

# **INFORMATION OF PRUDENTIAL RELEVANCE**

**31 DECEMBER 2025**

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## **1. GENERAL INFORMATION REQUIREMENTS**

### **1.1. INTRODUCTION**

The objective of this report is to comply with the market reporting requirements of the Instituto de Crédito Oficial Consolidated Group, as set out in Part Eight of Regulation EU 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms (hereinafter “the Solvency Regulation”).

Law 10/2014 of 26 June replaced, as from 1 January 2014, the previous prudential framework (Law 13/1985 and Circular 3/2008). Its purpose was to align the Spanish legal framework with the CRR and to transpose Directive 2013/36/EU. These provisions entailed a profound reform of the supervisory framework, capital requirements and the sanctioning regime. Furthermore, Directive 2013/36/EU has subsequently been amended, most notably by Directive (EU) 2024/1619, which introduces additional adjustments in the areas of supervision, the sanctioning regime, third country branches, and ESG risks.

Pursuant to the provisions of the Eighth Additional Provision of Law 10/2014 of 26 June, on the organisation, supervision and solvency of credit institutions, Titles II (Solvency of credit institutions), III (Supervision) and IV (Sanctioning regime) of that Law shall apply to the Instituto de Crédito Oficial, subject to the exceptions determined by regulation, as well as to the provisions relating to the duty of confidentiality of information.

Additionally, Article 32.2 of Law 7/2021 on climate change and energy transition establishes that consolidable groups of credit institutions, as well as credit institutions not integrated into such consolidable groups and subject to the supervisory regime of the Bank of Spain and the European Central Bank, shall include among their prudentially relevant information an annual report assessing the financial impact on society of the climate-related risks arising from their exposure to such risks through their activities, including transition risks toward a sustainable economy and the measures adopted to address those risks. Likewise, starting in 2023, they shall publish specific decarbonization targets for their loan and investment portfolios aligned with the Paris Agreement.

In accordance with the information disclosure policies approved by the Institute, this report has been prepared on an annual basis by the Institute's Directorate-General for Administration and Information Systems of the Institute and approved by its Chairman, after verification by the Internal Audit Department.

Certain information required by the regulations in force that must be included in this report is presented, in accordance with said regulations, referenced to the consolidated

annual accounts of the ICO Group for the financial year 2025, as it is contained therein and redundant with it. The aforementioned annual accounts, as well as this document on "Information of prudential relevance" can be consulted on ICO's website ([www.ico.es](http://www.ico.es)).

## ■ 1.2. INSTITUTO DE CRÉDITO OFICIAL CONSOLIDATED GROUP

The information presented in this report corresponds to the Consolidated Group of Credit Institutions whose dominant entity is Instituto de Crédito Oficial (hereinafter, the Group or ICO Group).

Subsidiaries are those entities over which the Bank has control. It is considered that an entity controls an investee when it is exposed or entitled to variable returns because of its involvement in the investee and has the ability to influence those returns through the power it exercises over the investee.

In order to be considered as subsidiaries, the following must concur:

- **Power:** An investor has power over an investee when the former has rights in force that give it the capacity to manage the relevant activities, i.e. those that significantly affect the investee's returns.
- **Returns:** An investor is exposed to, or is entitled to, variable returns for his involvement in the investee when the returns obtained by the investor for such involvement may vary depending on the economic evolution of the investee. The investor's returns may be only positive, only negative or both positive and negative.
- **Relationship between power and returns:** An investor controls an investee if the investor not only has power over the investee and is exposed to, or is entitled to, variable returns for his involvement in the investee, but also has the ability to use his power to influence the returns he obtains from that involvement in the investee.

The annual accounts of the subsidiaries are consolidated with those of the Institute using the full consolidation method as defined in the regulations. Consequently, all significant balances arising from transactions carried out between the companies consolidated using this method have been eliminated in the consolidation process. The Institute, the Group's dominant entity, accounts for 99% of the Group.

In addition, the participation of third parties in:

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- The Group's equity: is presented under "Minority Interests" in the consolidated balance sheets. As at 31 December 2025 and 31 December 2024, there were no minority interests.
- The consolidated income for the year are presented under the "Income Attributable to Minority Interests" heading in the consolidated income statement. As at 31 December 2025 and 31 December 2024, there was no income attributed to minority interests.
- The consolidation of the results generated by the subsidiaries acquired in a fiscal year is carried out taking into account only those related to the period between the acquisition date and the end of that fiscal year.

On the other hand, "associates" are those entities over which the Institute has the capacity to exercise significant influence, although they do not constitute a decision-making unit with the Institute nor are they under joint control. Usually, this capacity is manifested in a participation (direct or indirect) equal to or greater than 20% of the voting rights of the investee.

Investments in entities considered as "associates" are presented in the consolidated annual accounts recorded under the heading "Investments in Subsidiaries, Joint Ventures and Investees - Associates" in the consolidated balance sheet, valued at acquisition cost, net of any impairment losses that may have been suffered by such investments.

The results generated by transactions between the associated entity and Group entities are eliminated to the extent of the Group's interest in the associated entity.

The income obtained by the associate during the year, after the elimination referred to in the previous section, increase or reduce, as the case may be, the value of the investment in the consolidated annual accounts. The amount of this income is recorded under the heading "Share of profit or loss of entities accounted for using the equity method" in the consolidated income statement.

Changes in the associate's valuation adjustments after the acquisition date are recorded as an increase or decrease in the value of the shareholding. The amount of these changes is recorded under "Accumulated other comprehensive income" as valuation adjustments of consolidated equity.

There are no "jointly-controlled institutions" included in the Consolidation Group.

The following is a summary of the main differences regarding the scope of consolidation and the different consolidation methods applied between the Instituto de Crédito Oficial Consolidated Group of Credit Institutions, for which the information contained in this

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report is presented, and the ICO Group of Credit Institutions, defined in accordance with Rule 3 of Bank of Spain Circular 4/2017, of 27 November.

In the preparation of the consolidated annual accounts of the ICO Group of Credit Institutions, all subsidiaries have been consolidated applying the full consolidation method, as they meet the requirements to be considered as consolidable due to their activity. Therefore, there are no differences in the scope of consolidation for the purposes of applying the solvency requirements.

For the purposes of preparing the consolidated financial statements of the ICO Group of Credit Institutions, investments in financial institutions that do not meet the requirements to be considered as subsidiaries, jointly controlled entities or associates are considered financial instruments and are valued in accordance with the criteria established in Rule 22 of Bank of Spain Circular 4/2017, of 27 November.

However, for the purposes of applying the solvency requirements, financial institutions that have not been classified as subsidiaries, jointly controlled entities or associates in accordance with the provisions of Rule 47 of Bank of Spain Circular 4/2017 of 27 November, in which at least 20% of their capital or voting rights are owned or controlled, are valued using the equity method for the purposes of preparing the Consolidated Group information.

In accordance with the criteria indicated above, the following is a detail as at 31 December 2025 of the subsidiaries of the Consolidated Group to which the full consolidation method has been applied for the purposes of preparing the consolidated information thereof:

ENTITY: AXIS PARTICIPACIONES EMPRESARIALES, S.G.E.I.C, S.A S.M.E.

Annex I to the Institute's consolidated financial statements contains relevant information on the associates included in the Group.

### ■ 1.3. OTHER GENERAL INFORMATION

As at 31 December 2025, there is no material, practical or legal impediment to the immediate transfer of own funds or reimbursement of liabilities between the Group's subsidiaries and Instituto de Crédito Oficial, and there is nothing to suggest that such impediments may exist in the future.

As at 31 December 2025, there are no entities belonging to the economic Group and not included in the consolidated Group that are subject to minimum own funds requirements at individual level, in accordance with the various regulations applicable to them.

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As at 31 December 2025, the stake in AXIS PARTICIPACIONES EMPRESARIALES, S.G.E.I.C, S.A S.M.E. included in the Consolidated Group is not subject to the calculation of own funds requirements in individual terms and is included in the ICO consolidated group, which is subject to such requirements.

All the amounts contained in this report are expressed in thousands of euros.

ICO is not considered a Global Systemic Entity.

## 2. RISK MANAGEMENT POLICIES AND OBJECTIVES

The information on risk management policies and objectives that the Regulations require to be provided to the market can be found in Note 5 (Risk Exposure) of the Consolidated Report included in the consolidated annual accounts of Instituto de Crédito Oficial Group for 2025, published on ICO's website. ([www.ico.es](http://www.ico.es)).

## 3. INFORMATION ON ELEGIBLE OWN FUNDS

### 3.1. SUMMARY OF THE MAIN CHARACTERISTICS AND CONDITIONS OF THE ITEMS ACCOUNTED FOR AS OWN FUNDS OF TIER 1 AND TIER 2 CAPITAL

For the purposes of calculating its minimum own funds requirements, the Group considers as own funds of Tier 1 capital the items defined as such, considering the corresponding deductions, in Part Two, Title I, Chapters 1 to 3, of the Solvency Regulation.

Own funds of Tier 1 capital are characterised by being components that can be used immediately and without restriction to hedge risks or losses as soon as they occur, the amount being recorded free of any foreseeable tax at the time it is calculated. These elements show stability and permanence over time, a priori higher than that of own funds of Tier 2 capital as explained below. As indicated in section 3.2 below, the Group's Tier 1 capital own funds as at 31 December 2025 consist mainly of the Institute's equity and actual and express reserves.

On the other hand, own funds of Tier 2 capital are considered to be those defined in Part Two, Title I, Chapter 4 of the Solvency Regulation, with the limits and deductions established in said Regulation. Although these own funds comply with the definition of own funds established in the current regulations, they are characterised by having, a priori, a lower volatility or degree of permanence than the elements considered as own funds of Tier 1. As indicated in section 3.2 below, as at 31 December 2025 there were no Group's own funds of Tier 2 capital.

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All the concepts which, in accordance with the provisions of the Solvency Regulation, are part of ICO Group's eligible own funds, have homogeneous characteristics as far as their definition and characteristics are concerned, so that their content is not described individually.

