



Instituto de Crédito Oficial

Institutional Presentation

2024

June 2024

I ICO Strategic Objectives

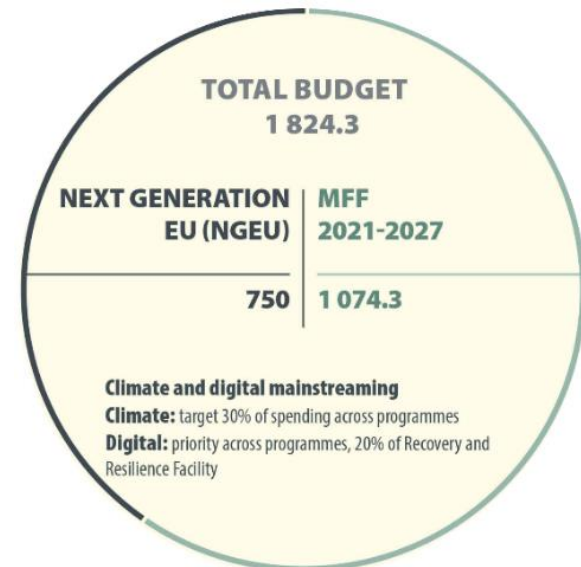
II Recovery, Transformation and Resilience Plan – ICO's role

III National Promotional Bank

IV AXIS – Private Capital and Venture Capital

V State Financial Agency

VI ICO Foundation





- ❑ **Public credit entity** attached to the Ministry of Economy, Trade and Business through the Secretary of State for the Economy and Business Support.
- ❑ **With its own legal personality, assets and treasury**, acting with management autonomy.
- ❑ **It does not consolidate with the State accounts and does not resort to the General State Budgets**, attracting its resources in the capital markets (with the guarantee of the Spanish State).
- ❑ **As a credit institution, ICO operates under market conditions**, without granting public aid, and it is subject to Bank of Spain supervision and control regulations, under the principle of balance and financial sufficiency.
- ❑ **ICO collaborates as an economic policy instrument** with different Ministries and Public Administrations to mobilize their programs of loans, guarantees or subsidies or funds or resources of the EU.

The activity carried out by ICO is governed by a series of principles that guide its actions in the performance of each of its functions.

Principles and Action

Public - Private collaboration

Financial sector, companies, freelancers, employees, associations

Flexibility and adaptation

To the needs of all companies, SMEs and freelancers from all sectors and sizes

Complementarity and long-term value

To contribute to the recovery and growth of the Spanish economy and companies

Governance and transversality

Objectives ESG and priorities assumed by ICO Group

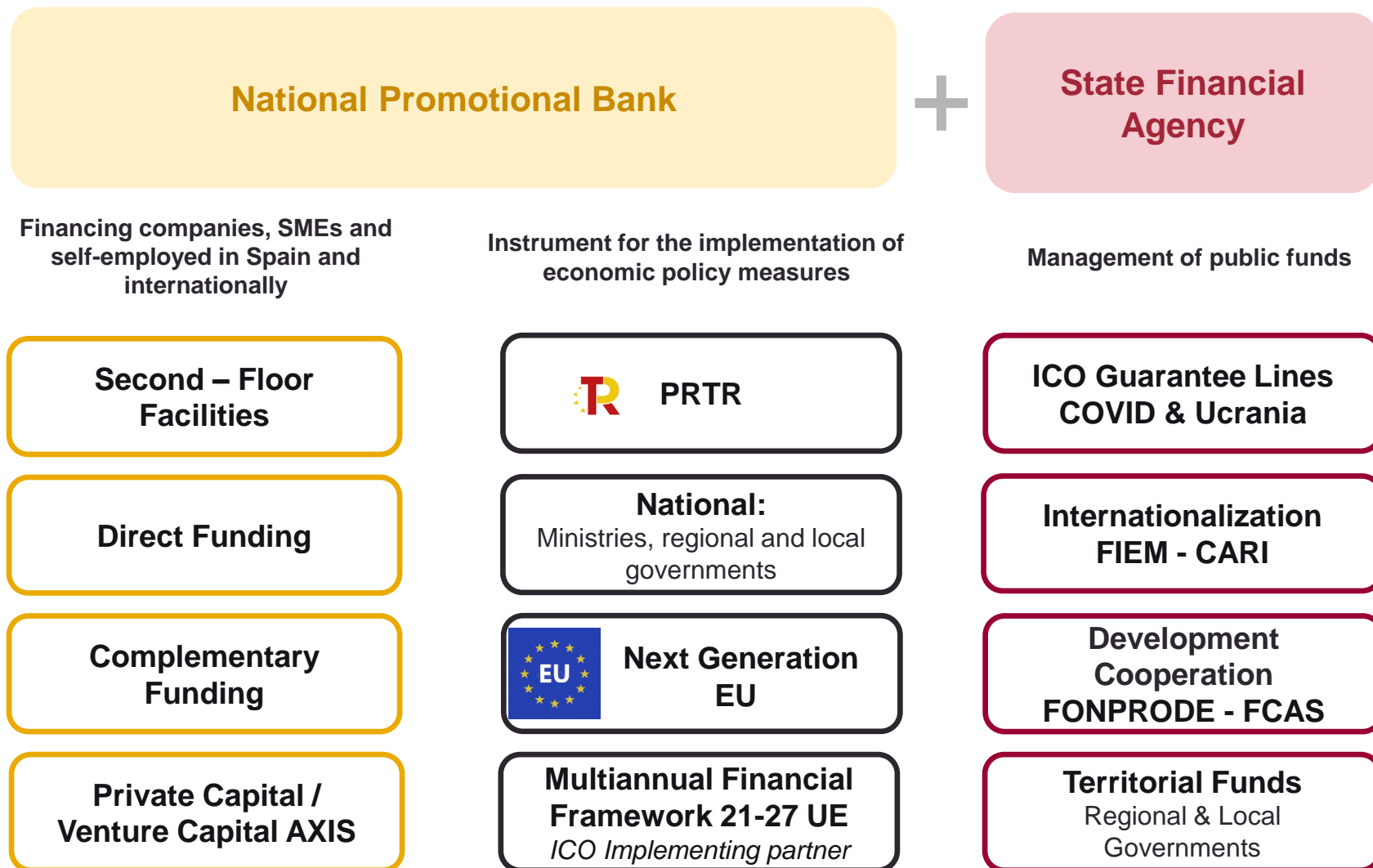
Coherence and generation of synergies

With economic policy priorities defined at national and EU level

Financial balance and management autonomy

In the development of the ICO balance sheet activity

To achieve its objectives, ICO performs two main functions:



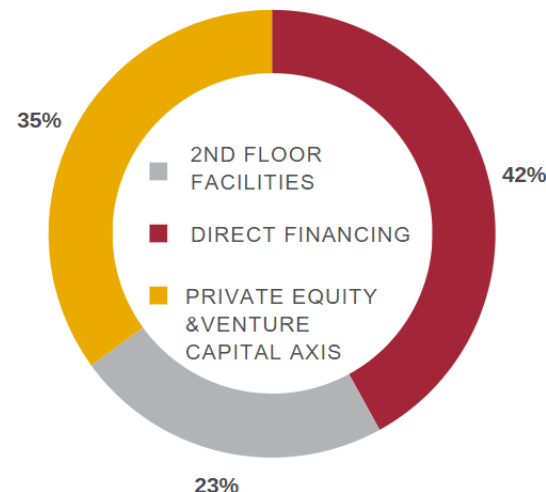
National promotional Bank

Outstanding balance (financing)
34.6 billion €

2nd Floor Facilities
7.9 bn€

Direct Financing
14.6 bn€

Private Equity & Venture Capital AXIS 12.2 bn€



Government Financial Agency

Outstanding balance (managed) 279.7 billion €

Internationalization FIEM – CARI
Ministry of Economy, Trade and Business **5.9 bn€**

Territorial Funds CCAA y CCLL
Ministry of Finance **211 bn€**

Development Cooperation FONPRODE - FCAS
AECID - Ministry of Foreign Affairs **549 M€**

Ministry of Economy, Trade and Business

Guarantee Lines COVID
107.2 bn€ guarantees
140.7 bn€ financing

Guarantee Lines UKRAINE
6.1 bn€ guarantees
7.8 bn€ financing

18.8 billion €
48,703 deals
ICO financing to the business sector

11.6 bn€

Direct Financing

Tourism, transport, automotive, sustainable mobility, health, digitization.



