REPORT

Climate Transition Plan

September 2025

Executive summary

ICF has set a science-based target for greenhouse gas (GHG) emissions aligned with efforts to limit global temperature increase to 1.5°C above pre-industrial levels.

The target establishes a goal of achieving a 63.19% reduction of scopes 1 and 2 GHG emissions by 2030 and a 58.50% reduction of scope 3 GHG emissions intensity per employee by 2030, both relative to 2018 levels.

The climate transition plan represents a strategic roadmap for reducing ICF's GHG emissions and aligning with a 1.5°C near-term science-based target. It states goals and incentives aligned with ICF's reduction ambitions. The plan also establishes ICF's governance structure to oversee those efforts. The ICF Board of Directors, chief executive officer, senior management, Corporate Sustainability team, and Corporate Responsibility Council all play a vital role.

ICF's 2030 targets are relative to 2018 GHG emissions, and the plan details 5 years of GHG inventory data. Thanks to initiatives such as building portfolio management and an increase in teleworking and video conferencing, ICF's total GHG emissions (scopes 1–3) decreased significantly from more than 39,115 metric tons of carbon dioxide equivalent ($MTCO_2e$) in 2018 to 22,594 $MTCO_2e$ in 2023.

The plan details several potential actions ICF is considering to achieve the remaining GHG reductions needed to align with the 1.5°C near-term science-based target. These include actions related to the following:

- Buildings
- Vehicle fleet
- Business travel
- Employee commuting
- Purchased goods and services

ICF is able to pursue our climate transition plan through strong governance and leadership, a supportive culture, appropriate resource allocation, and results-focused strategy and actions.

1. Introduction and overview

ICF set science-based greenhouse gas (GHG) reduction targets in 2018 and has since made reductions in both absolute emissions and emissions intensity per employee, revenue, and square footage. In December 2024, ICF set new near-term targets aligned with a 1.5°C pathway. This climate transition plan outlines how ICF intends to achieve these new targets.

1.1 ICF's Climate commitment and leadership

In March 2021, the Science Based Targets initiative (SBTi) approved ICF's well-below 2°C science-based target with a 2025 goal year. Since 2011, ICF has reduced GHG emissions by 30% in absolute terms and 3.1 metric tons of carbon dioxide equivalent ($MTCO_2e$) per employee in terms of emissions intensity.[1] This progress, which puts us ahead of schedule in meeting our targets, has been driven by reducing total GHG emissions and procuring renewable energy certificates (RECs).

ICF reduced total GHG emissions by downsizing and consolidating office spaces, increasing the use of virtual tools to reduce travel and other sources of emissions from operations, implementing hybrid work schedules and encouraging sustainable commuting through public transit subsidies and other low-emission transportation options, reducing procurement volume and sourcing products with lower associated emissions, transitioning to more energy-efficient spaces when feasible, and collaborating with partners to manage emissions. In addition, ICF procures RECs equivalent to 100% of our global electricity consumption.

In December 2024, ICF set a new near-term science-based target aligned with a 1.5°C pathway. These targets were validated by SBTi and establish emission reduction goals across ICF's operations and value chain in line with the latest climate science. The targets and ICF's planned approach to achieving them are outlined in Section 3 and 5.

Beyond reducing our own GHG emissions, ICF generates revenue by supporting clients in achieving their environmental goals, including energy efficiency, carbon footprint management, and natural resource protection, consistent with the manner in which we determine for financial reporting purposes.

