



# → ICF Investor Presentation



March 2021



# Cautionary Statement

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Certain statements made by us in this presentation that are not historical facts or that relate to future plans, events, or performances are forward-looking statements within the meaning of the federal securities laws. Our actual results may differ materially from those expressed in any forward-looking statements made by us. All statements made by us in this presentation are qualified in all respects by the information disclosed in our filings with the Securities and Exchange Commission and specifically, the risks described therein under the heading “Risk Factors”. We are under no duty to update or revise any forward-looking statements pursuant to actual results or events, and do not intend to do so.

# ICF: A professional + technology services firm

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Serve a roster of government clients with social + environmental missions, energy utilities + commercial clients

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Leverage deep domain expertise to achieve superior results for clients

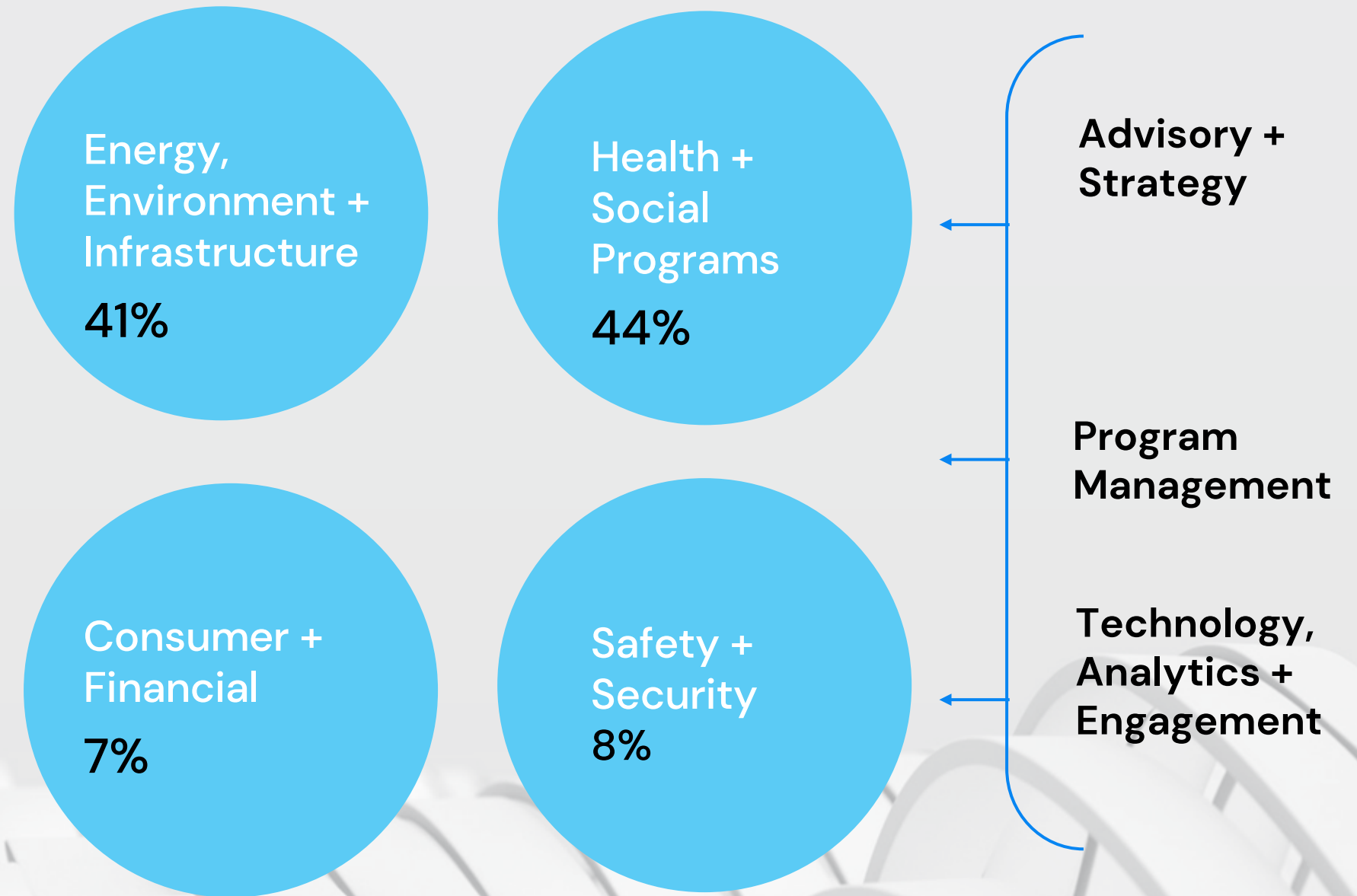
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Deliver strong cross-cutting capabilities in technology + engagement

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Benefit from visibility of a substantial backlog + growth profile of commercial revenues

A growth platform combining organic initiatives + acquisitions

# Synergy in markets + capabilities

ICF's work across core service areas including climate, energy efficiency, disaster management, public health and social programs addresses environmental and social issues



# Track record of strong revenue + EPS growth

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Revenue:  
5-year CAGR  
5.9%



Non-GAAP EPS:  
5-year CAGR  
9.6%

# ITG acquisition

ITG is a unique IT consulting firm delivering application modernization and business transformation for U.S. federal government clients

## Key business statistics

**\$90M**  
2019 Revenue

**>** EBITDA  
margin  
than ICF's

**+\$100M**  
revenue run-rate

**350**  
Digital transformation  
consultants

**92%**  
prime contract  
revenue

**65+**  
CSM & SAFe  
certifications

## Key tech partners




## Representative systems ITG builds

—  
Case  
Management

—  
Financial  
Management

—  
Purchasing +  
Acquisitions

—  
Audit  
Tracking

—  
Grants  
Management

—  
Inspections

—  
Asset  
Management

—  
Workforce  
Management

—  
Contract  
Writing

—  
Healthcare  
Compliance

—  
Content  
Management

—  
Emergency Management

# Meaningful growth opportunities

ICF's Domain  
Expertise + Client  
Relationships

ITG brings a  
substantial business  
development  
pipeline + a backlog  
that provides  
visibility

ICF's Robust  
Business  
Development Engine

ICF has many net new  
opportunities in its  
pipeline for which ITG  
enhances our win potential

ICF's Best-in-  
Class Contract  
Vehicles

Selective  
Insourcing

ITG's  
Qualifications

Combination of ICF's  
deep domain expertise  
and broad client base  
with ITG's IT  
modernization skills will  
allow us to identify "new-  
new" opportunities



# COVID-19 impacts

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~90% of ICF's business proceeding apace