### 3.2. TOTAL AMOUNT OF OWN FUNDS

Below are the details as of 31 December 2025 regarding the Consolidated Group's eligible own funds, indicating each component and deduction, and broken down into Tier 1 and Tier 2 capital:

	<i>Thousands of euros</i>
<b>TOTAL ELIGIBLE OWN FUNDS</b>	<b>4,650,222</b>
<b>TIER 1 CAPITAL</b>	<b>4,650,222</b>
Common Tier 1 capital	4,650,222
Capital instruments eligible as Common Tier 1 capital	4,315,585
Retained earnings	1,462,206
Other reserves	-362,719
Common Tier 1 capital adjustments due to prudential filters	357,762
Other intangible assets	-15,644
Common Tier 1 capital elements or deductions - Capital instruments	
Financial Sector Entities with significant investment	-1,529,368
Elements or deductions from Common Tier 1 capital - Others	422,400
Additional Tier 1 capital	0
<b>TIER 2 CAPITAL</b>	<b>0</b>
Adjustments for general credit risk using the standard method	0

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### 3.3. RECONCILIATION OF SHAREHOLDERS' EQUITY TO REGULATORY CAPITAL

Below is the reconciliation between the Institute's shareholders' equity as reflected in the financial statements and the regulatory capital for solvency purposes as of 31 December 2025:

CONCEPT	(Thousands of Euros)
	<b>2025</b>
Capital	4,315,584
Reserves	1,521,776
Net attributable profit	280,783
<b>TOTAL OWN FUNDS IN PUBLIC BALANCE SHEET</b>	<b>6,118,143</b>
Valuation adjustments	59,681
<b>TOTAL EQUITY PUBLIC BALANCE SHEET</b>	<b>6,177,824</b>
Other adjustments to basic capital	0
Tier 1 capital deductions	-1,527,602
<b>TIER 1 CAPITAL</b>	<b>4,650,222</b>

## 4. INFORMATION ON MINIMUM OWN FUNDS REQUIREMENTS

Below is the summary of the total minimum own funds requirements by type of risk as of 31 December 2025:

TOTAL OWN FUNDS REQUIREMENTS	(Thousands of Euros)
	<b>2025</b>
For credit, counterparty credit and dilution risks, and free deliveries	1,561,779
For settlement and delivery risk	0
For position, currency and commodity risks	5,724
For operational risk	48,171
For credit valuation adjustment risk	771
<b>TOTAL REQUIREMENTS</b>	<b>1,616,445</b>

*NOTE: The minimum total capital ratio for 2025, established by the Bank of Spain for the Entity's Group, is 12,37%, considering both the requirements of EU Regulation 575/2013 (8%) and the additional own funds needs to cover concentration and business risks and other risks set out in the Capital Self-Assessment Report (1,33%), the capital conservation buffer (2.50%), and the countercyclical capital buffer (0.54%).*

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#### 4.1. MINIMUM OWN FUNDS REQUIREMENTS FOR CREDIT, COUNTERPARTY CREDIT, DILUTION AND DELIVERY RISKS AND FREE DELIVERIES

The amount of the minimum own funds requirements of the Consolidated Group for credit risk at 31 December 2025, calculated, for each of the categories to which the standardised approach (Part 3, Title II, Chapter 2 of the Regulation) has been applied, as 8% of risk-weighted exposure amounts, is presented below:

<i>Thousands of euros</i>	
<b>Total amount of requirements for credit, counterparty credit and dilution risks and free deliveries</b>	<b>1,544,820</b>
Exposure categories of the standard method	1,528,274
Central governments or central banks	203,539
Regional administrations or local authorities	0
Public sector entities	180,009
Multilateral development banks	15,321
International organisations	0
Entities	245,379
Companies	728,466
Retail exposures	8,977
Exposures secured by mortgages on immovable property	0
Exposures in default	6,341
Exposures associated with particularly high risk	0
Covered bonds	0
Exposures to institutions and corporates with a short-term credit assessment	0
Shares in collective investment undertakings (CIUs)	0
Equity instruments	133,736
Others	16,545
Securitisation positions	19,879

#### 4.2. MINIMUM OWN FUNDS REQUIREMENTS FOR SETTLEMENT AND DELIVERY RISK

There are no Group own funds requirements for settlement/delivery risk (Part 3, Title V of the Solvency Regulation).

<i>Thousands of euros</i>	
<b>Total amount of requirements for settlement/delivery risk</b>	<b>0</b>
Settlement/delivery risk in the investment portfolio	0
Settlement/delivery risk in the trading portfolio	0

**4.3. MINIMUM OWN FUNDS REQUIREMENTS FOR POSITION, CURRENCY AND COMMODITY RISKS (MARKET RISK). MARKET RISK OF THE TRADING PORTFOLIO**

*Thousands of euros*

Total amount of requirements for position, currency and commodity risks		5,724
Amount of requirements for position, currency and commodity risks according to standard methods		5,724
Negotiable debt instruments		2,424
Equity instruments		0
Currency		3,301
Commodities		0

The calculation is made in accordance with the provisions of Part 3, Title IV, of the Solvency Regulation.

With respect to the market risk associated with the trading portfolio, it should be noted that the Group considers as such those positions in financial instruments that are held with the intention of trading or that serve as hedges for the elements of said portfolio. In this regard, there are no differences between the trading portfolio for the purposes of calculating the Group's own funds requirements and the trading portfolio defined in accordance with Bank of Spain Circular 4/2017, of 27 November, with respect to debt securities and capital instruments.

The entire amount of own funds requirements associated with the trading book at 31 December 2025 corresponds to the position risk of marketable debt instruments.

**4.4. MINIMUM OWN FUNDS REQUIREMENTS FOR OPERATIONAL RISK**

*Thousands of euros*

Total amount of requirements for operational risk		48,171
Operational risk - Basic indicator method		48,171
Operational risk - Standard/standard alternative methods		0
Operational risk - Advanced calculation methods		0

The Group uses the standard method (SMA) to determine the own funds requirements associated with operating risk (Part 3, Title III of the Solvency Regulation).

#### ■ 4.5. MINIMUM OWN FUNDS REQUIREMENTS FOR CREDIT VALUATION ADJUSTMENT RISK

<i>Thousands of euros</i>	
<b>Total amount of requirements for credit valuation adjustment risk</b>	<b>771</b>
Standard method	0
Full Basic Approach	771
Reduced Basic Approach	0
Amount under the Simplified Approach	0

The Group applies the Full Basic Approach for the determination of own funds requirements related to credit valuation adjustment (CVA) risk (Part Three, Title IV of the Capital Requirements Regulation).

#### ■ 4.6. PROCEDURES APPLIED FOR THE ASSESSMENT OF INTERNAL CAPITAL ADEQUACY

In accordance with the provisions of the Solvency Regulation, the Consolidated Group applies a series of risk identification, measurement and aggregation procedures that allow it to define and maintain a level of own funds in accordance with the risks inherent to its activity, to the economic environment in which it operates, to the management and control it carries out of these risks, to the governance systems at its disposal, to its strategic business plan and to its real possibilities of obtaining greater own funds, in other words, it carries out an assessment of internal capital, both at the present time and in the projected future based on its planning.

In assessing its internal capital, the Group applies the following procedures related to each of its risks:

- Assessment of capital needs for credit risk: the standard method established in the Solvency Regulation was applied to calculate the minimum own funds requirements associated with this risk.
- Assessment of capital needs for liquidity risk: The Group does not foresee capital needs associated with this risk, once its liquidity policy, liquidity control systems and contingency plans have been analysed, which show that it enjoys an adequate liquidity situation and, therefore, does not require capital to cover this risk.
- Assessment of capital needs by market risk: the standard method established in the Solvency Regulation was used to estimate the minimum own funds requirements associated with this risk.
- Assessment of capital needs for operational risk: the basic approach is being applied

- Assessment of capital needs for credit valuation adjustment risk: the standard methodology for calculating the capital required for this risk is being applied.

The Group's total capital requirement has been estimated by aggregating the capital needs associated with each risk, obtained in accordance with the methods indicated above.

In addition, in order to adequately plan the Group's future capital requirements, the corresponding projections of profits assigned to reserves and capital consumption derived from expected activity growth in different scenarios that contemplate stress situations, among others, are carried out.

The capital planning process seeks to determine ICO's future capital requirements in a given time horizon. For the purposes of this report, three years are considered. To this end, the sources and consumptions of capital are estimated for the next three financial years, considering as a base for this financial year the forecasts of the Institute for the considered horizon, which will be the baseline scenario.

In addition to the baseline scenario, the Institute has estimated what its capital needs would be under an adverse macroeconomic scenario and under various additional stress scenarios, in line with the provisions of the PAC (Capital Self-Assessment Process) and PAL (Liquidity Self-Assessment Process) Guidelines.

The results of the capital planning process include, for all scenarios, the following information:

- Projected evolution of the main balance sheet and income statement amounts.
- Calculation of required capital and risk-weighted assets (RWA) for each of the Pillar I risk types in each year.
- Contrast between capital requirements and available capital.
- Action Plan to cover eventual capital needs (if applicable).

In all cases, it is confirmed that the Institute has a capital figure that is expected to enable it to meet the legally required minimums, even in crisis scenarios.

## **5. INFORMATION ON CREDIT RISKS**

### **5.1. ACCOUNTING DEFINITIONS AND DESCRIPTION OF THE METHODS USED TO DETERMINE IMPAIRMENT CORRECTIONS**

The concepts of positions in default and impairment corrections referred to in this document are based on the definitions in the Solvency Regulation and Annex IX of Bank of Spain Circular 4/2017.

Note 2.7 of the consolidated report forming part of the 2025 financial statements of the ICO Group describes the methods used by the Group in determining the provisions for impairment due to credit risk and in calculating the provisions for contingent risks and commitments associated with that risk.

### **5.2. EXPOSURE TO CREDIT RISK AND AVERAGE VALUE OF EXPOSURES FOR THE YEAR**

The total value of risk-weighted exposures, as at 31 December 2025, for credit risk of the Consolidated Group, and their distribution by counterparty class, is as follows:

	<i>Thousands of euros</i>
<b>Risk-weighted exposure amounts for credit, counterparty credit and dilution risks and free deliveries</b>	<b>19,522,241</b>
Exposure categories of the standard method	19,273,757
Central governments or central banks	1,816,840
Regional administrations or local authorities	0
Public sector entities	1,501,092
Multilateral development banks	150,782
International organisations	0
Entities	3,742,573
Companies	8,925,917
Retail exposures	506,893
Exposures secured by mortgages on immovable property	0
Exposures in default	58,116
Exposures associated with particularly high risk	0
Covered bonds	0
Exposures to institutions and corporates with a short-term credit assessment	0
Shares in collective investment undertakings (CIUs)	0
Equity instruments	1,763,899
Others	79,328
Securitisation positions	248,483

The average value of the Consolidated Group's risk-weighted exposure amounts for the year 2025 for credit risk and their distribution by counterparty class is as follows:

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<i>Thousands of euros</i>	
<b>Average amount of risk-weighted exposures for credit, counterparty credit and dilution risks and free deliveries</b>	<b>19,158,537</b>
Exposure categories of the standard method	18,917,834
Central governments or central banks	1,954,573
Regional administrations or local authorities	0
Public sector entities	1,676,943
Multilateral development banks	157,879
International organisations	0
Entities	3,545,816
Companies	8,394,079
Retail exposures	813,665
Exposures secured by mortgages on immovable property	0
Exposures in default	68,679
Exposures associated with particularly high risk	0
Covered bonds	0
Exposures to institutions and corporates with a short-term credit assessment	0
Shares in collective investment undertakings (CIUs)	0
Equity instruments	1,725,207
Others	79,804
Securitisation positions	240,703

### 5.3. GEOGRAPHICAL DISTRIBUTION OF EXPOSURES

The detail of the Consolidated Group's risk-weighted exposures to credit risk as at 31 December 2025, broken down by geographical area, is shown below:

<b>GEOGRAPHICAL AREA</b>	<b>Exposure amount</b> <i>(Thousands of euros)</i>
	<b>2025</b>
Spain	16,352,241
Other countries of the European Union	512,873
Latin America	728,025
United States	380,029
Rest of Europe (non-EU)	673,488
Rest of the world	875,585
<b>Exposure as at 31 December 2025</b>	<b>19,522,241</b>

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### 5.4. RESIDUAL MATURITY OF EXPOSURES

The distribution by residual maturity of the Consolidated Group's risk-weighted exposure to credit risk as at 31 December 2025, using the standard method for calculating own funds requirements, is presented below:

Risk category	Residual maturity as at 31 December 2024						Total
	Up to 1 year	From 1 to 2 years	From 2 to 3 years	From 3 to 4 years	From 4 to 5 years	More than 5 years	
	<i>(Thousands of euros)</i>						
	<b>2025</b>						
A) Central Governments and Central Banks	325,342	200,892	217,184	225,341	151,753	696,329	1,816,840
B) Regional administrations and local authorities							
C) Public sector entities	268,801	165,979	179,439	186,179	125,379	575,314	1,501,092
D) Multilateral development banks	27,001	16,672	18,024	18,701	12,594	57,789	150,782
E) International organisations							
F) Entities	670,183	413,824	447,384	464,188	312,600	1,434,393	3,742,573
G) Companies	1,598,365	986,958	1,066,998	1,107,073	745,542	3,420,981	8,925,917
H) Retailers	90,769	56,048	60,594	62,869	42,338	194,274	506,893
I) Exposures secured by immovable property	130,420	80,532	87,063	90,333	60,833	279,138	728,318
J) Exposures in default	10,407	6,426	6,947	7,208	4,854	22,274	58,116
K) High risk exposures							
L) Covered bonds							
M) Short-term exposures to institutions and companies							
N) IIC Exposures							
N) Equity Instruments						1,763,899	1,763,899
O) Other exposures	14,205	8,771	9,483	9,839	6,626	30,404	79,328
P) Securitisations	44,496	27,475	29,704	30,819	20,755	95,235	248,483
<b>Exposure as at 31 December 2025</b>	<b>3,179,989</b>	<b>1,963,578</b>	<b>2,122,819</b>	<b>2,202,551</b>	<b>1,483,275</b>	<b>8,570,029</b>	<b>19,522,241</b>

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### 5.5. EXPOSURES IN DEFAULT

#### Exposures in default by counterparty

The following table presents the value of original exposures for default risk (impaired and in default) as at 31 December 2025, before adjustments and provisions, broken down by type of counterparty, together with the amount of impairment losses and provisions for contingent risks and commitments established in relation to those exposures at that date and the amount of impairment losses and provisions for contingent risks and commitments recognised, on a net basis, during the 2025 financial year (standard method for determining own funds requirements for credit risk) (there is no difference between the definitions of "in default" and "past-due" for accounting and regulatory purposes):

Risk category	Residual maturity as at 31 December 2024						Total
	Up to 1 year	From 1 to 2 years	From 2 to 3 years	From 3 to 4 years	From 4 to 5 years	More tan 5 years	
	<i>(Thousands of euros)</i>						
	<b>2025</b>						
A) Central Governments and Central Banks	325,342	200,892	217,184	225,341	151,753	696,329	1,816,840
B) Regional administrations and local authorities							
C) Public sector entities	268,801	165,979	179,439	186,179	125,379	575,314	1,501,092
D) Multilateral development banks	27,001	16,672	18,024	18,701	12,594	57,789	150,782
E) International organisations							
F) Entities	670,183	413,824	447,384	464,188	312,600	1,434,393	3,742,573
G) Companies	1,598,365	986,958	1,066,998	1,107,073	745,542	3,420,981	8,925,917
H) Retailers	90,769	56,048	60,594	62,869	42,338	194,274	506,893
I) Exposures secured by immovable property	130,420	80,532	87,063	90,333	60,833	279,138	728,318
J) Exposures in default	10,407	6,426	6,947	7,208	4,854	22,274	58,116
K) High risk exposures							
L) Covered bonds							
M) Short-term exposures to institutions and companies							
N) IIC Exposures							
Ñ) Equity Instruments						1,763,899	1,763,899
O) Other exposures	14,205	8,771	9,483	9,839	6,626	30,404	79,328
P) Securitisations	44,496	27,475	29,704	30,819	20,755	95,235	248,483
<b>Exposure as at 31 December 2025</b>	<b>3,179,989</b>	<b>1,963,578</b>	<b>2,122,819</b>	<b>2,202,551</b>	<b>1,483,275</b>	<b>8,570,029</b>	<b>19,522,241</b>

## PRUDENTIAL RELEVANT INFORMATION

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#### Exposures in default by geographical area

Find below the detail, by significant geographical area, of the value of original impaired exposures and of those in default as at 31 December 2025, together with the amount of impairment losses and the provisions for contingent risks and commitments established in relation to these exposures:

Geographical Area	(Thousands of Euros)		
	Total impaired exposures	Of which: Exposures in default	Impairment losses and provisions for contingent risks and commitments
			<b>2025</b>
Spain	202,349	48,653	142,961
Other countries of the European Union	91,906	-	75,139
Latin America	144,647	-	114,792
United States	-	-	-
Rest of Europe (non-EU)	16,309	-	16,309
Rest of the world	69,069	-	311
at 31 December 2025	524,280	48,653	349,512

#### Age of exposures in default

The breakdown of financial assets considered to be impaired due to credit risk at 31 December 2025, classified by counterparty and according to the time elapsed since the maturity of the oldest past-due amount at those dates for each operation, is as follows:

Counterpart	Age						Total
	(Thousands of Euros)						
	Without default	3 to 6 months	6 to 12 months	12 to 18 months	18 to 21 months	Over 21 months	
							<b>2025</b>
Non-financial institutions	575,627	-	-	-	-	48,653	524,280

As of 31 December 2025, there is a balance of impaired assets for country risk of 636,619 thousand euros, with a country risk hedge of 10,645 thousand euros.

The amount of non-impaired past-due assets for the year 2025 amounts to 36,294 thousand euros, which are between one and three months old.

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#### Restructured and refinanced exposures

Information relating to refinanced and restructured operations as at 31 December 2025 (gross amounts), as required by Bank of Spain Circular 4/2017 on public and confidential financial reporting standards, is as follows:

Counterpart	With guarantee	Without guarantee	TOTAL AMOUNTS	TOTAL COVERAGE
				<i>(Thousands of Euros)</i>
				<b>2025</b>
A) Public Administrations	-	25,038	25,038	15,685
- of which: doubtful	-	11,935	11,935	11,935
B) Financial corporations	-	-	-	-
- of which: doubtful	-	-	-	-
C) ) Non-financial corporations	358,545	176,714	535,259	232,537
- of which: doubtful	170,858	88,113	258,971	211,646
- of which: non-doubtful real estate fi	7,825	-	7,825	4,593
- Of which: doubtful real estate	1,138	-	1,138	1,138
D) Other households	152	-	152	-
<b>s at 31 December 2025</b>	<b>358,697</b>	<b>201,752</b>	<b>560,449</b>	<b>248,222</b>

#### ■ 5.6. VARIATIONS OCCURRING DURING THE YEAR IN IMPAIRMENT LOSSES AND PROVISIONS FOR CONTINGENT RISKS AND COMMITMENTS FOR CREDIT RISK

The changes in 2025 in the impairment losses due to credit risk accounted for by the Group and in the provisions for contingent risks and commitments due to credit risk are in accordance with Bank of Spain Circular 4/2017, both in the type of losses and provisions constituted and in the methodology applied to calculate them (see section 5.1 above in this report).

The detail of the changes made in 2025 in the value adjustments for impairment of financial assets (including provisions for normal risk under special surveillance) and in the provisions for contingent risks and commitments due to credit risk is shown below:

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	Impairment losses on financial assets	Provisions for contingent risks and commitments
	<i>(Thousands of Euros)</i>	
Balance as at 1 January 2024	579,716	60,204
Provisions charged to income	100,105	23,169
Recovery with credit to income	-190,769	-5,314
Amounts applied in the year	-	-
Effect of foreign currency exchange differences	144	-1,758
Changes due to business combinations	-	-
Changes in the scope of consolidation	-	-
First application Circular 4/2017	-	-
Other movements	1,435	-
Balances as at 31 December 2025	490,631	76,301

In addition, the expenses recognised in the consolidated income statement of the ICO Group in 2025 for items transferred directly to written-off assets are nil, whereas the credit recorded in the consolidated income statement for the year for the recovery of assets previously recorded as written-off amounted to 12.682 thousand euros.

#### ■ 5.7. INFORMATION ON THE GROUP'S COUNTERPARTY CREDIT RISK

Counterparty credit risk is considered to be the credit risk incurred by the Group in the operations it carries out with derivative financial instruments and in the operations with repurchase commitments, securities or commodities lending commitments, in deferred settlement operations and guarantee financing operations.

It is controlled by means of a system that integrates the management of operations and the risks arising therefrom in real time, providing operators with updated information on the credit lines available at any given time.

A methodology for the consumption of counterparty lines based on the valuation of operations at market prices plus a potential future risk or "add-on" has been defined for derivatives and has been approved by ICO's competent bodies, which is measured as a percentage of the nominal value of the transaction and is calculated as the maximum potential loss (95% confidence) over the life of the operation.

The methodology is reviewed periodically (at least once a year) and the add-ons are adjusted at least semi-annually.

The basic criteria for establishing the counterparty lines are approved by the ICO General Council. These counterparty lines are divided into two main groups as a result of ICO's

## PRUDENTIAL RELEVANT INFORMATION

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operational characteristics. On the one hand, the counterparty lines for treasury operations. On the other hand, the counterparty lines for mediation operations, operations in which finances different investment projects through framework programmes signed with different entities operating in Spain, such as, for example, the SME Lines.

In order to mitigate exposure to counterparty risk, the Group signs ISDA and CMOF contracts with the counterparties and, where appropriate, the corresponding collateral annexes.

With respect to the management of collaterals, in the case of derivatives, for entities subject to collateral agreements, the position is periodically valued (normally on a day-to-day basis) and the parameters agreed in the collateral agreement are applied to this valuation, so that a collateral amount (cash) to be received or returned from the counterparty is obtained.

These amounts ("margin calls") are made on a weekly basis. The counterparty that receives the collateral payment request reviews the valuation, and discrepancies may arise in this process. If these discrepancies are material, they are analysed in detail.

The collaterals signed by ICO with the counterparties have the differential characteristic of being "one way", so that only ICO's counterparties are obliged to deposit collateral.

As 100% of collaterals received are in cash, value corrections for collateral impairment are not applicable.

With respect to the correlation between the guarantee and the guarantor in derivatives, since cash is received as collateral, there is no risk of adverse effects due to the existence of correlations.