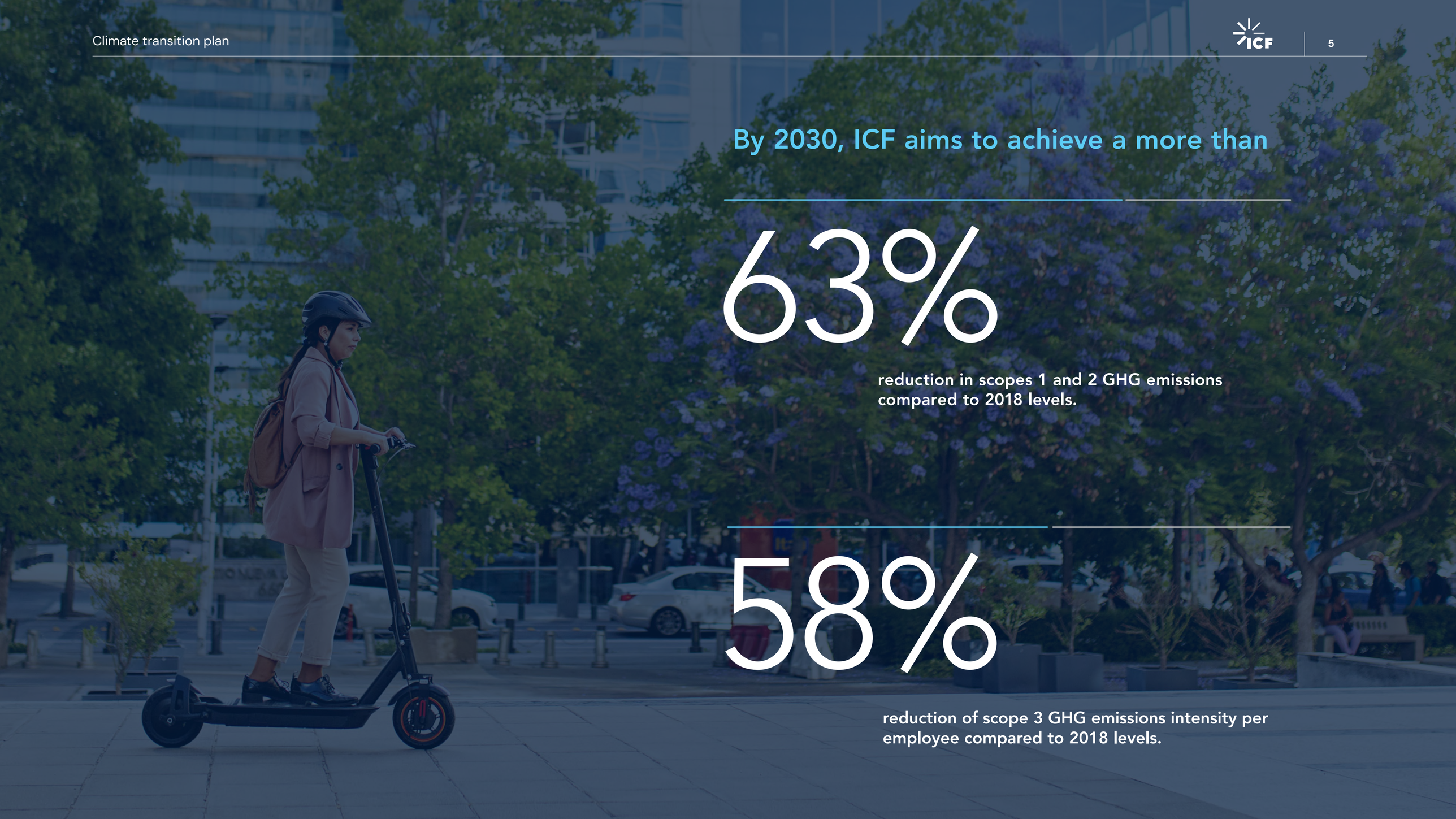
1.2 About this plan

This climate transition plan outlines how ICF intends to reduce GHG emissions from operations to meet our 1.5°C near-term science-based target. ICF aims to reduce scopes 1 and 2 GHG emissions by 63.19% and scope 3 GHG intensity per employee by 58.50% by 2030 (both relative to 2018 emissions). The plan details ICF's goals to:

- Realign ICF's facilities, travel practices, and procurement strategies to support ICF's global efforts to limit global warming to 1.5°C
- Reduce scopes 1 and 2 emissions through measures such as consolidating facilities and relocating to more energy-efficient office spaces
- Reduce scope 3 emissions, including by increasing use of virtual collaboration tools to lessen business travel and encouraging employee mass transit use

The plan also includes information on how the organization intends to use resources to pursue these goals, in alignment with ICF's overarching business strategy.

