFEM Innovació: **public-private co-investment** in start-ups by means of equity loans.



2.3 Performance indicators

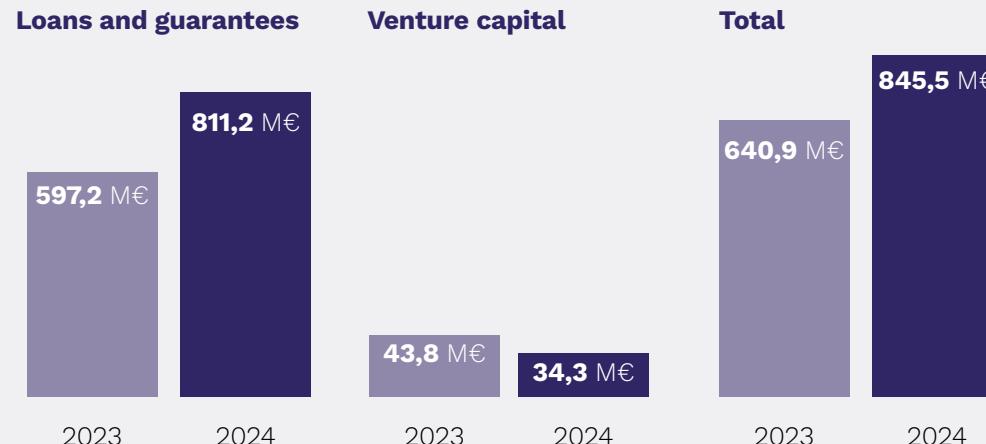
The ICF has made available a total of EUR 845.5 million in 2024 through its loans, guarantees and venture capital business, which is an increase of 31.9% compared to 2023, i.e. EUR 204.6 million more.

We have increased our operations in loans, guarantees and venture capital by 32% to €846 million.

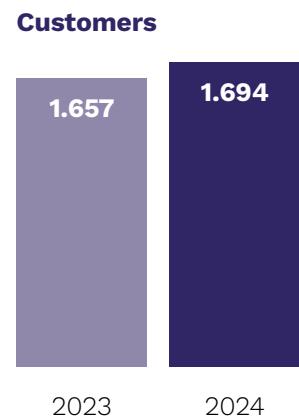
In total, Catalonia's public development bank has financed 1,694 businesses and organisations, 97% of which were SMEs and entrepreneurs. The number of customers has therefore risen by 2% in 2024 compared to the previous year.

We have financed 1,694 customers, 97% of which were SMEs and entrepreneurs.

Industry has received the most financing at 25% of the amount granted in loans and guarantees.



+31,9%
+204,6 M€



+2%
PERCENTAGE CHANGE
+37
ABSOLUTE CHANGE





The surge in business has not translated into a proportional increase in the number of businesses and organisations financed because most of this growth is down to the promotion of social housing.

Social housing financing has increased fourfold compared to 2023 to €201 million.

Publicly-subsidised housing financing has grown by EUR 155.3 million over 2023 but only accounted for around twenty additional businesses compared to the previous year.

We have supported 1,170 farmers and stockbreeders with €87.5 million in ICF Agroliquidat loans.

One out of every two euros in loans and guarantees has been gone to social and sustainable projects (ESG).



2.4 Commitment to sustainability

The Government of Catalonia's public development bank is firmly and strategically committed to sustainability. An example of this is our adherence to several national and international ESG initiatives:



The ICF Group has subscribed to the UN Global Compact on Sustainable Development Goals (SDGs) since 2021.



Since 2023, we have been signatories of the Government of Catalonia's voluntary agreements for calculating carbon footprint.



In 2024, the ICF joined the international partnership of financial institutions and insurers that are committed to calculating and reducing their carbon footprint using the proposed methodology.



ICF Capital has signed up to the UN Principles for Responsible Investment.

Support for the SDGs has been mainstreamed in the ICF's strategy and two strategic goals and five priority goals have been identified:

Strategic Goals

8 DECENT WORK AND ECONOMIC GROWTH



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



Priority Goals

3 GOOD HEALTH AND WELL-BEING



7 AFFORDABLE AND CLEAN ENERGY



11 SUSTAINABLE CITIES AND COMMUNITIES



13 CLIMATE ACTION



17 PARTNERSHIPS FOR THE GOALS



2.4.1 Credit investment processes

As part of building sustainability into the lending business model, **most of the ICF's customers¹ have to complete a statutory declaration which gathers data on the environmental, social and governance impacts** associated with the purpose of the transactions. The data compiled further include quantitative aspects to learn about the environmental and social impact of the investment. The screening team also selects the sustainable development goals to which the financing transaction contributes.

Based on this information, **the screening team classifies each financing transaction by whether it meets the minimum criteria to be considered E (environmental) or S (social)**. Some of the ICF's facilities already include this categorisation at the outset. For example, all EcoGreen facility transactions are rated E and publicly-subsidised housing finance transactions are rated S.

2.4.2 Venture capital processes²

2.4.2.1. Investment in external funds

The decision to invest in funds operated by third-party managers is made by factoring in the ESG aspects

included in the investment proposals with regard to the manager and the fund while ensuring the investment contributes to both society and the environment. Hence **at the end of 2024, 39% of commitments in funds of third-party managers can be catalogued in Articles 8 and 9** as sustainable funds pursuant to EU Regulation No 2019/2088 on sustainability-related disclosures in the financial services sector (the SFDR). These articles include a range of sustainability considerations albeit to varying extents. **Article 8 funds are ones that promote environmental or social char-**

teristics, or a combination of these characteristics, while those in Article 9 are geared towards sustainable investments.

Since the entry into force of the disclosure regulation in March 2021, **there has been a positive evolution in terms of promoting sustainable funds. Of the new commitments concluded by the ICF in 2024, 100% correspond to Article 8 and 9 funds.**



¹ customers applying for specific fast-track facilities or through third parties do not have to complete the statutory declaration. Specifically, in 2024, Agroliquidat facility and AVALIS facility customers did not have to fill in the statutory declaration. This means that 433 customers completed the declaration, accounting for 87% of business in 2024.

² more detailed information on ESG processes in venture capital is available in the venture capital sustainability report on the ICF's website.

2.4.2.2. Direct investment

Investment assessment

As in the case of loans and guarantees, **in-house ESG assessment uses a questionnaire to pinpoint at a high level financially material sustainability risks** and opportunities in the industry and for the company.

Financial materiality in sector terms is determined using the SASB® Standards. SASB has developed a complete set of 77 globally applicable industry-specific ESG standards which identify the minimal set of financially material sustainability topics and their associated metrics for the typical company in an industry.

The transaction proposal's recommendations include whether or not to conduct a specific ESG preventive audit based on the materiality of the identified sustainability risks.

Investment execution

Coverage of potential material sustainability risks identified or the adoption of ESG best practices in the company **may be required** as mandatory safeguards in the investment execution process.

The investment team also encourages the **implementation of ESG measures in investees** with the scope and extent deemed appropriate for the specific possibilities of each investee based on the proposal approved when making the investment decision.

To do this they seek support from the boards of other co-investors who share the same values with ICF Capital as responsible investors.



Likewise and within their remit, fund manager employees **may be directly engaged in investees' functional committees** based on the level of involvement arranged in the investment agreement. This involvement may include regular meetings of financial committees, executive committees or sustainability committees.

Divestment

Prior to any divestment action or additional funding round, the investment business officer has to perform **an ESG assessment to ascertain to what extent ESG**

management has helped to create a more valuable and sustainable undertaking. They use the ESG assessment conducted in the screening stage as a baseline for logging processes accomplished and also keep a record of the progress achieved. The results of this screening are included in the considerations when seeking and defining a suitable exit for the investment.

ESG Committee

The ICF's venture capital division also has an ESG Committee whose roles are:

- ▶ Implementing and supervising ESG practices.
- ▶ Proposing to the Board of Directors such amendments to the responsible investment policy as it deems appropriate/necessary.
- ▶ Approving any updates to the ESG Advisory Questionnaire it considers apposite.
- ▶ Proposing to the Board of Directors the ESG training sessions it thinks expedient.

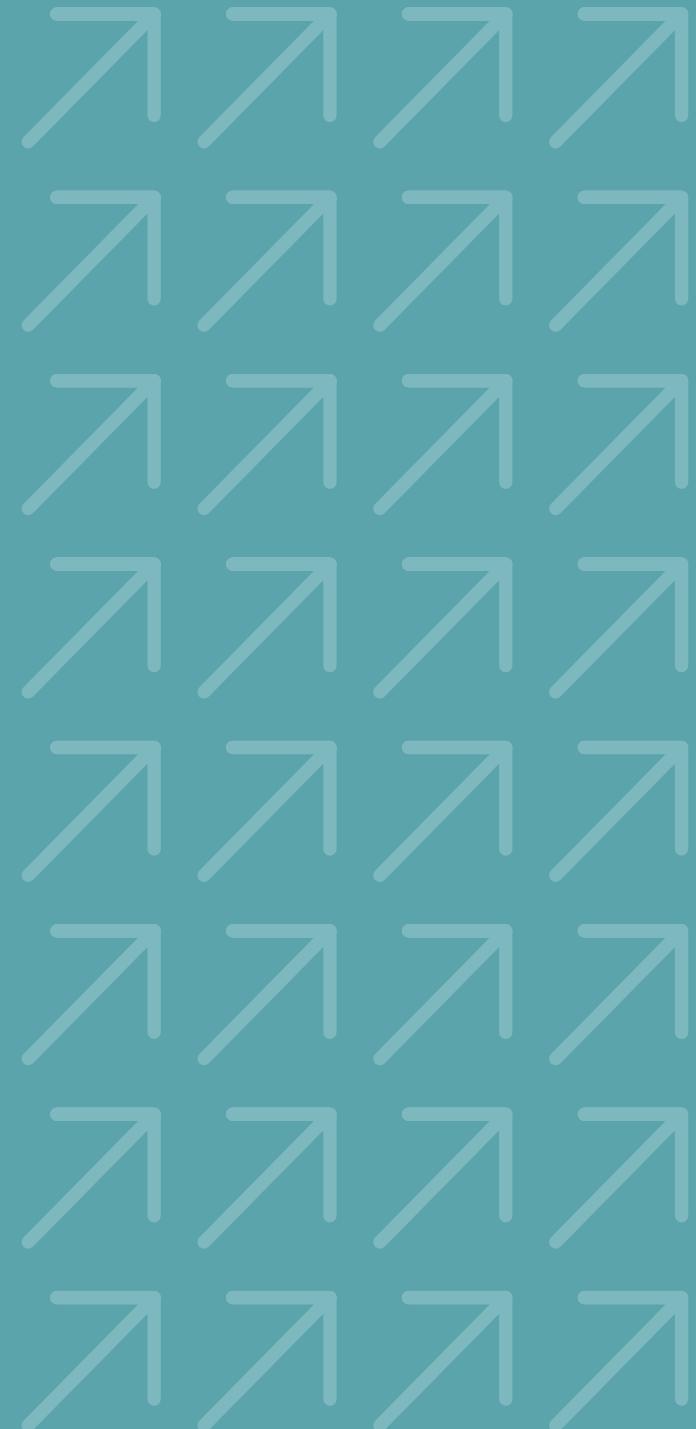
This committee is made up of:

- ▶ Ms Irene Bertran Aixut, Venture Capital Director.
- ▶ Mr Adrià Torrelles Burgués, Capital Expansió Director.
- ▶ Mr Emili Gómez Jané, Venture Capital Director (acting).
- ▶ Mr Màxim Mata Batlle, Capital Expansió Director.
- ▶ Mr Jianmin Yu, Head of ESG at ICF Capital.
- ▶ Mr Oriol Vidal-Barraquer, Product, Brand and Sustainability Director in the ICF Group.



03

Environment ESG



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3.1 Background

Human activity has accelerated the increase in the Earth's global temperature which has risen by around 1.2° C compared to the pre-industrial era, a warming unprecedented in human history and caused by a significant increase in greenhouse gas emissions.

The consequences of global warming are already evident all around us. **Extreme weather events, such as hurricanes, cyclones, droughts, torrential rains and floods, heat waves and wildfires, are getting larger and more frequent** and every year lead to the deaths of thousands of people and have a high economic cost. Longer-term consequences with a greater global impact include loss of marine biodiversity, melting polar ice, rising sea levels and desertification.

The scientific community, brought together in the United Nations Intergovernmental Panel on Climate Change (IPCC), is working with a range of **scenarios which forecast the evolution of global temperature increases based on the policy measures and actions rolled out** around the world to address climate change. Various scenarios envisaged for 2100 are under examination:

- ▶ Temperature increase of up to 3.4° C if current activity and policies continue without any additional measures to tackle climate change.
- ▶ Temperature increase of up to 2.9° C if the current commitments established by countries (nationally determined contributions or NDC) are applied).

▶ Temperature increase of up to 2.3° C if long-term targets, including zero emission targets, are fully implemented. Authorities and supervisors are another lever in shifting the financial system towards a more sustainable economy. Here there are forums, such as the Network for Greening the Financial System (NGFS) made up mainly of central banks and supervisors which promote the financial system's role in the green transition.

In Europe, the European Union has transferred **sustainability criteria to the regulatory sphere in order to channel public and private capital towards more sustainable investments**. It has drawn up technical criteria which enable sustainable investments to be classified (EU Taxonomy) to avoid greenwashing. The European taxonomy's technical selection criteria apply to six environmentally sustainable objectives.

