

## ICO launches a successful EUR 500mn short 5-year Social Bond (Oct 25)

ICO issued on October 25th a successful EUR 500mn 2.45% April 2030 Social Bond. The bond attracted strong demand, with a final orderbook of EUR 1.6bn, more than three times oversubscribed. This allowed ICO to tighten the spread over the Treasury benchmark by 4 b.p., thus pricing it at the same record-low spread to the Spanish sovereign reached earlier this year in its Green Bond: SPGB +5 b.p.

Final allocation was supported by 87% of international accounts, with strong demand from Asia, followed by Spain and other European countries such as Switzerland, the Nordics and the Benelux. ESG investors accounted for 43% of the final allocation. By investor type, central banks and official institutions led the way, acquiring 57% of the issuance, followed by asset managers with 25%. Insurance and pension funds, and banks, each accounting for 9% of the total volume.

This is ICO's twelfth Social Bond, bringing its total social issuance to EUR 6.05bn. Together with its seven Green Bonds, ICO has issued more than EUR 9.55bn in sustainable bonds since 2015, aiming to help finance over 76,500 business projects, contributing to the creation or preservation of more than 550,000 jobs, and supporting the construction of social infrastructure such as hospitals and affordable housing.



## ICO reinforces its social bond strategy with updated framework

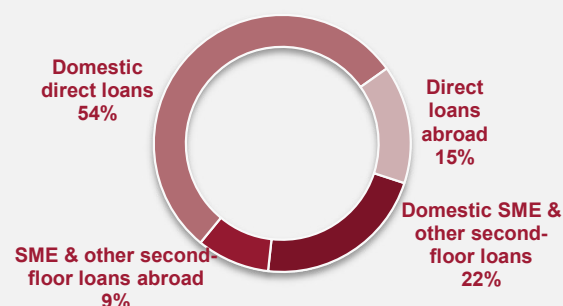


In October 2025, ICO updated its framework for issuing Social Bonds, reinforcing its commitment to generating positive social impact and expanding the scope of its Use of Proceeds categories. ICO established its first Social Bond Framework in 2015, when there were no standards in place, and then updated it in 2020. This second update incorporates two newly established project categories: food security and sustainable food systems, and the energy subcategory within affordable basic infrastructure. The framework has received a positive Second Party Opinion by Sustainalytics, confirming its alignment with the June 2025 version of the ICMA Social Bond Principles. The proceeds of ICO's Social Bond will be allocated to its Second-Floor Facilities, Direct Financing Loans, and Capital investments that meet the social eligibility criteria described in the Use of Proceeds section of its framework.

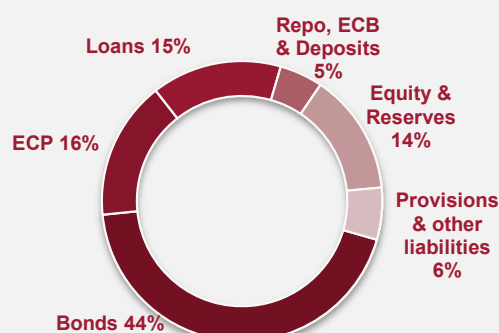
This updated framework reinforces ICO's position as a leading European issuer in the sustainable bond market, channeling resources into sectors with strong social, cultural, environmental, or innovation-driven relevance.

## ICO in figures

### Loan Portfolio as at 30/09/2025



### Liabilities breakdown as at 30/09/2025



### Financial Highlights

	2021	2022	2023	2024	30/09/2025*
<b>Total assets</b> (Mill. EUR)	37,766	29,775	31,657	37,780	43,878
<b>Equity &amp; reserves<sup>1</sup></b> (Mill. EUR)	5,354	5,515	5,689	5,385	6,100
<b>Pre-tax profit</b> (Mill. EUR)	171.70	178.11	336.89	330.82	271.05
<b>Net interest income</b> (Mill. EUR)	104.55	125.73	290.25	254.57	208.61
<b>Gross revenue</b> (Mill EUR)	181.86	204.58	361.50	358.23	264.83
<b>Profitability ROA</b>	0.49%	0.53%	1.09%	0.93%	0.88%
<b>Tier I Ratio</b>	36.94%	33.62%	26.49%	23.02%	23.61%
<b>Non-Performing Loans</b>					
Direct Loans	3.81%	3.67%	4.20%	4.03%	3.43%
Total loans incl. second floor loans	2.33%	2.31%	2.76%	2.54%	2.27%
Provision coverage ratio	157%	171%	128%	142%	145%