[1] Reductions were measured using an earlier GHG accounting methodology that was consistent with the GHG Protocol. ICF has since adopted a new methodology, aligned with both SBTi requirements and the GHG Protocol, to support our updated emission reduction targets.



By 2030, ICF aims to achieve a more than

63%

reduction in scopes 1 and 2 GHG emissions compared to 2018 levels.

58%

reduction of scope 3 GHG emissions intensity per employee compared to 2018 levels.

2. Governance, oversight, and culture

Strong governance, executive oversight, and an organizational focus on meeting reduction goals are all critical to driving progress. ICF's Board of Directors (Board), chief executive officer (CEO), and senior management align through organizational structures, responsibilities, and incentives.

2.1 Governance structure

ICF has developed a governance model to enable effective oversight and governance. The ICF Board, CEO, senior management, and several committees play pivotal roles in managing corporate responsibility (CR) issues, including decisions regarding setting science-based GHG reduction targets and actions to take to reduce emissions.

2.2. Board oversight and reporting

In its governance role, the Board oversees ICF's management, strategies, and priorities, considering the best interests of shareholders and the needs of employees and clients. The Board considers CR matters as part of its enterprise risk management process and long-term strategic planning, including through work by individual Board committees and a specific focus on climate strategy. The Board and its committees receive regular updates on CR performance from senior management.

Board Chair: John Wasson, who serves as the Board chair and CEO, has more than 30 years of experience at ICF. He has an extensive background in working on environment-related projects and previously led ICF's energy and climate businesses, among others. His responsibilities include overseeing the following:

- **Corporate strategy and major corporate actions:** These encompass key decisions like acquisitions and determining the locations of new business sites, including the development of ICF's Leadership in Energy and Environmental Design (LEED)–designated corporate headquarters.
- **Implementation of ICF's enterprise risk management program:** This is intended to identify, assess, and mitigate significant company risks, including those related to climate and disaster, through annual risk assessments and regular reporting to the Board.[2]
- **Shareholder engagement and communication:** This includes engagement and communication related to ICF's targets and performance.[3]
- **Conducting business with integrity:** This includes responsibility for compliance with legal and ethical standards, maintaining positive relationships with stakeholders, and supporting efforts to achieve ICF's GHG emissions targets.

Governance and Nominating Committee: This committee broadly oversees the environmental and governance components of ICF's CR program under its charter. Its oversight may include evaluating how these issues are reflected in and contribute to ICF's long-term strategy for creating value for shareholders. The committee evaluates and addresses operational and investment priorities, as well as material risks and opportunities associated with CR elements. It assesses CR-related priorities and accomplishments, as appropriate, in relation to ICF's strategy and goals. The committee's responsibility extends to general oversight of management's work to implement this climate transition plan.

[2] The ERM process includes an annual review by the CEO, the Board, and the C-suite of a physical risk assessment conducted by our climate team and monitoring and reporting to the Board during the year.

[3] Communications with shareholders include the Proxy and the Corporate Citizenship Report.

2.3 Executive management responsibilities

CEO: As CEO, John Wasson has the following responsibilities:

- **Authorizing resource allocation and overseeing reduction of ICF's total GHG emissions** over the long term. The CEO authorizes the budget and staff for reporting and verification efforts, purchasing RECs to offset the electricity used in ICF's global operations, and investing in GHG offsets for remaining GHG emissions. Under the CEO and senior management, corporate business services work with ICF experts to compile and measure the annual GHG inventory and take steps to reduce ICF's total GHG emissions. Key departments supporting this effort include climate and energy consulting, real estate management, travel, information technology (IT), procurement, and human resources.
- **Managing ICF's overarching strategy and implementation.** The CEO and senior management team are responsible for overseeing effective execution of strategic initiatives. This responsibility extends to the implementation of the climate transition plan. To promote transparency and Board engagement, the senior management team provides reports on all aspects of strategy implementation and progress.
- **Overseeing the annual strategy process, including emissions, efficiency, and resilience business opportunities,** with periodic reviews by the Board, such as during annual strategy sessions.