To date, the European Union has produced criteria for the climate change mitigation and adaptation objectives and is working to complete the rest of them. Climate risks have become key factors for supervisors bearing in mind their potential implications for the financial system. Climate risks translate into physical and transition risks. Physical risks can come from events classified as 'acute' meaning floods, cyclones, droughts or heat waves. Likewise, there are the physical risks called 'chronic', such as the consequences of rising sea levels. Transition risks concern legal, technological and consumer behaviour changes tied to the transition to a greener and more sustainable economy. In November 2021, the European Central Bank publis-

hed its Guide on climate-related and environmental risks about supervisory expectations relating to climate risk management and disclosure in credit institutions.

In the financial and corporate realm, ESG ratings have been brought in about sustainable criteria and indicators related to environmental, social and governance issues. Plus a number of European organisations and authorities are working to build ESG aspects related to banking supervision into Basel's three pillars and at the corporate level with the publication of specific regulations for disclosing sustainability information (SFDR and CSRD).



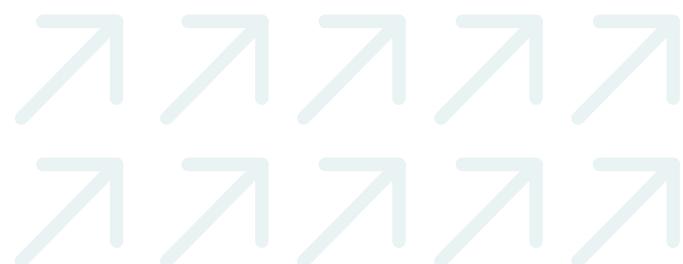
3.2 The ICF's commitment

The ICF Group, like other institutions in the financial system, has the duty and commitment to act as a lever for mitigating the impact of economic activity on the environment. Specific goals in this area are:

- ▶ Raising awareness among ICF customer businesses about their environmental impact.
- ▶ Financing and investing in projects that mitigate climate change:

35% in lending business.

Ensuring 30% of venture capital business is sustainable.³



³ As defined in Regulation (EU) 2019/2088 on sustainability-related disclosures concerning venture capital funds and their managers which came into force in March 2021.

⁴ The portfolio amount may be lower than the operations figure because amounts concluded in 2024 may not have been disbursed until 2025.



3.3 ICF climate change actions

3.3.1 Credit investment actions

3.3.1.1. Green catalogue

In 2024, the ICF's loan portfolio has featured three specific loan facilities for climate change-related actions:

FACILITY	PURPOSE	AMOUNT CONCLUDED 2024	TRANSACTIONS 2024	OUTSTANDING RISK PORTFOLIO ⁴	PORTFOLIO CUSTOMERS
ECOVERDE	For financing sustainable and environmentally-friendly investments or working capital needs that drive projects in the green economy, circular economy, energy efficiency, etc.	73,2 M€	27	127,7 M€	83
ACCIÓ CLIMÀTICA	Loans for agriculture, agri-food, forestry, fisheries and aquaculture enterprises and others in their value chain as well as energy communities seeking to finance investments with climate action components. Under an agreement with the Ministry of Agriculture, Livestock, Fisheries and Food, these loans are available at a reduced rate compared to the ICF's usual charges.	1,6 M€	3	686,4 k€	5
ICF ECO-VERDA FEI INVEST EU 	Under an agreement with the European Investment Fund, a loan facility has been set up for improving energy performance with 70% of the risk covered by the EIF, thus ensuring better conditions for customers.	400 k€	3	103 M€	3
ICF AVALIS VERDE	Loans secured by Avalis de Catalunya for Catalan SMEs undertaking projects related to energy efficiency, self-consumption of renewable or photovoltaic energy, waste recycling or treatment and other environmentally-friendly initiatives.	3,1 M€	7	686,4 M €	5

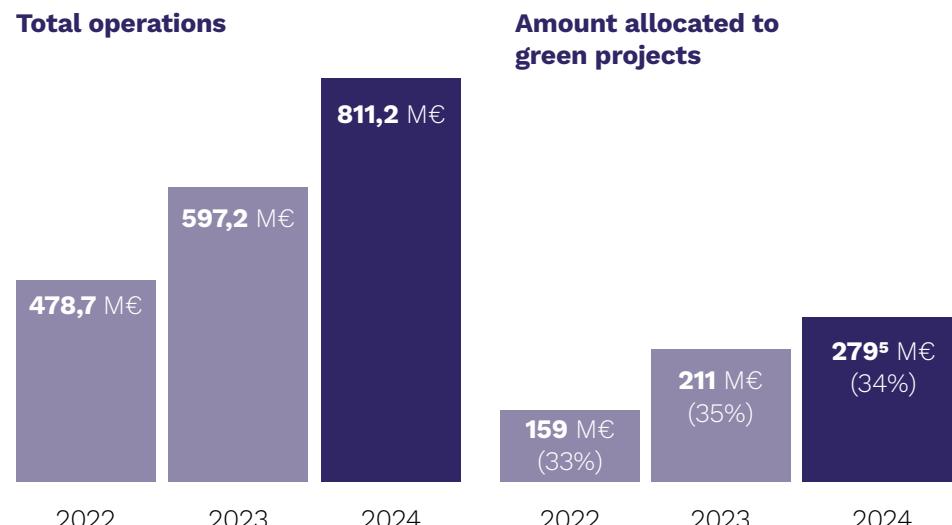
Alcarràs Bioproductors

This company brings together 150 livestock farming families in Alcarràs to finance the construction of a biogas plant. This project will enable 70,000 tonnes of livestock by-products to be converted into energy each year which will feed both the electricity grid and the family holdings themselves.



3.3.1.2. Green score

As part of the risk screening process, and based on the data provided by customers and the kind of projects to be financed, the risk team classifies transactions by whether they have a green component, i.e. whether they can contribute to improving or mitigating climate change. This shows that **35% of the ICF's business (by amount) has been earmarked for this type of project, 33% more than in the previous year.**



+52M€
(+33%)

+68M€
(+32%)

⁵ This year, financing for publicly-subsidised housing developments involving the construction of nearly zero-energy buildings (nZEB) as per current legal standards has also been classified as green (SOURCE: link). These transactions also count towards the social score (which can be found in section 4.3.1.1. of this report). The total volume of these transactions comes to €87 million. In 2023, the overall amount of these transactions stood at €11.4 million.

LC Paper

Almost €5 million invested to upgrade the paper recycling process at this Girona-based company's Besalú/Beuda complex. The purpose of the investment is to reuse hard-to-process materials such as cardboard boxes, an increasingly common waste product due to the expansion of online shopping.

3.3.1.3. Green business as classified by the European Investment Bank

Under the European Investment Bank's financing, transactions which may qualify for the EIB loan⁶ are classified according to whether they are eligible for inclusion in the 30% green financing. This classification, which is more restrictive than the ICF score, makes it possible to identify a portion of 2024 business that has been earmarked for projects aligned with the EIB's criteria for the following green activities. There has been a significant upsurge in green business according to EIB criteria compared to 2023 with a near threefold increase.

SECTORS AND GREEN EIB BUSINESS	AMOUNT 2023	AMOUNT 2024
Generating renewable energy	9,12 M€	39,26 M€
Infrastructure for low-carbon transport	10,64 M€	20,00 M€
Low-carbon road vehicles	- €	17,04 M€
Other green projects - circular economy	0,60 M€	3,68 M€
Other renewable energy projects	1,25 M€	2,00 M€
Energy efficiency	3,90 M€	1,91 M€
Waste collection and transport	- €	0,50 M€
Biological waste treatment	- €	0,32 M€
Other climate action projects	- €	0,15 M€
Industrial energy efficiency	- €	0,15 M€
Other climate mitigation investment	0,22 M€	- €
Other green projects - water	1,32 M€	- €
Other green projects - pollution prevention and control investment	1,34 M€	- €
Other green projects - biodiversity	1,38 M€	- €
Other green projects	0,70 M€	- €
Renewable energy generation / energy efficiency	0,60 M€	- €
Climate adaptation investment	0,18 M€	- €
TOTAL	31,24 M€	85,01 M€

It should be borne in mind that only green business eligible for EIB certification is classified. This means that the maximum amount that can be classified for the term of the loan is EUR 200 million.

Peinaje del Río Llobregat

This el Bages-based company specialises in liquid waste treatment. The project involved installing a 7,000 m² photovoltaic plant with a capacity of 980.4 kW and storage capacity of 297 kWh. The EIB tool estimates that this installation will save 281,243 kg of CO₂-eq. per year.



⁶ The EIB loan amounting to EUR 100 million mandates concluding transactions with enterprises and organisations of up to EUR 200 million following the EIB's eligibility criteria. The EIB's screening tool (Green Eligibility Checker) is used to identify whether transactions qualify for the 30%, although at the date of publication of this report the classification of all transactions has not yet been validated or accepted by the EIB. The highest amount eligible for this classification would be EUR 200 million and the minimum commitment is EUR 60 million.

3.3.1.4. Performance indicators in the statutory declaration

As a result of the statutory declaration on sustainability, information on ESG parameters has been gathered for ^{87%} of the amount awarded in loans in ²⁰²⁴. This information allows approximate analysis of the environmental impact of the ICF's operations:⁷

190 projects worth EUR 233.2 million which are developing products tailored to the circular economy



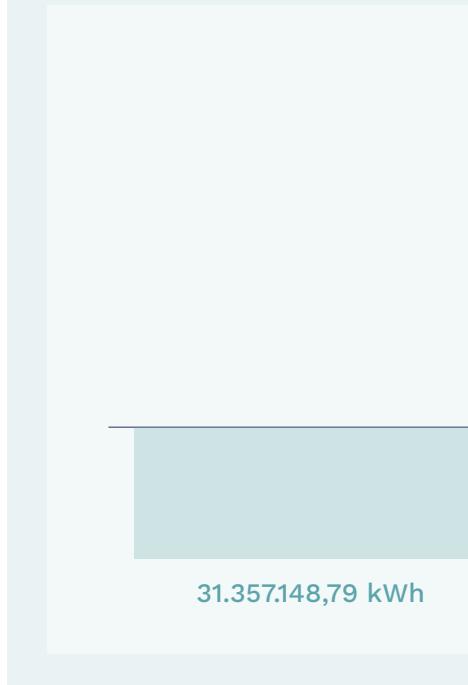
190 projects amounting to EUR 346.2 million are targeted at improving energy efficiency parameters

These projects have made it possible to save 31,357,148 kWh a year and produce 103,274,163 kWh of energy from green sources, the equivalent of the daily usage of around ^{13,568} households⁸.

103.274.163,15 kWh



31.357.148,79 kWh



⁷ NOTE: the information in the statutory declarations has not been verified by any organisation outside the ICF or the company submitting it. A single funded project may have an impact on more than one of the categories, so the sum of the amounts may be greater than the sum of the operations. The projects with the largest amounts have been reviewed to adjust the amount actually allocated to activities classified as green.

⁸ Average annual usage of 9,922 kWh (according to the Spanish Organisation of Consumers and Users): <https://www.ocu.org/vivienda-y-energia/gas-luz/noticias/cuenta-energia-consume-una-casa-571584>.

145 projects worth EUR 256.1 million to improve sustainable natural resources management

These projects have saved 307,747 tonnes of waste.

They have also saved 1.2 million m³ of water per year, the equivalent of the annual use of ³⁵³ Olympic-size swimming pools⁹.

Nufri

Financing of a varietal reconversion in el Pla d'Urgell to adapt crops to drought with a new variety that requires less water and is more resistant to high temperatures.

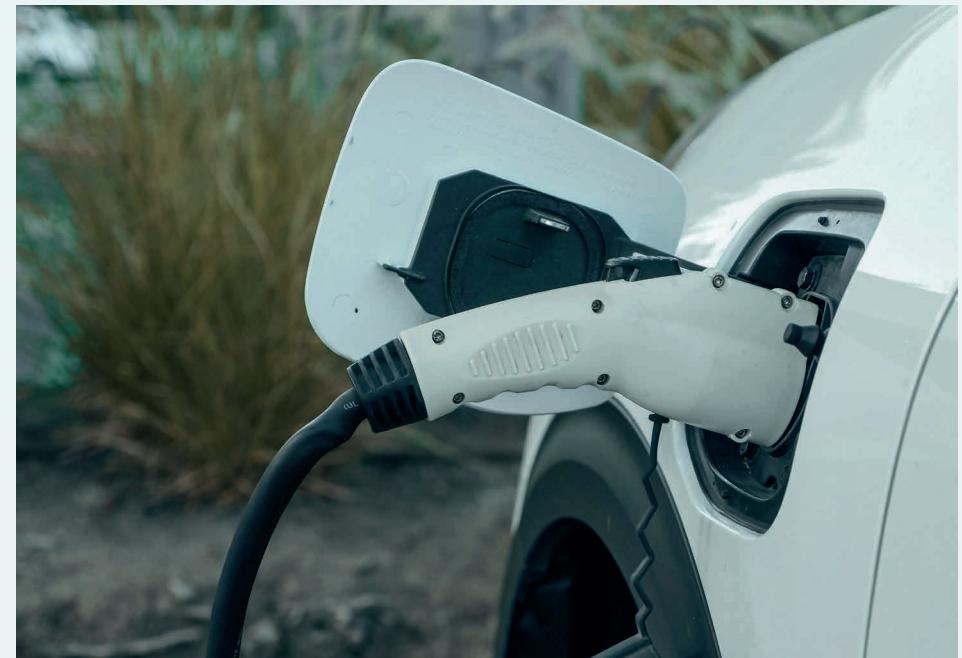


55 green transport projects for EUR 138.5 million

These projects have prevented the emission of ^{139.8} tonnes of CO₂ into the atmosphere

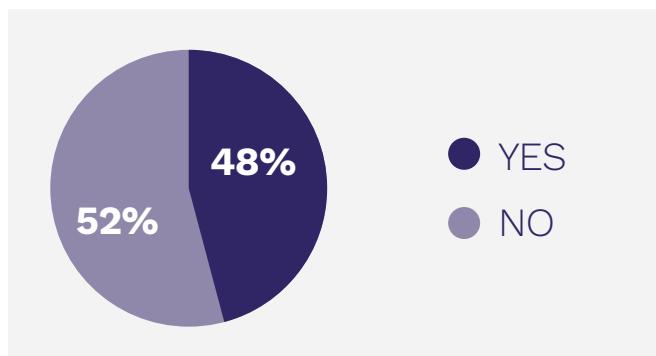
Fontfreda Pintures

Financing the purchase of two electric vehicles for company transport as part of a broader project to upgrade the industrial unit.