Find below the detail of the Group's credit exposure to counterparty risk due to its operation in derivatives as at 31 December 2025, along with its valuation method at market prices, estimated as the amount of the Group's credit exposure for these financial instruments, net of the guarantees received from the counterparties of the transactions:

	<i>Amount (Thousands of Euros)</i>
	<b>2025</b>
Exposure value: method of valuation at market prices	194,702
Less: Effect of guarantees received	-2,249
Credit exposure in derivatives after guarantees as at 31 December 2024	192,453

The value of the exposure has been calculated according to the method of valuation at market prices (Part 3, Title II, Chapter 6 of the Solvency Regulation).

## **6. CREDIT RISK: CREDIT RATINGS**

### **6.1. IDENTIFICATION OF INTERNAL RATING AGENCIES USED**

For all categories of credit risk exposure to which the standard method is being applied, the external and export credit rating agencies whose ratings are being used by the Group as at 31 December 2025 are as follows (ECAIs recognised by the Bank of Spain):

- Moody's
- Standard & Poor's
- Fitch Ratings
- DBRS
- Ethifinance

### **6.2. DESCRIPTION OF THE PROCESS OF ASSIGNING EXTERNAL CREDIT RATINGS FOR THE DETERMINATION OF CREDIT RISK WEIGHTED EXPOSURES**

The allocation rules defined in the Solvency Regulation apply:

- When, for a rated exposure, only one credit rating is available, this rating will be used to determine the risk weighting.
- When, for a rated exposure, two credit ratings are available and these ratings correspond to two different risk weightings, the highest risk weighting shall be applied to the exposure.
- When, for a rated exposure, more than two credit ratings are available, the two credit ratings that provide the lowest weightings are used. In the event that they do not match, the higher of the two will be applied.

## **7. CREDIT RISK: CREDIT RISK MITIGATION TECHNIQUES**

### **7.1 GENERAL INFORMATION FOR CREDIT RISK**

The Group generally applies the credit risk mitigation techniques referred to in the Solvency Regulation (Part 3, Title II, Chapter 4), depending on the guarantees received on the risk positions.

These guarantees may be personal (including credit derivatives) or collateral (including those of a financial nature), being valued for these purposes by the credit enhancement incorporated in the external rating of the guarantor (personal guarantees) or by market parameters in the case of collaterals.

## ■ 7.2. POLICIES AND PROCESSES FOR POSITION NETTING AND VALUATION OF COLLATERAL FOR COUNTERPARTY RISK

Netting refers to the possibility of offsetting between contracts of the same type under the umbrella of a framework agreement such as ISDA or similar. It consists of offsetting the positive and negative market values of derivative transactions executed with a given counterparty, so that in the event of default, a single flow to be paid or received is generated and not a set of positive or negative values corresponding to each transaction. In this way and given that one of the components of counterparty risk is the market value, obtaining a net market value of the transactions reduces the risk.

An important aspect of framework contracts is that they involve a single legal obligation encompassing all the transactions covered by them; this makes it possible to offset the risks of all the transactions covered by the framework contract with the same counterparty.

The netting clauses are included independently of the possibility of their direct execution, in order to be able to apply the different applicable laws, so that the inclusion of these agreements does not imply the automatic consideration of netting for the calculation of the exposure to counterparty risk with the different counterparties. These exposures are calculated in accordance with the regulations applicable in each of the jurisdictions involved.

With regard to collateral, the Group enters into collateral agreements for the management of its counterparty risk exposures. These agreements involve a set of instruments, in the form of cash deposits, deposited by one counterparty in favour of another in order to guarantee/reduce the counterparty credit risk that may exist, resulting from the portfolios of transactions with risk existing between them.

The nature of such agreements is diverse and the ultimate objective, as in the netting technique, is to reduce counterparty risk by recovering part or all of the benefits (credit granted to the counterparty) generated at one point in time by the transaction (valued at market prices).

## ■ 7.3. QUANTITATIVE INFORMATION

The following detail shows the distribution of the Group's credit risk exposure as at 31 December 2025, broken down according to whether or not credit risk mitigation techniques have been applied and, where applicable, according to the mitigation technique applied (exposure data refer to exposures prior to the application of risk mitigation):

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EXPOSURE VALUE	(Thousands of Euros)
<b>2025</b>	
A) Exposures to which no credit risk mitigation technique is applied	46,578,665
B) Exposures to which a credit risk mitigation technique is applied	884,314
- Netting agreements for balance sheet transactions	-
- Netting framework agreements relating to repurchase agreements, securities or commodities lending or other capital market transactions	-
- Collateral (1)	-
- Other collateral (2)	-
- Personal guarantees	884,314
- Credit derivatives	-

(1) It includes transactions guaranteed by means of debt securities, shares, collection rights and rights in rem in immovable property admitted by the Solvency Regulation as a credit risk mitigation technique.

(2) It includes cash deposits, deposit certificates and similar instruments held by third parties other than the Group pledged in favour of Group entities, life insurance policies pledged in favour of Group entities issued by insurance entities recognised as protection providers and by debt securities issued by other institutions not included in number (1) above that would receive a maximum weighting of 50%, which must be repurchased at a predetermined price by the issuing institutions at the request of the security holder.

The exposures to which risk reduction techniques are applied, classified by risk category, are the following:

Risk category	Hedged with other collateral	Hedged with personal guarantees	TOTAL
<i>(Thousands of Euros)</i>			<b>2025</b>
Central governments and central banks	-	72,284	72,284
Regional administrations and local authorities	-	-	-
Public sector entities	-	144,563	144,563
Multilateral Development Banks	-	-	-
International organisations	-	-	-
Entities	-	195,044	195,044
Companies	-	266,450	266,450
Retailers	-	6,566	6,566
High risk exposures	-	-	-
Covered bonds	-	-	-
Short-term Exposures Institutions and Companies	-	-	-
Exposures in default	-	124,773	124,773
Clls Exposures	-	-	-
Equity instruments	-	74,633	74,633
Other exposures	-	-	-
<b>TOTAL EXPOSURES</b>	-	884,314	884,314

**7.4. EFFECT ON RISK EXPOSURES OF THE APPLICATION OF RISK MITIGATION TECHNIQUES AND EXPOSURES DEDUCTED DIRECTLY FROM OWN FUNDS**

Below is a detail of the Group's credit risk exposures as at 31 December 2025 to which the standard method has been applied for their estimation, before and after applying the risk mitigation techniques allowed by the Solvency Regulation, broken down by exposure categories and by degrees of credit quality (measured as a function of the percentage applied for the purpose of calculating the value of the risk-weighted exposure):

Risk category	Positions before applying risk mitigation techniques	Positions after applying risk mitigation techniques
	(thousands of euros)	
	<b>2025</b>	
Central governments and central banks	14,392,693	15,196,351
Regional administrations and local authorities	297,574	297,574
Public sector entities	3,156,289	3,011,726
Multilateral Development Banks	792,275	792,275
International organisations	-	-
Entities	14,022,281	13,835,608
Companies	12,397,743	12,131,293
Retailers	603,485	596,919
Acquisition, Development and Construction (ADC)	738,253	738,253
High risk exposures	-	-
Covered bonds	-	-
Short-term exposures to Institutions and Companies:	-	-
Exposures in default	182,889	58,116
ClIs Exposures	-	-
Equity instruments	800,165	725,532
Other exposures	79,333	79,333
<b>TOTAL EXPOSURES</b>	<b>47,462,979</b>	<b>47,462,979</b>

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Risk weightings	Positions before applying risk mitigation techniques	Positions after applying risk mitigation techniques <i>(thousands of euros)</i>
Weighting 0%	12,801,002	13,676,944
Weighting 10%	-	-
Weighting 20%	12,653,214	12,466,541
Weighting 35%	97,707	97,707
Weighting 50%	4,288,860	4,144,297
Weighting 75%	5,945,736	5,942,843
Weighting 100%	8,471,207	8,132,099
Weighting 150%	888,376	760,304
Weighting 250%	2,316,877	2,242,244
<b>TOTAL EXPOSURES</b>	<b>47,462,979</b>	<b>47,462,979</b>

As at 31 December 2025 there were certain elements deducted directly from own funds. These are significant shareholdings in Financial Sector Entities, for the part that exceeds 10% of eligible own funds, in accordance with the provisions of Section 3 of Chapter 2 of Title I of Regulation EU 575/2013.

## 8. SECURITISATION TRANSACTIONS

### 8.1. GENERAL INFORMATION ON SECURITISATION ACTIVITY

As at 31 December 2025 the Institute has several securitisation positions in its balance sheet (Part 3, Title II, Chapter V of the Solvency Regulation). All exposures are as an investor (there are no risks transferred in securitisation transactions), through holding financial assets at amortised cost in the most protected tranches of the investee structures.

**8.2. EXPOSURES IN SECURITISATION TRANSACTIONS AND AMOUNT OF SECURITISED ASSETS**

As at 31 December 2025, the Group holds positions in securitisation transactions (as an investor) to which the Group applies, for the purposes of calculating its own funds requirements for credit risk, the treatment set out in Section Four of Chapter Four of the Circular on Solvency

Type of exposure	Exposure net of adjustments	Risk-weighted exposure
		<i>Thousands of euros 2025</i>
STS exposures	1,349,075	248,483
Other exposures	-	-
<b>TOTAL EXPOSURES</b>	<b>1,349,075</b>	<b>248,483</b>

**9. MARKET INFORMATION REQUIREMENTS: INFORMATION ON REMUNERATIONS**

ICO is a Corporate State-owned Entity and, consequently, is subject to Royal Decree 451/2012, of 5 March, which regulates the remuneration system for senior managers and directors of the public business sector and other entities. It is also subject to the approval of the CIR Executive Committee (Interministerial Remuneration Committee) regarding the determination of remuneration for personnel not covered by the Entity's agreement. As a result of the foregoing, the remuneration of ICO executives is limited by the aforementioned rules, which prevents the competent bodies from approving different remuneration measures.

Pursuant to the 8th additional provision of Law 10/2014, of 26 June, on the organisation, supervision and solvency of credit institutions, Title I of said Law will not apply to the Instituto de Crédito Oficial, which includes the rules of Corporate Government and the remuneration policy

**10. INFORMATION ON SHARES AND EQUITY INSTRUMENTS NOT INCLUDED IN THE TRADING PORTFOLIO**

Note 2.1 to the Group's consolidated report for 2025 includes a description of the portfolios in which the Group's investments and equity instruments are classified, together with the accounting policies for recognition and measurement applied to each of them. The Note also indicates the models and assumptions used to determine the value of the instruments included in each portfolio. During the 2025 financial year there

were no changes that significantly affect the practices and assumptions used by the Group in the valuation of its investments and equity instruments.

The Group has investments and equity instruments with different objectives. In this sense, it has investments in entities in which it intervenes to a greater or lesser extent in their management and decision-making processes, with which it pursues the attainment of objectives that form part of the strategy and objectives of the Group as a whole and/or in which there is an intention to maintain a permanent relationship with its shareholders (“strategic investments”). It also has investments in other entities with different objectives, basically consisting of maximising the results obtained through their management, in coordination with the Group's risk management objectives and strategies (“portfolios valued at fair value through other comprehensive income”).

