

# ICF Investor Presentation

November 2020



## Cautionary Statement

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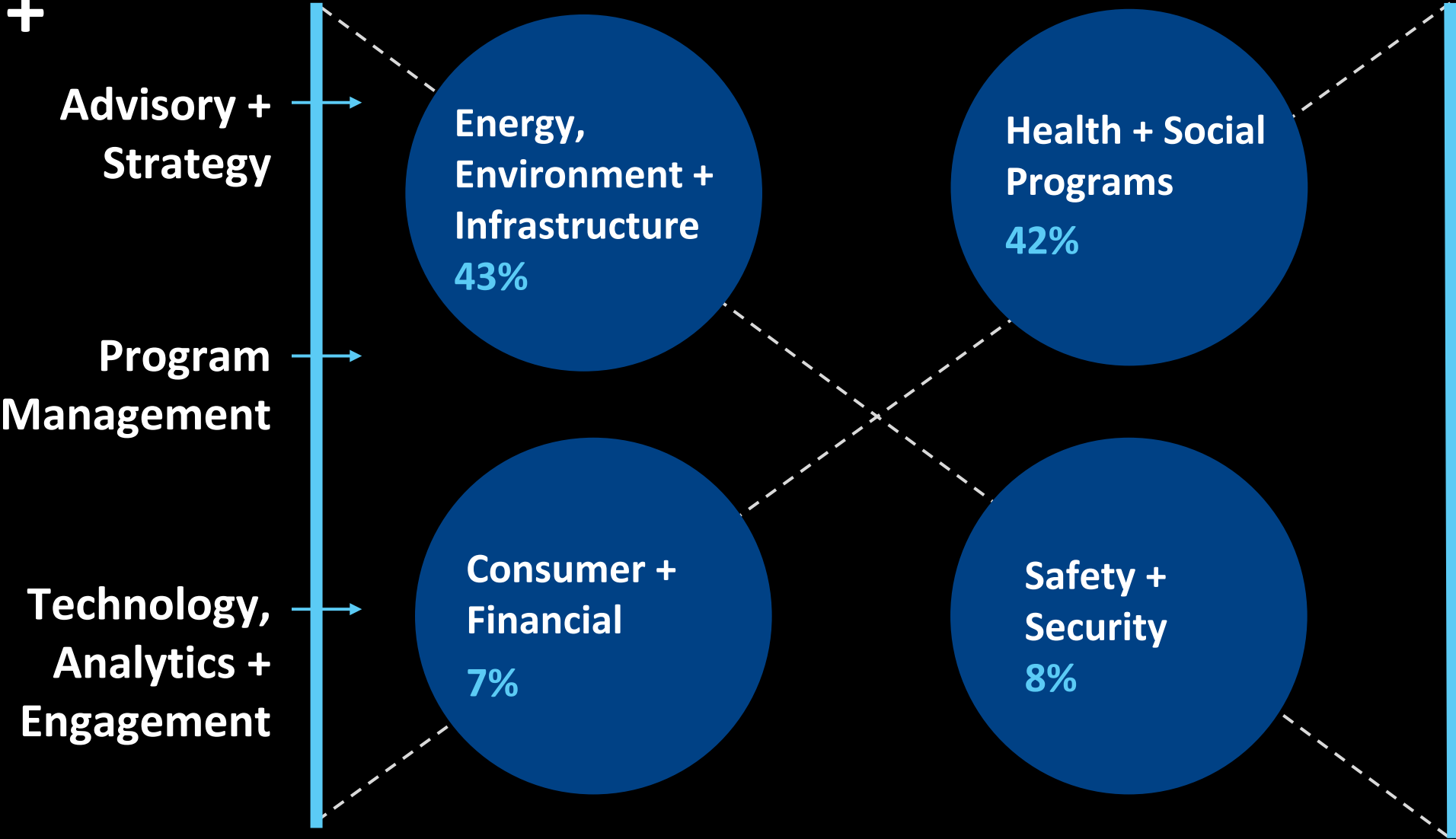
Benefit from visibility of a substantial backlog + growth profile of commercial revenues

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A growth platform combining organic initiatives + acquisitions

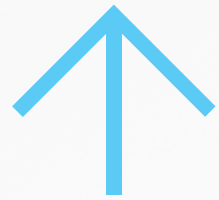
# Synergy in markets + capabilities

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



TTM through September 30, 2020

# Track record of strong revenue + EPS growth



**Revenue:  
5-year CAGR**  
**7.1%**



**GAAP EPS:  
5-year CAGR**  
**12.4%**

# YTD COVID-19 impacts

~90% of ICF's business proceeding apace

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

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

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~\$30 million in plus-ups and new contracts awarded by US federal government clients in **Response Phase**

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

**Expect short-term impact to be more than offset by medium- to long-term opportunities**

# COVID-19 opportunities: Recovery + Reinvent Phases

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Increased spending  
on public health

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Guidelines for government  
roles and responsibilities  
in a pandemic

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Management of  
national stockpile of  
vaccines and  
medical equipment

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Modernization of disease  
surveillance systems

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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**

# 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

**+\$100M**

revenue run-rate

**92%**

prime contract  
revenue

**>**

**EBITDA**

margin  
than ICF's

**350**

Digital transformation  
consultants

**65+**

CSM & SAFe  
certifications

## Key tech partners

**servicenow**

**aws**

**Appian**

**MuleSoft**

**salesforce**

## Representative systems ITG builds

Case  
Management

Purchasing +  
Acquisitions

Grants  
Management

Asset  
Management

Contract  
Writing

Content  
Management

Financial  
Management

Audit  
Tracking

Inspections

Workforce  
Management

Healthcare  
Compliance

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**

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

**ITG's  
Qualifications**

# Catalysts for long-term organic growth

## Federal Government

- Civilian agency spending
- Public health
- IT modernization
- Citizen engagement