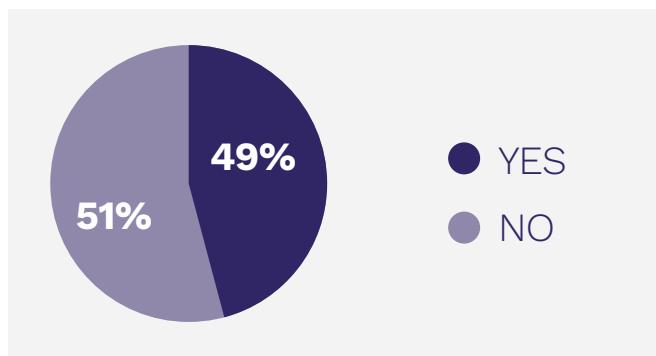


⁹ SOURCE: International Swimming Federation: https://resources.fina.org/fina/document/2022/02/08/77c3058d-b549-4543-8524-ad51a857864e/210805-Facilities-Rules_clean.pdf.

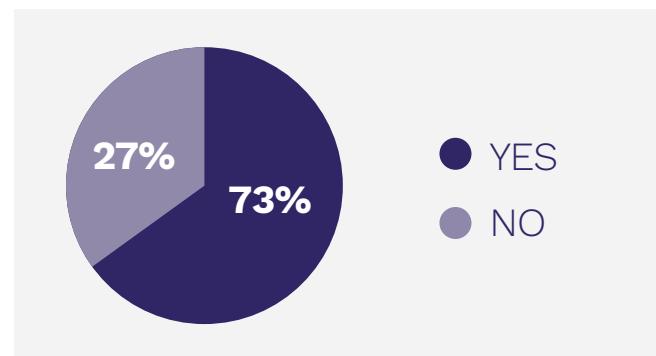
48% of customers have **environmental management systems** or procedures for protecting or conserving the environment.



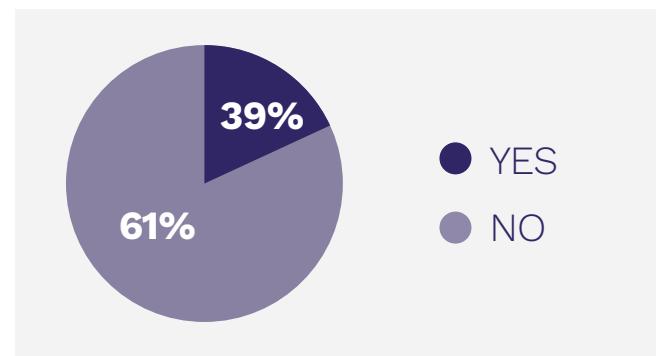
49% of customers say they use **renewable energy** or have **self-consumption systems**.



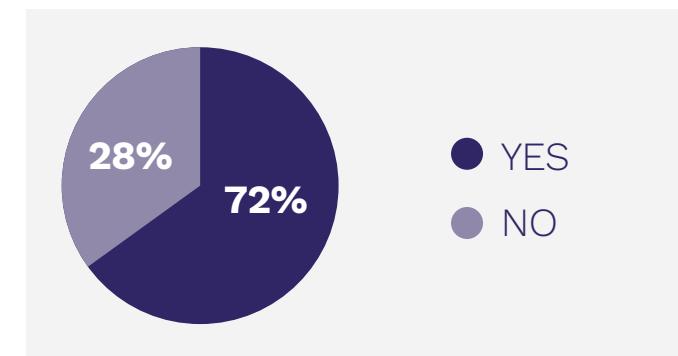
73% of customers who have completed the statutory declaration say they have **waste recycling, reduction and management mechanisms in place**.



Only **61%** of customers believe they will have to undertake major investments to **bring their processes or business into line** with the new environmental requirements.



72% report they have a **resource efficiency plan** for the use of their facilities.



The findings of this analysis show that there is room for ICF customers to improve their environmental management systems. Indeed, the data also reveal that **only fifteen companies which have received financing in 2024 say they measure their carbon footprint in all three possible scopes**:

They measure Scope 1	55
They measure Scope 2	22
They measure Scope 3	59
They measure all three scopes	21

3.3.2 Venture capital actions

In the conclusion stage of direct investment, the document signed by both parties includes a section tailored to the features of the transaction setting out the environmental measures which investees undertake to put in place. These measures include:

- ▶ Contribution to sustainable development. The company seeks to sign up to the United Nations Global Compact and engage in environmental industry initiatives.
- ▶ Inclusion of environmental aspects in the annual evaluations of the company and subsidiaries which may affect the operation and performance of their business.



3.3.2.1. Performance indicators

Analysis of the information reported by equity investees enables us to identify relevant social data:

In growth (ICF Capital Expansió II):

INVESTEES	DATA
Especialitats M Masdeu , pastries	
Semillas Batlle , seed production	
Pastisart , food	▶ 100% of investees use renewable energy.
PMP , construction	▶ 100% have an ESG officer.
Tecnic Process , bioprocessing equipment	▶ 63% have an environmental management policy.
Grup Boix , forest management	▶ 3% control their CO2 emissions.
Circular Partners , logistics operator	
Earthwise Solutions , extrusion and machining of aluminium parts	

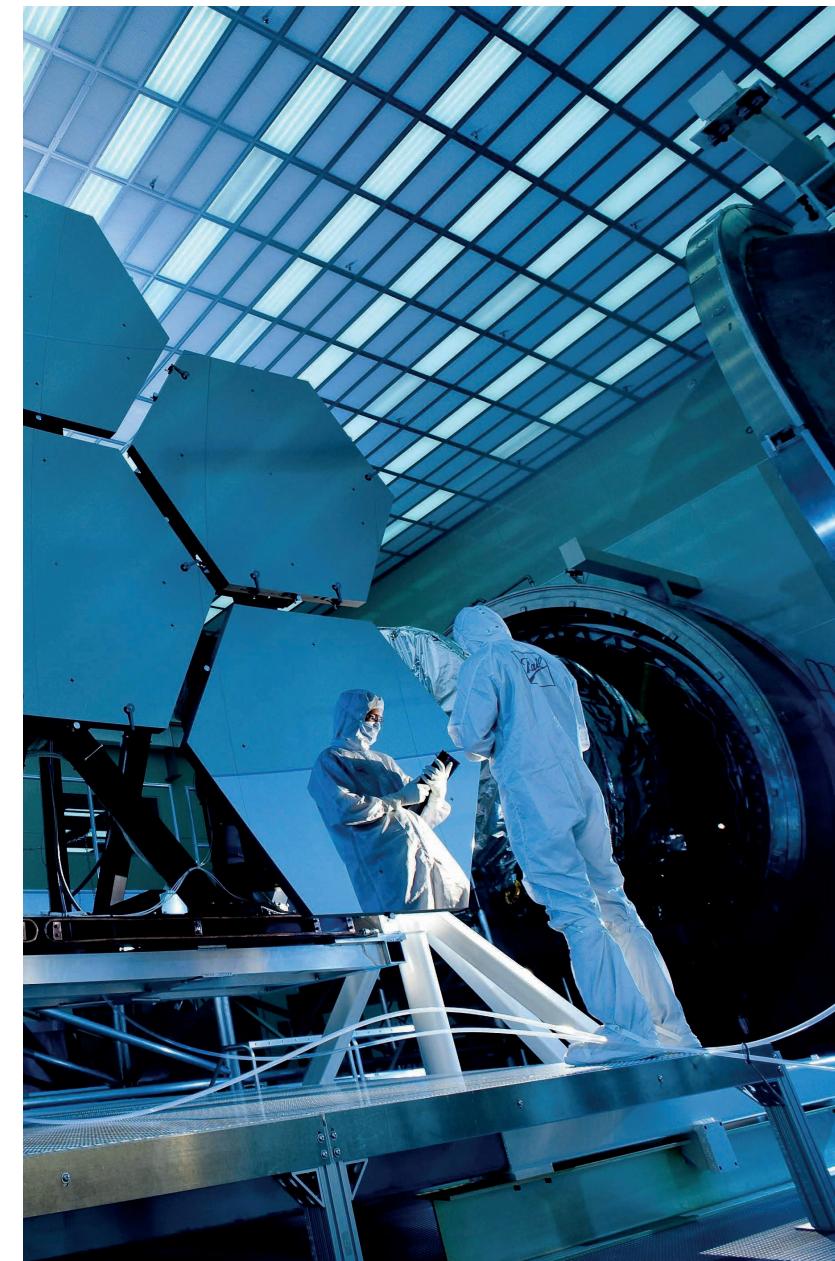
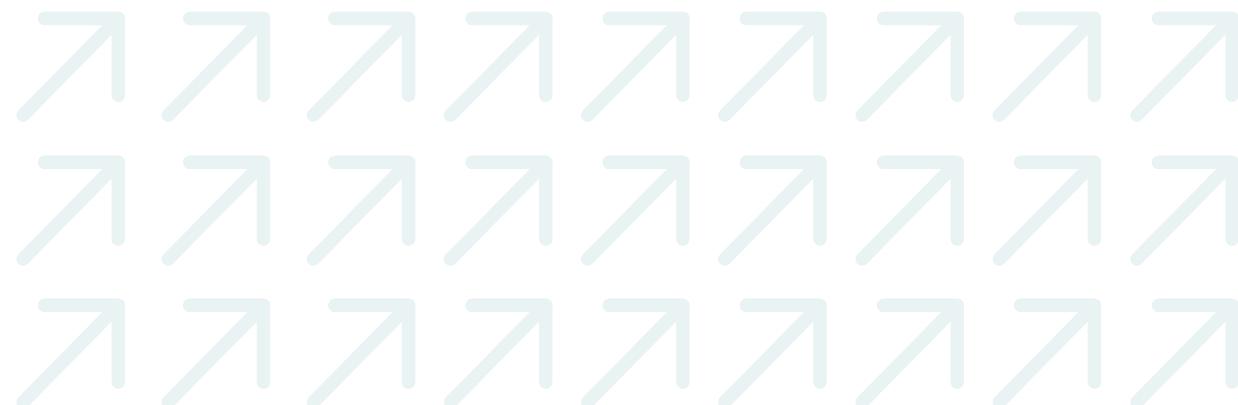
FEATURED INVESTMENT:

In 2023, the ICF and Grup Boix concluded a €5 million capital increase in 2023 to kick-start the construction of a new plant. Through the ICF Capital Expansió II fund, the institution has become a minority member of the company to support this project for a new production unit which is highly sustainable and circular.

The ICF sees Grup Boix as an inspiring example of a growth project to be backed by ICF Capital as it encompasses aspects as significant as managing the region's forestry resources, enhancing their value through industry and generating high quality local jobs.

In development (ICF Venture Tech II)

INVESTEES	DATA
Lodgify , digital	
InBrain , pharmaceutical	
Vytrus Biotech , pharmaceutical	
Top Doctors , healthtech	
Bigle Legal , legaltech	<ul style="list-style-type: none">▶ 45% have an ESG officer.
Bloobirds , digital	
Newton Learning , digital	<ul style="list-style-type: none">▶ 18% have an environmental management policy.
Housfy , digital	
Kintai , fintech	
Quside , quantum tech	
Exoticca , tourism	



3.4 In-house actions

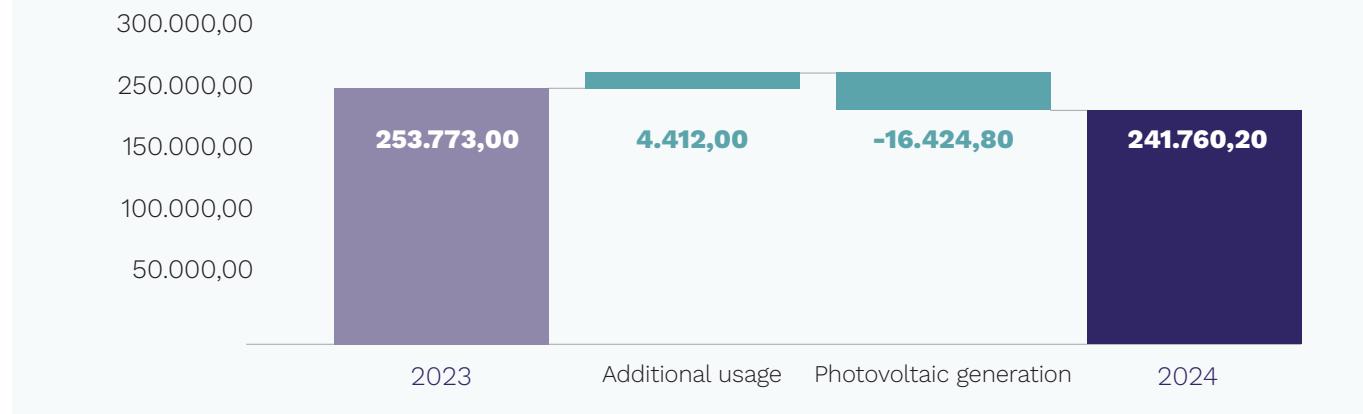
Measures to cut electricity use

In 2023, the ICF fitted 42 self-generation solar panels with 20 kW in installed capacity. These panels are used to generate power in the common areas of the building which the ICF shares with other tenants (lobbies, lifts, stairwells, etc.). In 2024, these panels have generated a total of 16,424.8 kWh, 91% of which has been used for common areas while the rest has been fed into the grid.