8.5 bn€

ESG Sustainable Finance

Loans Linked to Sustainability
 Equator Principles
 Issuance of sustainable bonds



6.9 bn€

Ecological Transition

Green loans
 Green bond issues

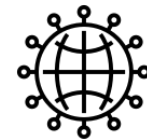
7.2 bn€ 2nd Floor Facilites

All sectors of activity
 65% freelancers and micro-companies



4.5 bn€ Internationalization

Direct financing and Project Finance
 Canal Internacional
 Tender guarantees Program
 Financing in local currency



ICO has been present in the international capital markets since 1996. with **an important role in the sustainable bond market.**

The debts and obligations contracted by ICO in raising funds enjoy the **direct, explicit, irrevocable and unconditional guarantee of the Spanish State** vis-à-vis third parties.

As a credit institution, ICO has access to the interbank market and to the financing operations of the ECB.

Medium and long-term sources of financing

Bonds issues in the capital market

- ❑ Sustainable bonds (11 social bonds and 6 green bonds)
- ❑ GMTN Issuance Program (Global Medium Term Note)
- ❑ Private placements
- ❑ Public issues mostly in syndicated format

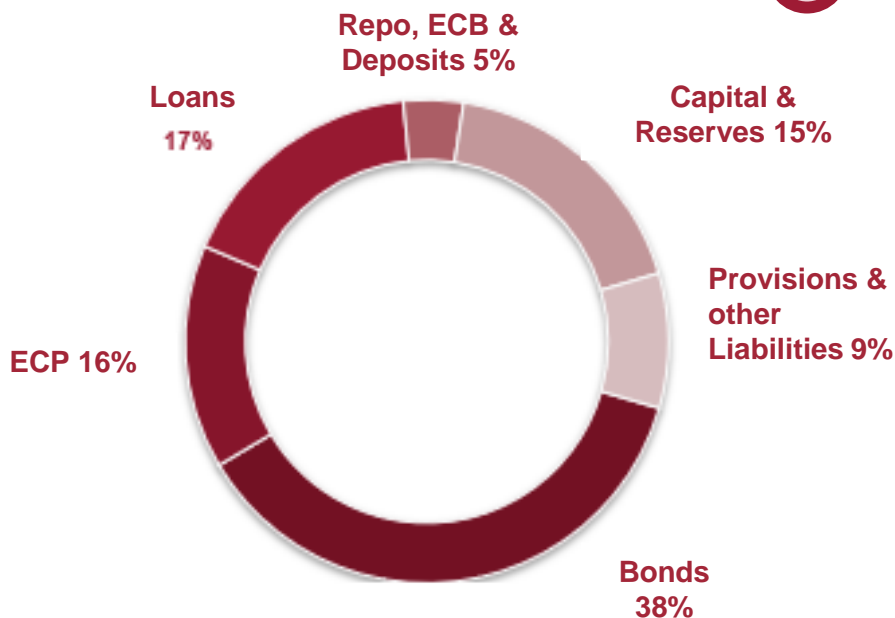
Other instruments

- ❑ NSV, Repo, etc.

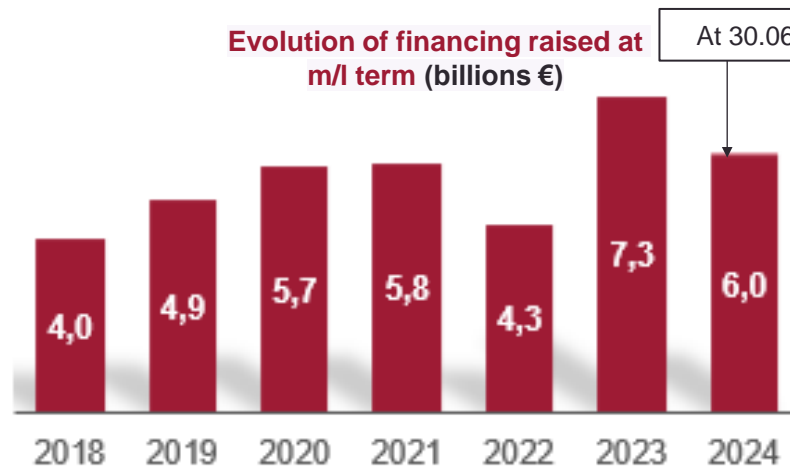
Bilateral loans from IFIs

Debt rating

DBRS	A / Positive
S&P	A / Stable
Fitch	A- / Stable
Moody's	Baa1 / Positive



Evolution of financing raised at m/l term (billions €)



ICO will collaborate in the process of transformation and sustainable growth of the Spanish economy based on the horizontal strategic priorities established in the Recovery, Transformation and Resilience Plan and the 2021-2027 Multiannual Financial Framework of the EU...

Sustainability ESG



Business Growth and Competitiveness



Digital Transformation Productive Sector



... working in its triple aspect as a national financing bank, financial instrument of economic policy and financial agency of the State.

National
Promotional Bank

Financial Instrument
Economic Policy

State Financial
Agency

2022-2027 Strategy

Promote growth and business size as an engine for competitiveness, job creation and innovation in the Spanish economy



ICO Second-floor facilities

Strengthen and adapt lines to SMEs and self-employed needs



Complementary financing

Bonds, promissory notes, securitizations



Direct financing

Extend scope to new midcap companies and with tractor effect



Internationalization

Expansion and diversification of markets, currencies, products



Private capital (AXIS)

Boosting dynamism and growth and scalability of the entrepreneurial ecosystem



Channeling resources from the public sector and the EU

Collaboration sectoral ministries, blended finance. Implementing Partners CE Programmes and Next Generation Funds

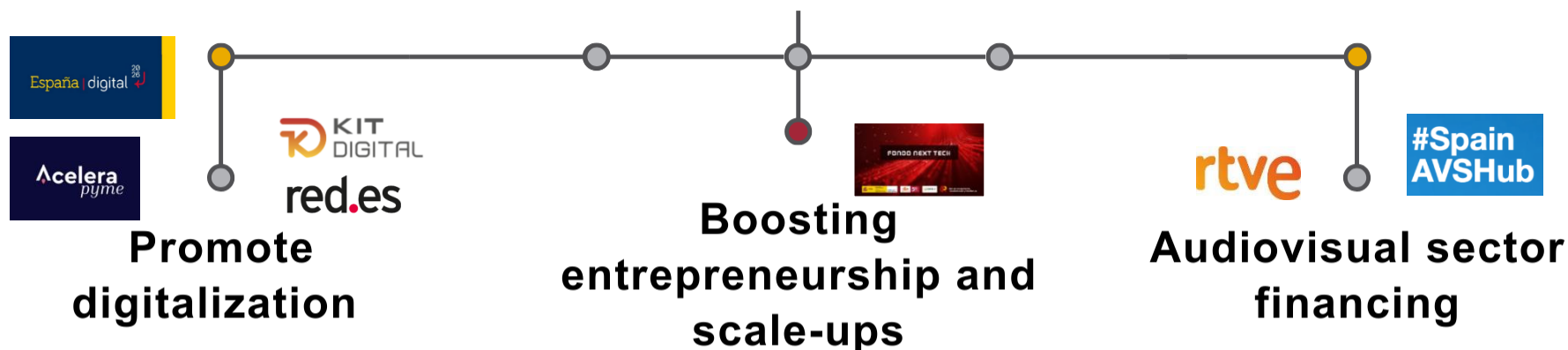


State funds management

Internationalization, International Cooperation, Covid Guarantee Lines, FIEM/CARI/FONPRODE

Digitalization is one of the main vectors to promote transformation, competitiveness, sustainable economic growth and job creation, in addition to providing the productive fabric with greater resilience to face future shocks and dynamism to take advantage of new opportunities.