The CEO receives briefings on these matters from senior management and the CR Council.

CR Council: The council supports the integration of CR principles into ICF's business strategy, including resilience and adaptation strategy, and oversees CR reporting. It is composed of senior executives, including the senior vice president of ICF's climate, energy and transportation practice and leaders of corporate business functions. The Executive Vice President of Growth, Marketing & Innovation chairs this council and, in that role, monitors the implementation and progress of the climate transition plan. This council reports to the CEO.

Senior Management: Senior management determines ICF business strategy and corporate priorities. It considers and acts on recommendations from the CR Council. Additionally, senior management communicates ICF priorities throughout the organization.

3. Targets

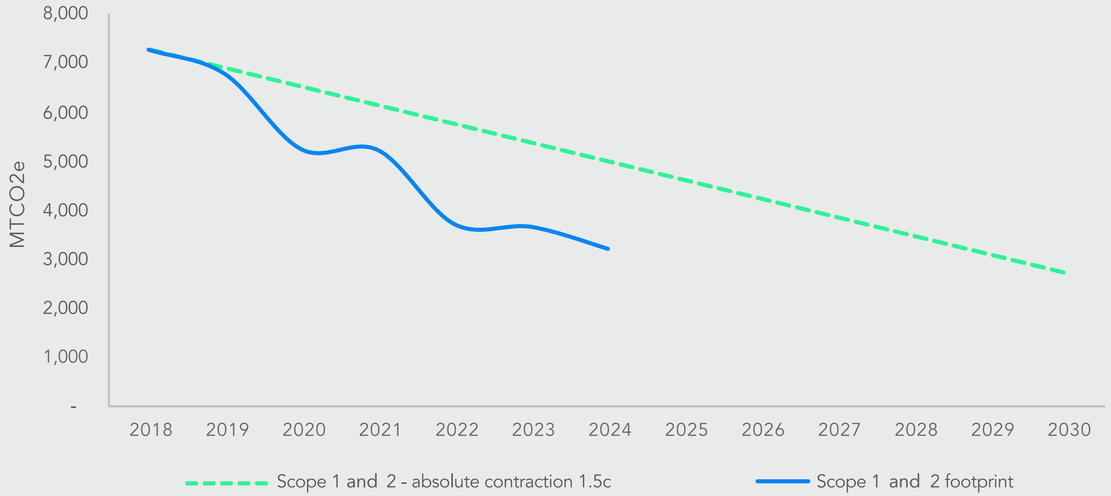
ICF has a history of taking effective action to reduce our GHG emissions to meet our science-based targets. Now, the organization has set new targets for 2030 aligned with efforts to limit global temperature rise to 1.5°C. The dotted green lines in the charts to the right represent SBTi-aligned reduction pathways reflecting our approved targets.