Some international government events work and commercial marketing for certain clients cancelled or postponed

ICF has contract vehicles in all federal agencies actively involved in handling COVID-19 crisis

~\$40 million in 2020 in plus-ups and new contracts awarded by U.S. federal government clients in Response Phase

Projects include information dissemination and analytics to better understand how the virus spreads



# COVID-19 opportunities: Recovery + Reinvent phases

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Increased  
spending on  
public health

Guidelines for  
government  
roles and  
responsibilities  
in a pandemic

Management of  
national stockpile of  
vaccines and  
medical equipment

Modernization of  
disease  
surveillance  
systems

Evaluation of  
hospital surge  
capacity

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ICF is recognized for deep domain expertise in public health and its expanded IT modernization capabilities

# Catalysts for long-term organic growth

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## Federal Government

Civilian agency spending  
Public health  
Climate impacts  
IT modernization  
Environmental stewardship  
Infrastructure spending

## State + Local Government

Disaster management: recovery + mitigation  
Infrastructure projects

## Electric Utilities / Climate

Energy efficiency outsourcing in California  
Distributed energy resources  
Climate and resiliency

## Digital Transformation

Personalization/loyalty platforms  
Data convergence  
Data analytics  
CRM system modernization





**ICF culture:**  
a source of  
competitive  
advantage

## Purpose

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To build a more prosperous and  
resilient world for all.

## Values

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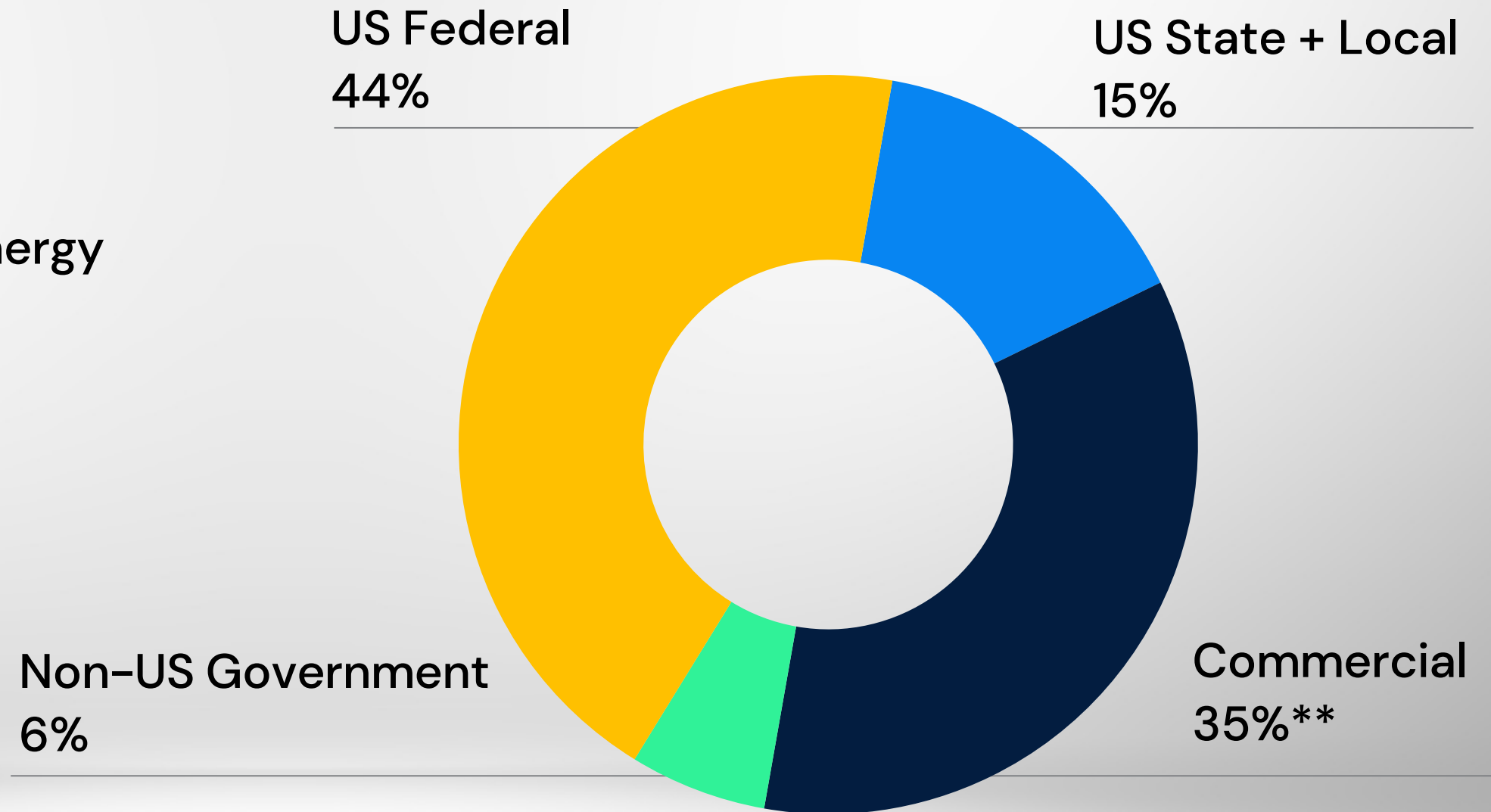
Interact with integrity  
Bring your passion  
Embrace differences  
Challenge assumptions  
Work together  
Be greater than