Digitization



Kit Digital

Collaboration The Digital Spain Agenda 2026
Collaboration with Acelera Pyme

Fondo NexTech

Consolidation of venture capital funds and entrepreneurship initiatives in digital scale-ups

Support Plan Spain AVS Hub

Audiovisual Sector Boost Plan
Financing agreement for audiovisual works

Transversal pillar of action of ICO, in financing operations for companies, raising resources through sustainable bonds, governance and CSR



ICO Sustainability Policy

- United Nations 2030 Agenda
- Paris Climate Agreements (COP21)
- UN Guiding Principles Business and Human Rights
- EU Sustainable Finance Action Plan



**Target 40 %
new operations
under ESG criteria**



Sustainable ESG financing

Sustainable ICO Bonds

Governance

Promotion of sustainable initiatives

Green loans

17 bond issues 8.55 bn€

Sustainability Committee

Sustainability linked loans (KPI)

6 green / 11 social

Sustainability Department

Taxonomy EU

+15 bn€ mobilized

Sustainability Assessment Manual

Ecuador Principles

+478.000 Tm CO2

Training

Axis Sustainability Social Impact

+73.000 jobs

Impact measurement

Fond-ICO Sustainability and Infrastructures



Grupo Trabajo Internacionalización y Derechos Humanos



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II Recovery, Transformation and Resilience Plan – ICO's role

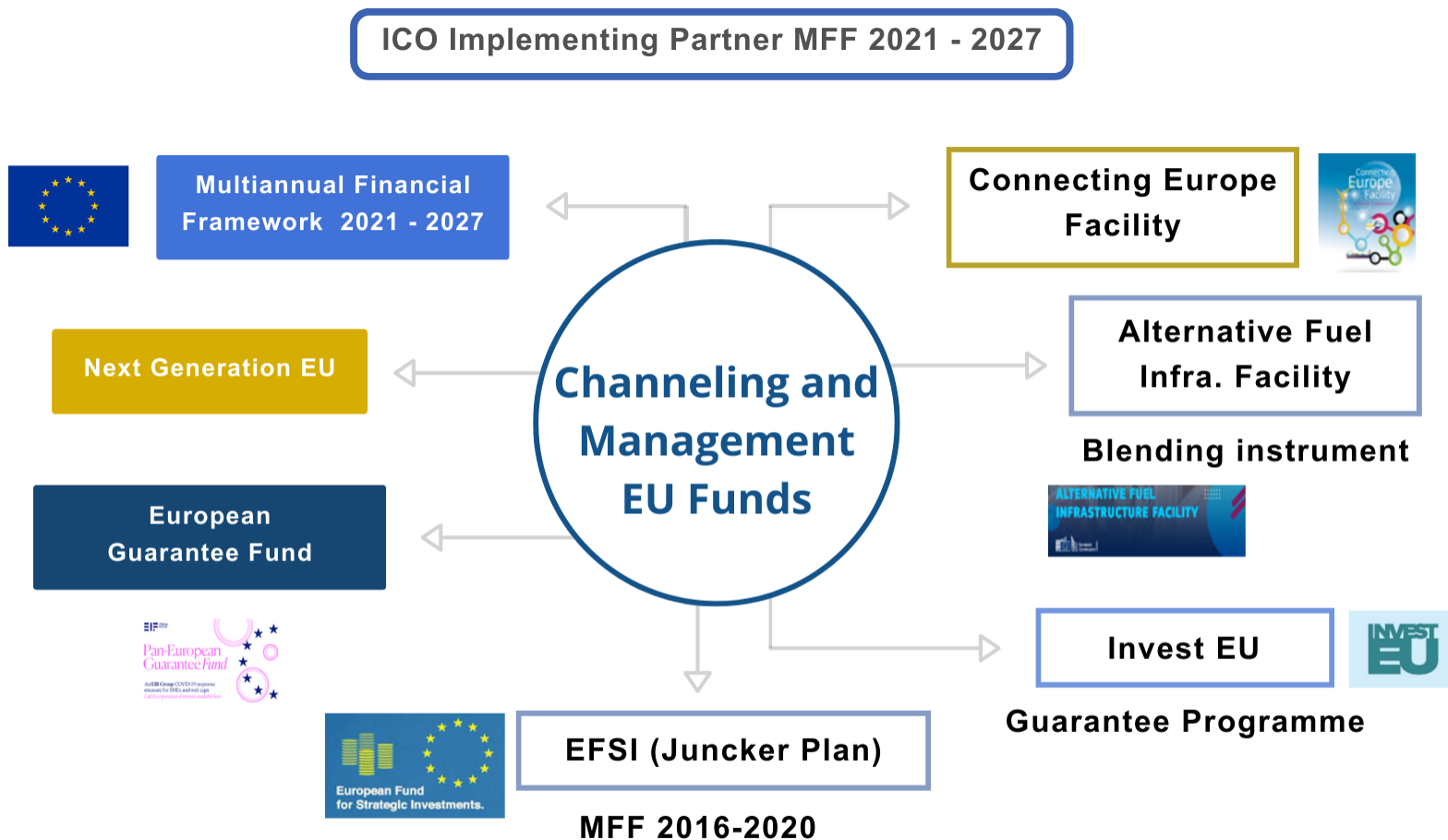
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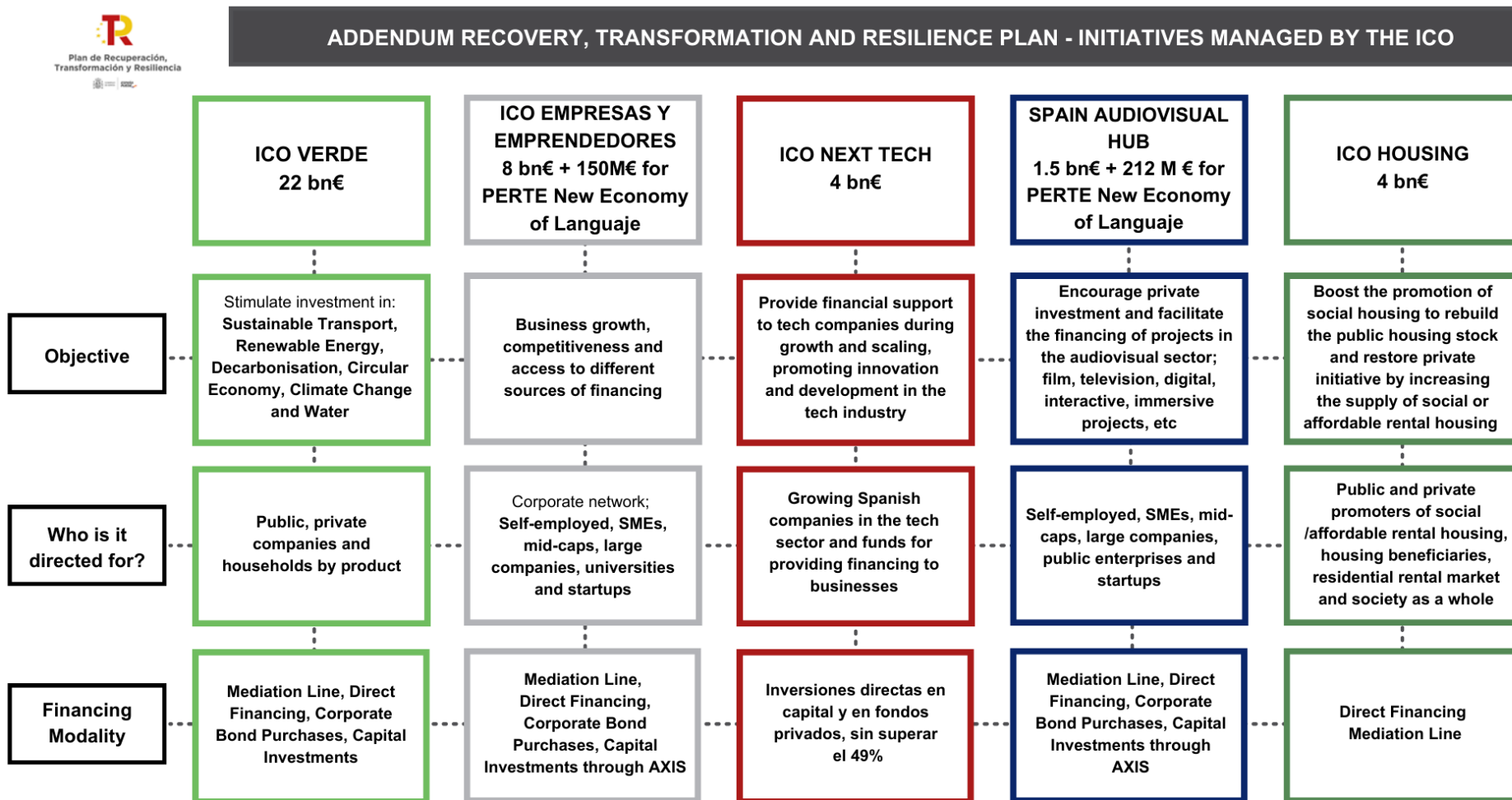
VI ICO Foundation

ICO channels resources from the European Union towards Spanish companies and projects with Spanish interest



ICO combined financing: loans, guarantees, subsidies..

ICO manages 40 billion euros of the addendum to the Recovery, Transformation and Resilience Plan



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ICO Group has a comprehensive financing offer for companies of all activity sectors, sizes and geographic coverage to finance their activities in Spain and in international markets, with special emphasis on SMEs, self-employed and entrepreneurs.