## State + Local Government

- Disaster management: recovery + mitigation
- Infrastructure spending

## Electric Utilities

- Energy efficiency outsourcing in California
- Distributed energy resources
- Resilience planning

## Digital Transformation

- Personalization/loyalty platforms
- Data convergence
- Data analytics
- CRM systems

**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

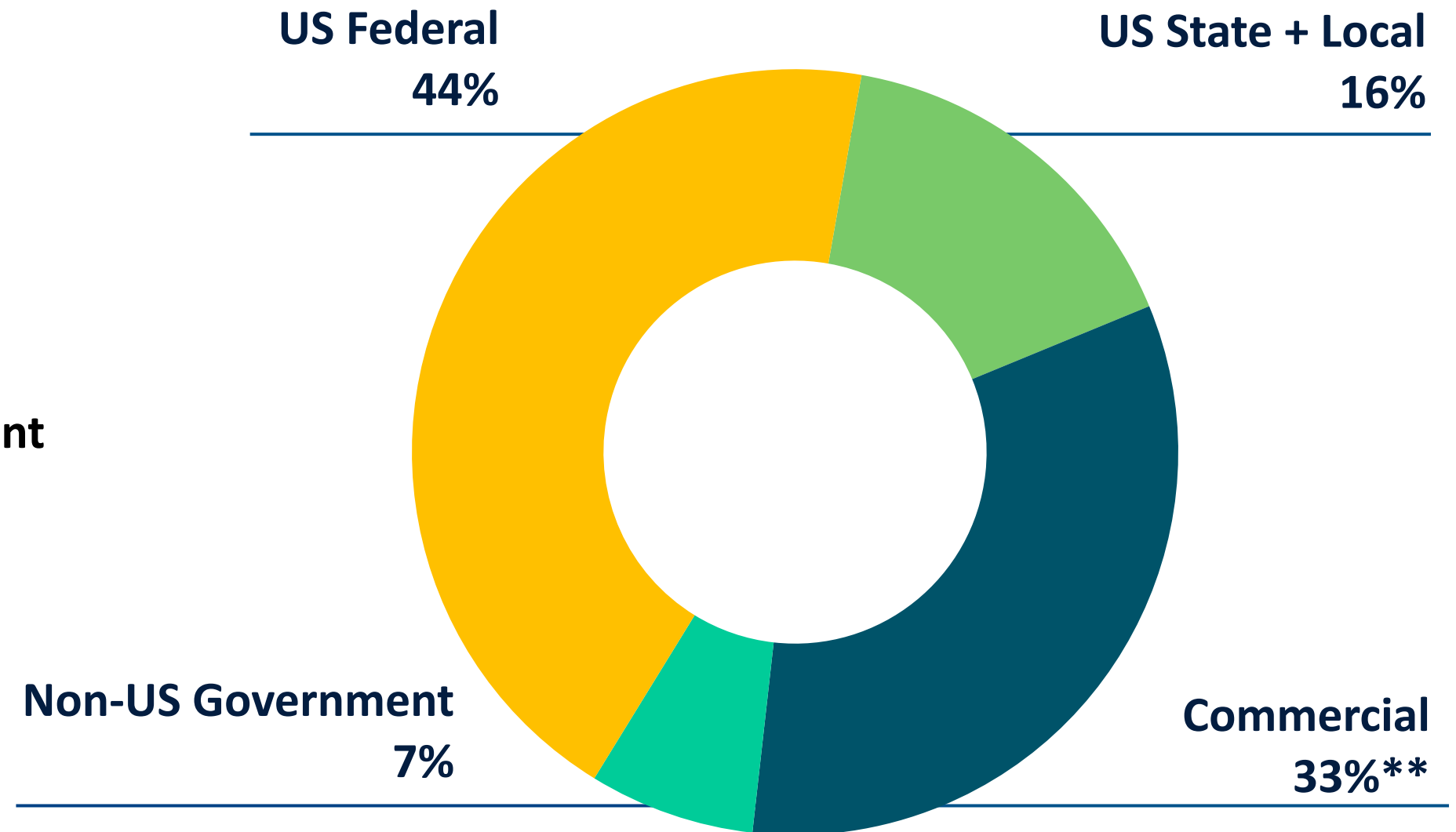
Work together

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**



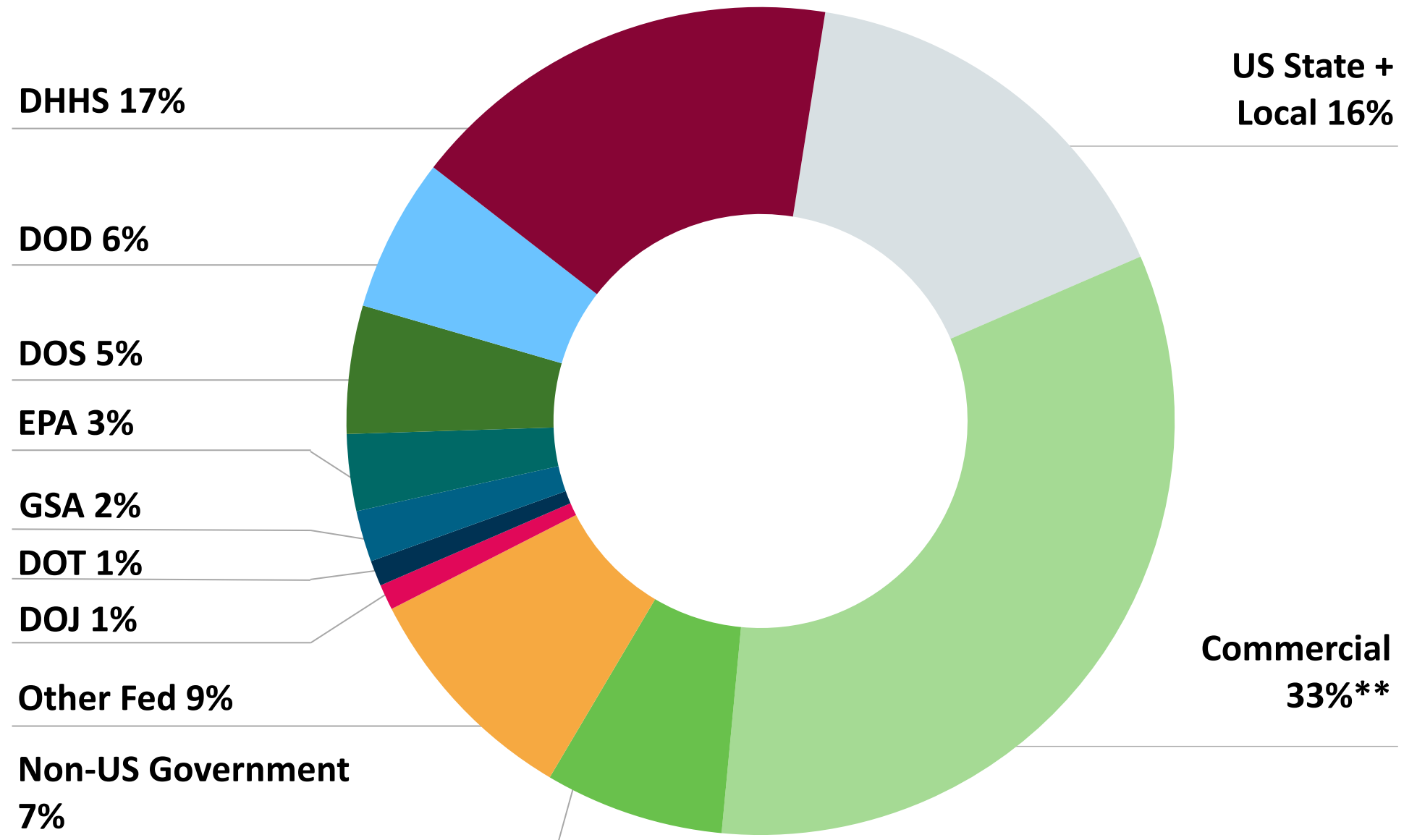
\*TTM through September 30, 2020

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

# We work with a broad array of government clients

Government revenues 67% of total revenues\*

US federal revenues primarily from civilian agencies



\*TTM through September 30, 2020

\*\*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

AEP Public Services Company of Oklahoma	AEP Texas	Alectra	Ameren Missouri	Avangrid
BC Hydro	BGE	Canadian Manufacturers & Exporters	CenterPoint Energy	Central Hudson
City of Calgary	City of Edmonton	Columbia Gas	ComEd	ConEdison
Delmarva Power & Light	Dominion South Carolina	DTE Energy	Duke Energy	E1
Efficiency Manitoba	El Paso Electric	Emissions Reduction Alberta	Enbridge	Energy Efficiency Alberta
Entergy	Environment & Climate Change Canada	Evergy	Eversource	FirstEnergy
Focus on Energy Wisconsin	FortisBC	Gas Networks	Home Performance Stakeholder Council	Hydro One
Hydro Ottawa	Independent Electricity System Operator	JEA	Manitoba Hydro	Mass Save
Municipal Climate Change Action Centre	National Grid	Natural Resources Canada	NB Power	New Mexico Gas Company
Newfoundland Hydro	Newfoundland Power	Niagara Peninsula Energy	Nova Scotia Power	NV Energy
NYSERDA	Pacific Gas & Electric	PECO	Pepco Holdings	PGW
PNM	Salt River Project	San Diego Gas & Electric	SaskPower	SMECO
SMUD	SoCalREN	Southern California Edison	Southern California Gas Company	TNMP
Toronto Hydro	Washington Gas Light Company	Xcel Energy	Yukon Energy	

# ICF's go-to-market brand for digital transformation services



Technology



Analytics



Engagement



Strategy



Loyalty

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