# We serve a roster of government clients, energy utilities + commercial clients\*

>80% of revenues from government clients + energy utility clients

Provides significant opportunities for expansion



\*Full-year 2020 financials released on February 25, 2021

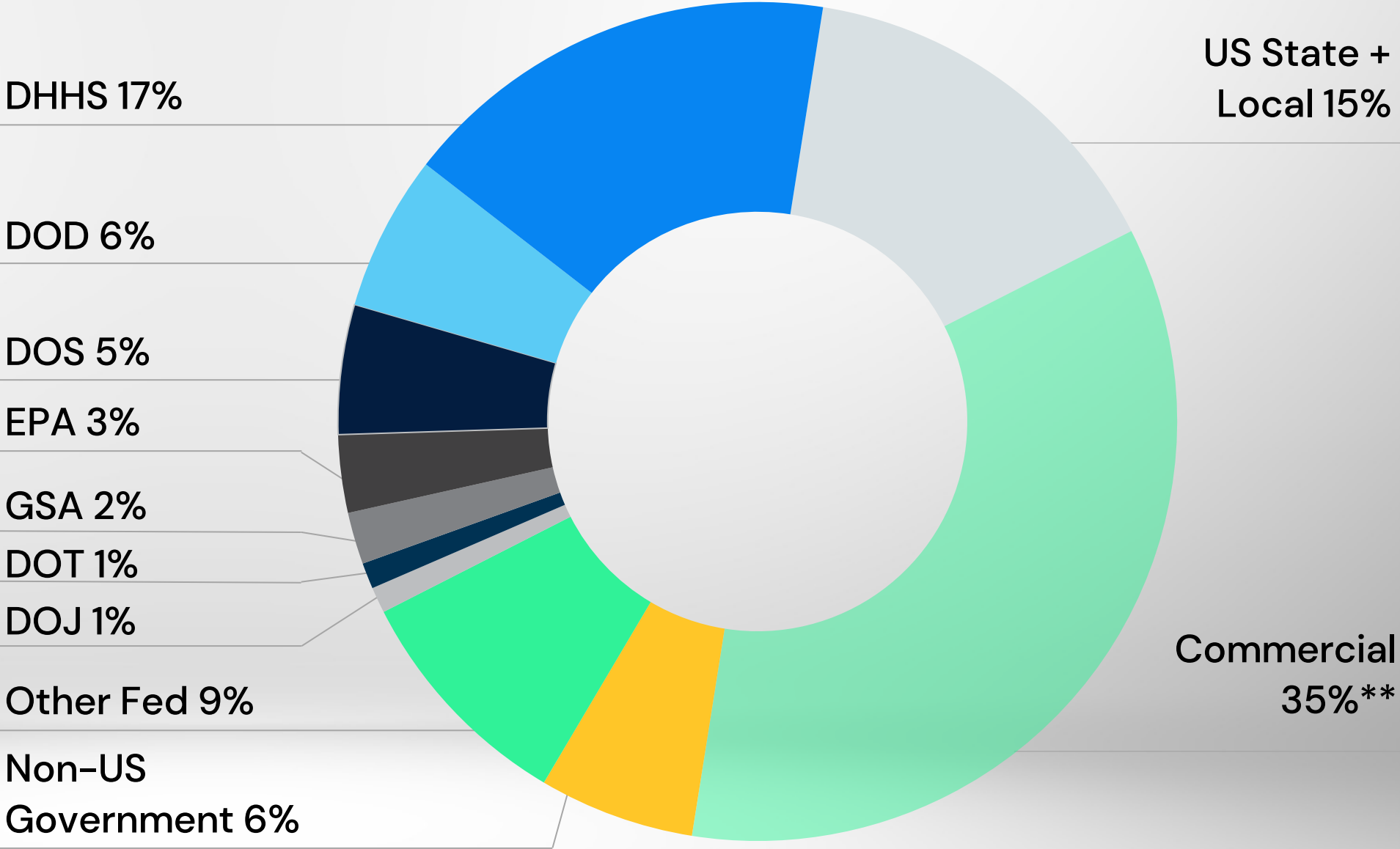
\*\*Includes energy utilities, commercial marketing, + other

# We work with a broad array of government clients

Government revenues 65% of total revenues\*

US federal revenues primarily from civilian agencies

\*Full-year 2020 financials released on February 25, 2021



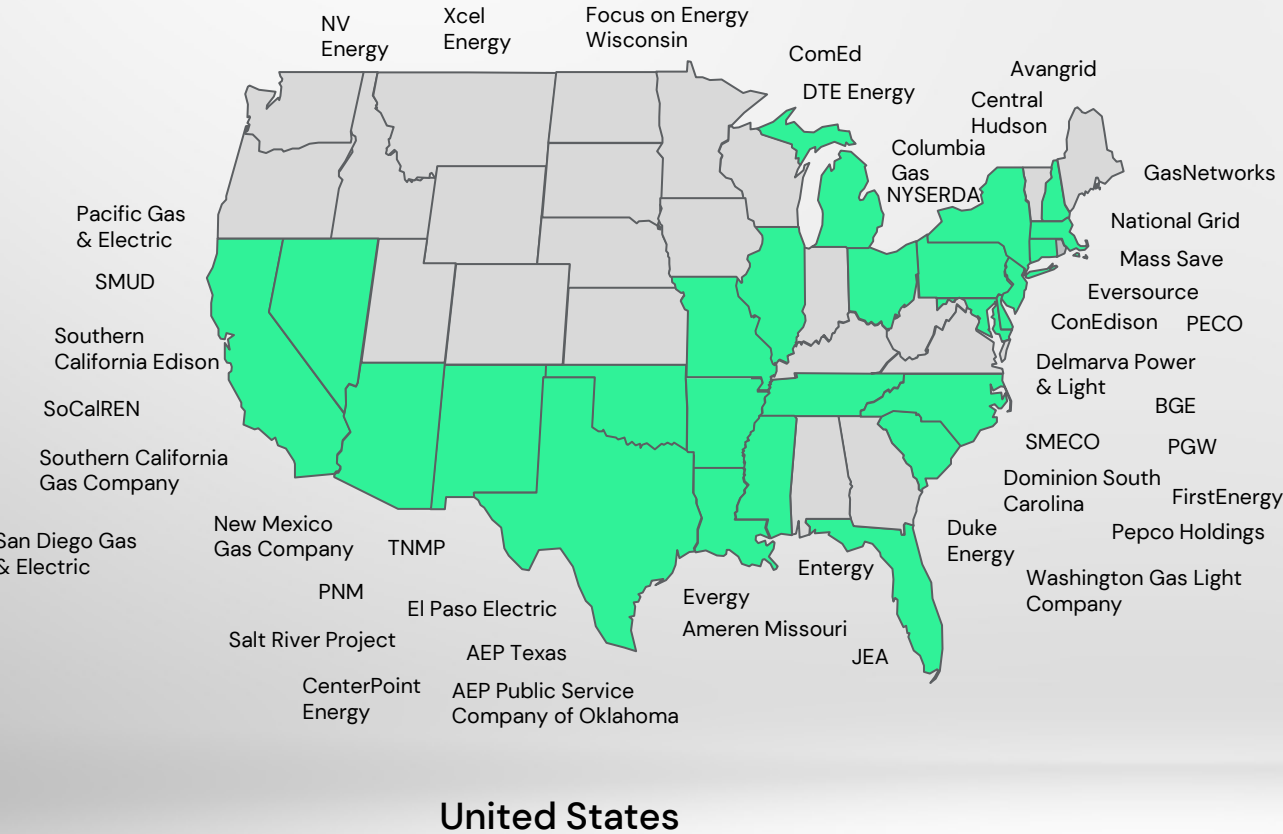
\*\*Includes energy utilities, commercial marketing, + other

# Utility industry clients

Energy efficiency programs  
for utilities: State-mandated

Utility transformation: distributed  
energy + grid modernization

Majority long-term  
contracts



 Location of ICF Clients



# ICF Next: our go-to-market brand for digital transformation services



Technology

Combines creativity of an agency with deep domain expertise of a consultancy



Analytics



Engagement

Designs solutions that drive real participation with customers, citizens, colleagues



Strategy

Built specifically to realize the benefits of an integrated model



Loyalty



# At ICF, our business, environmental + social responsibilities are intertwined

We create  
impact through  
our client work...