Since 2019, the electricity utility contract for the ICF building has stipulated a 100% mix of renewable energy sources.

Although the building's electricity usage during 2024 has risen slightly (by 4,412 MWh), this increase is less than the total green energy produced by the solar panels, most of which has been fed into the grid.

Electricity consumption (data in Mw)



The ICF's parking facility hosts an electric vehicle charger. In 2024, this option has been expanded by two dual chargers and one single charger, bringing the total number of chargers to six.

In 2025, the building's lift machinery is to be replaced by more energy-efficient equipment.

Addition of a fleet of electric vehicles

In 2024, the ICF also put out to tender the leasing service for electric vehicles available to staff for work trips. The idea is to cut down on emissions from the institution's business travel. Since the three vehicles were added, the option to claim mileage expenses for business trips has been limited to exceptional situations and only if none of the institution's vehicles are available.





3.5 Our impact; the ICF Group's carbon footprint

The ICF Group continues to make progress with various actions to mainstream sustainability across its business model in both operational and financial aspects.

This year, the ICF has joined the PCAF (Partnership for Carbon Accounting Financials) as an institution committed to measuring, disclosing and evaluating financed emissions. PCAF methodology is recognised as the benchmark standard for financial institutions to measure emissions derived from lending and investment operations. Also this year, the ICF has calculated the emissions avoided and eliminated in the projects it has financed.

Including emissions associated with financing makes it possible to identify the main assets and areas of action for putting decarbonisation measures in place, enabling the institution to achieve its carbon footprint reduction targets and pinpoint measures to match its operations with sustainable financing.

Carbon footprint

The carbon footprint calculation draws a distinction between direct emissions released by facilities and processes within the organisation's boundaries (Scope 1) and indirect emissions which are those not owned by or under the control of the organisation (Scopes 2 and 3).

Emissions from the ICF Group's own business operations have been calculated following the instructions of the calculator provided by the Catalan Office for Climate Change (OCCC). This tool has been used as part of the

Government of Catalonia's greenhouse gas (GHG) emissions reduction voluntary agreements programme. This means the Group is committed to monitoring its GHG emissions and putting in place annual measures to reduce them.

Meanwhile, the guidelines set out by the PCAF in its report *The Global GHG Accounting & Reporting Standard for the Financial Industry* were used as a baseline for calculating emissions from lending and investment operations.

The result of the carbon footprint calculation in 2024 is set out in the table below:

SCOPE	EMISSIONS (t CO ₂ -eq.)
Scope 1 , Direct emissions; fixed and mobile combustion, diffuse emissions	10,8
Scope 2 , Indirect emissions; purchase of electricity	0
Scope 3 , Indirect emissions; operational	2.277,7
Scope 3 , Indirect emissions; funded	1.596.402,3
Total	1.598.690,9

¹⁰ The power used in our offices comes from 100% renewable sources certified by the supplier.

3.5.1 Distribution by category

The ICF's **Scope 1, 2 and 3** emissions come from its two main offices in the Gran Via de les Corts Catalanes building at 635 and in the leased building at Via Augusta 252, both in Barcelona.

The ICF classifies its greenhouse gas emissions into three main categories to simplify analysing and managing its environmental impact.

The ICF's **direct emissions** for 2024 are **10.8 tonnes of CO2-eq.** derived from gas usage in the Via Augusta building whose lease ended in June 2024. Both ICF facilities have **photovoltaic panels** fitted on their roofs and the power supply is made up of a percentage generated by the photovoltaic panels and supplementary input from the electricity grid. In 2024, this facility enabled production and use of 14,865.32 kWh all coming from the photovoltaic system.

Finally, this year the ICF Group has acquired three **electric vehicles** through leasing. This measure, part of the Group's strategy to **cut operational emissions and keep its carbon footprint neutral**, is crucial for **sustainability** and confirms **the institution's commitment to environmental responsibility**.

In **indirect emissions** with respect to **electricity usage**, 100% of the energy used by the ICF comes from renewable energy sources, which means that under market-based method criteria these emissions are equivalent to **0 tonnes of CO2 eq.** Using the location-based method, total emissions are **175.3 tonnes of CO2-eq.**

As for **Scope 3, indirect emissions** associated with the ICF's **outsourced services** (e.g. cleaning, security, telecommunications and consulting) account for **53%** of the total operational footprint. Next, **purchased goods** make up **24%** of the total, in particular **capital goods** which represent 22% of the total. Finally, employee transport (which includes business travel and commuting) accounts for **4%** of the total.



¹⁰ The power used in our offices comes from 100% renewable sources certified by the supplier.

Direct emissions

Carbon footprint categories according to ISO 14064	Emissions t CO2-eq. (2023)	Emissions t CO2-eq. (2024)
Fixed combustion ¹⁶	0,0	10,8
Mobile combustion (transport)	0,0	0,0
Fugitive ¹⁷	0,0	0,0
Refrigerant fugitive	0,0	0,0
Other fugitive	0,0	0,0
Process	0,0	0,0
Emissions	0,0	0,0
Industrial process removals (informative)	0,0	0,0
Land use, land-use change and forestry	0,0	0,0
Emissions	0,0	0,0
Removals (informative)	0,0	0,0
Biomass combustion (informative for biogenic CO2)	0,0	0,0
Total direct	0,0	10,8

¹⁶ The market-based method calculates emissions by considering the specific emission factor of the electricity marketer (in the case of the ICF, this factor is 0 as it has purchased all its electricity with a 100% renewable origin guarantee).

¹⁷ The location-based method calculates emissions based on the territory's electricity mix; in this case, Catalonia's electricity mix emission factor has been used.

¹⁸ As a result of improved data availability, this year the information used to calculate emissions from fixed combustion sources has been consolidated.

¹⁹ Due to data availability, waste treatment emissions have only been calculated for the building owned by the Group in Gran Via.

²⁰ In 2024, market-based method criteria have been used in which the attribution factor is the one provided by the energy marketer.

Carbon footprint categories according to ISO 14064	Emissions t CO2-eq. (2023)	Emissions t CO2-eq. (2024)
Purchased energy	0,0	0,0
Electricity consumption	0,0	0,0
Market-based consumption	0,00	0,00
Location-based consumption	170,5	175,3
Energy consumption	0,0	0,0
Transport	79,3	100,4
Distribution transport	0,0	0,0
Employee commuting	65,4	73,3
Customer and visitor transport	0,0	0,0
Business travel	13,9	27,1
Services used	811,1	1.215,4
Waste treatment ¹⁸	0,08	0,36
Municipal or similar waste	0,08	0,36
Other waste	0,0	0,0
Water consumption	1,9	1,9
Mains water	1,9	1,9
Water from other sources	0,0	0,0
Other services	809,1	1.213,2
Purchased goods	295,2	524,7
Materials, raw materials and products	19,5	7,0
Biogenic carbon removals in materials (informative)	0,0	0,0
Purchased electricity production ¹⁹	0,0	16,9
Market-based production	0,00	16,9
Location-based production	31,8	31,1
Capital goods	275,7	500,8
Use of products generated by the organisation	0,0	0,0
Use of products sold by the organisation	0,0	0,0
Other indirect emissions	1.213.666,7	1.596.839,6
Leased buildings	73,12	437,3
Financed emissions	1.213.593,6	1.596.402,3
Removals (informative)	0,0	0,0
Total indirect	1.214.852,3	1.598.680,1

3.5.2 Progress in measuring financed emissions

Mindful of the significance of the carbon footprint generated by a credit institution's financial business, the ICF Group has made significant progress in calculating the Scope 3 emissions of its lending and investment portfolio as a first step towards taking action to achieve its reduction targets.

The Group has taken as a baseline the guidelines set by the PCAF for quantifying the financed emissions of its lending and investment portfolio as at 31 December 2024.

This year, the calculation has been completed for all asset types in the standard and at year-end the following asset types are covered:

- ▶ Listed shares and corporate bonds
- ▶ Corporate loans and unlisted shares
- ▶ Project finance
- ▶ Mortgages
- ▶ Commercial real estate
- ▶ Motor vehicles
- ▶ Sovereign debt

The work done in 2024 has made it possible to get quantitative data both at the asset level and on the sectors¹⁶ where the ICF has the most exposure in its portfolio in terms of absolute CO₂ equivalent emissions. This allows identifying more precisely the main areas of the portfolio with

significant exposure to intensive emissions, assess the risks associated with financial assets and gather more accurate metrics to help move towards achieving the Group's targets.

Considerable progress has also been made in terms of emissions coverage and data quality through the assessment of investment projects for green financing using the Green Eligibility Checker tool provided by the EIB. Implementation of this tool in the institution's systems has enhanced the assessment of financed projects, the financing decision-making process and data quality across the sectors covered.

The results of the absolute emissions for each type of asset are shown in the following table.



¹⁶ The sectors have been identified by CNAE (National Classification of Economic Activities 2009) code.

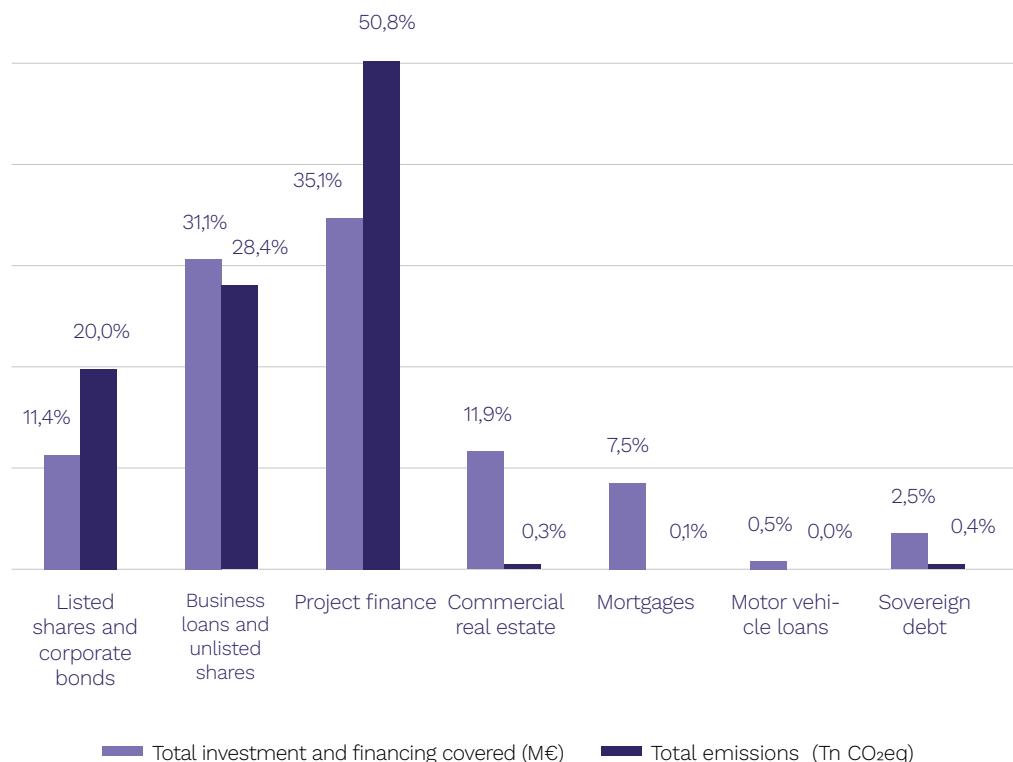
GHG emissions from the financing and investment portfolio - financial year 2024 ¹⁷	Total investment and financing covered (€M)	Scope of emissions	Scope 1 and 2 emissions (t CO2-eq.)	Scope 3 emissions (t CO2-eq.)	Total emissions (t CO2-eq.)	Emission intensity (t CO2-eq./€M)	Weighted data quality (high quality = 1; low quality)
Listed shares and corporate bonds ¹⁸	228	1 + 2 + 3	18.553	301.335	319.889	1.404	1,2
Corporate loans and unlisted shares	619	1 + 2 + 3	233.346	219.999	453.345	732	4,4
Financial brokerage and business operations	195	1 + 2 + 3	27.246	39.940	67.186	344	3,6
Agriculture, hunting, forestry and fishing	113	1 + 2 + 3	147.458	26.277	173.735	1.544	4,8
Wholesale and retail trade	106	1 + 2 + 3	17.083	45.370	62.453	587	4,1
Public administration	48	1 + 2 + 3	3.663	8.935	12.598	264	4,5
Food industry	34	1 + 2 + 3	4.251	27.004	31.256	907	4,1
Metal	20	1 + 2 + 3	12.520	18.092	30.612	1.528	4,0
Electricity and machinery	20	1 + 2 + 3	1.857	11.697	13.554	683	4,0
Construction	20	1 + 2 + 3	1.852	14.389	16.241	829	4,0
Transport and storage	16	1 + 2 + 3	4.490	10.912	15.403	967	4,1
Manufacturing	14	1 + 2 + 3	3.607	6.826	10.433	749	4,0
Fossil fuels	13	1 + 2 + 3	889	3.684	4.573	347	4,1
Manufacture of paper and paper products	12	1 + 2 + 3	1.721	4.290	6.012	518	4,1
Energy	6	1 + 2 + 3	5.771	1.905	7.676	1.367	4,3
Telecommunications	2	1 + 2 + 3	919	527	1.446	723	4,0
Mining	1	1 + 2 + 3	17	151	168	168	4,1
Project finance	700	1 + 2 + 3	150.880	660.309	811.190	1.159	4,0