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

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Built specifically to realize the benefits of an integrated model

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

We create  
impact through  
our client work...

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\$650M+ revenue from  
services supporting health,  
education, development,  
and social justice programs

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\$550M+ revenue from  
services supporting energy  
saving, carbon reduction,  
and natural resource  
protection programs

...and in the  
way we  
operate

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Minimizing our  
carbon  
footprint—net  
zero carbon status  
since 2006

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Investing in the  
communities where  
we work and live

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

# Corporate citizenship performance highlights of 2019

Investing in our people	Provided opportunities for all employees to develop and advance.	<b>Leadership</b> 53% female leaders  33% female board members*	<b>Pay equity</b> no pay disparity across gender and race in the same roles, based on an external audit	<b>Low turnover</b> <b>15.4%</b> as compared to 19.2% benchmark
Making a sustainable commitment	Made progress on our carbon reduction goal and remained carbon neutral.	<b>100%</b> net renewable electricity for global operations via renewable energy certificates	<b>31%</b> reduction in greenhouse gas emissions per employee since 2013 baseline	<b>Zero</b> net zero carbon status since 2006 due to investments in high-quality carbon offsets
Supporting important causes	Donated to causes important to our employees and communities.	<b>\$433,500</b> corporate cash donations	<b>\$200,000</b> employee contributions through our giving program	<b>1 to 1</b> ICF matched employee donations
Recognition	<b>Climate Leadership:</b> recognized by CDP (global environmental disclosure system) as a corporate pioneer against climate change, scoring A- <b>MarCom Awards 2019:</b> 2 gold awards for corporate citizenship reporting			