Investments and equity instruments owned by the Group for strategic purposes are generally classified for accounting purposes in the category of Group companies, associates and jointly controlled entities, whereas investments held with a view to sale, and which do not form part of the trading portfolio are classified in the category of financial assets at fair value with changes in other comprehensive income.

A detailed description of the ICO Group's holdings, including information on the investees and their book value, is included in Appendix I of the notes to the consolidated financial statements for 2025.

Note 9 to the Group's consolidated financial statements for 2025 includes an indication of the types, nature and amounts of exposures in investments and equity instruments measured at fair value with changes in other comprehensive income.

The unrealised gains or losses recognised in equity during the period are included in notes 9 and 21 to the Group's consolidated financial statements for 2025.

Actual gains or losses recognised in income during the year as a result of the sale or settlement of equity instruments not included in the trading portfolio are disclosed in note 29 to the Group's consolidated financial statements for 2025.

## **11. INTEREST RATE RISK. MARKET RISK**

Interest rate risk is the risk to which the Group is exposed in its activity because it has asset and liability transactions with different interest rates (fixed and variable interest rates or referenced to different indices) and with different maturities, so that changes in the reference interest rates of these transactions upwards or downwards may have asymmetrical effects on its assets and liabilities with an effect on the Group's income statement and equity.

Interest rate risk is managed by the Group in an integrated manner for all Group entities with significant positions exposed to this risk. The Group's measurement and analysis of

this risk is performed considering the following aspects and in accordance with the following premises:

Risk measurement and analysis is performed on a permanent basis.

The effects that variations in interest rates in the different currencies in which significant exposures are held could have on the Group's income and on the various margins in the profit and loss account are analysed.

The analyses include all positions that are sensitive to interest rate risk, including both implicit and explicit interest rate derivatives.

Separate interest rate risk measurements are performed for each of the positions held in each currency, as well as aggregated interest rate measurements for all of them.

On the basis of the foregoing analyses, the Group adopts the necessary measures to guarantee optimum management of this risk.

Note 5.4 of the notes to the Group's financial statements for 2025 includes information on market risk management.

## **12. CAPITAL BUFFERS**

As at 31 December 2025, the Bank of Spain had not made it compulsory for ICO to comply with the requirement to have an anti-cyclical capital buffer, in accordance with Title VII, Chapter 4, of Directive 36/2013/EU.

Bank of Spain Circular 2/2016, of 2 February, to credit institutions, on supervision and solvency, which completes the adaptation of the Spanish legal system to Directive 2013/36/EU and EU Regulation 575/2013, regulates, in chapter 3, capital buffers as from its entry into force (February 2016). In this sense:

- A common capital buffer of 2.5% is established, which the Institute complies with as at 31 December 2025;
- An anti-cyclical capital buffer is established in accordance with the requirements established for this purpose. For 2025, the quarterly percentage established for this buffer by the Bank of Spain is 0,5% for credit exposures in Spain;
- The Institute is not subject to the buffers for entities of global systemic importance or for other entities of systemic importance.

No systemic risk buffer has been established by the Bank of Spain.

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### 13. INFORMATION ON UNENCUMBERED ASSETS

Below is information on the Group's unencumbered and encumbered assets as at 31 December 2025 (Recommendation JERS/2012/2):

	Carrying amount of Unencumbered Assets		Fair Value of Unencumbered Assets	
		Of which: issued by other entities in the group	Of which: eligible by central banks	Of which: eligible by central banks
<b>2025</b>				
<i>Thousands of euros</i>				
Assets of the Reporting Entity	2,088,497	-	2,088,497	-
Call Loans	-	-	-	-
Equity instruments	-	-	-	-
Debt securities	2,088,497	-	2,088,497	2,107,109
of which: Covered bonds	-	-	-	-
of which: Asset-backed securities	-	-	-	-
of which: issued by Public Administrations	2,088,497	-	2,088,497	2,107,109
of which: issued by financial corporations	-	-	-	-
of which: issued by nonfinancial corporations	-	-	-	-
Loans and advances other than call loans	-	-	-	-
of which: mortgage loans	-	-	-	-
Other Assets	-	-	-	-
<b>2024</b>				
<i>Thousands of euros</i>				
Assets of the Reporting Entity	40,555,978	-	11,286,905	-
Call Loans	3,616,460	-	3,600,833	-
Equity instruments	2,269,628	-	-	2,269,628
Debt securities	8,682,480	-	7,686,071	8,129,846
of which: Covered bonds	-	-	-	-
of which: Asset-backed securities	-	-	-	-
of which: issued by Public Administrations	4,157,811	-	4,157,811	4,166,107
of which: issued by financial corporations	1,753,426	-	1,280,721	1,536,527
of which: issued by nonfinancial corporations	2,771,242	-	2,247,539	2,427,212
Loans and advances other than call loans	25,350,679	-	-	-
of which: mortgage loans	530,976	-	-	-
Other Assets	636,732	-	-	-

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SOURCES OF CHARGES	Financial liabilities
	<b>2025</b>
	<i>Thousands of euros</i>
Selected financial liabilities	1,006,077
Derivatives	-
Deposits	1,006,077
of which: repurchase agreements	1,006,077
of which: guaranteed deposits realised with Central B	-
Other sources of charges	-

## 14. INFORMATION ON LEVERAGE

Below is information on the Group's leverage ratio as at 31 December 2025:

Exposure corresponding to the leverage ratio	
<b>Exposure values</b>	<b>(Thousands of Euros)</b>
Derivatives: current replacement cost	40,767
Derivatives Potential Future Exposure standard method (multip. 1).	86,497
Off-balance-sheet items conversion factor 10%	-
Off-balance-sheet items conversion factor 20%	376,656
Off-balance-sheet items conversion factor 40%	5,693,747
Off-balance-sheet items conversion factor 50%	-
Off-balance-sheet items conversion factor 100%	707,212
Other assets	41,217,194
Assets deducted from Tier 1 capital (according to the transitory definition)	-
TOTAL LEVERAGE RATIO EXPOSURE (according to the definition to be applied upon completion of the phasing-in process)	48,122,074
TOTAL LEVERAGE RATIO EXPOSURE (according to the transitory definition)	48,122,074
<b>Capital</b>	
Tier 1 capital (according to the definition to be applied upon completion of the phasing-in process)	4,650,222
Tier 1 capital (according to the transitory definition)	4,650,222
<b>Leverage ratio</b>	
Leverage ratio (according to the definition to be applied upon completion of the phasing-in process)	9.66%
Leverage ratio (according to the transitory definition)	9.66%



## 15. OTHER KEY INDICATORS:

### 15.1 LIQUIDITY COVERAGE RATIO (LCR) AND NET STABLE FUNDING RATIO (NSFR)

As regards the liquidity coverage ratio, a table with quarterly averages of the ratio based on month-end observations over the previous twelve months is presented below for each of the quarters of the 2025 period, indicating the averages of total liquid assets and the averages of net liquidity outflows, liquidity outflows and liquidity inflows:

LIQUIDITY COVERAGE RATIO (LCR) YEAR 2025				
Amounts in % and thousands of euros	QUARTERLY AVERAGE			
CONCEPT	1Q	2Q	3Q	4Q
LCR RATIO (%)	683.10%	595.88%	523.27%	434.75%
TOTAL LIQUID ASSETS	9,458,953	9,945,555	12,161,571	11,105,978
NET LIQUIDITY OUTFLOWS	1,562,011	1,682,002	2,368,844	3,064,435
- Liquidity outflows	4,444,400	4,076,724	4,531,442	6,795,309
- Liquidity inflows	2,882,389	2,394,722	2,162,598	3,730,874

An informative table of the net stable funding ratio at the end of each calendar quarter of the period 2025 is shown below, which additionally shows the stable funding available at the end of each quarter and the funding required at the same dates:

NET STABLE FUNDING RATIO (NSFR) YEAR 2025				
Amounts in % and thousands of euros	QUARTERLY AVERAGE			
CONCEPT	1Q	2Q	3Q	4Q
NSFR RATIO (%)	134.91%	131.40%	131.58%	124.51%
STABLE FUNDING AVAILABLE	30,209,557	29,489,929	30,420,244	28,520,669
STABLE FUNDING REQUIRED	22,392,691	22,442,510	23,118,796	22,906,864

## 16. ENVIRONMENTAL, SOCIAL AND GOVERNANCE RISKS (ESG RISKS)

### Strategy and objectives

Table 1 (a and b) – Table 2 (a and b)

#### Internal policies

Article 2 of the **ICO Articles of Association** (approved by Royal Decree 706/1999 of 30 April) establishes its purposes as “*the support and promotion of economic activities that*

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*contribute to the growth and improvement of the distribution of domestic wealth and, in particular, those that, due to their social, cultural, innovative or ecological importance, deserve to be encouraged”.*

In this regard, on 27 February 2020 the ICO General Council approved its **Sustainability Policy**, which was amended on 25 January 2024. This policy sets out that the Institute shall “*contribute to long-term sustainable development by pursuing a balanced approach to economic development, social development and environmental protection*”. To achieve this, the following lines of action are established:

- Combat climate change and protect our natural assets, in adherence to best international practices and the principle to do no significant harm.
- Foster a fair and inclusive transition, with ICO becoming an agent of change that puts all within reach of opportunities that arise.
- Encourage its different stakeholder groups to share goals and commitments on this matter.

The Sustainability Policy establishes the integration of the following principles into ICO's management and internal procedures:

- Promote transparency by adhering to best market practices.
- Apply the value chain approach to promote positive impacts and minimise negative impacts in its own and third party activity.
- Gradually include sustainability-related opportunities and challenges in the strategy, processes and risk management.
- Comply with the legislation applicable at all times and ensure respect for human rights.
- Facilitate the transition to more sustainable business models.

Finally, the **ICO Group 2022-2027 Strategy**, approved by the General Council on 25 November 2021 and amended in 2024, has 4 lines of action, one of which is entitled “Sustainable Finance. Promoting the Ecological Transition and the Sustainability of Environmental, Social and Governance (ESG) in the business fabric”.

This line of action includes 5 specific plans aimed at financing through sustainable financial products (plan 11), the promotion of sustainable entrepreneurship (plan 12), the issuance of sustainable bonds (plan 13), institutional cooperation (plan 14) and training and technical assistance for the sustainable finance literacy of SMEs (plan 15).

#### Objectives and Monitoring

ICO's Sustainability Policy sets out four objectives based on the principles laid out for the Institute's management and internal procedures, which were mentioned above:

1. Contribute to the establishment of standards and the generation of benchmarks in asset and liability operations.
2. Augment sustainable activity.
3. Foster relationships and create long-term value for its main stakeholders.
4. Achieve the goal of net-zero carbon emissions by 2050.