ICO SECOND-FLOOR FACILITIES



COMPLEMENTARY FINANCING

Bonds, promissory notes, securitisations

DIRECT FUNDING

Corporate / Syndicated
Club Deal / Bilateral
Project Finance

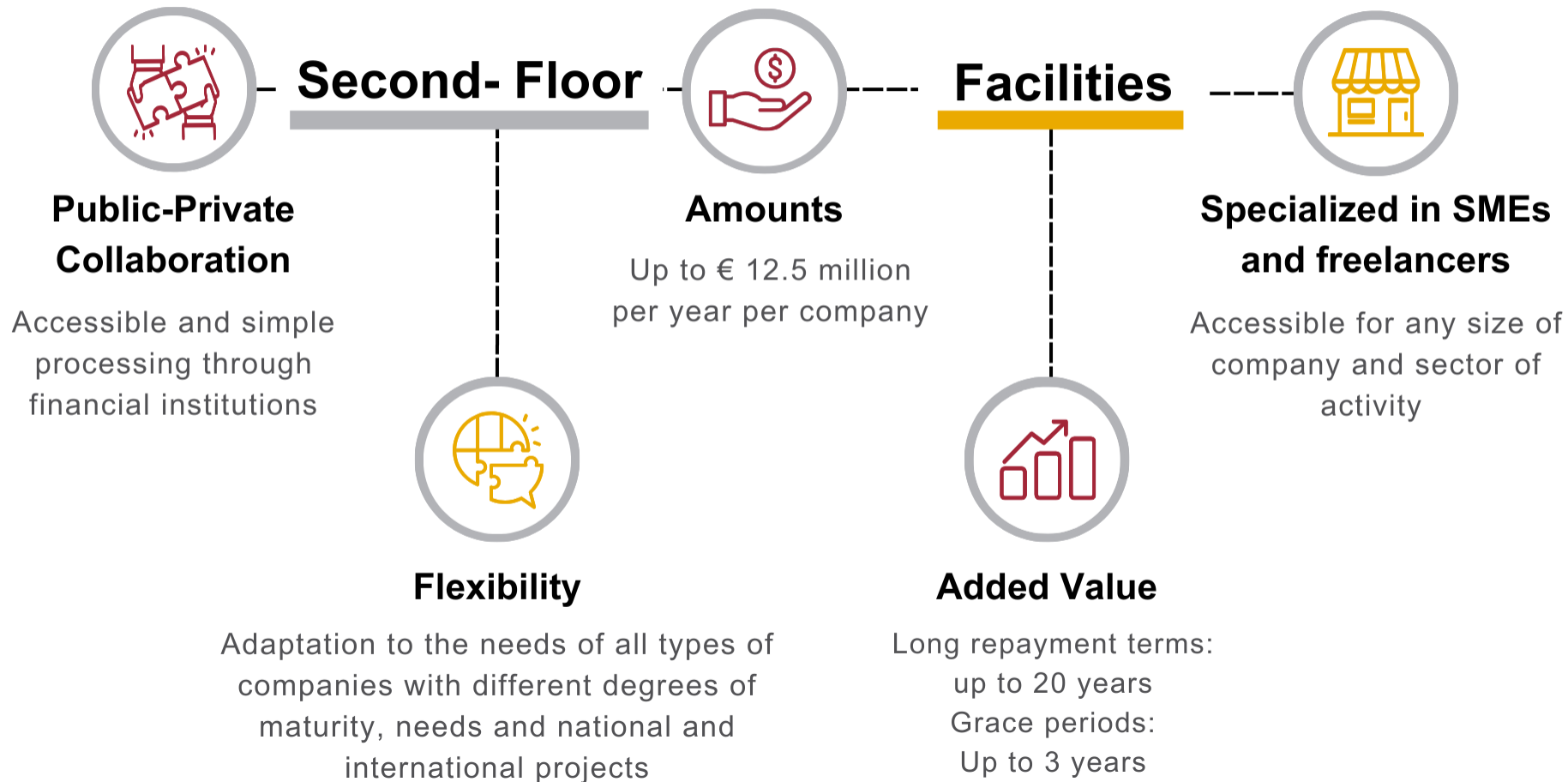
GUARANTEES

International Tenders

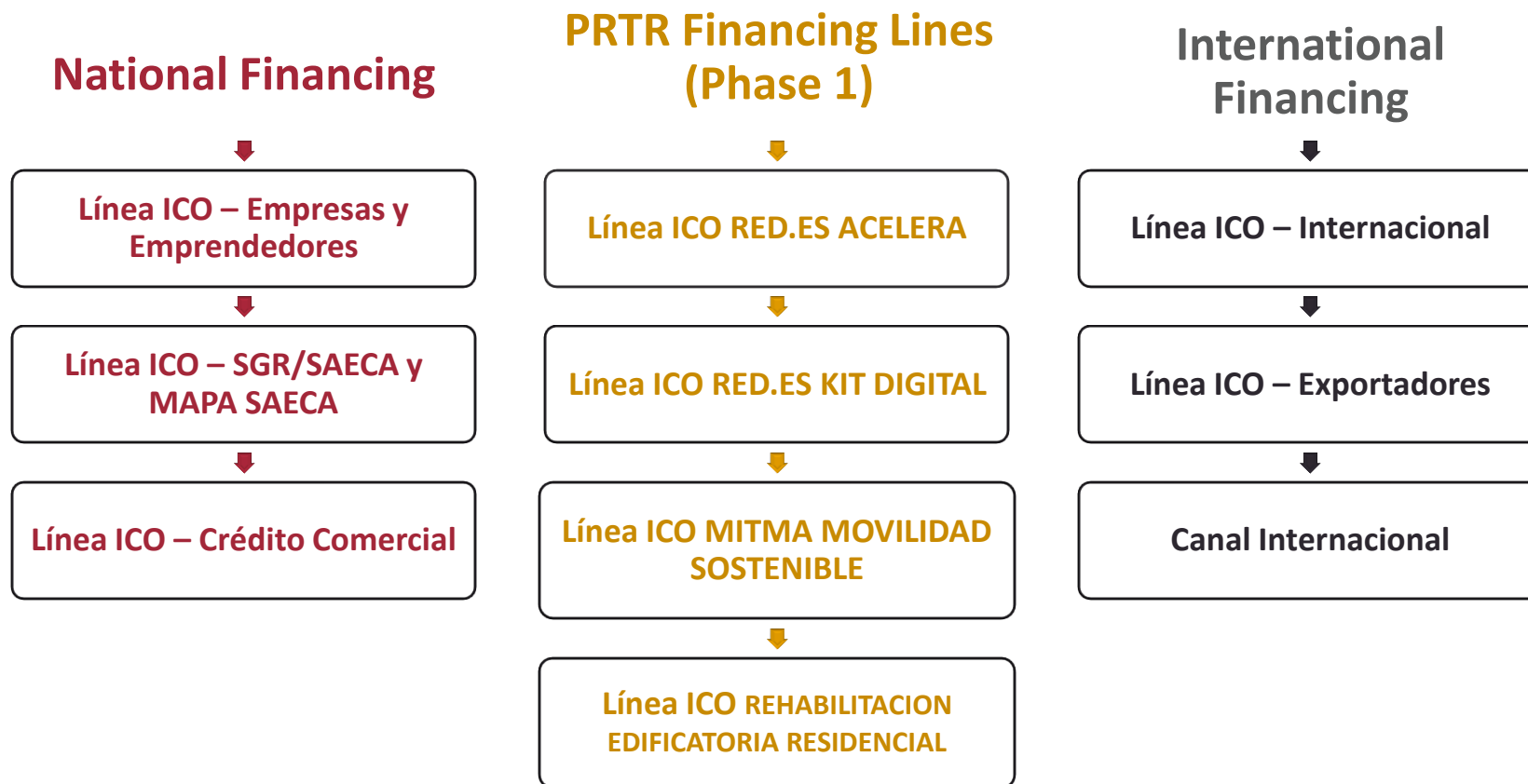


PRIVATE CAPITAL / VENTURE CAPITAL



Financing through private banks for Spanish companies and self-employed for domestic and international investment and liquidity needs



Support for Spanish companies by financing their business activities and/or investments, as well as covering their domestic and international liquidity needs



ICO Second-Floor Facilities have financed over the last four years a total of € 7.2 billion corresponding to more than 47,200 operations, mainly directed towards the self-employed and SMEs

ICO Second-Floor Facilities 2021 – IIT 2024	Amount (bn€)	N. Operations
 National	5.4	43,509
 International	1.9	3,705
TOTAL	7.2	47,214

Growing importance of international financing. ICO is part of the *Strategy for the Internationalization of the Spanish Economy 2017-2027* directed and coordinated by the Secretary of State for Trade

With ICO International Channel, more than 500 projects have been financed in 18 countries for an amount of € 4.6 billion

42 agreements have been signed with 20 Counterparties: Public, Private, Multilateral Banks



(*) 4.6 b€ formalized amount and 2.6 b€ volume drawn

ICO offers senior financing and long-term guarantees, promoting large investment projects with Spanish interest

Productive Investments in Spain and in Foreign Markets

Investment plan or singular investment projects

Capex expansion/maintenance

Opex and working capital linked to investment plan

Sectors

All sectors, prioritizing sustainability, digitization, innovation, social impact. SMEs tractor effect

Countries, Regulations, Currencies

Current portfolio of projects in various countries in Europe, Asia and the Americas denominated in different currencies

Terms

ICO is a prominent long-term financier with structures adapted to the business plan

Types

Syndicated Financing, Club Deal, bilateral in co-financing. Project Finance, Corporate Financing, Structured Financing, Guarantees Third party refinancing excluded.