Construction	358	1 + 2 + 3	24.813	169.185	193.998	542	4,0	
Energy performance and building renovation	225	1 + 2 + 3	55.734	380.019	435.754	1.935	4,0	
Educational, cultural, sports and recreational services	30	1 + 2 + 3	6.313	16.283	22.596	748	4,0	
Renewable energy generation projects	26	1 + 2 + 3	6.993	39.618	46.611	1.820	4,4	
Agriculture, biodiversity and circular economy	22	1 + 2 + 3	42.854	16.083	58.937	2.675	4,0	
Low-emission transport and vehicles	19	1 + 2 + 3	1.025	4.746	5.770	309	4,0	
Purchasing and installing specialised equipment	13	1 + 2 + 3	12.675	31.950	44.625	3.370	4,2	
Research and development activities	6	1 + 2 + 3	469	2.411	2.880	496	4,3	
Real estate services	1	1 + 2 + 3	4	14	18	23	4,0	
Commercial real estate	236	1 + 2	4.119	-	4.119	17,5	3,1	
Mortgages	150	1 + 2	935	-	935	6,2	2,3	
Motor vehicle loans	10	1 + 2	132.55	-	133	13,2	3,0	
Sovereign debt²³	Excluding LULUCF	49	1	7.125	-	7.125	145,4	2,1
	Including LULUCF	49	1	6.793	-	6.793	138,6	1,0

²³ Following the standard's guidelines, sovereign debt emissions have been calculated including and excluding LULUCF (Land Use, Land-use Change and Forestry). There is disagreement on whether to use this indicator when accounting for CO2-eq. emissions. Since each country addresses this indicator differently in their mitigation targets and investors may have divergent views on the potential of land use to mitigate emissions, the PCAF requires financial institutions to report their sovereign debt emissions both including and excluding LULUCF.

Total financed emissions from the ICF Group's lending and investment portfolio at 31 December 2024 is **1,596,402 t CO₂-eq.**²⁴

Exposure results by asset type according to AuM and total emissions financed



²⁴ Total emissions have been calculated using net sovereign debt emissions including the LULUCF variable..

Due to the ICF Group's type of business, the asset with the highest exposure is **project financing**; loans or investments for a specific activity and/or purpose totalling EUR 700 million and accounting for 51% of the portfolio's total emissions (811,190 t CO₂-eq.). Emissions associated with this category are specific to the projects or activities financed (and not to the beneficiary company or organisation). In this reporting year, the institution's endeavours have been geared towards improving the traceability of projects by gathering information on customer needs to include in this category financing facilities whose specific purpose is known, as defined by the GHG Protocol and following the PCAF guidelines.

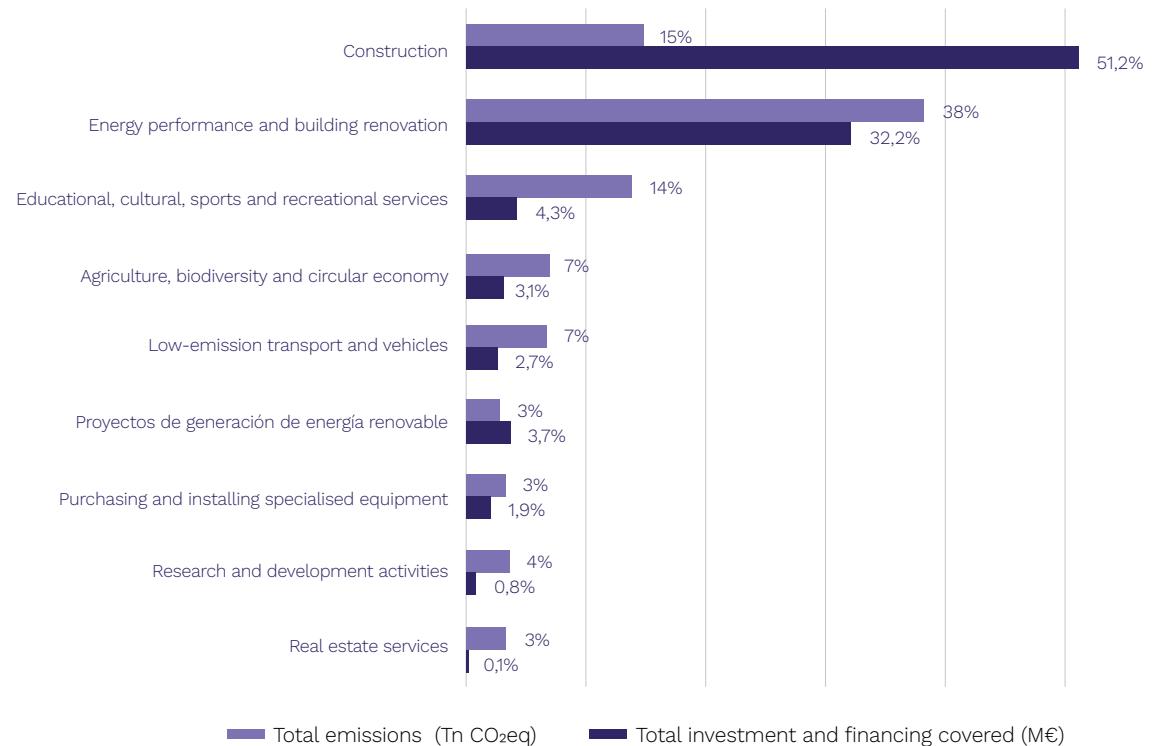
The main projects financed are in the **construction** industry, mainly associated with financing civil engineering and public works and real estate development, with a total exposure of EUR 358 million and amounting to 193,998 t CO₂-eq.

The second category with the highest exposure is **energy performance and building renovation** projects (EUR 225 million and a total of 435,754 t CO₂-eq.), which includes investment for improving and renovating buildings and other infrastructure to drive circular economy models, enhance energy performance and prevent and mitigate impacts.

Investment in projects to promote **renewable energy** also makes up the bulk of the institution's investments, with EUR 26 million in loans for installing and/or acquiring machinery or other infrastructure which enables solar, wind, biomass and other kinds of energy.

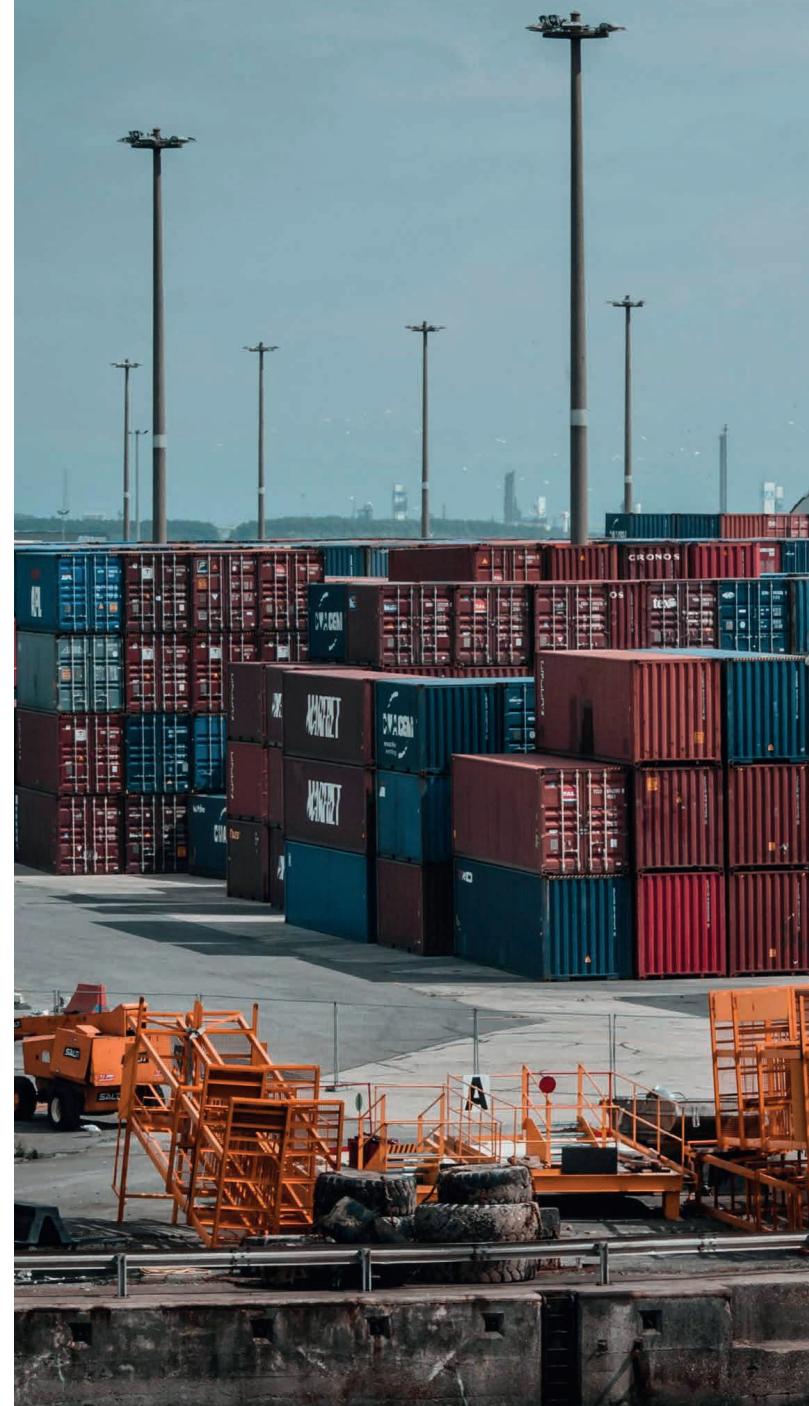
The following chart shows the distribution in terms of exposure and CO2 equivalent emissions for each of the sectors in the project financing category..

Exposure results by sector for each type of project financing according to AuM and total emissions financed.

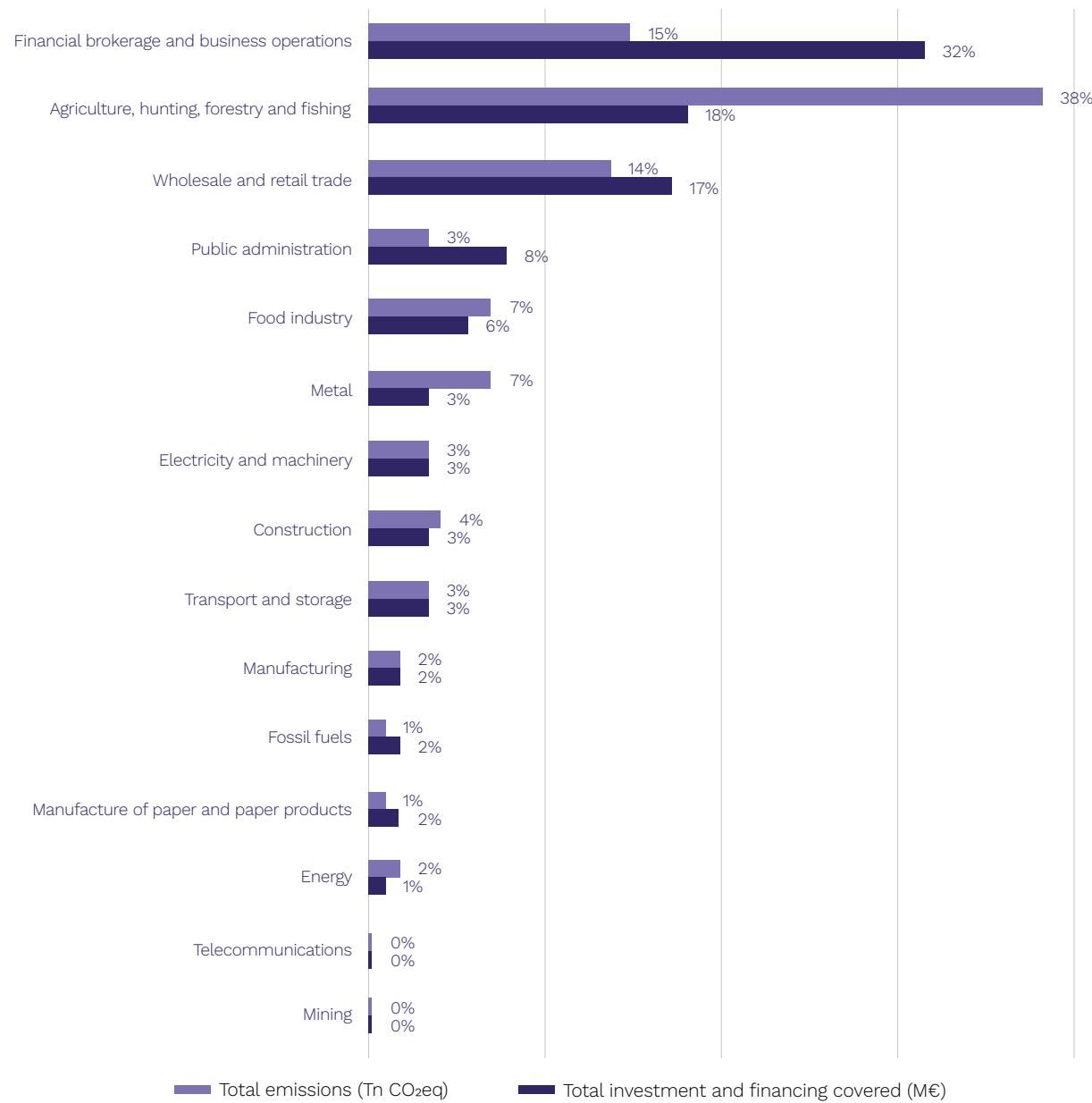


The **corporate loans and unlisted equity** asset category is the second most exposed and has the second-highest total emissions at EUR 619 million and 453,345 t CO2-eq. (28% of total emissions). This category includes loans awarded by the ICF to businesses plus emissions which are part of ICF Capital's investment portfolio due to its investment in unlisted companies and indirect investment through funds of funds.