**\$615M+\***

Revenue from services  
supporting energy  
saving, carbon reduction,  
and natural resource  
protection programs

**\$670M+\***

Revenue from services  
supporting health,  
education, development,  
and social justice  
programs

\*Together reflect ~85% of 2020 revenue



An aerial photograph of a dense evergreen forest. A dark, winding road with yellow lane markings curves through the center of the image. The trees are a mix of dark green and some lighter, possibly dead or dormant, trees. The overall tone is dark and natural.

...and in the way we operate

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— Minimizing our carbon footprint—net zero carbon status since 2006

— Investing in the communities where we work and live

— Ensuring value through governance—corporate policies and structure help us operate ethically and in compliance with the law



# Corporate citizenship: 2020 performance highlights



Provided opportunities for all employees to develop and advance.

## Leadership

54% female leaders

33% female board members

## Pay equity

no identified meaningful disparities across races or genders in the same roles

## Low turnover

**11.7%**

as compared to 18.6% benchmark



Made progress on our carbon reduction goal and remained carbon neutral.

**100%**

net renewable electricity for global operations via renewable energy certificates

**31%**

reduction in greenhouse gas emissions per employee since 2013 baseline

**Zero**

net zero carbon status since 2006 due to investments in high-quality carbon offsets



Donated to causes important to our employees and communities.

**\$714,000**

corporate cash donations

**\$515,000**

employee contributions through our giving program

**1 to 1**

ICF matched employee donations



**Climate Leadership:** recognized by CDP (global environmental disclosure system) as a corporate pioneer against climate change, scoring A- for the third consecutive year

**MarCom Awards 2020:** 4 platinum awards for corporate citizenship reporting

# Drivers of long-standing client relationships

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—  
Institutional  
memory of  
government  
+ utility programs