### Efficiency

Operating expenses over gross revenue	24.61%	23.37%	13.63%	15.11%	15.94%
---------------------------------------	--------	--------	--------	--------	--------

<sup>1</sup> Eligible capital for solvency purposes.

\* Q3 2025: Unaudited figures

Source: ICO

## Funding Policy for 2025

- Expected total funding in 2025: €7-8 bn
- EUR benchmark transactions
- Short to medium maturities
- Promotion of the sustainability bond market

## Funding activity

ICO enjoys the **guarantee** from the Kingdom of Spain which is defined in its bylaws as:

**Explicit**  
**Irrevocable**  
**Unconditional**  
**Direct**

### ICO's long term ratings

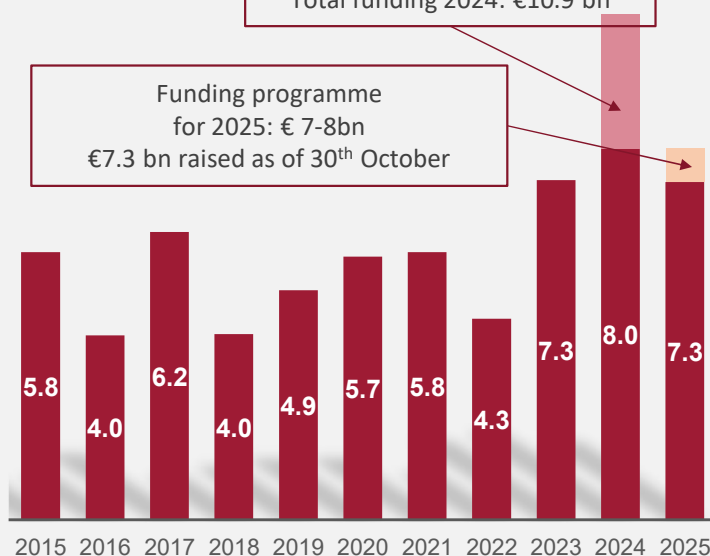
<b>S&amp;P</b>	<b>A+ / Stable</b>
<b>Fitch</b>	<b>A / Stable</b>
<b>Scope</b>	<b>A / Stable</b>
<b>Moody's</b>	<b>A3 / Stable</b>

ICO Bonds qualify as **L1 HQLA assets** in the EU (pursuant to Article 10 of the Commission Delegated Regulation (EU) 2015/61 of October 10, 2014)

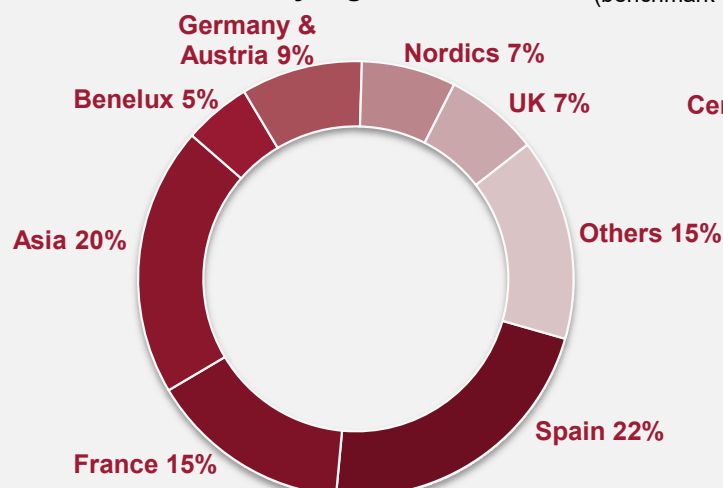
## Funding Activity € bn

Pre-funding for 2025: €2.9 bn  
Total funding 2024: €10.9 bn

Funding programme  
for 2025: € 7-8bn  
€7.3 bn raised as of 30<sup>th</sup> October