The loans granted with the highest total emissions are in the **agriculture, hunting, forestry and fishing** sector at 173,735 t CO2-eq., followed by **financial brokerage and business operations** (67,186 t CO2-eq.) and **wholesale and retail trade** (62,453 t CO2-eq.).

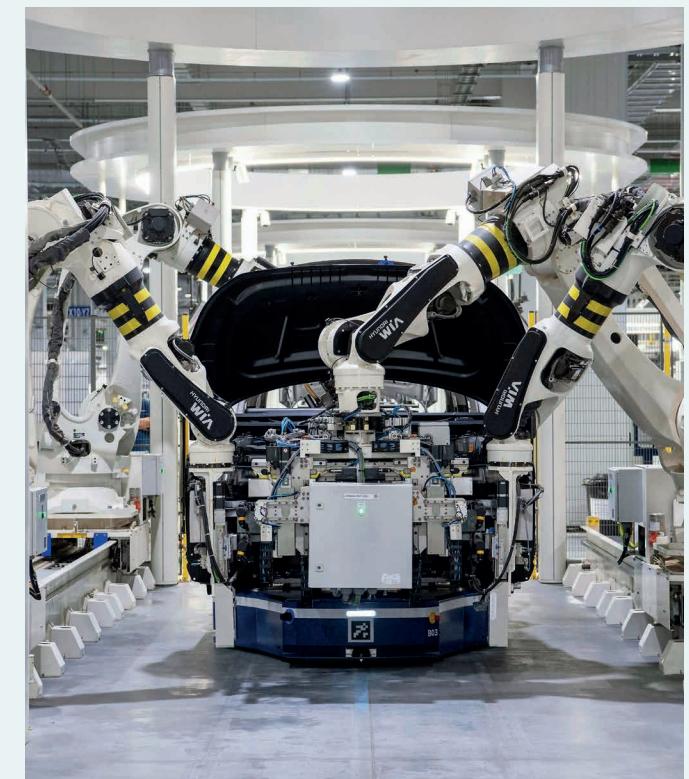


Exposure results by sector for the corporate loan and unlisted shares portfolio by AuM and total emissions financed.



In terms of emissions intensity (measured as emissions per million euros disbursed), **listed shares and corporate bonds** are the most carbon-intensive asset type with a total of EUR 228 million disbursed, 319,889 total emissions and an intensity of 1,404 t CO2-eq./€M.

The least emission-intensive assets are **sovereign debt** (138.6 t CO2-eq./€M), **commercial real estate** (17.5 t CO2-eq./€M), **motor vehicles** (13.2 t CO2-eq./€M) and **mortgages** (6.2 t CO2-eq./€M). Together they account for 1.2% of the portfolio's total absolute emissions.



3.5.3 PCAF scoring

The availability of data on emissions from financed assets is not the same for each one and data quality may vary depending on the specificity and certainty of the information source used. The PCAF sets a scale of the quality of data used in counterparty emissions calculations: it assigns a score of 1 to the highest quality data and a score of 5 to the lowest.

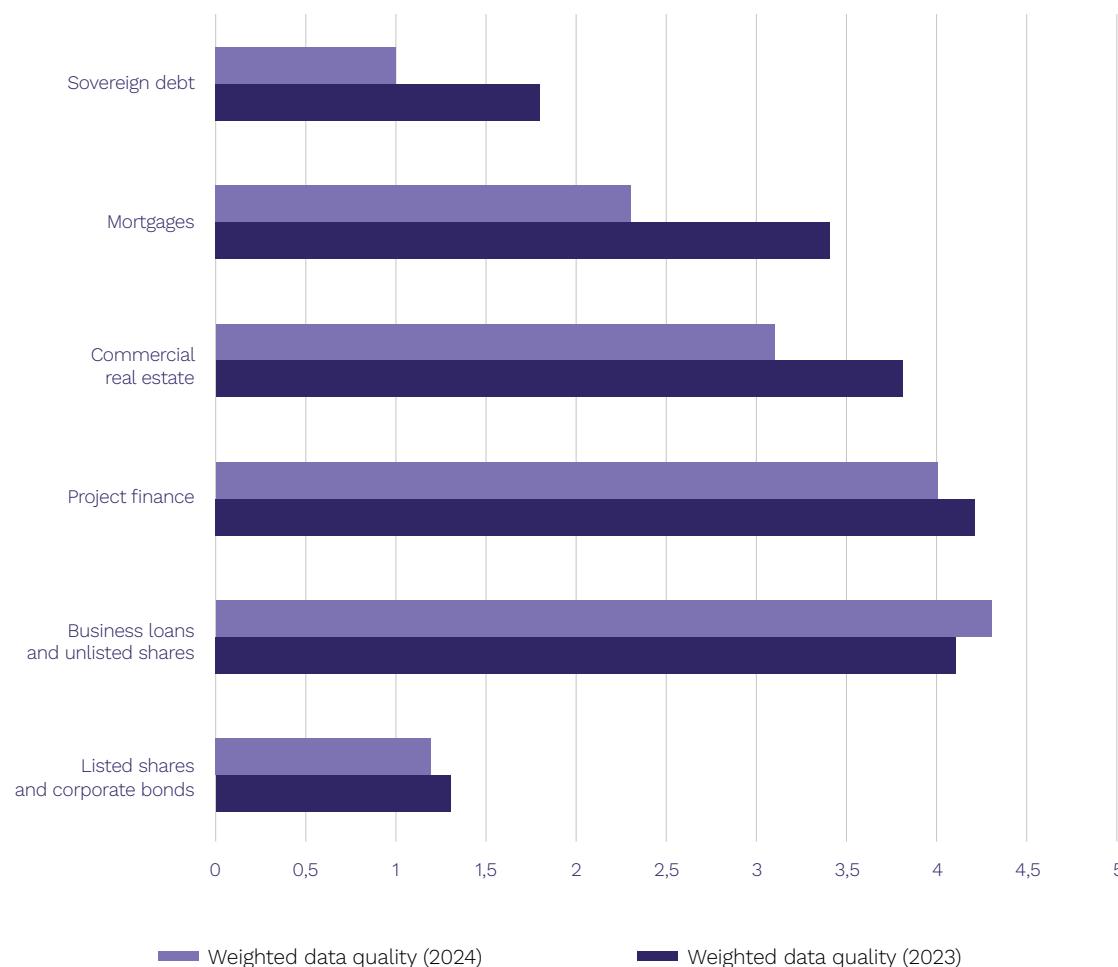
The PCAF data quality score by asset type for calculating the ICF Group's financed emissions is as follows:



Asset type	Information on GHG emissions	Financial information	Weighted data quality (high quality = 1; low quality = 5)
Listed shares and corporate bonds	Scopes 1, 2 and 3 extracted from companies' published sustainability reports (verified or unverified).		1,2
Corporate loans and unlisted shares	Estimated according to income or assets by sector for Scopes 1, 2 and 3. In a few cases, emissions are those published by the company (not verified by a third party).		4,4
Project finance	Estimated according to income or assets by sector for Scopes 1, 2 and 3.		4,0
Commercial real estate	Emissions according to the building's energy certificate or estimated according to the type of building and floor area. Scope 1 and 2 emissions are reported.	We mainly use information from external suppliers and in some cases direct information taken from companies' financial statements.	3,1
Mortgages	Emissions according to the energy certificate or estimated according to the type of building and floor area. Scope 1 and 2 emissions are reported.		2,3
Motor vehicles	Emissions for Scopes 1, 2 and 3 (when data are available) by vehicle type (make and model).		3,0
Sovereign debt	Emissions from national emission inventories (reported to UNFCCC) or using proxy GHG emission estimates. Scope 1 emissions are reported.		1.0 (for calculating net emissions) 2.1 (for calculating gross emissions)

3.5.4 Second year of financed emissions calculation: change in data intensity and quality

Change in weighted data quality (high quality = 1; low quality = 5)



Improving data quality enhances accuracy throughout the process of calculating and reporting the institution's emissions. Although this does not mean an actual reduction in emissions but rather greater accuracy in calculations, it is important to continue improving data quality because it is a lever that helps in decision-making and achieving the institution's targets.

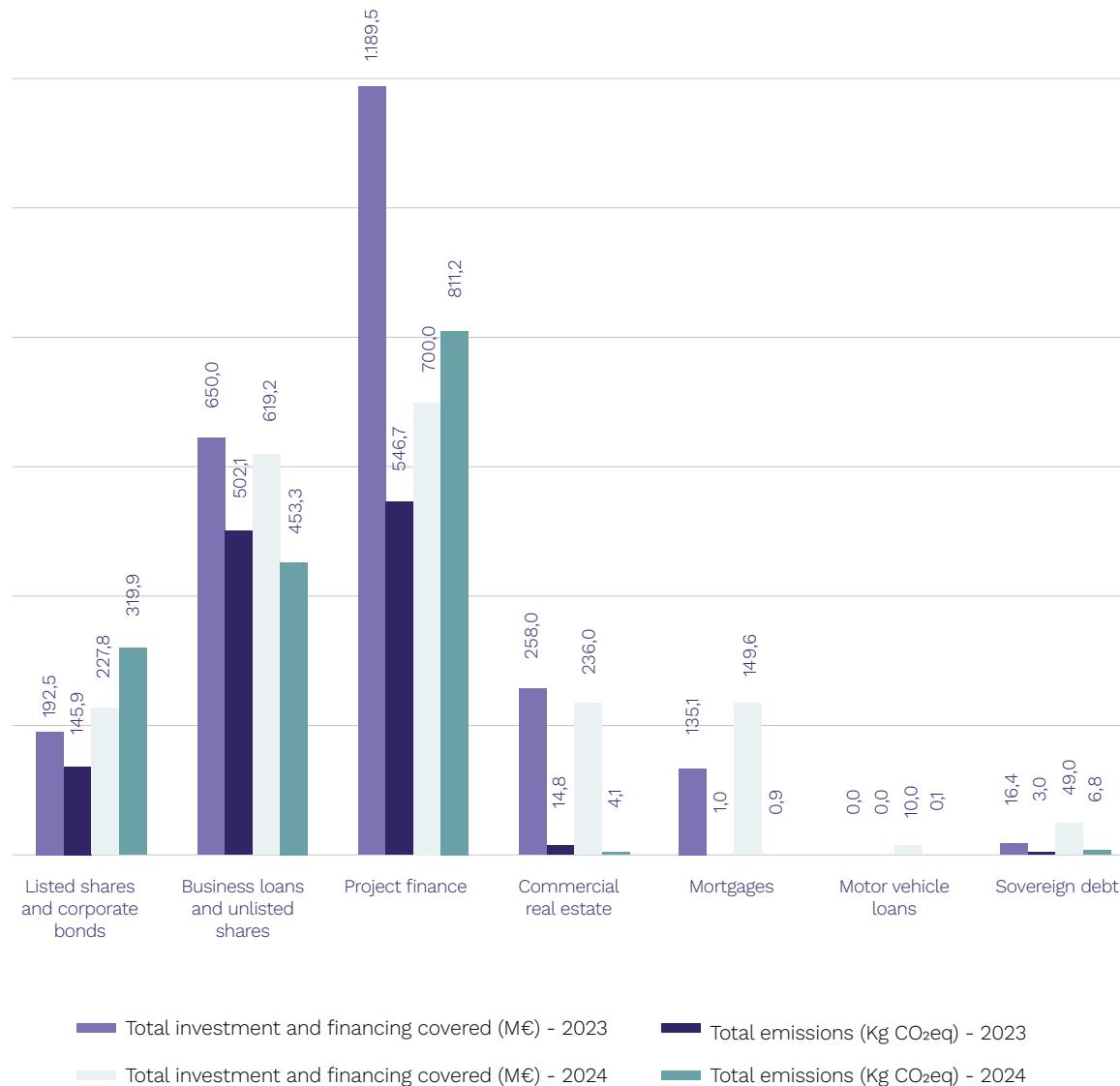
In general, data quality has improved compared to the previous year in all asset types.

The improvement in data quality for the **mortgages** and **commercial real estate** category is due to mass extraction from the ICAEN (Catalan Energy Institute), which has made it possible to get the energy certificate for the bulk of the assets financed by the ICF. As a result, data quality has gone from **3.8** to **3.1** for **commercial real estate** and from **3.4** to **2.3** for **mortgages**.