Complementarity and Tractor Effect

Resources mobilization with multilateral commercial banks under market conditions

Direct ICO Processing

ICO assumes the risk of the operation

Midcaps Amount

From €5 million, as a sole financier or in a club deal with other financial entities

Main advantages of direct financing from ICO

Business growth and competitiveness initiative for SMEs and MIDCAPS

Promote financing instruments for the business growth of SMEs, Midcaps and smaller companies



Business growth in Spain and abroad



**Reliability
Institutional support
and knowledge**

(sponsors, contractors,
regulation)



Internationalization

Support to the
Internationalization Strategy of
the Spanish Economy
2017-2027



**Medium-sized
companies (midcaps)**





**Competitiveness and
SMEs tractor effect**



**Complementarity
and scalability
projects**



ICO Direct Funding has financed over the last four years a total of € 11.6 billion corresponding to more than 1,500 operations

Direct Funding 2021 – IIT 2024	Amount (bn€)	Nº operations
 National	8.9	1,354
 International	2.6	156
TOTAL	11.6	1,510

Growing importance of international financing. ICO is part of the *Strategy for the Internationalization of the Spanish Economy 2017-2027* directed and coordinated by the Secretary of State for Trade

Boosting business growth through alternative financing to banking through bonds, promissory notes and securitisations

Bonds & Promissory Notes

Corporate Bonds

Issuances of companies in the primary market, preferably “responsible” companies listed on sustainability indices

Projects Bonds

Medium / long-term securities issued by private companies or the public sector to finance an investment project

MARF Bonds & Promissory Notes

Subscription of short, medium & long-term fixed income securities of non-financial companies



Modalities	Cash (bn€)	Nº Operations	Nº Enterprises
Corporate Bonus	1.5	30	15
MARF Bonus	106	21	14
Project Bonus	101	5	3
Total Bonus	1.7	56	32
MARF Promissory Notes without COVID Guarantees	3.9	1,440	62
MARF Promissory Notes without COVID Guarantees	279	65	16
Promissory Notes MARF	4.2	1,505	78
Total	5.8	1,561	110

Data at 30/06/2024

Securizations

Securitization purchase program

Intended to encourage complementary financing to SMEs

- 17 Securizations
- 1.8 billion € invested
- 10.3 billion € mobilized

(*) does not include 2 private green securitization operations in 2020 and 2021



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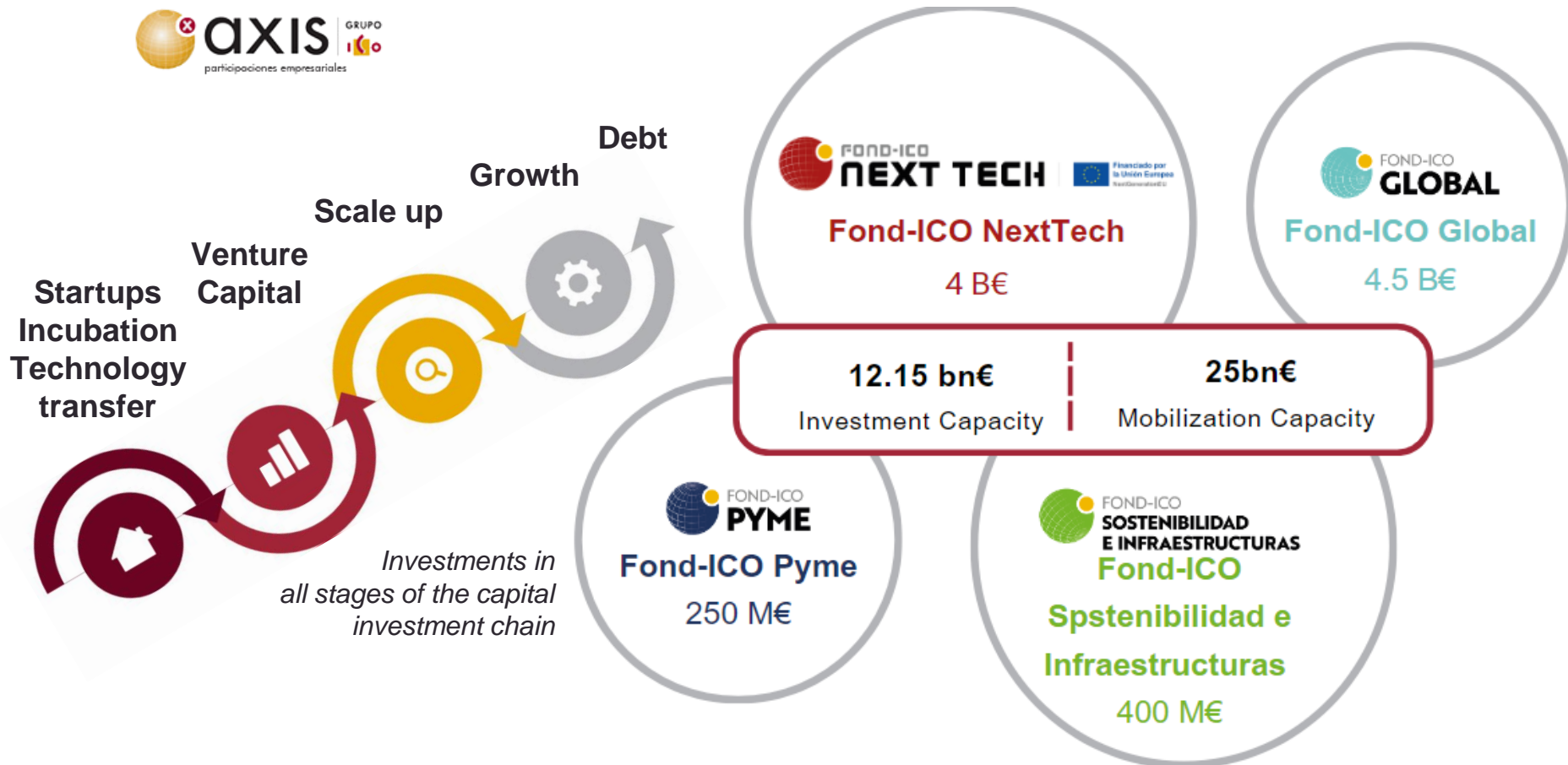
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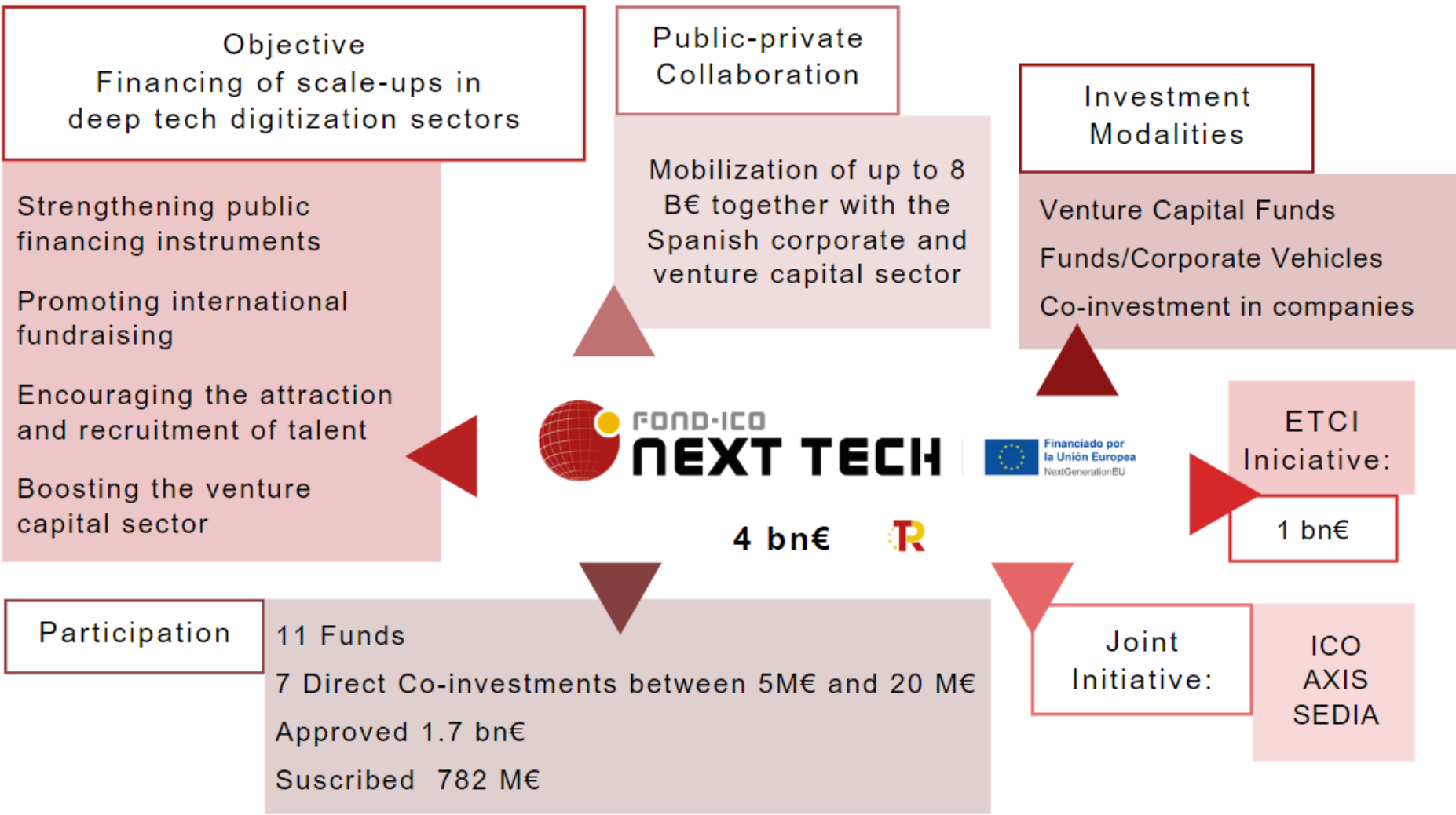
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Promotion and financing of the entrepreneurial ecosystem and innovation in public-private partnerships, channelling resources through private capital funds and direct co-investment