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These objectives and their implementation contribute to assessing and addressing sustainability risk in the short, medium and long term, as well as to evaluating their related performance.

#### Materiality analysis

In the 2025 financial year, ICO conducted a dual materiality analysis in accordance with the **European Sustainability Reporting Standards (ESRS 1 and 2)** and the **Dual Materiality Implementation Guide prepared by EFRAG**.

The methodology used combines **internal and external sources**, analytical tools and expert criteria, ensuring the consistency of the process with **ICO's institutional strategy**, risk framework and stakeholder expectations. The exercise is also supported by existing governance and control mechanisms, which guarantees the traceability and consistency of the results obtained.

The dual materiality analysis has made it possible to identify, with a structured approach and in accordance with the European Sustainability Reporting Standards (ESRS), the organisation's sustainability issues, both in terms of the the impacts its activity may generate, as well as for the risks and opportunities that may affect its financial situation.

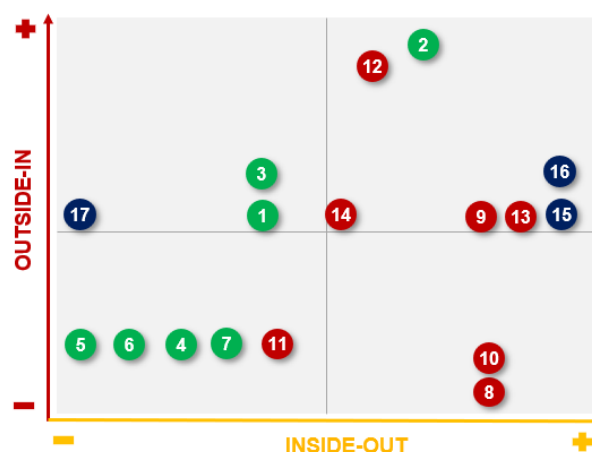
The table below presents the 17 thematic areas, followed by the materiality matrix, which graphically summarises the results obtained from the perspectives of impact materiality and financial materiality.

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ESRS	Thematic area
E1	1. Adaptation to climate change
E1	2. Climate change mitigation
E1	3. Energy
E2	4. Environmental pollution and hazardous substances
E3	5. Water and marine resources
E4	6. Biodiversity and ecosystems
E5	7. Circular economy
S1	8. Equal treatment and opportunities for all
S1	9. Working conditions
S1	10. Labour rights based on human rights
S2	11. Working conditions and equal treatment and opportunities for workers in the value chain
S3	12. Commitment to the land and Human Rights of the affected communities
S4	13. Incidents related to consumer information
S4	14. Social inclusion of consumers or end users
G1	15. Governance and corporate culture
G1	16. Corruption and bribery
G1	17. Entity-specific



### Material topics

The analysis has determined that the following issues are material to ICO Group:

- Climate change (E1)
- Own staff (S1)
- Affected groups (S3)
- Consumers and end users (S4)
- Business conduct (G1)

These issues have become material from one or both perspectives – impact and financial – as a consequence of ICO's role as a development bank and financial agent of the State, and the nature of its activity, which involves:

- Capacity to influence the transition to a low-carbon economy, through sustainable financing and the development of financial instruments aligned with climate objectives.
- A significant impact on the business fabric, especially SMEs and the self-employed, as well as on groups and territories that benefit from public funding.
- A direct relationship with consumers and end users through financing facilities, guarantees and public programmes, in which the quality of information, data

protection, claims management and transparency can generate relevant impacts and reputational or operational risks.

- A reinforced responsibility in matters of corporate governance, ethical conduct and proper management of public funds, in accordance with the regulatory framework applicable to entities of the state public sector.
- A direct influence on the working conditions, professional development and well-being of the staff, who are crucial for the performance of the institutional activity.

The combination of these factors explains why these issues concentrate the most significant impacts on society and the environment, as well as the most relevant risks and opportunities for the financial stability and prudent management of ICO Group.

#### Environmental and social risk management

Environmental risk management, in terms of both physical risk and transition risk, requires **prior information gathering** for a proper evaluation. In this regard, Objective 3 of the Sustainability Policy includes intensifying efforts to obtain sustainability information from third parties, so as to allow for the integration and analysis of sustainability risks in risk management decision-making.

Regarding the **joint management of environmental and social risk**, Objective 1 envisions the adoption of best market practices through international standards, including those reflected in the EU Sustainable Finance Taxonomy.

Specifically, with regard to **climate risk transition**, the goal of achieving zero carbon emissions by 2050 has been realised in the measurement of the organisation's carbon footprint - scope 1, 2 and 3 (organisational), and in the measurement of the footprint assigned to its direct financing activity (including public debt), scope 3 (category 15), through the PCAF methodology, an organisation to which ICO adhered in 2024. Template 1 contains the data calculated according to this methodology for the sectors that contribute greatly to climate change.

Furthermore, on 30 October 2025, the General Council approved the entity's **Transition Plan**. This plan sets specific annual emissions reduction targets for direct financing in the electricity generation, fossil fuel and housing sectors.

The approval and implementation of the Transition Plan implies the incorporation of a forward-looking approach in the analysis of climate transition risks, supported by external reference scenarios such as the National Energy and Climate Plan (PNIEC in its Spanish initials), the Net Zero Emissions 2050 scenario of the International Energy Agency or the Carbon Risk Real Estate Monitor.

The fulfilment of the objectives of the Transition Plan is also monitored and published in the Non-Financial Information Statement. At the same time, compliance with the plan with regard to the electricity generation sector is incorporated into the Risk Appetite Framework and the incorporation of the other two sectors included in the Plan is foreseen.

During the 2025 financial year, the monitoring of these indicators reflects a suitable trajectory for achieving the established objectives.

Finally, ICO applies a detailed list of excluded activities in the policies of each financing product as a measure to control environmental and social risks.

### **Commitment to counterparties**

*Table 1 (d) – Table 2 (c)*

Included within the objectives set out in the Sustainability Policy mentioned above are measures aimed at mitigating the environmental risks of counterparties. Thus, the measures in objective 2 include collaboration with economic agents to finance their transition to a low-carbon economy and achieve more ambitious environmental and social goals. Thus, the commitment to sustainable development is manifested through the increase in the supply of financing made available to counterparties (see section 7 in this regard).

Furthermore, Strategic line 3 (“Promoting the ecological transition and the environmental, social and governance sustainability of the business fabric”) of the 2022-2027 Strategy includes Action Plan 15, which focuses on the implementation of initiatives that enable the training of companies, especially SMEs, in sustainable finance.

Finally, the new direct financing line for SMEs, *ICO Crecimiento* [ICO Growth], requires applicants to submit a sustainability questionnaire, which calculates a sustainability score that may imply an increase in the cost of financing if the company does not exceed a certain threshold and does not implement improvement measures within 24 months after formalising the contract.

### **Internal governance**

*Table 1 (e, g, h) – Table 2 (d, e, f)*

#### **Responsibilities of the governing bodies regarding the definition of the risk framework and its management**

The ultimate oversight on issues related to sustainability corresponds to the General Council, within the framework of the powers conferred upon it by the Institute’s Article of Association (Art. 6).

In particular, the Council:

- Monitors the impacts, risks and opportunities (IROs) relevant to the Group related to environmental, social and governance issues.
- Approves the main strategic policies on sustainability.
- Receives regular updates on sustainable financial activity, relevant regulatory developments, and key indicators in this area.
- Integrates the consideration of environmental, social and governance factors into strategic decision-making and the monitoring of the business model.

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Senior Management, headed by the Chairman and the General Directorates, is responsible for the implementation of the strategic guidelines approved by the General Council and for the day-to-day management of sustainability issues.

#### Sustainability Committee

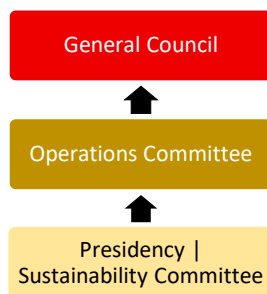
According to organisational circular 2/2025 of 15 December 2025, on governing bodies, ICO's Sustainability Committee has the following functions:

- To define and propose to the relevant body for its approval the concept of sustainability in the strategy and business model of ICO Group, adapting it to current regulatory developments.
- To promote and coordinate all initiatives related to sustainability within ICO Group.
- To regularly monitor the Group's sustainable activity, reporting its position to the Council.
- To issue proposals for action to ensure alignment with current regulations and other relevant actions in this area.
- To review the sustainability policy and any other environmentally and socially related policies.
- To propose and inform the competent body on the status of non-financial and sustainability information, prior to its formulation, regardless of the powers that other specialised committees may have in relation to said information.

The Sustainability Committee is composed of the Chairman of ICO and the following members:

- Directorate General of Financing and Risks
  - Finance and Treasury Division
  - Directorate of Risk Management
- Directorate General of International Corporate Financing, Mediation and State Funds.
- Directorate General of National Corporate Financing, Midcaps and SMEs.
- Directorate General of Administration and Information Systems.
- Directorate General of AXIS
- Directorate of Fundación ICO
- General Secretariat.
  - Human Resources and CSR Department
- Strategy Division, which assumes the Secretariat and coordination of the Committee, supported for this purpose by the Department that reports to it.

According to the Circular, this committee meets at least twice a year and its conclusions are passed on to the Operations Committee, to then be submitted to the General Council.



#### Department of Sustainability, Business Development and Evaluation – Methodologies and Sustainability Development Unit

During the last few years, amendments have been made to the organisational circular and the governing bodies of the Institute, with the aim of adapting the internal structure to the Strategic Plan and its Addendum.

These changes, however, have maintained the specialised sustainability team, grouped as of 31 December 2025 in the Methodologies and Sustainability Development Unit, within the Department of Sustainability, Business Development and Evaluation (Strategy Division).

The functions of the area are as follows:

- Prepare and coordinate with other areas involved in the provision of information, the annual corporate sustainability statements, in accordance with current legislation, as well as conduct the necessary procedures for their verification, approval and publication.
- To propose, plan and develop the measures to be addressed for compliance with current regulations in this matter (Decarbonisation Plan, calculation of the GAR, etc.).
- Define the applicable criteria for identifying and monitoring sustainability, based on the specific characteristics of each line of action (RRM, InvestEU, European Union Taxonomy, SDGs, Equator Principles).
- Prepare sustainability information to meet the requirements of the EU financial programmes in which ICO participates or State funds.
- Identify and calculate the impact of potentially eligible asset operations for the justification of use of funds in sustainable ICO issuances and support the provision of necessary information and clarifications raised by investors.
- Coordinate and carry out the necessary work to obtain ICO's ESG ratings, as well as to update them.

#### Transparency and disclosure

ICO Group, in its capacity as a public financial entity and national promotional bank, has actively followed European regulatory developments in the area of sustainability, in particular Directive (EU) 2022/2464 on corporate sustainability reporting (CSRD) and the European Sustainability Reporting Standards (ESRS).