3.1 1.5°C near-term science-based target

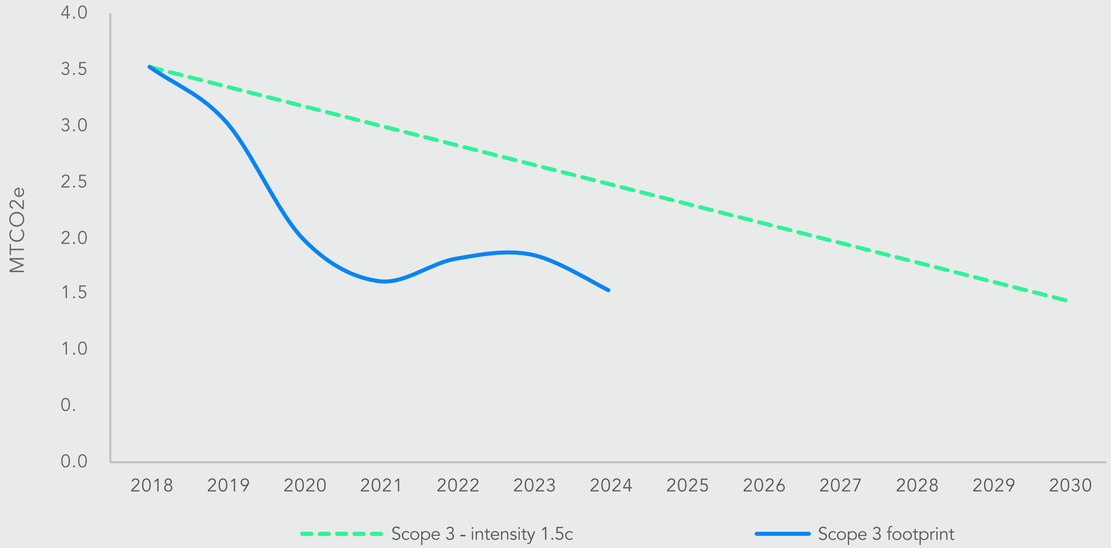
In late 2024, SBTi approved the following near-term 1.5°C by 2030 target for ICF:

- Reduce absolute scopes 1 and 2 GHG emissions by 63.19% by 2030 from the 2018 base year.
- Reduce scope 3 GHG emissions from purchased goods and services, fuel- and energy-related activities, business travel, and employee commuting per employee by 58.50% by 2030 from the 2018 base year.
- Continue active annual sourcing of 100% renewable electricity through 2030.

Scope 1 and 2 target



Scope 3 target



3.2 Targets achieved to date

In 2018, ICF set an internal GHG reduction target to reduce scopes 1 and 2 emissions by 60% by 2025, compared to 2013 levels. Building on the internal target, ICF established a well-below 2°C science-based target that was validated by SBTi, as set out below, and that aligns with the global objective of limiting temperature rise to well below 2°C.

Well-below 2°C science-based target:

- Reduce absolute scopes 1 and 2 GHG emissions by 23% between 2018 and 2025.
- Annually source 100% renewable electricity through 2025.
- Reduce scope 3 GHG emissions by 30% per benefits-eligible employee by 2025 from a 2018 base year.

With our 2024 emission inventory, we are on track to meet or exceed our targets, including the purchase of RECs equivalent to 100% of the electricity used by our global operations. We surpassed our internal target and reduced scopes 1 and 2 emissions by 90% relative to 2013. For our well-below 2°C science-based targets relative to 2018, we reduced our scopes 1 and 2 emissions by 55%, reduced scope 3 emissions by 64%, and have continued annually sourcing 100% renewable electricity through the purchase of RECs.

4. GHG inventory

ICF believes sound data are the key to successful planning and action. The organization's verified process to inventory GHG emissions is crucial to create this climate transition plan, implement actions to reduce emissions, and measure progress.

4.1 Boundaries

ICF has conducted formal GHG emissions inventories since 2011. ICF's GHG-related information is published in our annual Corporate Citizenship Report and made available to the public on our website.

ICF's GHG inventory follows the operational control approach, as defined by the GHG Protocol's Corporate Standard, encompassing emissions from global operations, including all assets that ICF owns or leases. For assets that ICF owns or rents in part, only emissions associated with owned and rented portions are included in the inventory. Emissions from assets of which ICF is the lessor are not included. ICF emissions can be categorized into three scopes:

- **Scope 1 emissions include the direct emissions for which ICF is responsible,** such as natural gas used for heating at facilities, leakage of refrigerants, and gasoline used by company vehicles.
- **Scope 2 emissions are those indirectly caused by ICF** and include emissions associated with purchased electricity and steam consumption.
- **Scope 3 emissions are the indirect emissions generated from all other activities related to ICF's operations.** For ICF's inventory, this includes upstream emissions from purchased goods and services and the emissions associated with business travel and employee commuting.