—  
Workforce of  
long-time  
industry experts

—  
Long-term  
contract vehicles  
with government  
+ utility clients

—  
Proprietary  
IP/loyalty  
programs

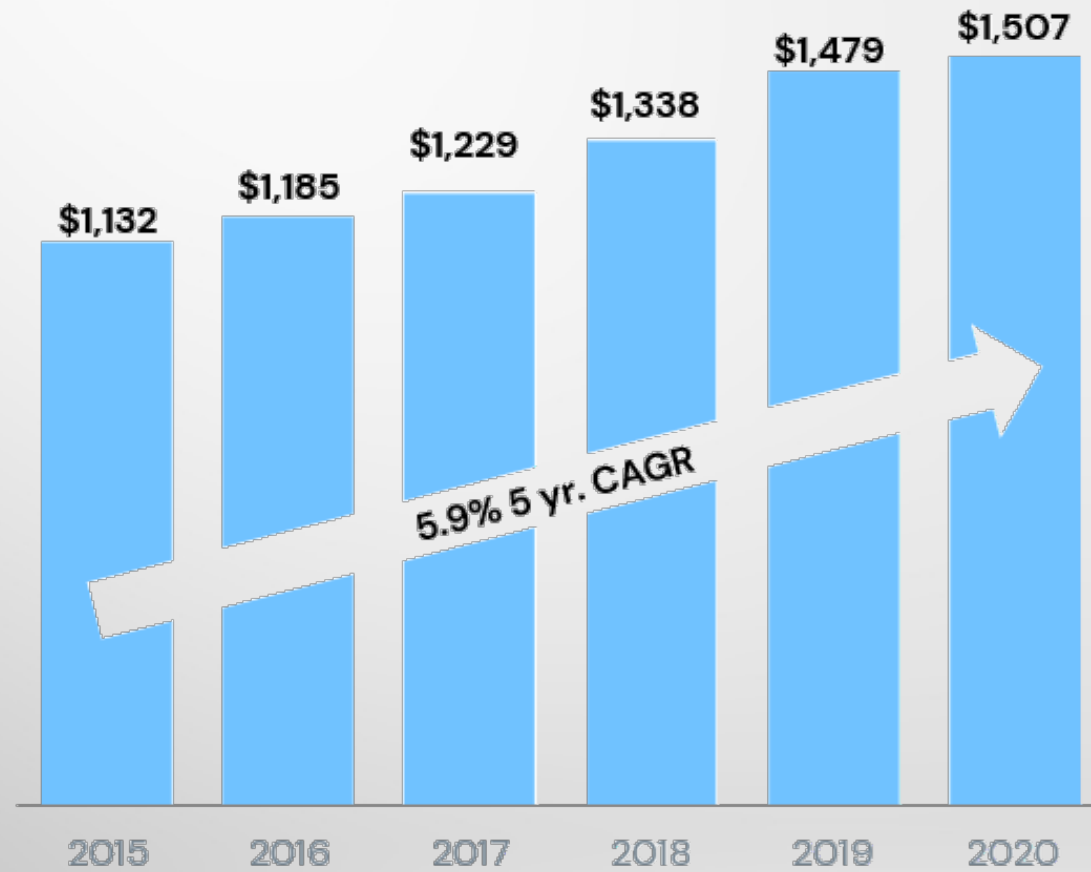


Financial Performance

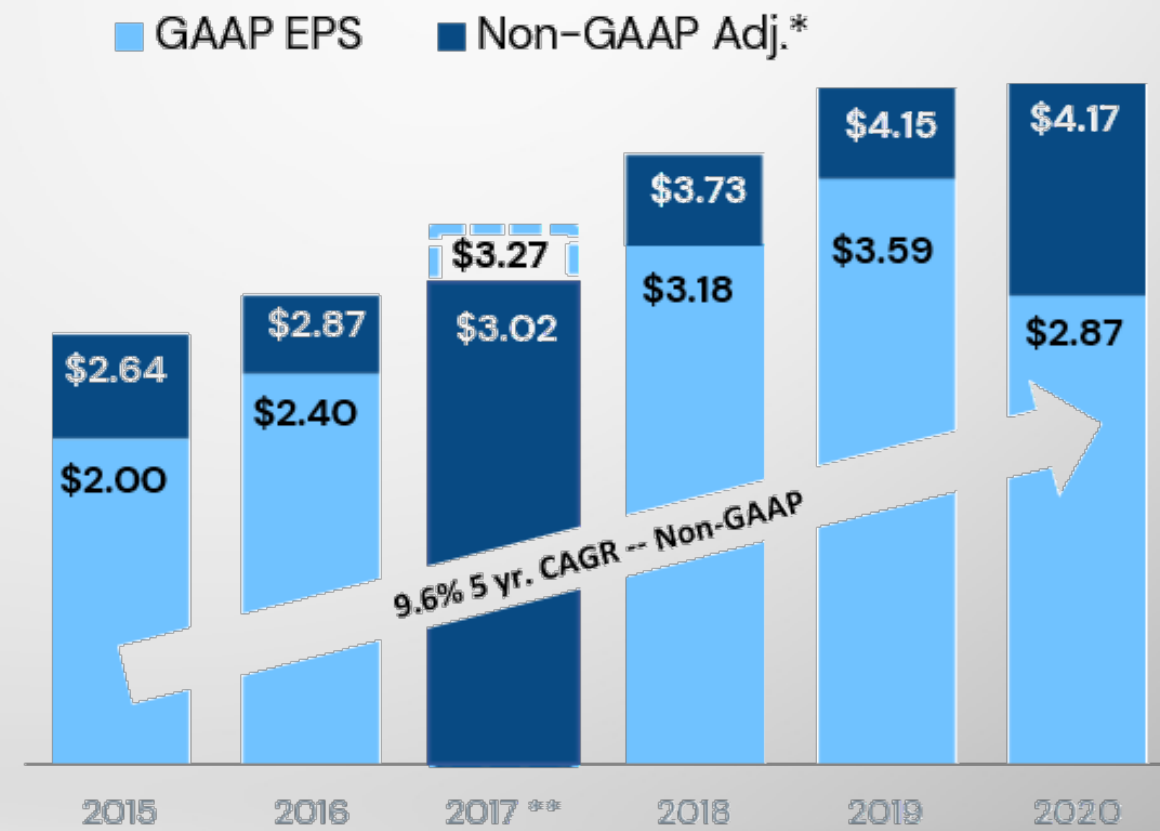


# Track record of consistent revenue + earnings

## Revenue (\$ Millions)



## EPS

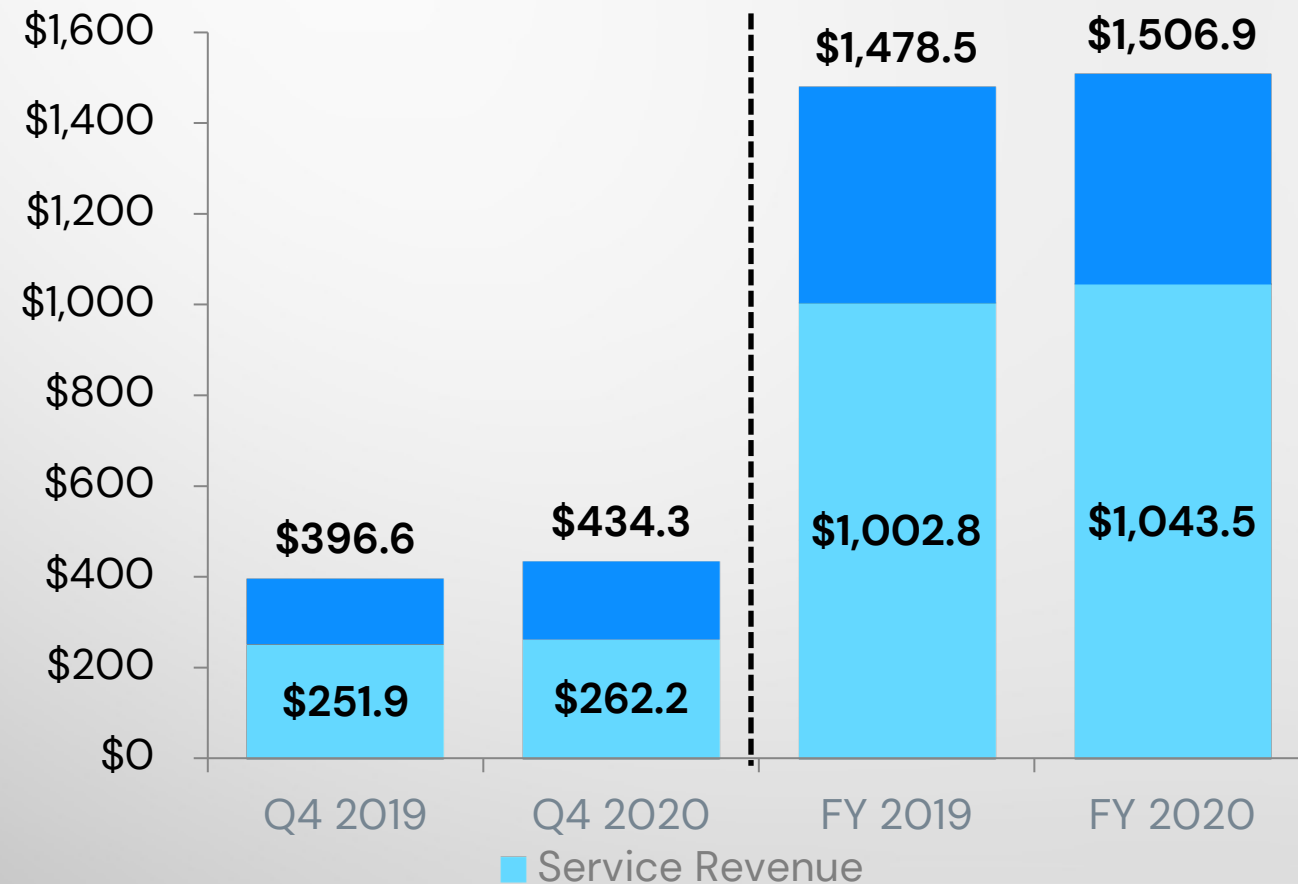


\*Non-GAAP EPS: GAAP EPS plus tax-affected impact of acquisition-related charges, special charges, and amortization of intangibles