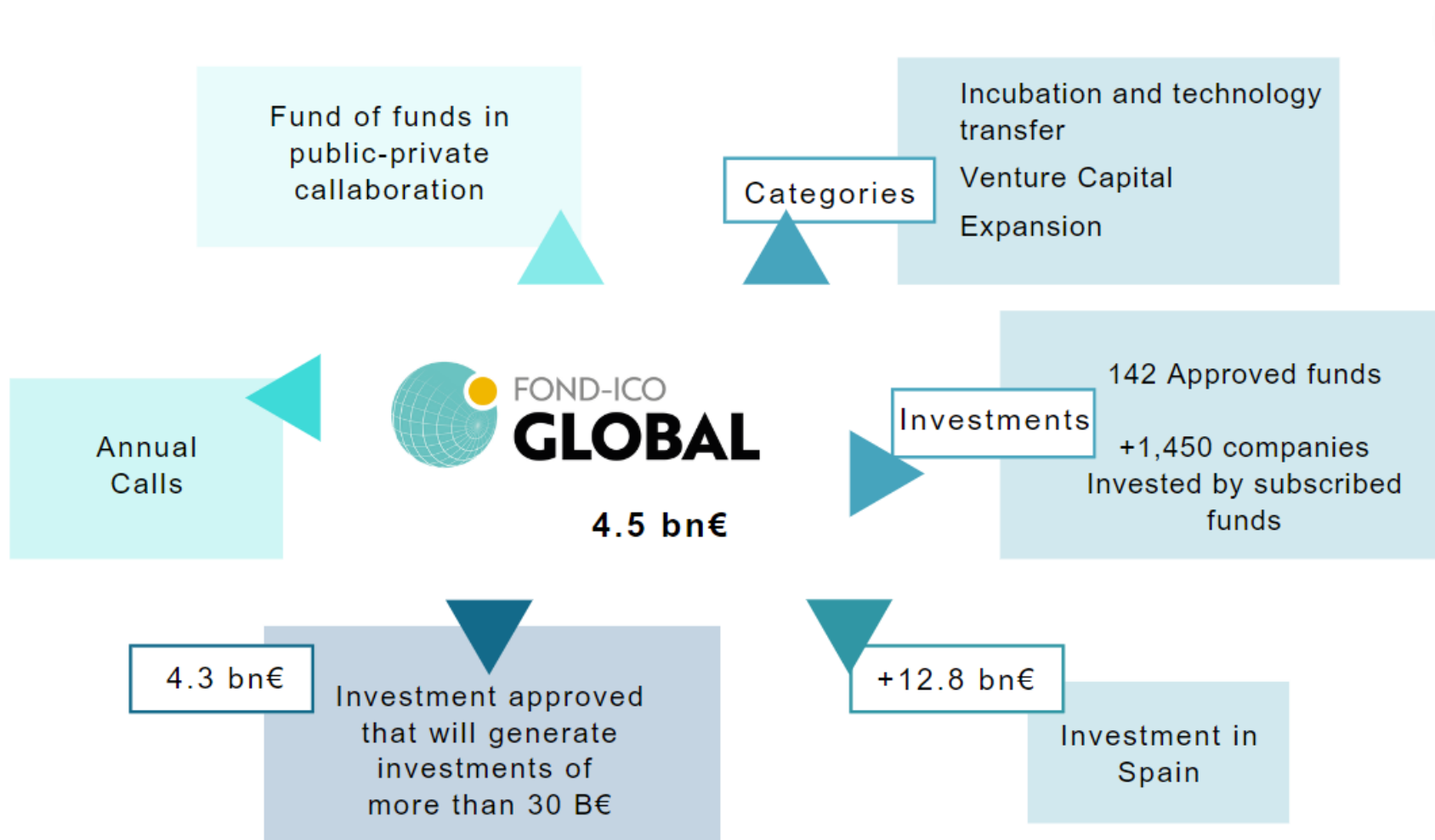


In the deployment of the second phase of the Recovery, Transformation and Resilience Plan, AXIS will channel with the private sector at least €7 billion in investment