4.2 ICF's GHG emissions

ICF established 2018 as the base year for our 1.5°C near-term science-based targets because 2018 emissions performance served as a reliable indicator of business-as-usual emissions prior to the COVID-19 pandemic. The pandemic significantly impacted normal business operations during 2020 and 2021, particularly relating to scope 3 emissions, the largest source of ICF's company-wide total GHG emissions. We calculate ICF's GHG emissions according to the methodologies defined in the GHG Protocol's Corporate Standard and disclose them in $MTCO_2e$.

Exhibit 4-1. ICF GHG inventory emission trends by scope and source category, 2018–2024 ($MTCO_2e$)

Source Category	2018	2023	2024
Scope 1 Emissions	795	763	705
Scope 2 Emissions	6,463	2,914	2,529
Scope 3 Emissions	31,857	18,899	17,635
Total GHG Emissions	**39,115**	**22,576**	**20,869**

During the 6-year period from 2018 to 2024, ICF observed significant shifts in our GHG emissions (**Exhibit 4-1**). ICF scope 1 emissions decreased by 11%, while scope 2 emissions declined by 61%. Additionally, scope 3 emissions dropped by 45%. Overall, total emissions declined by 47% from 2018 to 2024. The decrease in emissions can be attributed to several operational factors, such as building portfolio management and an increase in teleworking and video conferencing, as well as decreased procurement spend.

4.3 Assurance

ICF receives third-party, independent verification of the accuracy of our GHG inventory and the underlying systems and processes used to collect, analyze, and review the information. We contract with verification provider Apex Companies LLC to receive a limited level of assurance of scopes 1, 2, and 3 GHG emissions. The verification is based on the operational control approach for GHG inventory boundaries and is measured against the GHG Protocol's Corporate Accounting and Reporting Standard and Corporate Value Chain Accounting and Reporting Standard based on the International Organization for Standardization (ISO) 14064-3 reference standard.

To verify ICF's emissions, Apex conducts the following activities:

- Interviews relevant personnel at ICF involved in the GHG emission estimation process
- Reviews documentation and evidence, such as facility utility bills, provided by ICF
- Reviews ICF data and information systems as well as methodologies for collection, aggregation, analysis, and review of information used to calculate GHG emissions
- Audits a sample of data used by ICF to calculate GHG emissions

If concerns or errors arise during the verification process, ICF addresses issues and works with Apex to confirm the resolution of such issues. Once the verification process is complete, Apex provides ICF with a statement of independence, impartiality, and competence in the form of a letter that is then submitted to CDP.

5. GHG reduction strategy

ICF has deployed proprietary analytical tools and internal consulting expertise to identify and implement steps toward emission reduction as part of the climate transition plan. These efforts are central to ICF's operational strategy.

ICF seeks to minimize GHG emissions in line with the science-based targets indicated to keep global temperature increase to no more than 1.5°C. To further reduce scopes 1, 2, and 3 emissions beyond the reductions achieved to date, we are consolidating our building portfolio and advancing efficiency and conservation measures across ICF's operations and supply chain.

ICF analyzed opportunities for further emission reductions by assessing the potential GHG impact, feasibility, cost, timing, and co-benefits of additional measures. This analysis informs a suite of targeted actions currently underway or considered across key operational areas including facilities, fleet, travel, commuting, and procurement.

Measures in progress:

Buildings

- Consolidate office space through downsizing and closing offices, where appropriate.

Vehicle fleet

- Evaluate replacement of ICF's owned and operated internal combustion engine vehicles with electric vehicles and alternatively fueled options.

Business travel

- Create and integrate sustainability education and guidance into the decision-making process for employees choosing air, rail, and ground options for business travel.

Employee commuting

- Enhance ICF's employee commuter survey to better engage and educate internal stakeholders on commuting impacts and sustainable alternatives.