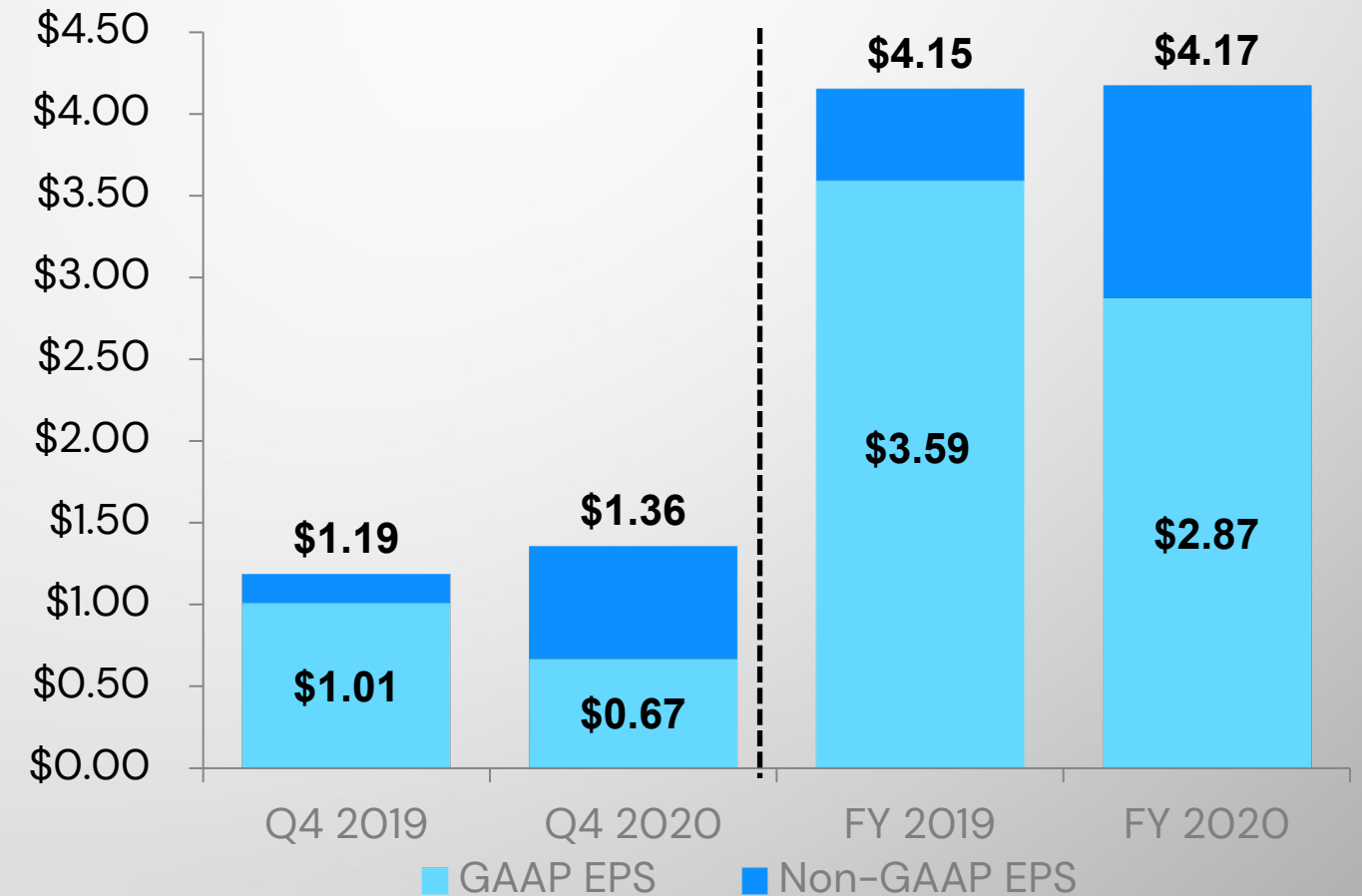
\*\*2017 Non-GAAP EPS excludes the one-time benefit of a Deferred Tax Liability (DTL) revaluation for 2017, as a result of the 2017 Tax Reform Act

# Q4 2020 performance

## Revenue (\$ Millions)\*



## EPS\*



Service revenue is equal to total revenue less subcontractor and other direct costs excluding direct labor and fringe

Non-GAAP EPS: GAAP EPS plus tax-affected impact of acquisition-related charges, special charges, and amortization of intangibles

YoY EPS comparisons reflect increased interest and amortization expense related to the ITG acquisition and a higher income tax rate

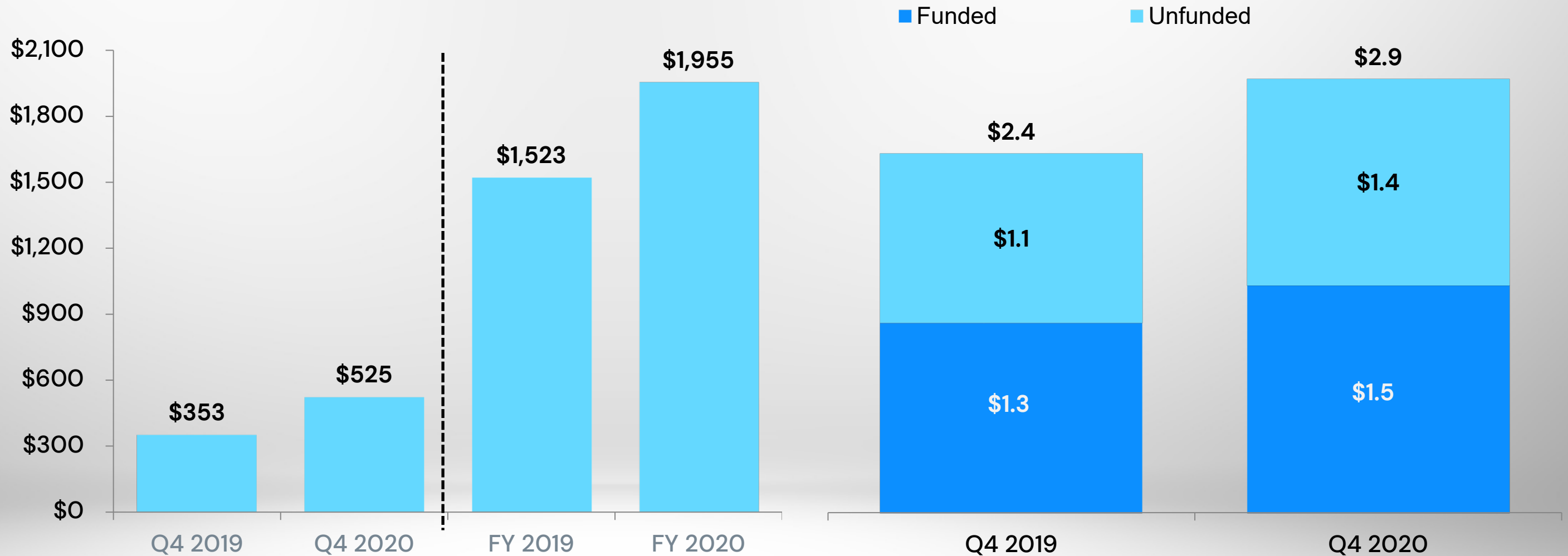
\*Based on Q4 and full-year 2020 financial performance released on February 25, 2021