### By region

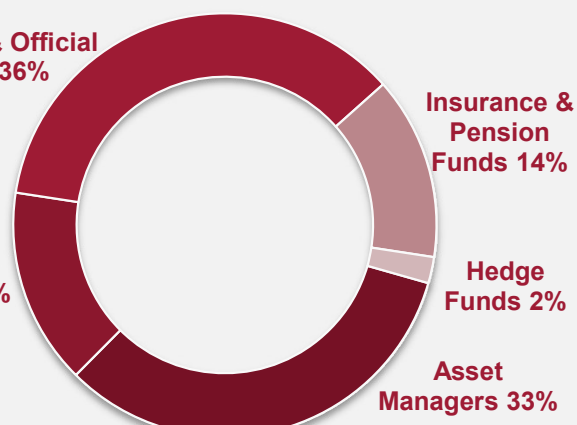


### Borrowing profile 2025 (benchmark transactions)

Central Banks & Official  
Institutions 36%

Banks 15%

### By investor type

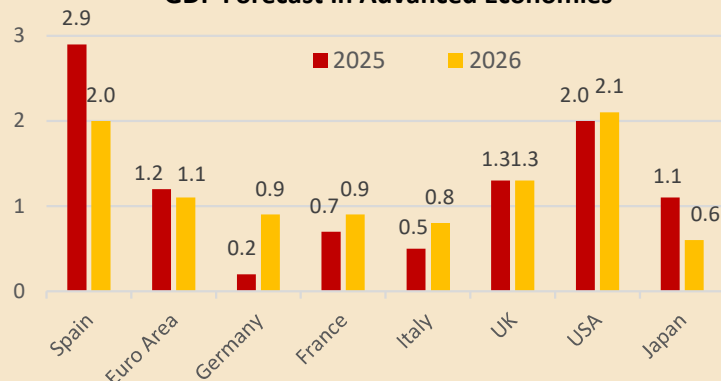


## Spanish Economy: latest figures and comments

**Spain maintained a solid growth rate in Q3 2025** of 0.6% quarter-on-quarter (QoQ), slightly below growth of 0.8% in Q2. Growth continued to be driven by domestic demand (1.2% QoQ), while net exports had a negative contribution (-0.6% QoQ). Both private (1.2% QoQ) and public consumption (1.1% QoQ) contributed positively to growth, while investment showed the highest growth (1.7% QoQ) in line with previous quarters. Exports (-0.6% QoQ) and imports (1.1% QoQ) also followed the trend of last quarters. **In Q3 2025 year-on-year (YoY) variation was 2.8%** (3.0% in Q2). Domestic demand contributed 3.7% (with investment as the main growth driver), and net exports had a negative contribution of 0.8%.

GDP outlook for 2025 and 2026 for Spain has been revised upwards by the IMF in its October World Economic Outlook. **Spanish growth will continue to be the highest among major advanced economies this year**, it is projected to be **2.9% in 2025** (+0.4% from July outlook), and moderate to **2.0% in 2026** (+0.2% from July). Spanish growth will continue to rely on domestic demand, with positive contributions of both public and private consumption and, especially investment, fueled by EU funds. Therefore, domestic demand will offset the slightly negative contribution of net exports in 2025 and 2026.