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Directive (EU) 2022/2464 (CSRD) expands and strengthens sustainability reporting requirements for companies, requiring more detailed, verifiable and comparable information on environmental, social and governance aspects. It replaces the previous NFRD and introduces the mandatory use of ESRS.

Although ICO Group is not legally required to apply the CSRD in the 2025 financial year, it has decided to voluntarily adopt an approach aligned with these standards, using them as a framework to strengthen the quality, comparability and consistency of sustainability information. This voluntary adoption also allows for anticipating future regulatory requirements, facilitating alignment with the expectations of European investors and bodies, and strengthening long-term value creation in fulfilling its public mandate.

Furthermore, this decision is based on the recommendations issued by the CNMV and the ICAC in their joint statements indicating that, while the CSRD Directive remains pending transposition into Spanish law, it is advisable for Spanish entities to prepare their sustainability information in accordance with the ESRS framework, provided that compliance with the current requirements of Law 11/2018 is maintained.

### Remuneration policy

*Table 1 (i) – Table 2 (g)*

ICO Group has a Management by Objectives (MBO) system, applicable to all staff, including the Senior Management, except for the chairman, which links annual variable remuneration to the degree of achievement of previously defined objectives.

The system is structured as follows:

- Strategic objectives, aligned with the 2022–2027 Strategy.
- Cross-institutional objectives, linked to the Group's strategic lines of action.
- Individual objectives, associated with the scope of responsibility of each unit.

In the 2025 financial year, the system incorporated a sustainability indicator as a common strategic objective for the entire organisation, defined as: “*New sustainable finance activity / Total new finance activity (%)*”, establishing a compliance range between 35% and 50%. This set of strategic objectives has an aggregate weight of 20% in the annual performance evaluation.

In addition, a cross-institutional objective related to sustainability has been defined that involves different General Directorate units, with specific weightings according to their responsibilities.

The degree of compliance with the objectives is subject to periodic (quarterly) monitoring and annual evaluation at the close of the financial year.

The members of the General Council do not receive variable remuneration, so there are no incentives linked to sustainability objectives applicable to these members.

## **Integration of environmental and social risk into risk management**

*Table 1 (j, l, q) – Table 2 (i)*

Regarding the admission or amendment of operations, in accordance with the usual (non-standardised) protocol, the operations included in the Operations Committee are analysed beforehand by the Sustainability Area.

The unit conducts an analysis aimed at classifying operations according to its internal criteria (see section 7), which provides an approximation of the potential climatic, environmental and social impacts of the operations.

At the same time, there is an analysis of the compliance with the requirements relating to the reference frameworks adopted by ICO (green loans, Equator Principles, etc.).

These assessments are not included in a standardised report nor are they binding on the decision-making of the competent bodies.

### **Environmental risk in the Risk Appetite Framework (RAF)**

ICO's Risk Appetite Framework (RAF) currently includes two level III indicators relating to physical climate risk and climate transition risk.

The indicator used for physical risk is based on the methodology of the INFORM Risk Index of the European Commission's Joint Research Centre, considering the sub-index of the natural hazard category, which assesses countries' exposure to the following acute physical risks: tsunamis, river flooding, coastal flooding, tropical cyclone winds, droughts, earthquakes, and epidemics. The scale for this sub-index ranges from 0 to 10 and consists of five segments based on the level of risk: (i) very low: from 0 to 1.2; (ii) low: from 1.3 to 2.7; (iii) medium: from 2.8 to 4.6; (iv) high: from 4.7 to 6.8; and (v) very high: from 6.9 to 10.

It is obtained quarterly, based on the details of active operations by country, provided by the Wholesale Monitoring and Recovery Unit, and the sub-index of the natural hazard category by country taken from the INFORM Risk Index.

For transition risk, an indicator is taken from the intensity of financed emissions in the electricity generation and trading sectors. This indicator establishes the risk appetite thresholds to be the emissions intensity targets for this sector included in the scenarios used in the Institute's Transition Plan.

This way, the plan considers outstanding operations in the Institute's direct financing portfolio classified within the sectors defined by the NACE Rev. 2.1 codes:

- 35.11: Electricity production from non-renewable sources.
- 35.12: Electricity production from renewable sources.
- 35.15: Electricity trading.

In cases where the destination of the funds is known, the sectoral classification of each transaction is based on the project and not on the client's main activity.

The intensity of each operation is measured as the kg of equivalent CO<sub>2</sub> per MWh of electricity produced by the financed transactions. The appetite setting is established

according to the emissions intensity determined by the Spanish Government's National Energy and Climate Plan, while the tolerance setting is established at the emissions intensity of the International Energy Agency's Net Zero 2050 scenario.

In the coming months, the aim is to incorporate additional indicators in relation to the rest of the sectors included in the Transition Plan.

#### Update of the risk map

During the 2025 financial year, the entity's risk map was updated, which included within the risk taxonomy those related to environmental, social and governance aspects.

These risks are defined as the possible negative materialisation of ESG factors that can affect the financial stability and solvency of an institution by means of its exposure to counterparties or assets in which it invests, capable of manifesting themselves through different categories of financial risk, such as credit, market, operational, liquidity and financing risk, impacting the entity's financial performance.

According to the risk map, environmental risks include physical risks (such as extreme weather events) and transition risks (related to regulatory, technological and market changes in the process towards a low-carbon economy). Social risks encompass issues such as inequality, working conditions, and human rights, which can affect reputation and operational stability. Governance risks refer to the quality of corporate governance practices, where poor governance can increase exposure to financial and reputational risks.

### **International frameworks for environmental and social risk management**

#### *Table 1 (k) – Table 2 (h)*

As mentioned in section 1, among the objectives set by ICO's Sustainability Policy is that of "contributing to the establishment of standards and the generation of benchmarks in asset and liability transactions". In this regard, ICO applies the following international standards in its general management and asset and liability operations:

- **GHG Protocol and Partnership for Carbon Accounting Financials (PCAF):** Benchmark methodologies for measuring the carbon footprint in financial entities and used for measuring the entity's footprint.
- **Equator Principles:** Benchmark methodology for the management of environmental and social impacts in project finance operations.
- **ICMA (International Capital Markets Association) Green Bond Principles:** framework used for the issuance of green bonds.
- **ICMA (International Capital Markets Association) Social Bond Principles:** framework used for the issuance of social bonds.
- **LMA (Loan Market Association) Green Loan Principles and Sustainability Linked Loan Principles:** framework for asset transactions categorised as green loans or those related to sustainability.

## **Sustainable activity**

*Table 1 (m) – Table 2 (j)*

### **Environmentally sustainable activity**

ICO has an internal categorisation of activities for classifying direct financing operations, which considers the following to be environmentally sustainable:

- Financing aligned with the Green Loan Principles / Sustainability Linked Loan Principles.
- Financing supported by European funds with sustainable features.
- Purchase of green bonds in accordance with ICMA principles.
- Targeted funding for activities aligned with the objectives of the Taxonomy.
- Generalist financing to counterparties in which at least 90% of turnover or CAPEX comes from activities that contribute to the objectives of the Taxonomy.

For mediation activity:

- Operations that contribute to one of the environmental objectives set out in the sustainability annex established for mediation transactions.
- Financing supported by European funds with sustainable features.
- Purpose-determined financing for projects aligned with the Green Loan Principles.

For Axis activity:

- Investment in funds that meet the requirements of Articles 8 and 9 of the SFRD.
- Investment in companies whose activity is included in the purposes set out by the Green Loan Principles.

Operations within the above definition (for direct and mediated financing and Axis) contribute to the target set by the ICO Group **2022-2027 Strategy** that **at least 40% of new financing operations be sustainable** (environmentally or socially).

In this regard, during 2025, 37% of new direct financing operations were environmentally sustainable according to the above criteria.

### **Socially sustainable activity**

Regarding sustainability from a social perspective, the internal categorisation of activities for the classification of direct financing operations considers the following to be socially sustainable:

- Targeted funding with a social purpose identified in the ICMA SLP standard.
- Financing aligned with the Sustainability Linked Loan Principles.
- Financing under the ICO Housing and Urban and Social Regeneration programme.
- Purchase of social bonds (in accordance with the ICMA reference framework).

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For mediation activity:

- Operations that contribute to one of the social objectives set out in the sustainability annex established for mediation transactions.
- Financing supported by European funds with sustainable features.
- Purpose-determined financing for projects aligned with the Social Loan Principles.

For AXIS activity:

- Investment in funds that meet the requirements of Articles 8 and 9 of the SFRD.
- Investment in companies whose activity is included in the purposes set out by the Social Loan Principles.

Operations within the above definition (for direct and mediated financing) contribute to the target set by the ICG Group **2022-2027 Strategy** that **at least 40% of new financing operations be sustainable** (environmentally or socially).

In this regard, during 2025, 13% of new direct financing operations were environmentally sustainable according to the above criteria.

#### Green Asset Ratio (GAR)

*Table 1 (c)*

On a voluntary basis, the Group conducts an analysis of the exposures in its loan portfolio that comply with the European Union Taxonomy, in accordance with the provisions of Article 8 of Regulation (EU) 2020/852. The information disclosed is prepared in accordance with Delegated Regulation (EU) 2021/2178 and is submitted as a progressive approximation, contingent on the availability and quality of the information provided by the counterparties (a detailed explanation of the methodology, information sources and limitations can be found in the Group's Non-Financial Information Statement – section 2.2).

As of the end of 2025, the main indicators calculated are as follows:

- % of exposure to eligible economic activities (CAPEX): 15.48%
- % of exposure to eligible economic activities (VN): 15.02%
- Green Asset Ratio (CAPEX): 9.14%
- Green Asset Ratio (VN): 8.44%

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#### Contribution to the Sustainable Development Goals

In addition to the internal sustainability classification, ICO allocates a portion of its direct funding to the Sustainable Development Goals (SDGs). During the 2025 financial year, the amounts of this contribution were as follows:

SDG	Approvals (€ million)	%
1. The end of poverty	-	-
2. Zero hunger	-	-
3. Health and well-being	9	0.1%
4. Quality education	30	0.4%
5. Gender equality	1	0.02%
6. Clean water and sanitation	50	0.7%
7. Affordable and clean energy	767	11%
8. Decent work and economic growth	3,980	56%
9. Industry, innovation and infrastructure	288	4%
10. Reducing inequalities	-	-
11. Sustainable cities and communities	862	12%
12. Responsible production and consumption	85	1%
13. Climate action	1,047	15%
14. Life below water	13	0.2%
15. Life on land	-	-
16. Peace, justice and strong institutions	-	-
17. Partnerships to achieve the objectives	-	-
	<b>7,132</b>	<b>100%</b>

# INFORMATION WITH PRUDENTIAL RELEVANCE

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## Bank portfolio: credit quality of exposures by sector, issues and remaining maturity

Template 1 (partially developed)