## Contract Awards (\$ Millions)\*

## Backlog (\$ Billions)\*

### Book-to-Bill Ratio (TTM)

Q4 2019 1.03   Q4 2020 1.30

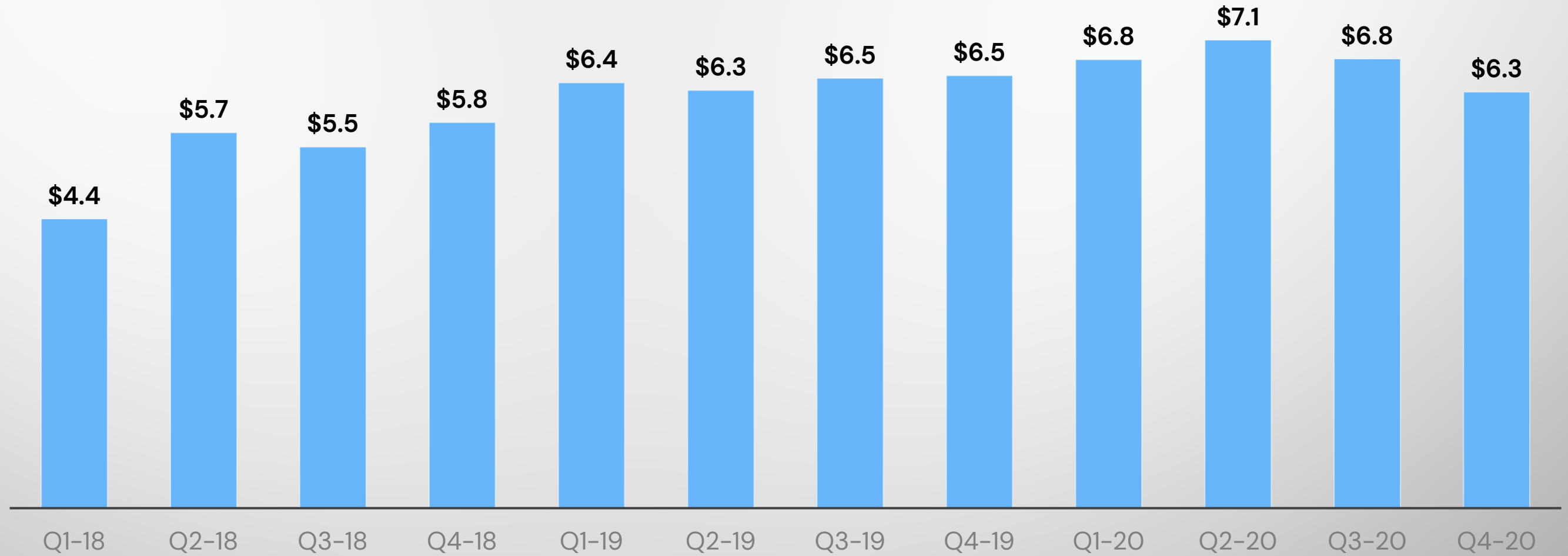


# 2021 guidance

Revenue	\$1.525B – \$1.575B
Service Revenue	\$1.095B – \$1.130B
GAAP EPS	\$3.90 – \$4.20*
Non-GAAP EPS	\$4.35 – \$4.65
Operating Cash Flow	~\$100M



# Pipeline (\$B)

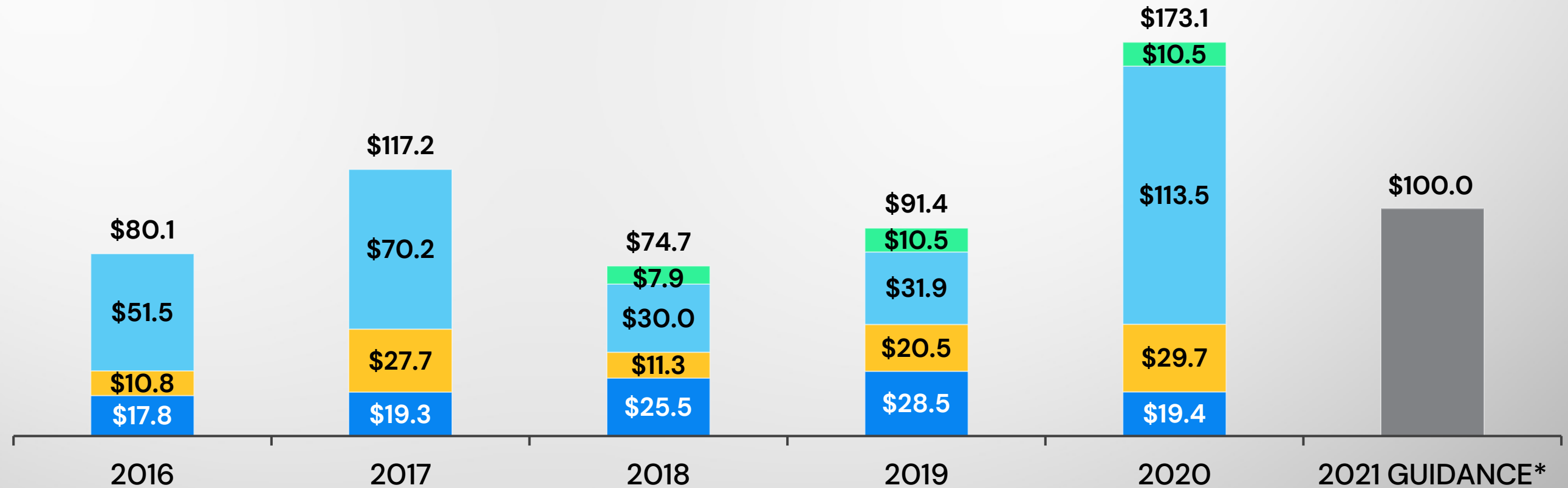


Strong pipeline of qualified opportunities, the majority relating to federal government clients