# Drivers of long-standing client relationships

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Institutional  
memory of  
government  
+ utility programs

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Workforce of  
long-time  
industry experts

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Long-term contract  
vehicles with  
government  
+ utility clients

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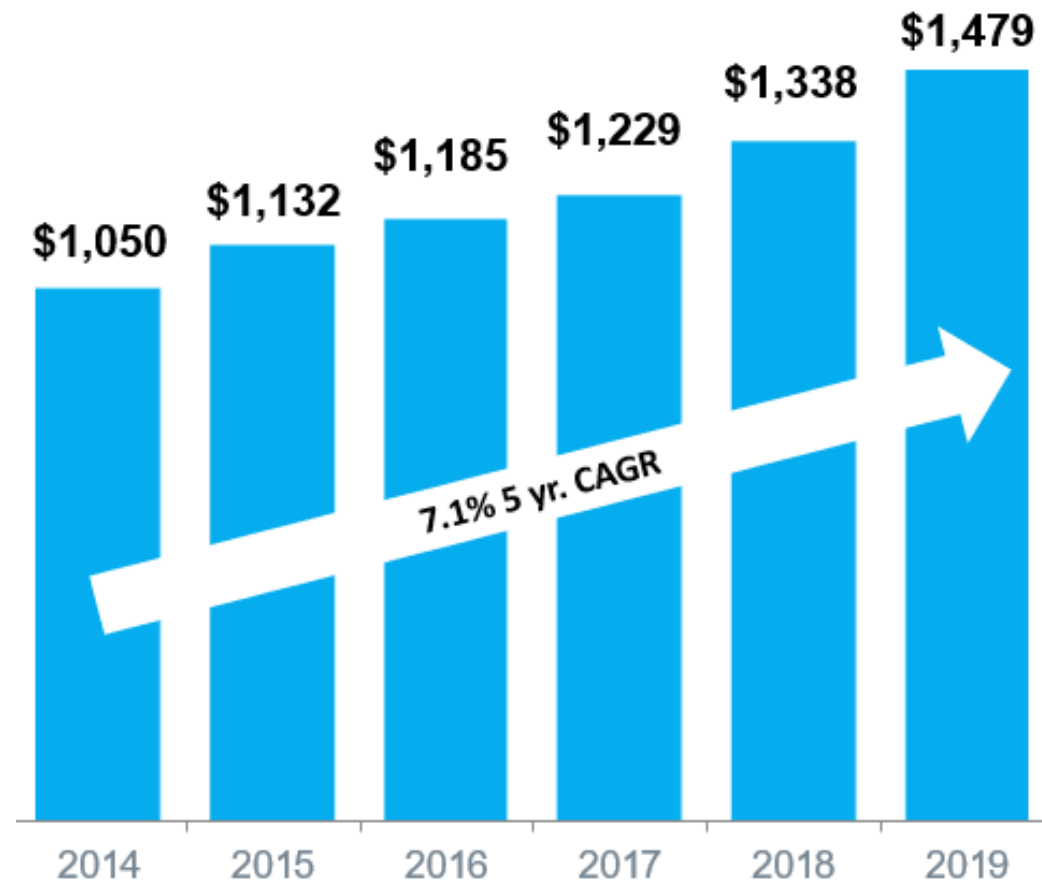
Proprietary  
IP/loyalty  
programs