Sovereign debt data have been extracted from the national inventory of GHG emissions issued annually by countries in the UNFCCC or national inventories by region (e.g. Spain's national inventory by region).

In **listed shares and corporate bonds**, the new accounting and reporting standards of the Corporate Sustainability Reporting Directive (CSRD) have affected carbon footprint accounting and disclosure by financed businesses, which has improved data quality but also emissions intensity due to better coverage of counterparty emissions, especially with respect to Scope 3 emissions.

Change and comparison of portfolio amount (€M) and emissions (kg CO₂-eq.)²¹



Finally, in **project financing** the ICF has endeavoured to gather information on financed projects through the Green Eligibility Checker plus other in-house systems to obtain direct data on the emissions of financed products.

Although improving data quality may lead to a decrease in the intensity of financed emissions, other variables to be considered when assessing change in the financial footprint are the absolute volume disbursed (€M) per asset and the sectors financed. The most carbon-intensive sectors will increase the final footprint even if the volume financed has not gone up.



²¹ The variation in the "project financing" asset type is down to a change in the scope covered and the methodology used for the calculation compared to last year. For 2024, only loans where the specific purpose of the financed project is known have been calculated (thus excluding other loans in which, although they are classified as investment, the activity/project financed cannot be traced). Furthermore, the emission factors for this year are specific to the financed project and not to the beneficiary company, which has led to a considerable increase in emissions due to the type of projects financed in relation to the emission factors for the company receiving the loan.



3.5.5 Avoided emissions

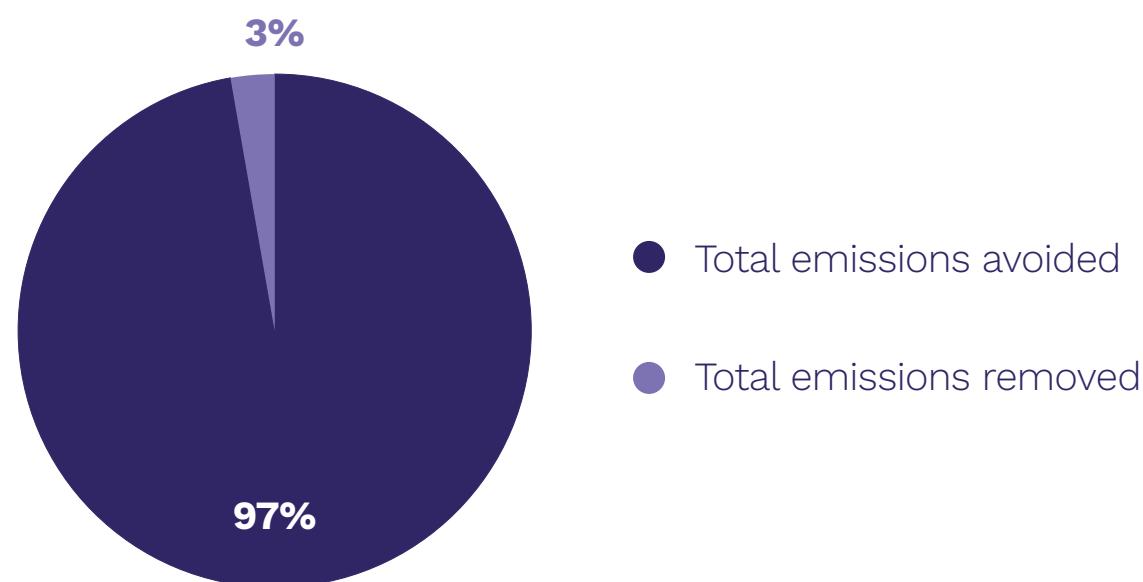
Avoided emissions are those that have not been generated due to implementing measures or technologies that cut greenhouse gas emissions.

Calculating avoided emissions makes it possible to effectively report on the ICF's contribution to climate change mitigation through its banking and investment operations. Avoided emissions are quantified using two sources: the ESG questionnaire and the European Investment Bank's (EIB) Green Eligibility Checker.

Firstly, the ESG questionnaire is an ICF-developed survey which is given to counterparties when awarding financing. This questionnaire provides more accurate data on how loan applicants manage sustainability issues and assesses aspects such as energy performance, water

management, sustainable natural resource management and implementing sustainable transport and building products and projects. Meanwhile, the Green Eligibility Checker makes it possible to identify which investments meet the EIB's sustainability criteria and estimate their impact based on the avoided emissions metric.

In 2024, the ICF financed projects which avoided a total of 245,634 t CO₂-eq., mainly through investment in photovoltaic panels, electric cars and developing housing with an A energy rating.



04

SOCIAL ESG



Institut Català
de Finances



Generalitat
de Catalunya

4.1 Background

Since the United Nations General Assembly adopted the 2030 Agenda, sustainability has no longer just been an environmental issue. The Sustainable Development Goals (SDGs) encompass social **development, including the eradication of poverty and hunger, gender equality, quality education and reducing inequalities.**

Some of the 2030 Agenda's goals also deal with aspects of economic development such as promoting growth, inclusive industrialisation, inclusive and safe cities and promoting peace.

4.2 Our commitment

As a public development bank, the ICF **directly addresses Goal 8, sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.** Indeed, this goal is hardwired into our mission. However, our commitment goes beyond the economic growth of companies since we also have a **social remit as funders of projects seeking not only financial returns but also human development** in areas such as housing, health, leisure and care for people.

In this area, our goals for 2024 were:

- ▶ Driving the construction of social housing.
- ▶ Setting up specific facilities to finance the social and solidarity economy.
- ▶ Meeting the financing needs of non-profit organisations.



4.3 Social actions

4.3.1 Credit investment actions

4.3.1.1 Social score

As part of the risk screening process and based on the data provided by customers and the kind of projects to be financed, the risk team classifies transactions by whether they have a social component, i.e. whether they help to improve the lives of people, especially the most disadvantaged. This shows that **29% of the ICF's business (by amount) has been earmarked for this type of project**, 108.1% more than in the previous year. This exceptional increase is mainly driven by increased funding for publicly-subsidised housing.

YEAR	TOTAL OPERATIONS	AMOUNT ALLOCATED TO SOCIAL PROJECTS	%	CHANGE
2022	478,7 M€	40 M€	8%	-
2023	597,2 M€	114 M€	19%	+ 74,9,9 M€ (+185%)
2024	811 M€	237 M€ ²²	29%	+ 123,1 M€ (+108,1%)

²² €87 million of this has been allocated to building nearly zero-energy publicly-subsidised housing, which also counts towards the green score in section 3.3.1.2.

HOSPITAL EVANGÈLIC

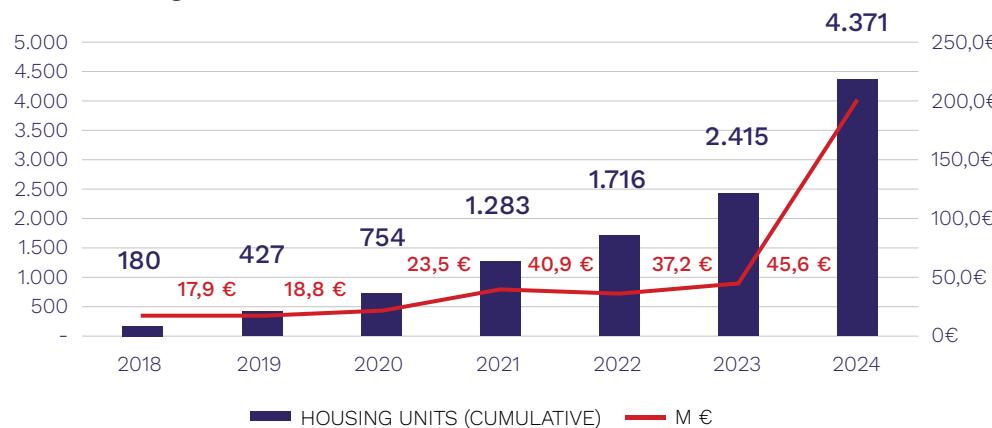
In a joint financing arrangement with BBVA, the ICF funded the construction of the new Hospital Evangèlic building in Barcelona, a new hospital that will bolster the public hospital network by supporting Hospital del Mar and other healthcare facilities such as Hospital de Sant Pau.



4.3.1.2. Social housing

Since 2018, the ICF has played a crucial role in financing publicly-subsidised housing (PSH) in Catalonia. In 2024, in conjunction with the Catalan Housing Agency (AHC) we have promoted this financing. Firstly, we have funded new housing developments by foundations, local councils and other organisations. Secondly, we have financed buying and renovating housing units in stressed areas to make them available to vulnerable groups. Our **partnership with the AHC means these loans can be offered at a subsidised interest rate and with very long-term repayment schedules**.

PSH financing



Over this period, the ICF has made it possible to provide **more than 4,371 publicly-subsidised flats at affordable prices** to improve access to housing.

SociHabitat Foundation

A €3.8 million loan to the SociHabitat Foundation to finance the purchase and refurbishment of a building with 42 social and affordable rental flats in Figueres. The flats in Lasauca Street will be for young people and the elderly and managed jointly with Figueres town council.

4.3.1.3. Financing non-profit organisations

At the ICF we do not just finance companies; we also fund non-profit organisations and administrations²³. Hence, **29.6% of business in 2024 (EUR 239.8 million) was allocated to this kind of organisation**.

4.3.1.4. Performance indicators in the statutory declaration

As a result of the statutory declaration on sustainability, information on ESG parameters has been gathered for 86% of the amount awarded in loans in 2024. This information allows tentative analysis of the social impact of the ICF's operations:

83 projects with a total of EUR 62.8 million earmarked for rolling out initiatives and infrastructures in essential services (health, education, vocational training, etc.)

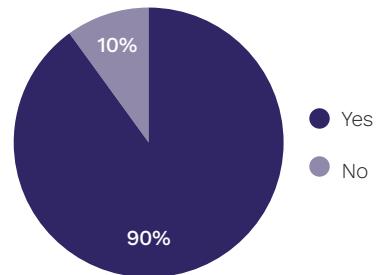
These projects will benefit more than **650,000 people** overall, bearing in mind that there are health projects.

93 projects for a total of EUR 77.9 million allocated to enhancing the socioeconomic situation of vulnerable groups (people below the poverty line, excluded groups, vulnerable people, etc.)

These projects will benefit some **59,000 people** in Catalonia.

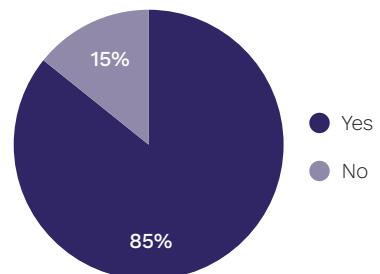
The sustainability questionnaire also asks the ICF's customers about a number of aspects of their social management. These questions enable us to draw the following conclusions on how our customers mainstream this issue across management areas:

90% of customers say they have implemented **measures to improve the working environment**

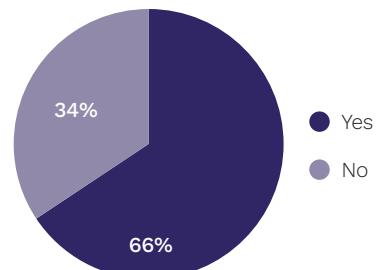


²³ NOTE: cooperatives (excluding the agricultural sector), foundations, associations and any other kind of organisation which has had a publicly-subsidised housing project financed are considered non-profit organisations. The most relevant transactions have been analysed in order to exclude for-profit organisations from this category.

85% of customers who completed the statutory declaration said they have **systems in place to actively listen to their customers**



66% say they make contributions to social initiatives



4.3.2 Venture capital actions

In the conclusion stage of direct investment, the document signed by both parties includes a section tailored to the features of the transaction setting out the social measures which investees undertake to put in place. These measures include:

- ▶ Contribution to sustainable development. The company seeks to sign up to the United Nations Global Compact and engage in social industry initiatives.
- ▶ Inclusion of social aspects in the annual evaluations of the company and subsidiaries which may affect the operation and performance of their business.



4.3.2.1. Performance indicators

Analysis of the information reported by equity investees enables us to identify relevant social data:

In growth (ICF Capital Expansió II):

INVESTEES	DATA
Especialitats M Masdeu, pastries	<ul style="list-style-type: none"> ▶ 1,130 employees in total ▶ 37% are women. ▶ 91% have an open-ended contract. ▶ 100% have a health and safety policy. ▶ 100% monitor customer satisfaction.
Semillas Batlle, seed production	<ul style="list-style-type: none"> ▶ 88% have a supplier contracting policy. ▶ 88% partner social initiatives.
Pastisart, food	<ul style="list-style-type: none"> ▶ 27,7 hours of annual training per employee.
PMP, construction	<ul style="list-style-type: none"> ▶ 83% have women in management positions. ▶ 63% have women on their board of directors. ▶ 0 cases of violation or discrimination of human rights.
Tecnic Process, bioprocessing equipment	
Circular Partners, logistics operator	
Earthwise Solutions, extrusion and machining of aluminium parts	

In development (ICF Venture Tech II and Venture Tech III)

INVESTEES	DATA
Lodgify, digital	
InBrain, pharmaceutical	
Vytrus Biotech, pharmaceutical	
Top Doctors, healthtech	
Bigle Legal, legaltech	
Bloobirds, digital	
Newton Learning, digital	
Housfy, digital	
Kintai, fintech	
Quside, quantum tech	
Exoticca, tourism	
	<ul style="list-style-type: none"> ▶ 671 employees in total. ▶ 47% are women. ▶ 99% have an open-ended contract. ▶ 91% have health and safety policies. ▶ 90% monitor customer satisfaction. ▶ 82% have a supplier contracting policy. ▶ 82% partner social initiatives. ▶ 55% have women in management positions. ▶ 18% have women on their board of directors.