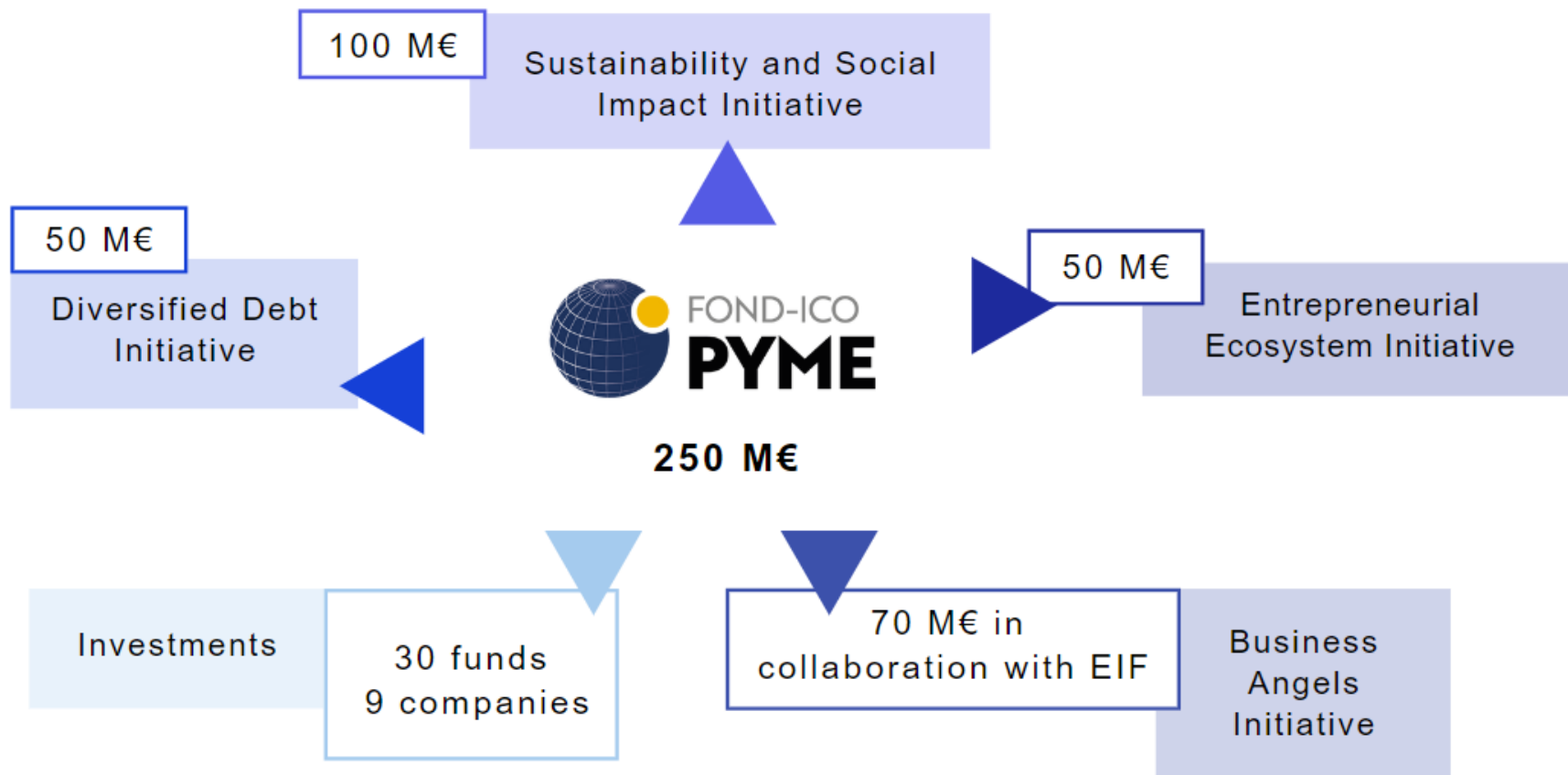


Fond-ICO Next Tech will channel €4 billion from the second phase of the Recovery, Transformation and Resilience Plan

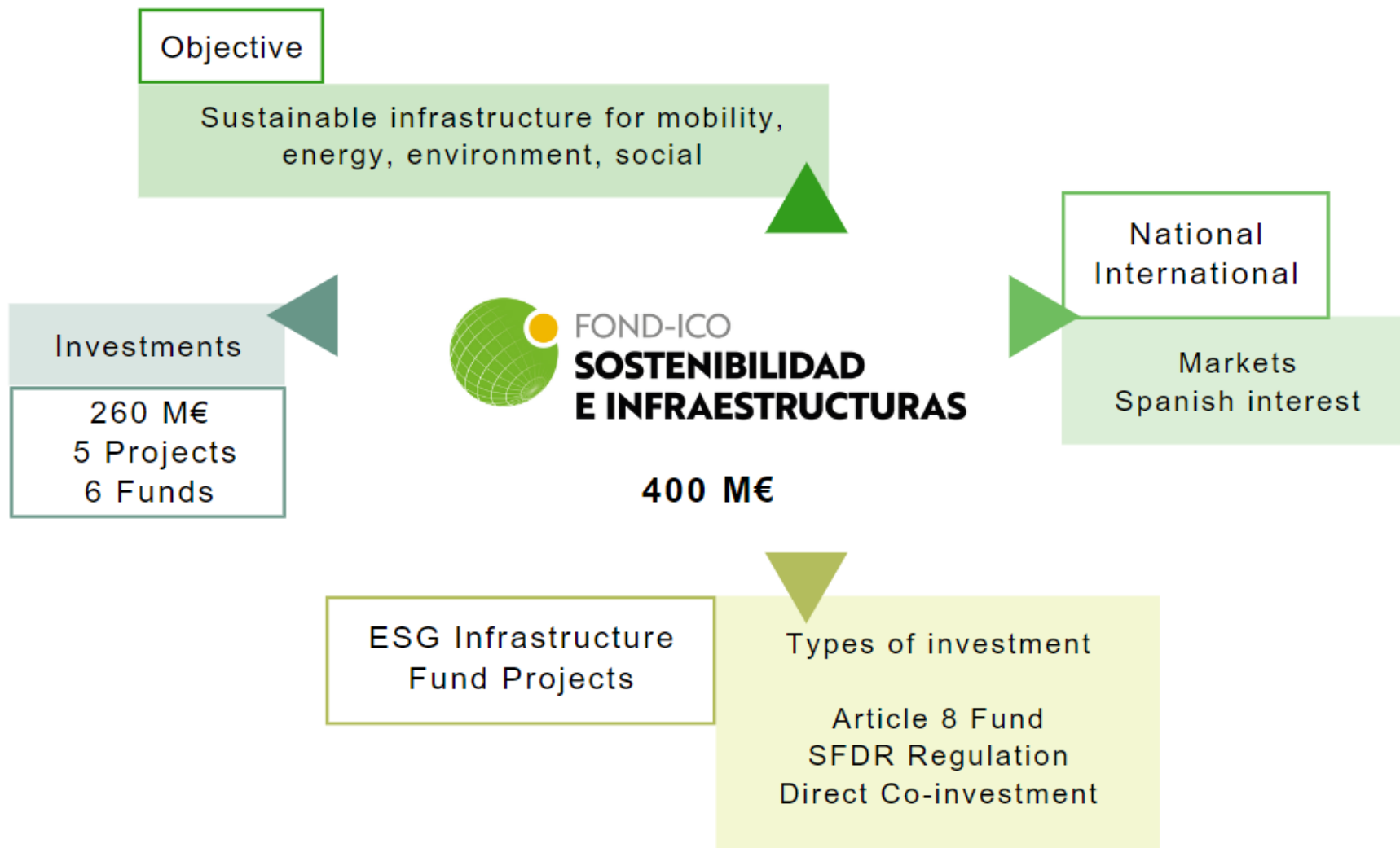
Investments in all stages of the capital investment chain in its different modalities (incubation, technology transfer, VC, debt, expansion)



Fond-ICO Global will channel funds from the ICO Verde, ICO Empresas y Emprendedores and Spain Audiovisual Hub facilities with the second phase of the Recovery, Transformation and Resilience Plan



Fond-ICO Pyme will channel funds from the ICO Empresas y Emprendedores and Spain Audiovisual Hub facilities with the second phase of the Recovery, Transformation and Resilience Plan



Fond-ICO Sostenibilidad e Infraestructuras will channel funds from the ICO Verde facility with the second phase of the Recovery, Transformation and Resilience Plan



Approved
16 calls
4.3 billions €
142 funds



+11.4 bn€
Investment
committed in Spain

+30 billions € mobilized
+1,450 companies
Invested by subscribed
funds



Approved
1.7 billions M€
11 funds
7 companies
ETCI Initiative

Objective
Scale ups
Growing
companies
Digital Projects

**Public Private
Collaboration**
Mobilization up to
8 bn€ with VC and
corporate sector

Modalities
Fund of funds
Direct Co-
investment
Transfer of
technology



Investments
30 funds
9 companies

**Sustainability & Social
Impact**
100M€
Qimpact /Creas Bsocial /Bolsa Social
/Qimpact II /Creas II/GSI Impact
Bridge/IB Deuda/Miura Impact

**Diversified
Debt**
50M€
October /
Solventis

**Business
Angels**
70M€
Cooperating
with EIF



Investments
260 M€
5 projects
6 funds

**Investment
modalities**
Co-investment
Project
Infrastructure Funds

Objective
Sustainable
infrastructures, mobility,
energy, MA, social

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ICO manages various funds on behalf of the State intended for different economic policy objectives

ICO activity as the State Financial Agency

279.7 bn€
[Outstanding balance 30.06.2024]

Ministry of Economy, Trade and Business

Recovery

ICO Covid & Ukraine Guarantee Lines

62.3 bn€

Internationalization

FIEM / CARI

5.9 bn€

Ministry of Foreign Affairs, European Union and Cooperation

Development Cooperation

FONPRODE / WATER FUND

549 M€

Ministry of Finance

Territorial Funds

Autonomous Communities & Local Corporations

211bn€

Thanks to public-private collaboration, the guarantee program has been very effective

140.7 bn€	Financing	1,192,484	Operations
107.1 bn€	Guarantees	1,168,923	SMEs and Self-Employed

Solvency Measures: Extension of maturities and shortage

❑ Extensions :

RD-ley 34/2020 : November 2020 / June 2021

❑ Code of Good Practice

RD-ley 5/2021: March 2021 / June 2022

- **444,348 operaciones (37%) & 287,088 enterprises (43%)** extend their maturity terms and apply shortages
- **More than 55% companies** did not request: activity recovery, higher turnover and better business prospects.