# Financial Performance

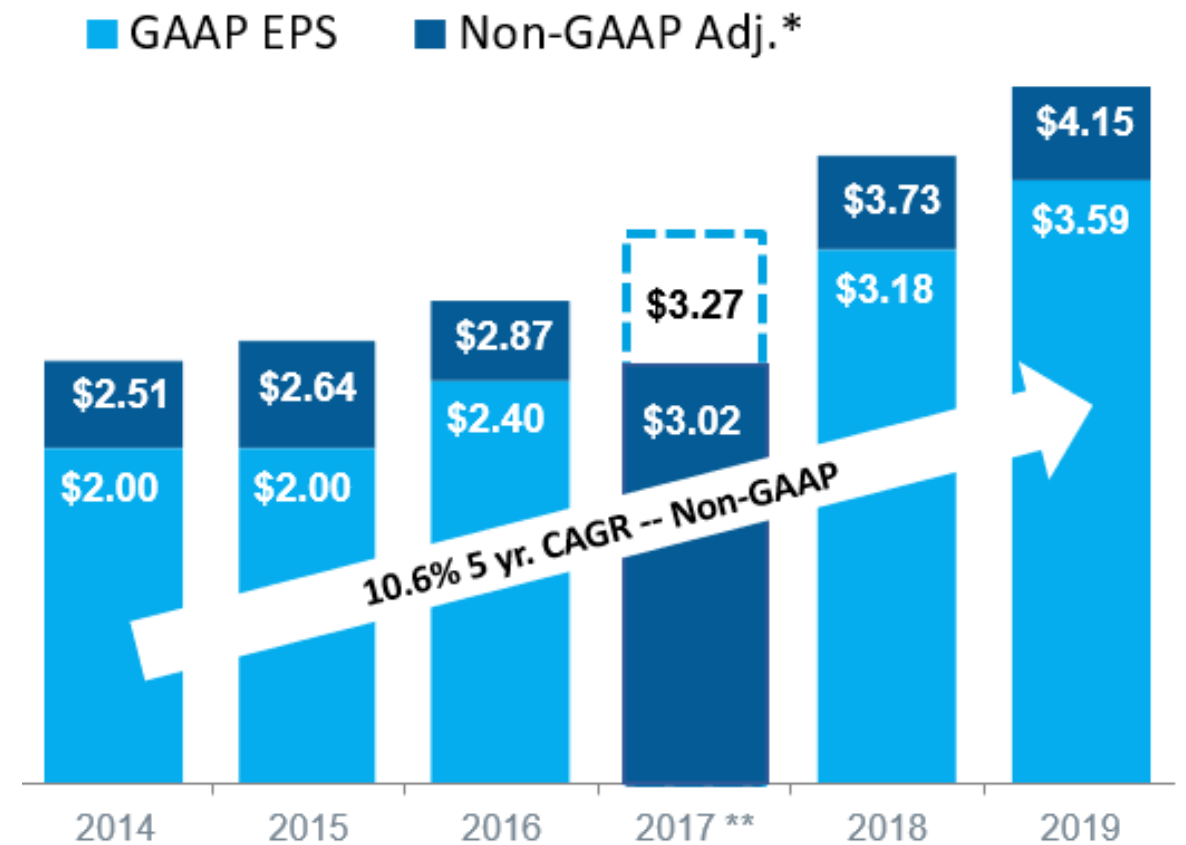


# Track record of consistent revenue + earnings growth

## 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

# 2020 guidance

**Revenue** \$1.460B - \$1.500B

**GAAP EPS** \$3.15 - \$3.30\*

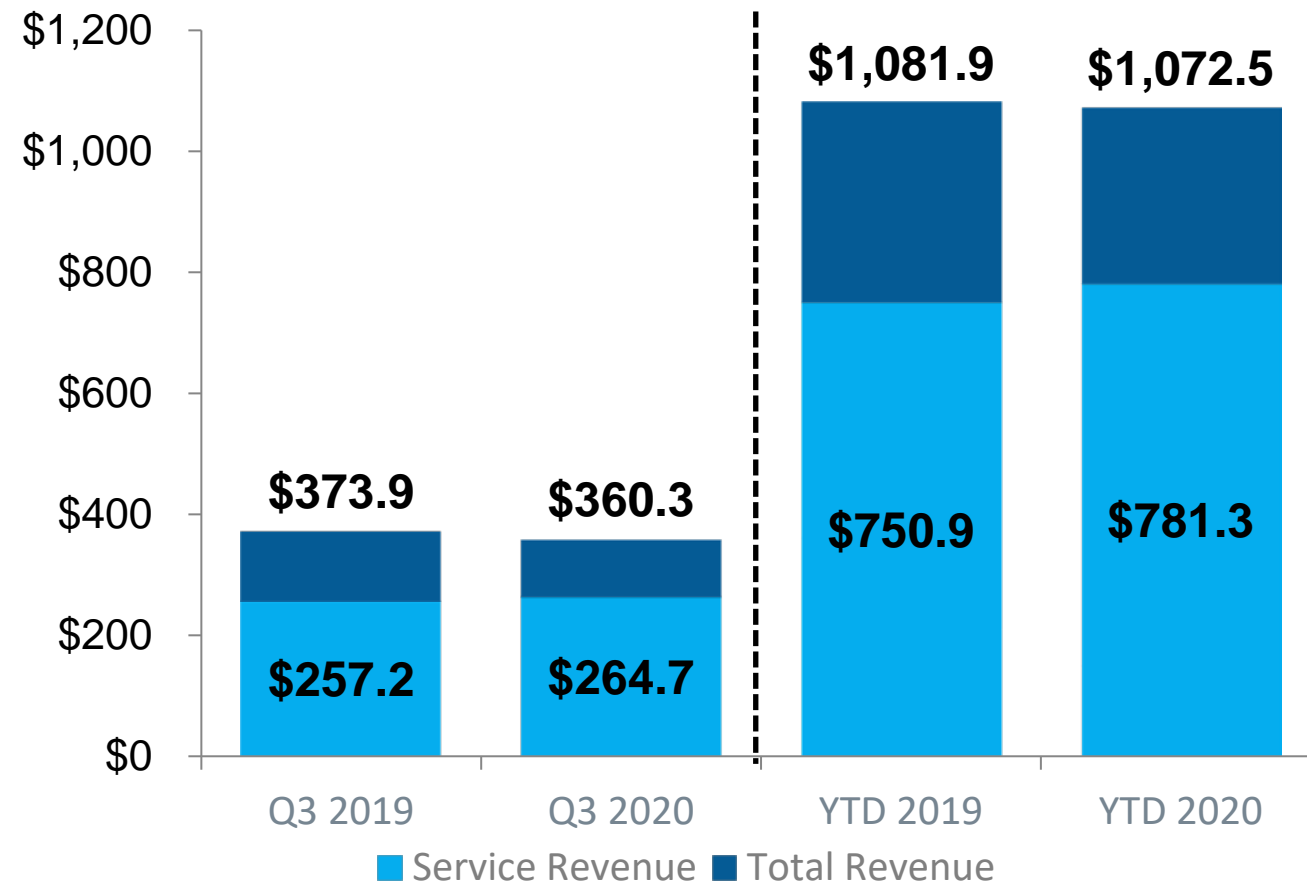