Potential measures:

Buildings

- When ICF considers new leases, work with landlords to include the provision of monthly data on electricity, steam, natural gas, and other energy consumption. Additionally, ICF is considering incorporating similar provisions into existing leases where feasible. ICF will track and document energy data to verify reductions.
- Explore supporting efforts by owners of ICF-leased office space to adopt energy conservation measures and efficiency and resilience best practices through education, consulting support, and investment.

Purchased goods and services

- Identify business efficiency opportunities with key vendors, such as those that ICF relies on heavily for purchased goods, those in emissive industries (e.g., technology services, real estate), and those that do not publicly report GHG emissions.
- Collect relevant information from vendors and suppliers to support emission reduction as a factor in ICF's procurement decision-making process.
- Evaluate the GHG emissions impact of reducing purchased goods and services from the most emissive suppliers.

6. Strategic alignment with the plan

ICF pursues organizational alignment to achieve successful planning and implementation.

6.1 Business and revenue alignment

To assess how ICF's work supports key societal outcomes, the organization conducts periodic analyses of revenue by impact category. ICF categorizes each client into segments that reflect the impact category, such as health, energy, and environmental sustainability. It then allocates all revenue from services provided to each client to the corresponding impact category. This approach enables ICF to estimate the proportion of our business activities that support clients in pursuing societal goals such as GHG emission reductions and healthcare accessibility. Of our $2.02 billion revenue in 2024, ICF reported that 46% camefrom environmental areas supporting energy savings, resilience, natural resources, or emission reduction programs.

6.2 Plan and strategy alignment

ICF's GHG reduction strategy (Section 5) aligns with our overall business strategy. Many ICF clients have missions to protect the environment, promote energy efficiency, or improve public well-being. We demonstrate ICF's support of clients' missions by reducing our own GHG emissions and supporting broader stakeholder well-being.

The actions ICF has taken and continues to implement, such as reducing the organization's real estate footprint or eliminating unnecessary travel, help improve business competitiveness and financial performance. Hybrid work schedules support employee wellness and retention, which are critical drivers of success for ICF. The same is true for incentives, such as public transit subsidies, which are a relatively minor cost to ICF but can have an impact on GHG emissions. ICF also encourages our facility landlords to adopt efficient HVAC systems and more sophisticated approaches to building and energy management, reinforcing alignment with ICF service offerings.

7. Glossary of terms

The following definitions reference materials from the Science Based Targets initiative (SBTi), the GHG Protocol, International Organization for Standardization (ISO) standards, and other internationally recognized frameworks to ensure consistency with global climate and sustainability reporting practices.