Sector	Gross book value (millions of euros)	Of which: environmentally sustainable (CCM) (millions of euros)	Of which: exposure under special monitoring (millions of euros)	Of which: doubtful exposures (millions of euros)	Provisions (millions of euros)	Financed GHG emissions (counterpart scope 1, 2 and 3 emissions) (tCO <sub>2</sub> eq)	Of which, scope 3 emissions (tCO <sub>2</sub> eq) <sup>1</sup>	GHG emissions: % of the gross amount derived from specific information from the company (scope 1 and 2) <sup>2</sup>
<b>Exposures to sectors that contribute significantly to climate change</b>	<b>11,601.49</b>	<b>2,428.18</b>	<b>751.65</b>	<b>377.70</b>	<b>- 436.07</b>	<b>5,895,652</b>	<b>5,047,542</b>	<b>39%</b>
<b>A — Agriculture, livestock, forestry and fishing</b>	<b>52.90</b>	<b>-</b>	<b>-</b>	<b>0.33</b>	<b>- 0.32</b>	<b>41,922</b>	<b>21,530</b>	<b>19%</b>
<b>B — Extractive industries</b>	<b>163.90</b>	<b>-</b>	<b>63.99</b>	<b>-</b>	<b>- 6.74</b>	<b>550,380</b>	<b>473,552</b>	<b>61%</b>
B.05 - Extraction of anthracite, bituminous coal and lignite	-	-	-	-	-	-	-	-
B.06 - Extraction of crude oil and natural gas	-	-	-	-	-	-	-	-
B.07 - Extraction of metallic minerals	63.99	-	63.99	-	- 6.14	54,458	9,875	0%
B.08 - Other extractive industries	-	-	-	-	-	-	-	-
B.09 - Support activities for extractive industries	99.91	-	-	-	- 0.60	495,922	463,677	100%
<b>C — Manufacturing industry</b>	<b>1,141.54</b>	<b>157.71</b>	<b>7.95</b>	<b>7.18</b>	<b>- 28.80</b>	<b>591,923</b>	<b>408,789</b>	<b>67%</b>
C.10 - Food Industry	62.47	-	-	-	- 2.39	60,919	49,742	38%
C.11 - Beverage Production	-	-	-	-	-	-	-	-
C.12 - Manufacture of tobacco products	-	-	-	-	-	-	-	-
C.13 - Textile Industry	-	-	-	-	-	-	-	-
C.14 - Clothing manufacturing	-	-	-	-	-	-	-	-
C.15 - Leather and footwear industry	-	-	-	-	-	-	-	-
C.16 - Wood and cork industry, except furniture; manufacture of straw and plaiting materials	-	-	-	-	-	-	-	-
C.17 - Paper Industry	5.71	2.23	-	-	- 0.03	2,405	1,616	98%
C.18 - Graphic arts and reproduction of recorded media	-	-	-	-	-	-	-	-
C.19 - Coke ovens and petroleum refining	114.18	-	-	-	- 1.55	156,697	78,677	0%
C.20 - Chemical industry	44.88	-	-	7.18	- 1.57	26,900	17,941	0%
C.21 - Manufacture of pharmaceutical products	17.79	0.09	-	-	- 0.43	1,697	1,477	80%
C.22 - Manufacture of rubber products	0.26	-	-	-	-	100	88	0%
C.23 - Manufacture of other non-metallic mineral products	-	-	-	-	-	-	-	-
C.24 - Manufacture of common metals	62.00	8.18	-	-	- 3.95	38,983	31,852	59%
C.25 - Manufacture of metal products, except machinery and equipment	94.80	-	-	-	- 7.22	54,926	6,933	77%

# INFORMATION WITH PRUDENTIAL RELEVANCE

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C.26 - Manufacture of computer, electronic and optical products	17.93	-	-	-	- 0.37	2,442	1,331	84%
C.27 - Manufacture of electrical equipment and materials	91.58	6.39	-	-	- 0.68	82,332	77,269	97%
C.28 - Manufacture of machinery and equipment n.e.c.	27.26	-	-	-	- 0.28	9,841	9,121	56%
C.29 - Manufacture of vehicles, trailers and semi-trailers	83.07	12.20	-	-	- 5.48	58,841	52,425	76%
C.30 - Manufacture of other transport equipment	168.40	37.60	7.95	-	- 1.57	52,948	39,993	72%
C.31 - Furniture manufacturing	51.23	-	-	-	- 3.27	9,309	7,088	20%
C.32 - Other manufacturing industries	-	-	-	-	-	-	-	-
C.33 - Repair and installation of machinery and equipment	300.00	91.02	-	-	-	33,584	33,238	100%
<b>D — Supply of electricity, gas, steam and air conditioning</b>	<b>4,782.27</b>	<b>1,902.71</b>	<b>276.19</b>	<b>213.14</b>	<b>- 210.94</b>	<b>3,494,858</b>	<b>3,126,747</b>	<b>24%</b>
D35.1 - Production, transport and distribution of electrical energy	4,130.88	1,782.71	276.19	213.14	- 207.03	1,548,083	1,328,664	13%
D35.11 - Electricity production	3,712.17	1,545.51	247.08	213.14	- 200.99	1,231,692	1,041,559	10%
D35.2 - Gas production; pipeline distribution of gaseous fuels	651.39	120.00	-	-	- 3.91	1,946,775	1,798,083	96%
D35.3 - Steam supply and air conditioning	-	-	-	-	-	-	-	-
<b>E — Water supply; sanitation activities, waste management and decontamination</b>	<b>288.67</b>	<b>30.25</b>	<b>11.91</b>	<b>-</b>	<b>- 6.58</b>	<b>76,138</b>	<b>50,665</b>	<b>36%</b>
<b>F — Construction</b>	<b>2,145.99</b>	<b>186.25</b>	<b>305.69</b>	<b>89.08</b>	<b>- 120.28</b>	<b>343,793</b>	<b>310,716</b>	<b>38%</b>
F.41 - Building Construction	589.48	57.08	194.89	3.74	- 69.16	90,758	81,908	16%
F.42 - Civil Engineering	1,505.84	129.17	86.84	71.19	- 47.83	233,249	210,071	46%
F.43 - Specialised construction activities	50.67	-	23.96	14.15	- 3.28	19,786	18,736	54%
<b>G — Wholesale and retail trade; repair of motor vehicles and motorcycles</b>	<b>336.01</b>	<b>3.45</b>	<b>18.33</b>	<b>10.00</b>	<b>- 13.61</b>	<b>505,243</b>	<b>473,088</b>	<b>84%</b>
<b>H — Transport and storage</b>	<b>2,406.34</b>	<b>79.00</b>	<b>61.95</b>	<b>42.77</b>	<b>- 35.40</b>	<b>269,746</b>	<b>166,299</b>	<b>53%</b>
H.49 - Land and pipeline transport	1,064.47	3.15	35.86	8.19	- 16.14	88,455	44,050	12%
H.50 - Transport by waterways	3.00	-	-	-	- 0.02	5,442	-	0%
H.51 - Air transport	45.43	-	-	35.58	- 10.01	57,540	15,656	42%
H.52 - Storage and activities related to transport	1,206.06	75.85	26.09	-	- 6.02	99,209	96,894	87%
H.53 - Postal and courier activities	87.38	-	-	-	- 3.20	19,100	9,699	100%
<b>I - Hospitality</b>	<b>160.40</b>	<b>-</b>	<b>-</b>	<b>15.21</b>	<b>- 9.52</b>	<b>20,891</b>	<b>15,691</b>	<b>26%</b>
<b>L — Real estate activities</b>	<b>123.16</b>	<b>68.81</b>	<b>5.65</b>	<b>-</b>	<b>- 3.88</b>	<b>759</b>	<b>465</b>	<b>3%</b>
Exposures to sectors that do not contribute significantly to climate change	3,507.21	148.99	82.63	-	- 35.28	828,652	713,682	39%
<b>K - Financial and insurance activities</b>	<b>1,613.82</b>	<b>16.90</b>	<b>-</b>	<b>-</b>	<b>- 1.16</b>	<b>110,612</b>	<b>100,707</b>	<b>11%</b>
Exposures to other sectors (NACE codes J, M - U)	1,893.39	132.10	82.63	-	- 34.12	718,040	612,975	64%
<b>TOTAL</b>	<b>15,108.70</b>	<b>2,577.17</b>	<b>834.28</b>	<b>377.70</b>	<b>- 471.35</b>	<b>6,724,304</b>	<b>5,761,224</b>	<b>39%</b>



<sup>1</sup>Scope 3 emissions calculated using emission factors (without company-specific data) correspond to 71% of the gross book value.

<sup>2</sup>Data qualities 1 and 2 are considered here in accordance with the PCAF methodology.

The data included in this table corresponds to the direct financing portfolio and only to operations covered by the carbon footprint calculation according to the PCAF methodology.

**Bank portfolio: indicators of potential transition risk linked to climate change: harmonisation parameters.**

Template 3 (partially developed)

	Net balance covered by the calculation (€)	% balance on total portfolio <sup>1</sup>	Emission - Scope 1 and 2 (tCO2e)	Emissions - Scope 3 (tCO2e)	Total emissions (tCO2e)	% of emissions in total portfolio <sup>1</sup>	Intensity of financial emissions (tCO2e/€M)	Harmonisation parameter	Parameter value as of 31/12/2025	Target 2050 according to the IEA scenario <sup>2</sup>	Target (reference year + 3 years) <sup>2</sup>
Steel	198,727,428	1.4%	101,277	55,159	156,437	2.33%	787	-	n.d. <sup>3</sup>	n.d.	n.d.
Automobiles	86,437,873	0.6%	3,737	47,485	51,222	0.76%	593	-	n.d.	n.d.	n.d.
Aviation	1,385,356,427	9.5%	44,311	154,355	198,666	2.95%	143	-	n.d.	n.d.	n.d.
Electricity	3,839,284,097	26.2%	216,304	1,015,941	1,232,245	18.33%	321	kgCO2eq/MWh (scopes 1 and 2)	16.65	0	15
Shipping	114,258,104	0.8%	17,270	22,938	40,208	0.60%	352	-	n.d.	n.d.	n.d.
Cement, clinker and lime	-	0%	-	-	-	-	-	n.a. <sup>4</sup>	n.a.	n.a.	n.a.
Oil and gas	943,644,492	6.4%	286,303	2,339,201	2,625,505	39.05%	2,782	tCO2eq (scopes 1,2 and 3)	2,625,505	122,731	2,214,108
<b>Total general</b>	<b>6,567,708,420</b>	<b>44.9%</b>	<b>669,202</b>	<b>3,635,079</b>	<b>4,304,282</b>	<b>64.01%</b>	<b>655</b>				

<sup>1</sup>Percentage with respect to direct financing operations covered by the carbon footprint calculation, according to the PCAF methodology.

<sup>2</sup>According to the application of the International Energy Agency scenario carried out in the ICO Transition Plan.

<sup>3</sup>No data.

<sup>4</sup>Not applicable.

**Bank portfolio: indicators of potential transition risk linked to climate change: exposures to the twenty companies with the highest carbon emissions.**

Template 4.

As of 31 December 2025, ICO had no exposure to any of the twenty companies with the highest carbon emissions.



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