**Non-GAAP EPS** \$3.90 - \$4.05

**Operating Cash Flow** ~\$120M

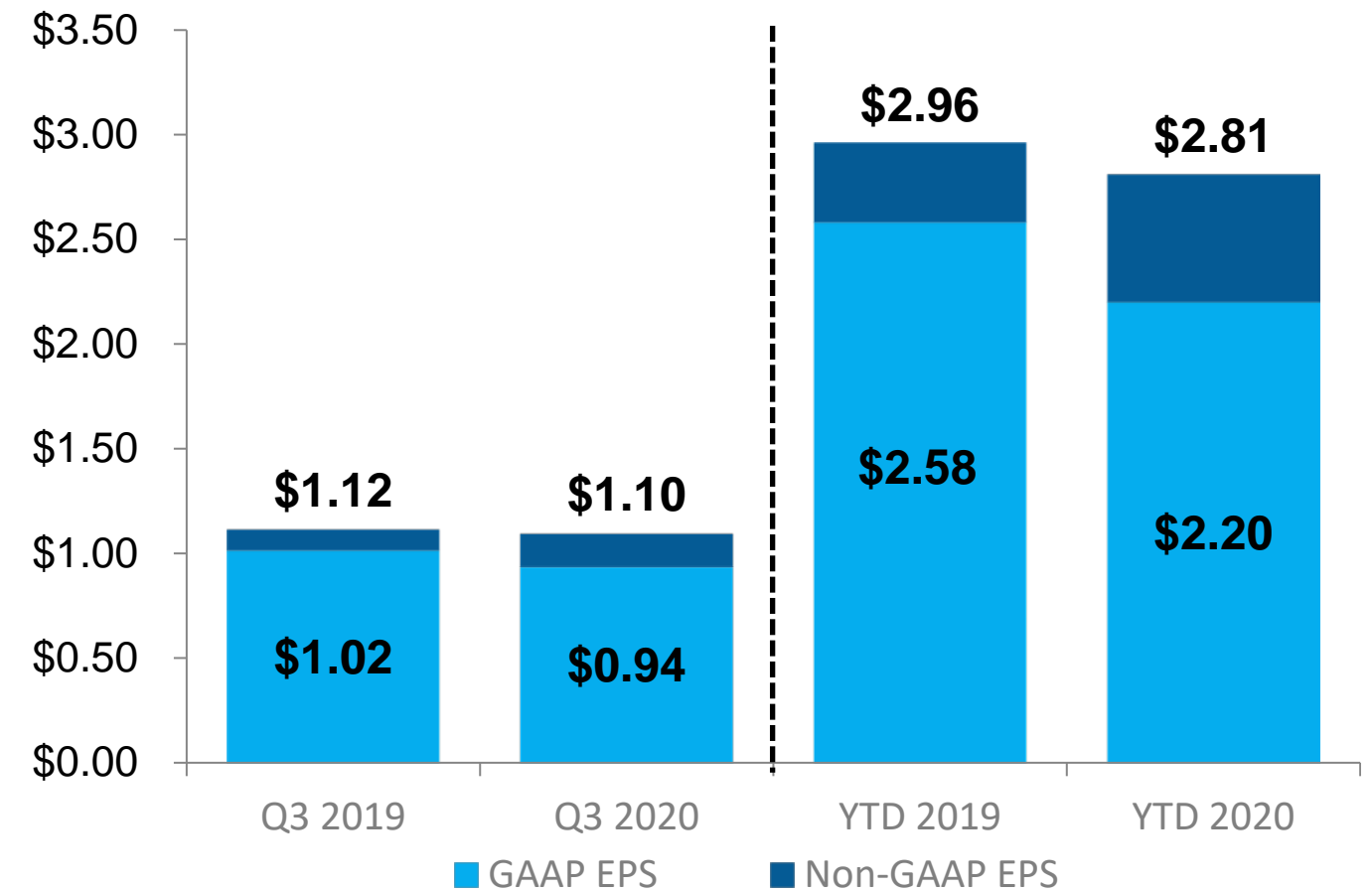
\* Exclusive of special charges

# Q3 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

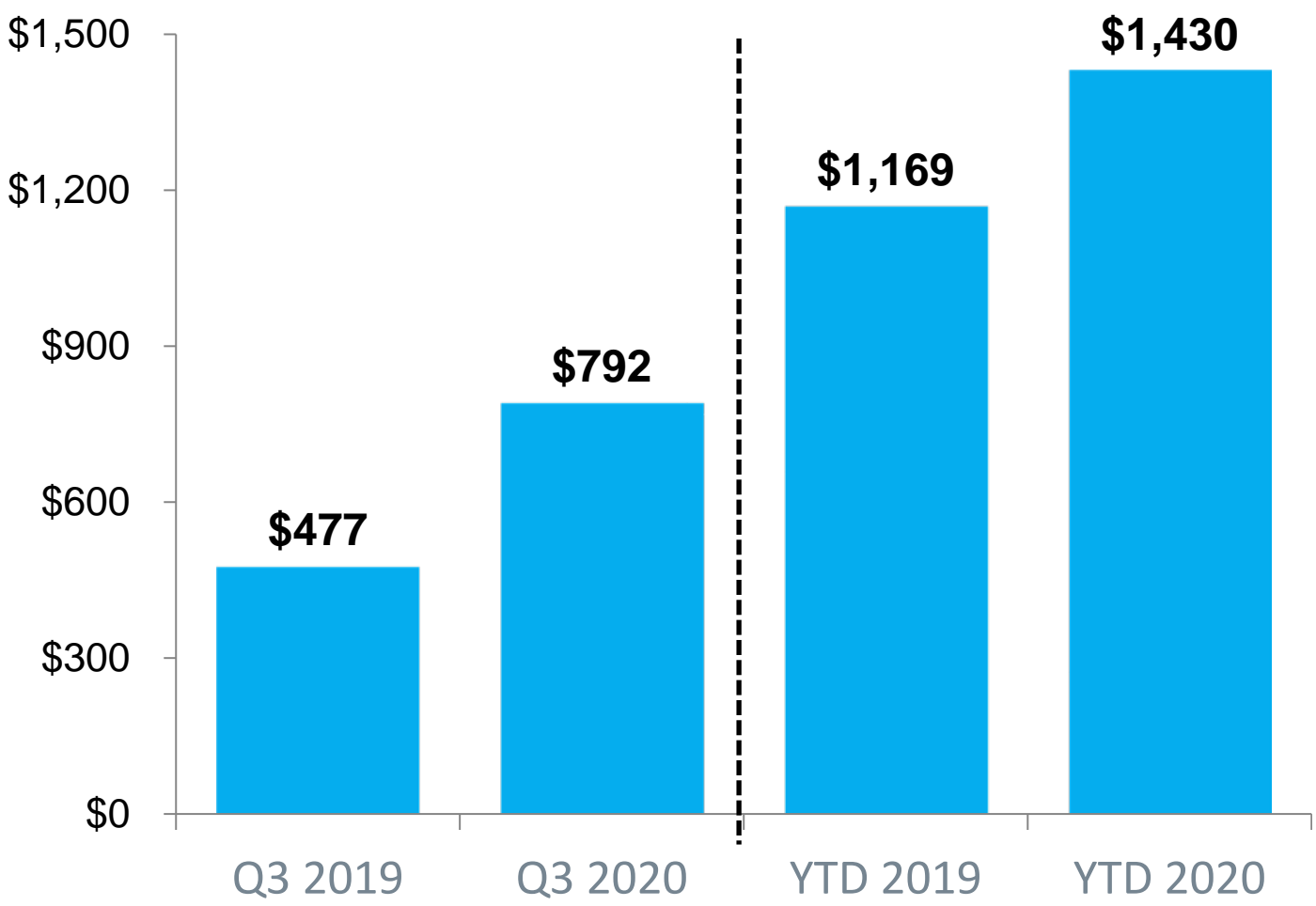
YoY EPS comparisons reflect increased interest and amortization expense related to the ITG acquisition and a higher income tax rate