# Operating cash flow, 2016 – 2021

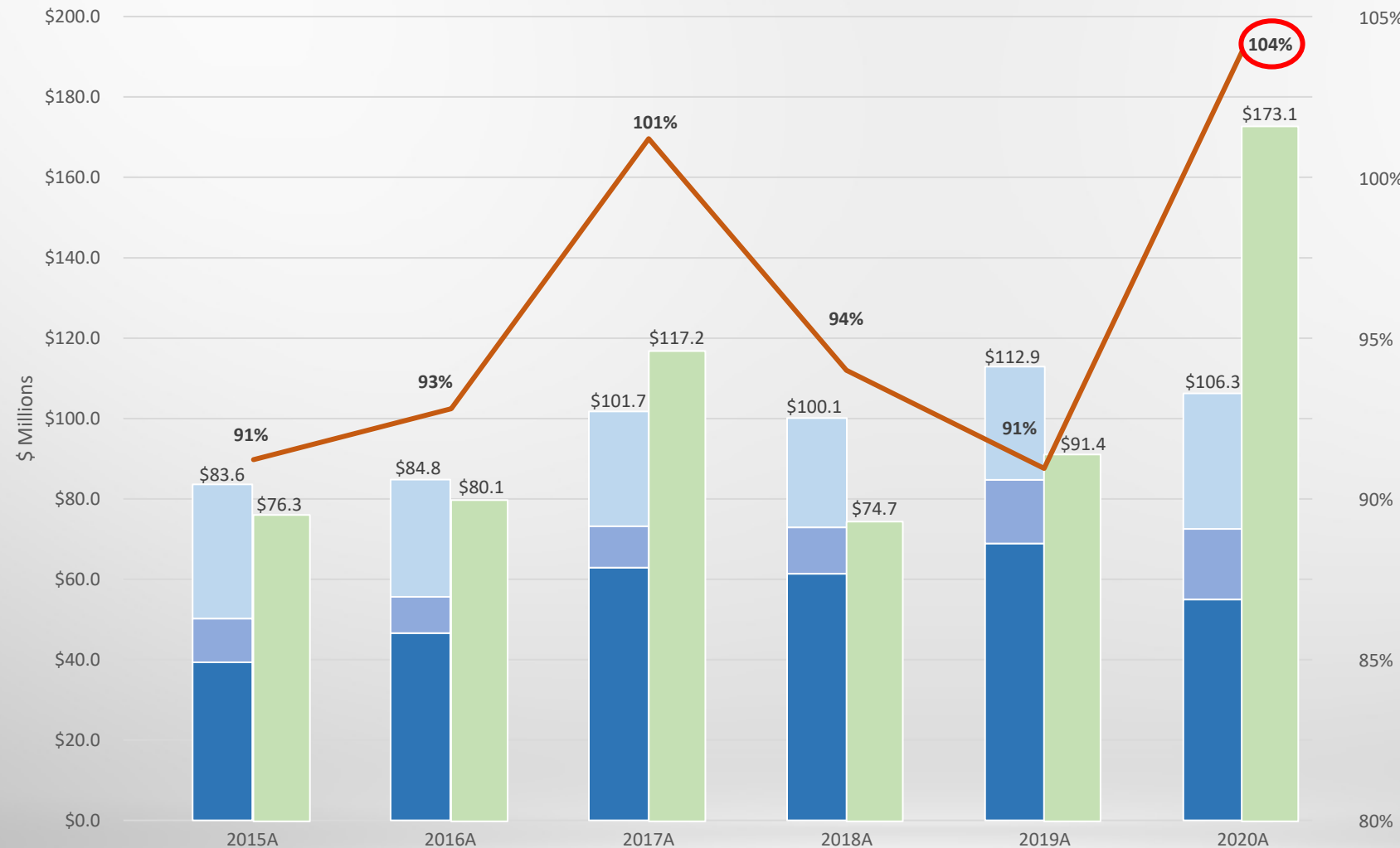
\$M

■ Dividends ■ Debt Repayment + Other ■ Share Repurchase ■ CAPEX



Net Debt	2016	2017	2018	2019	2020
EBITDA	\$253.3	\$194.4	\$188.7	\$157.8	\$289.4
Net Debt/ EBITDA	\$111.9	\$111.0	\$119.5	\$129.6	\$122.9
	2.26x	1.75x	1.58x	1.23x	2.36x

# Historical Cash Flow Conversion at ~100%



- Over the past five years, we have had very strong cash conversion of our net income (adjusted for non-cash items) and generated strong Operating Cash Flow.....
- ...While growing our top line from \$1.1B in 2015 to \$1.5B in 2020 at a 5.9% CAGR (which required an investment in working capital)
- We are generating more cash flow over time, despite timing/volatility across FYs
  - Although 2021 Operating Cash Flow guidance of \$100M is below 2020 results, the average operating cash flow for the three years ending 2021 is 34% higher than the average for the previous three-year period

Historical Cash Conversion	2015A	2016A	2017A	2018A	2019A	2020A
Net Income	\$39.4	\$46.6	\$62.9	\$61.4	\$68.9	\$55.0
Non-Cash Comp	\$10.9	\$9.1	\$10.3	\$11.5	\$15.8	\$17.6
Depr & Amort	\$33.4	\$29.1	\$28.6	\$27.2	\$28.2	\$33.7
<b>Adj. Net Income</b>	<b>\$83.6</b>	<b>\$84.8</b>	<b>\$101.7</b>	<b>\$100.1</b>	<b>\$112.9</b>	<b>\$106.3</b>
Operating Cash Flow (Op CF)	\$76.3	\$80.1	\$117.2	\$74.7	\$91.4	\$173.1
<b>Cum. Op CF as % of Adj. Net Inc.</b>	<b>91%</b>	<b>93%</b>	<b>101%</b>	<b>94%</b>	<b>91%</b>	<b>104%</b>



## In summary — ICF offers:

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Distinctive expertise  
in high-growth  
sectors of  
government, energy  
utility industry +  
digital transformation

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Established long-term  
client and contract  
relationships +  
substantial contract  
backlog

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Strong  
environmental, social,  
+ governance  
performance—  
internally + for clients

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**All leading to substantial organic growth opportunities  
and the potential for accretive acquisitions**



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ICF (NASDAQ:ICFI) is a global consulting and digital services company with over 7,000 full- and part-time employees, but we are not your typical consultants. At ICF, business analysts and policy specialists work together with digital strategists, data scientists and creatives. We combine unmatched industry expertise with cutting-edge engagement capabilities to help organizations solve their most complex challenges. Since 1969, public and private sector clients have worked with ICF to navigate change and shape the future. Learn more at **icf.com**.