Self-employed & SMEs

98% operaciones



All Sectors

18% Turism & related



Geographical

Diversification



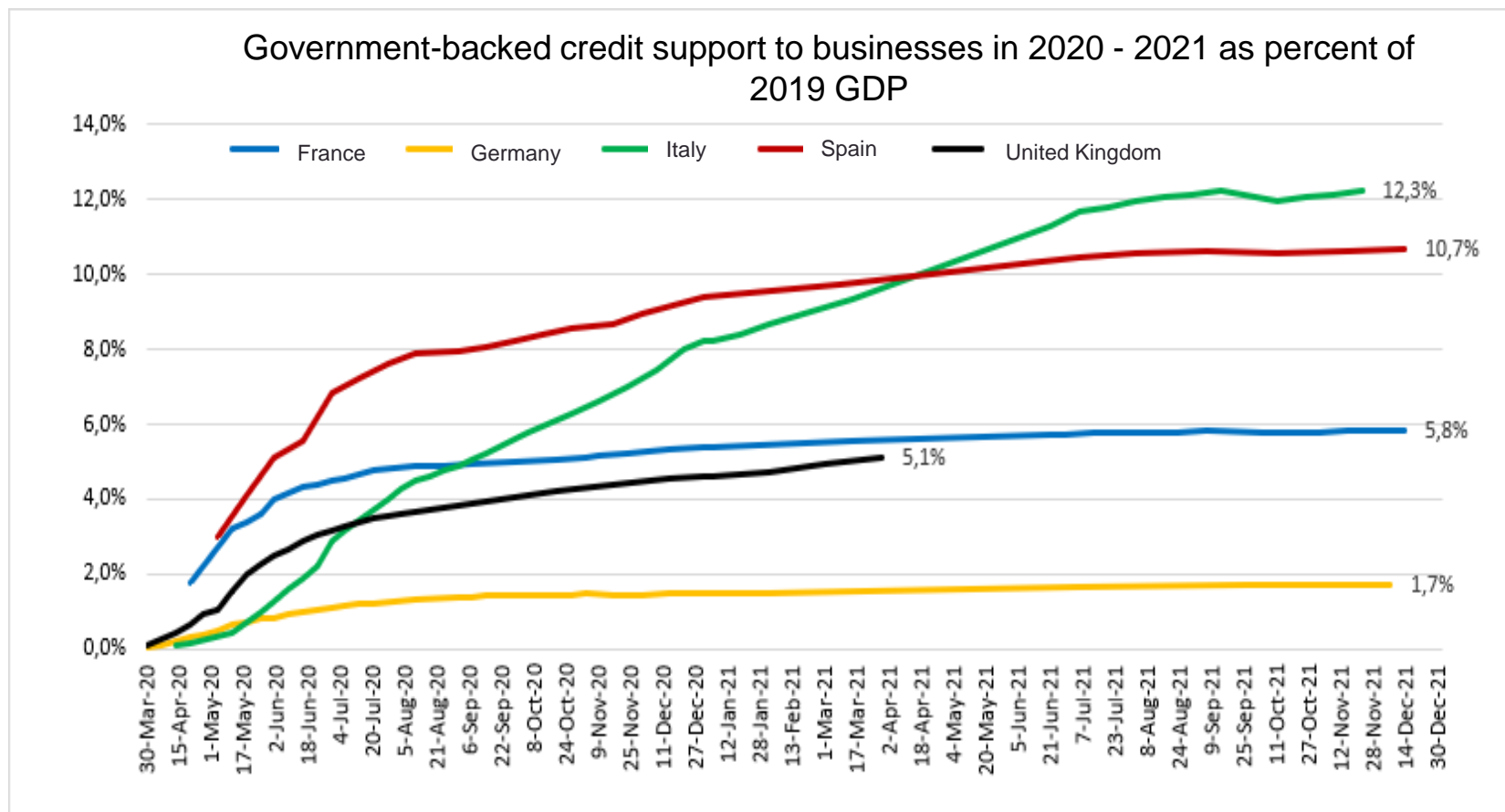
Long Term

73% > 4 years



Refinancing from 30.06.2022 during the entire term of the guaranteed operation in accordance with the Covid Temporary Framework.

The COVID Guarantee Lines program managed by ICO has been one of the most effective in Europe



<https://www.bruegel.org/dataset/loan-guarantees-and-other-national-credit-support-programmes-wake-covid-19>

Guarantee line approved through Royal Decree-law 6/2022

As at 30/06/2024, €6.1 bn in funding has been mobilized in 37,269 operations with a guarantee amount of €7.8 bn

- ❑ **Application deadline:** Extended by Council of Ministers agreement (Dec. 5th 2023) to June 30th 2024
- ❑ **Objective:** guarantee access to liquidity for companies in all sectors affected by the increase in energy costs or raw materials derived from Russia's war in Ukraine.
- ❑ **Three tranches of €9.0 bn activated and managed by ICO:**
 - ❑ SMEs and self-employed: €6.5 bn
 - ❑ Non-SME companies: €2 bn
 - ❑ Gas-intensive: € 500 Millions
- ❑ **Coverage and Terms :**
 - ❑ Guarantee up to 2 million euros with a **maximum coverage of 80%** and amortization period up to **10 years**.
 - ❑ Guarantee amount higher limits according to sales (15%) and energy cost (50%) **guarantee of 80% for the self-employed and SMEs** and up to **70% for other companies**. Repayment term of up to 8 years.



Initial grace period of 12 months at the request of the company

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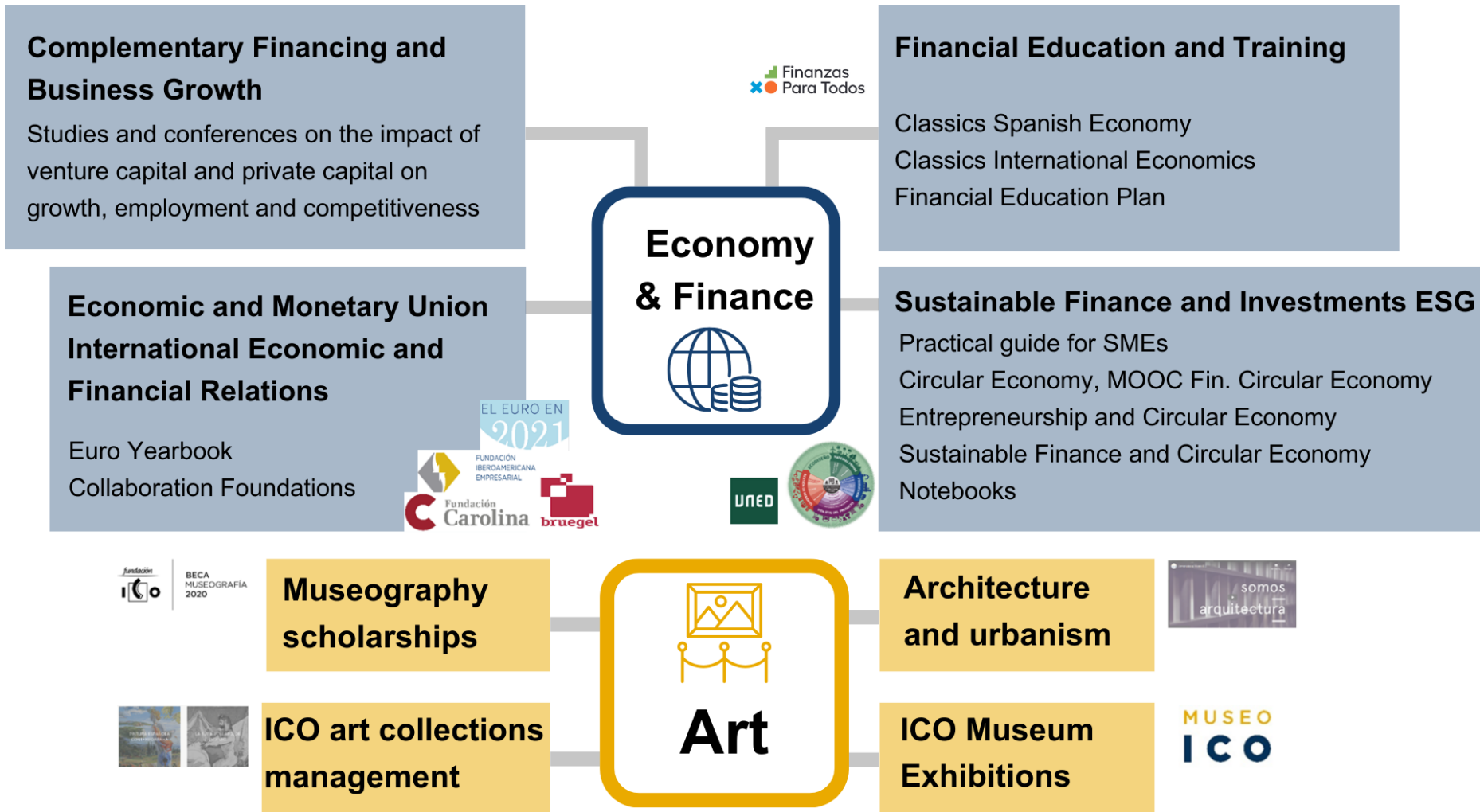
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ICO Foundation mission is to contribute to the development of society through art and knowledge in a way that is aligned with the strategic objectives of ICO





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