\*Based on Q3 2020 financial performance released on November 5, 2020

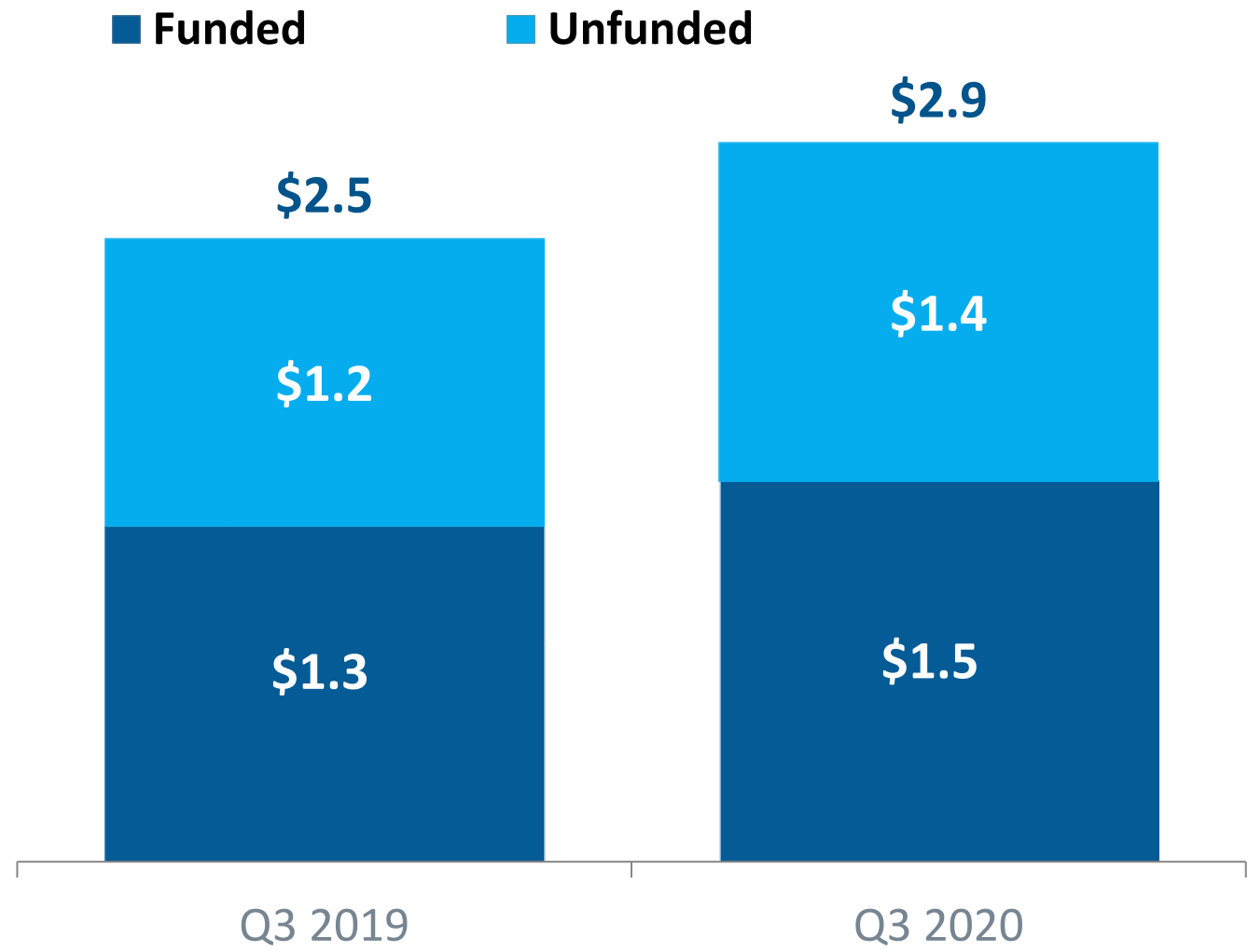
# Contract Awards (\$ Millions)\*

## Book-to-Bill Ratio (TTM)

Q3 2019 1.00    Q3 2020 1.21

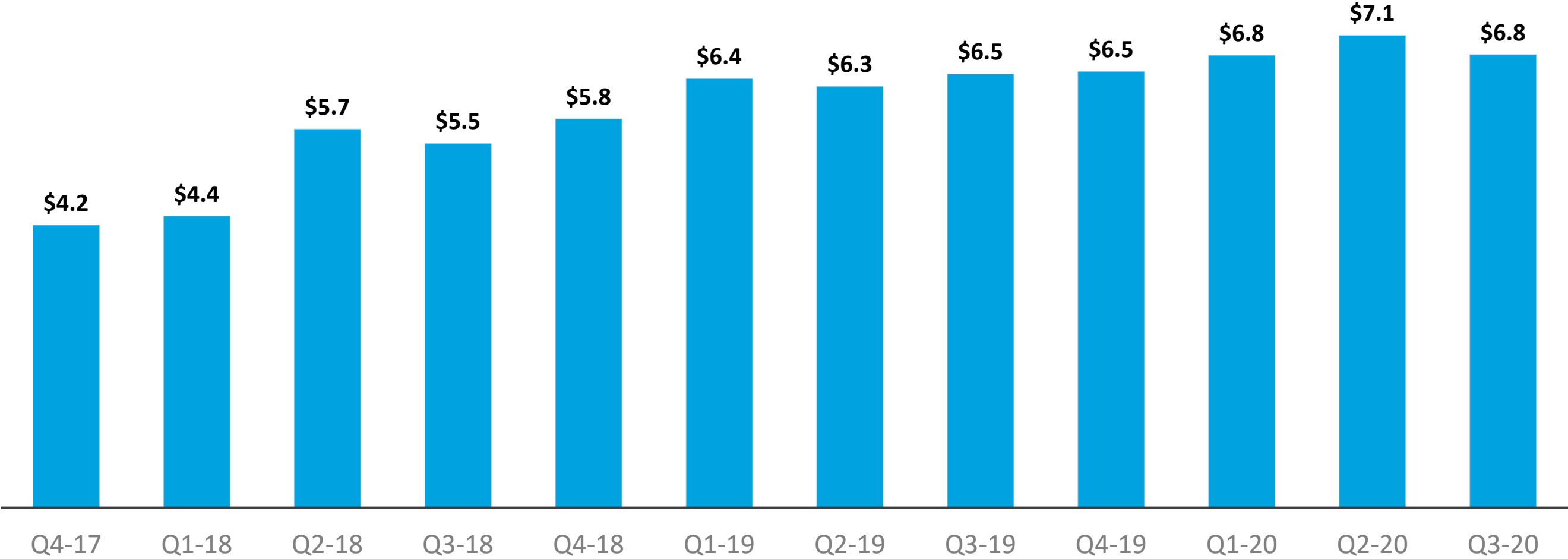


# Backlog (\$ Billions)\*



\*Based on Q3 2020 financial performance released on November 5, 2020

# Pipeline (\$B)

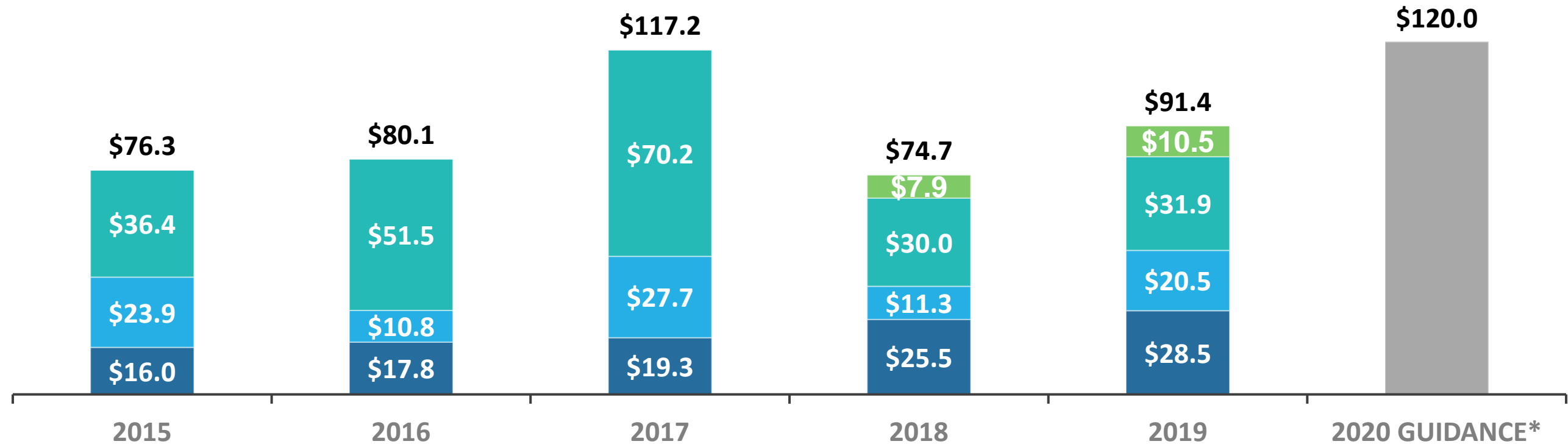


Strong pipeline of qualified opportunities, the majority relating to federal government clients

# Operating cash flow, 2015 - 2020

\$M

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



Net Debt	\$303.8	\$253.3	\$194.4	\$188.7	\$159.0	
EBITDA	\$108.6	\$111.9	\$111.0	\$119.5	\$129.6	
Net Debt/ EBITDA	2.80x	2.26x	1.75x	1.58x	1.23x	~2.60x

\*Based on Q3 2020 financial performance released on November 5, 2020

# In summary — ICF

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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 + the potential for accretive acquisitions**



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## About ICF

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**.