4.3.3 In-house actions

1.1.1.1. Social commitment

Training our team:

At the ICF, we believe that the **professional growth of our team is crucial to our success**. So we have designed a comprehensive training plan which covers a wide range of topics, from specific knowledge to personal skills. These training courses **enable our team's professionals to constantly refresh their knowledge**, keep up to date with regulatory changes and gain new skills relevant to their professional development.

In 2024, a total of **56 training actions have been held with 1,055 teaching hours**. As part of this approach, we stress financial training, executive leadership programmes and refresher courses on regulatory issues and the impact on our business which ensure sound and efficient management.



1.1.1.2. Diversity and equal opportunities

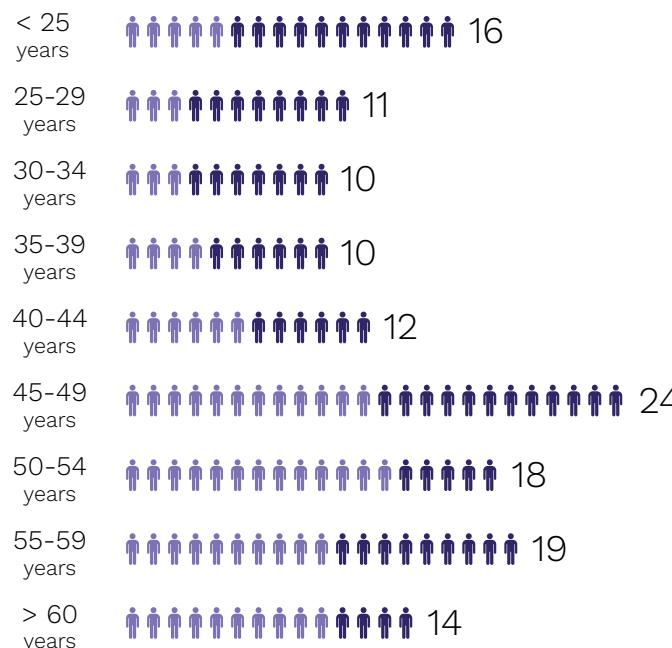
Equal opportunities and non-discrimination by gender are an essential priority for the ICF. Furthering these goals translates into better professional and personal development of its staff. The institution has a number of tools to ensure effective equality, safeguard it and raise awareness about these issues in the ICF team.

One of these tools is the institution's Code of Conduct which sets out a number of principles addressing non-discrimination, work-life balance and repudiation of any form of harassment.

Since January 2021, the ICF has also had in place an Equality Plan designed to transform and improve the

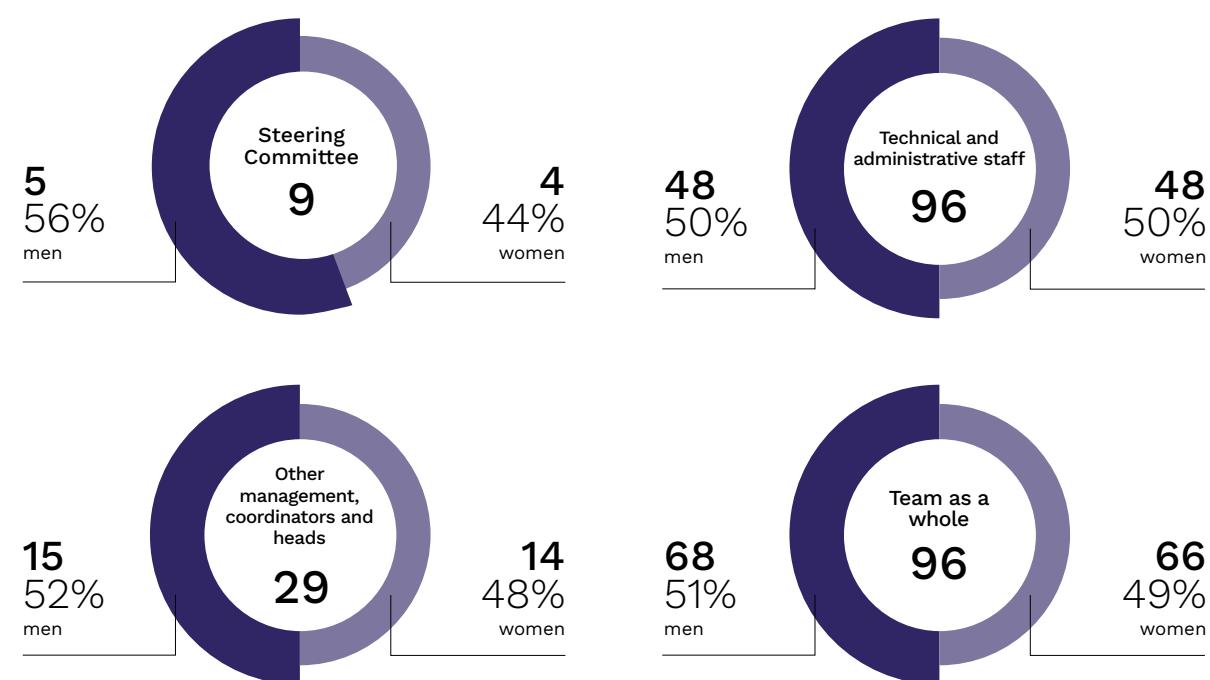
organisation and add to the gender perspective and equal opportunities in its business ethics by rolling out an array of initiatives and strategies. Several actions have been run this year to foster equality, in particular a talk given on 8 March to mark International Women's Day.

Breakdown of staff by age group



 Women  Men

Breakdown of staff by gender and occupational category



1.1.1.3. Equality Plan

In late 2024, a new Equal Opportunities Plan 2024-2028 came into effect addressing issues such as gender mainstreaming in various areas, ranging from a commitment to providing employees with more information about the measures undertaken to continuing to ensure transparency of information about the pay gap and how it is changing.

Another key aspect is promoting non-discrimination against members of the LGBTI+ community in all activities; to this end, actions have been planned such as drawing up protocols to safeguard these initiatives and improving awareness and training in this area.

As part of LGBTI+ Pride Month, a conference was organised featuring Xavier Florensa, Director General of LGBTI+ Public Policies in the Ministry of Equality and Feminisms. The event looked at the importance of celebrating this date, the laws and measures in place to combat discrimination based on sexual orientation and gender identity in Catalonia, and how to build safe, discrimination-free spaces in our workplaces.



05

GOVERNANCE ESG



Institut Català
de Finances



Generalitat
de Catalunya

5.1 Introduction and objectives

Institutions' commitment to sustainability needs to be reflected in their governance. The ICF's governance objectives are:

- ▶ Embedding sustainability in the ICF's business criteria.
- ▶ Training the ICF team to equip them with the skills they need to mainstream sustainability criteria when screening lending and venture capital transactions.
- ▶ Implementing the highest transparency standards.



5.2 In-house processes and tools

5.2.1. Ethics Channel

To support and comply with current whistleblower safeguarding regulations, and in particular to ensure appropriate protection of whistleblowers, the ICF Group has in place an Ethics Channel for **reporting all kinds of alleged wrongdoing** in the ICF Group.

The **Ethics Channel is on the corporate website and available** to the public. It can be used to report via a pre-established form any purported impropriety or conduct contrary to the general regulatory framework applicable to the ICF Group.

All **reports received are treated in the strictest confidence** and anonymously at the whistleblower's discretion. They can be submitted in writing, verbally or in both ways.

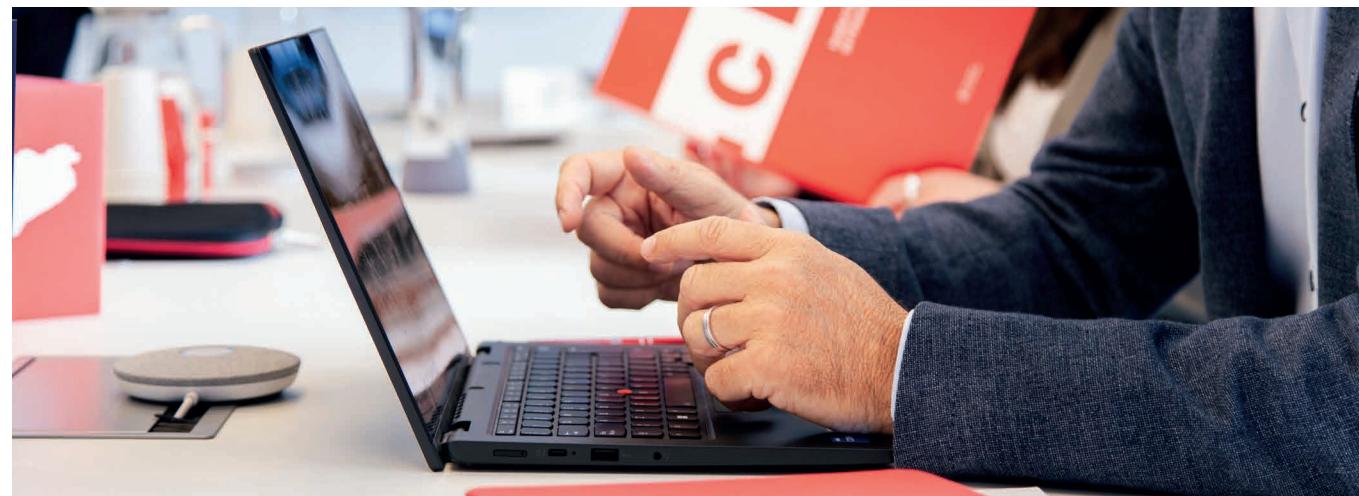
5.2.2. Code of Conduct

The Code of Conduct includes the **values, ethical principles and rules of conduct which govern and inspire the ICF Group's professional performance**. All employees, officers and members of the governing bodies of the organisations in the ICF Group are required to be familiar with and observe the Code of Conduct.

5.2.3. Remuneration policy

The policy applies to the ICF Group and specifically to the group which includes members of the governing bodies, the CEO, officers and other key personnel, where this means officers and employees who incur risks in the performance of their duties and whose activities may have a significant impact on the Group's risk profile. It also includes staff who undertake key supervisory and oversight functions defined as such by the governing bodies. It lays down the basic principles which are to guide the remuneration strategy including:

- ▶ Consistency with the business strategy.
- ▶ Moderation and tied to achieving targets.
- ▶ Geared towards fostering the company's long-term profitability and sustainability.
- ▶ Balanced relationship between fixed and variable components.



5.2.4. Crime prevention and anti-fraud policy

This policy's purpose is to **prevent wrongful actions which may contravene any legal or criminal regulations** or are contrary to good business management practices. It is also a commitment to ongoing monitoring and penalising fraudulent actions and conduct while maintaining effective communication and awareness-raising mechanisms for all ICF Group staff in building an ethical and honest corporate culture. It is binding on all ICF staff.

The ICF is committed to ethical and regulatory compliance, **does not tolerate conduct or actions prohibited by law or contrary to social mores**, and in particular prohibits any corrupt, fraudulent, coercive, collusive or obstructive practices as described in the policy.

5.2.5. Policy for accepting and offering gifts

It **lays down action principles and procedures for all employees, officers and members of the governing bodies of the ICF Group** in relation to accepting or offering gifts and hospitality of any kind while performing their professional duties.

Generally speaking, ICF Group staff **may not accept or offer, whether directly or indirectly, any gifts or hospitality related to the performance of their professional duties in the Group.**

This means gifts or hospitality (whatever their amount) which are given in a non-transparent way or in private homes by individuals or companies involved in bidding processes and any made in cash or equivalent means of payment cannot be accepted or offered.

They may not be accepted under any circumstances in which they could be construed as a way to influence the recipient's judgment or decision-making or might generate any kind of conflict of interest or result in any undue benefit being obtained.

Promotional items of little financial value (for advertising purposes) or courtesy gifts allowed by social mores or customary care in business relations, or when their financial value is no more than €50, may be accepted on an exceptional basis.

In case of doubt or disagreement in the application of the principles set out in this policy, the most restrictive interpretation is to be used.

5.2.6 Conflict of interest policy

Its purpose is to **set up a general framework for preventing and managing conflicts of interest in the ICF Group** to ensure that in all professional performance the interests of customers, the ICF Group and its owner take precedence over personal interests. It sets out measures for preventing and managing conflicts and the roles and responsibilities of the units involved in their management.

5.2.7 Policy for disclosing financial information

The purpose of the policy is to **enhance Pillar III with greater transparency**. The ultimate goal is to ensure that the financial information disclosed is clear, relevant, reliable and comparable in compliance with Spain's regulatory framework in terms of accounting and applicable principles under rule seven in Circular 4/2017 and disclosure as per Law 10/2014.

5.2.8 Policy on integrating the SDGs into the ICF Group

It was endorsed in December 2020 for the Group's companies as an indicator of its proactive commitment to achieving the Sustainable Development Goals (SDGs) in line with the United Nations 2030 Agenda and the National Plan for implementing it in Catalonia. Here the group has identified strategic (8 and 9) and priority (3, 7, 11, 13 and 17) SDGs in its operations to ensure that each funding transaction is associated with at least one specific SDG and up to at most three based on the type of products, projects and customers.





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