### GDP Forecast in Advanced Economies



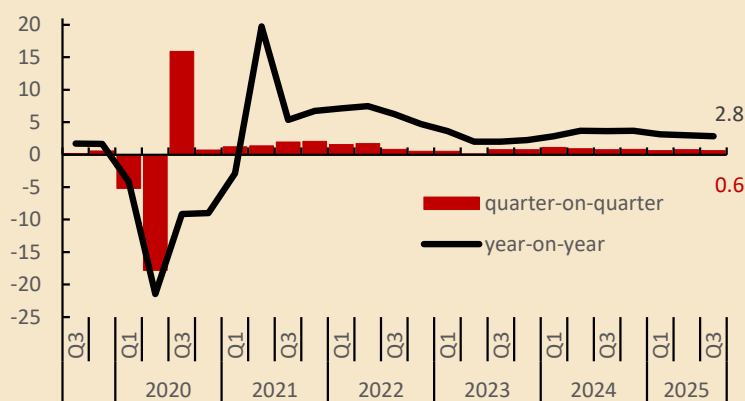
Source: IMF - WEO October 2025

The IMF foresees that **average inflation** will be 2.4% in 2025 and 2.0% in 2026, following the current **downward trend** (2.9% in 2024) that will allow convergence with ECB inflation objective.

**Employment will continue to grow**, and the average unemployment rate will decline to 10.7 in 2026 (11.3% in 2024).

**Current account balance will remain positive** (2.7% and 2.6% of GDP in 2025 and 2026). **Public deficit will continue to decline**, and the IMF foresees a primary balance of 0.0% in 2026. Public debt will be below 100% of GDP in 2026.

### Spain: Real GDP (% change)

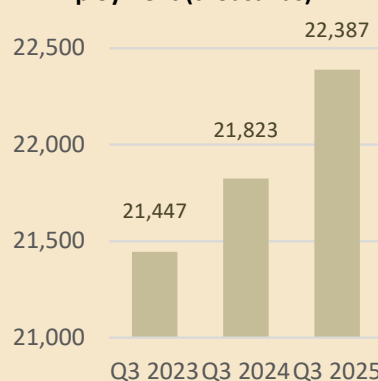


Source: INE

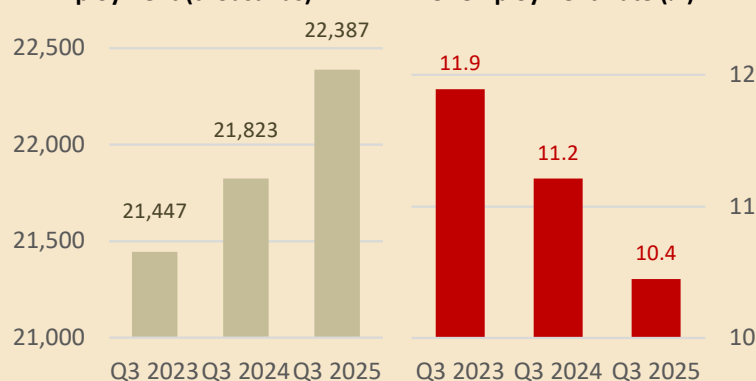
**Inflation evolved in September broadly in line with forecasts** and showed a slight increase due to a temporary increase in energy prices. Core inflation stood at 2.4% YoY, while headline inflation, driven by energy-related prices, reached 3.0% YoY in September.

In Q3 2025, Spain reached a new all-time **high in number of employees**, with 22.4 million people employed. Employment increased by more than half a million people compared to Q3 2024 and continued to grow across most sectors, with particularly strong momentum in Information and Communication Technology (ICT) activities. The **unemployment rate stood at 10.4%** in Q3 2025 maintaining its downward trend.

### Employment (thousands)



### Unemployment Rate (%)



Source: Labour Force Survey (INE)

## Contact us

Investors can find further information at: [https://www.ico.es/web/ico\\_en/ico/investor\\_relations](https://www.ico.es/web/ico_en/ico/investor_relations)

Please contact us via e-mail with any queries or requests you may have: [investors@ico.es](mailto:investors@ico.es)

Bloomberg site: ICO <GO>