- **1.5°C near-term science-based target:** A greenhouse gas (GHG) reduction target that is in line with what the latest climate science deems necessary—as set by the SBTi—to limit warming to 1.5°C above pre-industrial levels and that are achieved within a 5- to 10-year timeframe from the date of submission to SBTi.[1]
- **Absolute emissions:** The total quantity of GHG emissions emitted into the atmosphere over a given period, expressed in metric tons of carbon dioxide equivalent ($MTCO_2e$).[2]
- **Absolute reduction target:** A target defined by reduction in absolute emissions over time (e.g., reduces $MTCO_2e$ emissions by 50% below 2005 levels by 2030).[2]
- **Base year:** A historic datum (a specific year or an average over multiple years) against which a company's GHG emissions are tracked over time.[2]
- **Base year emissions:** GHG emissions in the base year selected for tracking progress toward reduction targets. The base year serves as the reference point against which future emissions are compared.[2]
- **Climate transition plan:** A time-bound action plan that outlines how an organization will pivot its existing assets, operations, and business model toward a trajectory aligned with established science-based targets.
- **CO_2 equivalent (CO_2e):** The universal unit of measurement to indicate the global warming potential (GWP) of each of the seven GHGs defined by the Intergovernmental Panel on Climate Change (IPCC) is expressed in terms of the GWP of one unit of carbon dioxide. It is used to express the warming potential of different GHGs in the same terms.[2]
- **Employee:** An employee who works at least 30 hours weekly and qualifies for employer-provided benefits, including health insurance, retirement plans, and paid time off.[1]
- **Greenhouse gas (GHG):** For the purposes of this standard, GHGs are the seven gases defined by the IPCC: carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), nitrogen trifluoride (NF_3), and sulfur hexafluoride (SF_6).[2]
- **GHG emissions:** The release of GHGs into the atmosphere.[2]
- **GHG credit:** A convertible and transferable instrument usually bestowed by a GHG program.[2] GHG offsets can be converted into GHG credits when used to meet an externally imposed target.[1]
- **GHG inventory:** The compilation of calculated GHG emissions arising from activities within a company's organizational boundary and value chain corresponding to scopes 1 and 2 GHG emissions and scope 3 GHG emissions, respectively, displayed with all scope 1 emissions aggregated, all scope 2 emissions aggregated, and scope 3 GHG emissions disaggregated by categories 1–15. GHG inventories also include biogenic emissions, but these are reported separately from the scopes.[2]
- **GHG offset:** Discrete GHG reductions used to compensate for (i.e., offset) GHG emissions elsewhere to meet, for example, a voluntary or mandatory GHG target or cap. Offsets are calculated relative to a baseline that represents a hypothetical scenario for what emissions would have been in the absence of the mitigation project that generates the offsets. To avoid double counting, the reduction giving rise to the offset must occur at sources or sinks not included in the target or cap for which it is used.[2]
- **GHG reduction target:** A goal set by an organization to reduce direct and/or indirect emissions by a specified amount.[1]

- **Intensity target:** A target and business metric defined by reduction in the ratio of GHG emissions over time (e.g., reduce $MTCO_2e$ per full time employee by 12% between 2000 and 2008).[2]
- **Operational control approach:** The boundaries that determine the direct and indirect emissions associated with operations owned or controlled by the reporting company. This assessment allows a company to establish which operations and sources cause direct and indirect emissions and to decide which indirect emissions to include that are a consequence of its operations.[2]
- **Physical intensity reduction target:** Emission reduction targets where physical emissions intensity (e.g., GHG per unit of business activity, such as per employee) is reduced by a minimum rate of at least a 7% year-on-year reduction for near-term targets. The chosen activity-based denominator (e.g., employee headcount) must be intrinsically related to the emissions boundary of the target.[1]
- **Renewable energy certificates (RECs):** A type of energy attribute certificate used in the United States and Australia. In the United States, a REC is defined as representing the property rights to the generation, environmental, social, and other non-power attributes of renewable electricity generation.[3]
- **Scope:** Defines the operational boundaries in relation to indirect and direct GHG emissions.[2]
- **Scope 1 inventory:** A reporting organization's direct GHG emissions.[2]
- **Scope 2 inventory:** A reporting organization's GHG emissions associated with the generation of electricity, heating and cooling, or steam purchased for its own consumption.[2]
- **Scope 3 inventory:** A reporting organization's indirect GHG emissions other than those covered in scope 2.[2]
- **Science-based targets:** Corporate goals for reducing GHG emissions that are aligned with the latest climate science as of 2025, according to SBTi, to meet the objectives of the Paris Agreement—to pursue efforts to limit warming to 1.5°C.[1]
- **Target period:** The time frame between the base year and target year.
- **Well-below 2°C science-based target:** A science-based target approved by the SBTi that is consistent with limiting global warming to well below 2°C above pre-industrial levels based on an SBTi-approved methodology and scenario.[1]

[1] As defined by the Science Based Target initiative: https://sciencebasedtargets.org/resources/files/SBTi-Glossary.pdf
[2] As defined under the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard: https://ghgprotocol.org/corporate-standard
[3] As defined by the Greenhouse Gas Protocol Scope 2 Guidance: https://ghgprotocol.org/scope-2-guidance

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About ICF

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