



Quarterly Clearing Disclosures

Q3 2021

January 6, 2022



ICE Clear Q3 2021 Quarterly Disclosure Call: Speakers



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Introduction

Intercontinental Exchange (ICE) owns and operates six clearing houses in North America, Europe and Asia.

Each quarter, clearing houses are required by IOSCO and the Committee on Payments and Market Infrastructures (CPMI) to publish disclosures¹. These provide transparency around the clearing house's financial resources during that quarter.

The disclosures are intended to help market participants and the public, to:

- compare CCP risk controls, including their financial condition and financial resources to withstand potential losses;
- have a clear, accurate and full understanding of the risks associated with a CCP;
- understand and assess a CCP's systemic importance and its impact on systemic risk in all jurisdictions and currencies for which it provides services; and
- understand and assess the risks of participating in CCPs

ICE recognizes the importance of operating highly transparent clearing houses such that all market participants have adequate information to fully understand the clearing process. ICE clearing houses comply with the regulatory disclosure requirements and additionally provide further public information where possible.

To complete the disclosures, ICE has significantly coordinated with other clearing houses via CCP12 and has actively led the effort to design and implement a computer friendly response template as well as led discussions to ensure consistency of responses across the clearing houses.

¹Committee on Payments and Market Infrastructures, Board of the International Organization of Securities Commissions, Public quantitative disclosure standards for central counterparties, <https://www.bis.org/cpmi/publ/d125.pdf>

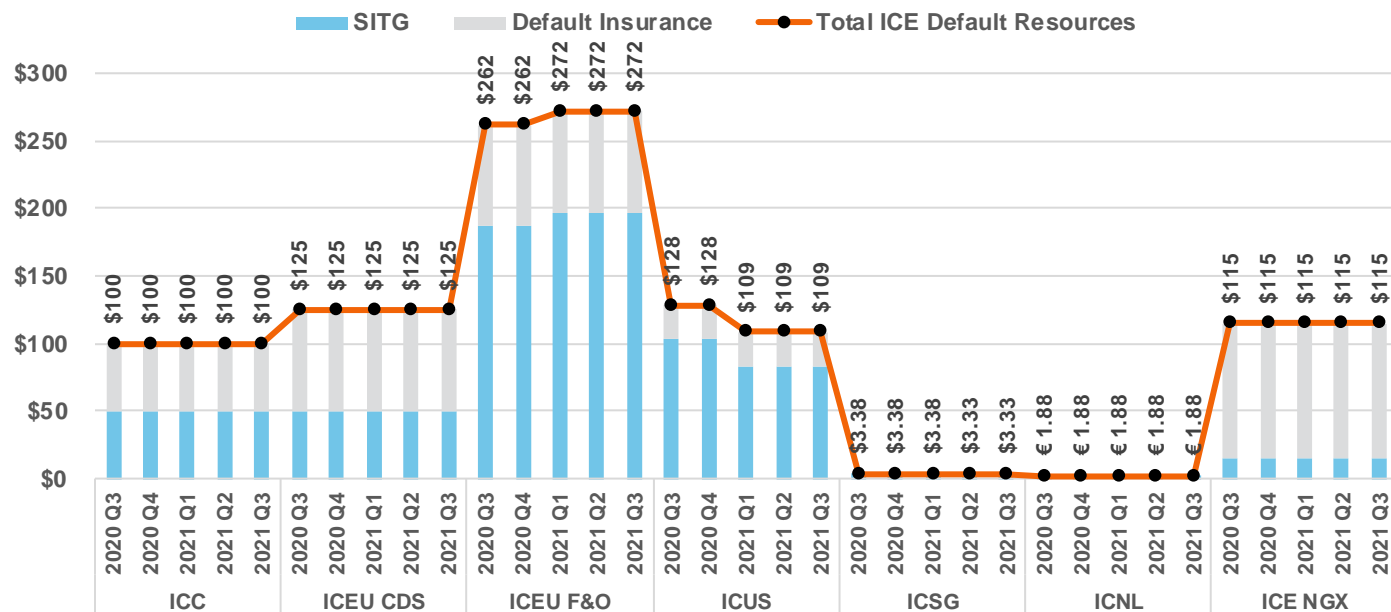
Q3 2021 Highlights

- 390 + unique clearing members, thousands of clients across ICE Clearing Houses
- \$ 401 Million in ICE Skin in the Game
- \$ 250 Million in ICE Default Insurance protection layer that resides ahead of guaranty fund contributions of non-defaulting clearing members
- Collateral held remained over-collateralized at all times
- Zero Cover 2 or Liquidity Stress Testing Breaches
- Margin Coverage remained Regulatory Compliant
- No Defaults during the Quarter
- High Operational Availability

3Q21

Skin in the Game (SITG) & Default Insurance

ICE Default Resources



Notes:

- ICE Skin in the Game and Default Insurance Amounts reside in front of any Non-Defaulting Clearing Member Default Resources.
- ICE recently added a layer of default insurance to its layers of protection. The default insurance layer has been placed after and in addition to the Clearing House SITG contributions and the default insurance layer resides before the guaranty fund contributions of the non-defaulting clearing members. The default insurance has a three-year term commencing September 17, 2019 in the amount of \$75 million for ICE Clear Europe, \$50 million for ICE Clear Credit and \$25 million for ICE Clear U.S. Similar to SITG, the default insurance layer is not intended to replace or reduce the position risk-based amount of the guaranty fund.
- ICE Clear U.S. – Total Skin in the Game : \$84 million
 - Skin in the Game Contribution for Standard Contracts and Digital Currency Contracts - \$69 million
 - Additional Skin in the Game Contribution that can be used for Digital Currency Contracts only - \$15 million
- ICE Clear Singapore – Total Skin in the Game : \$3.33 million
 - Skin in the Game Contribution for Standard Contracts and Digital Currency Contracts - \$0.33 million
 - Additional Skin in the Game Contribution that can be used for Digital Currency Contracts only - \$3 million

| Skin In The Game (in millions) | 2020 Q3 | 2020 Q4 | 2021 Q1 | 2021 Q2 | 2021 Q3 |
|--------------------------------|---------|---------|---------|---------|---------|
| ICC | \$ 50 | \$ 50 | \$ 50 | \$ 50 | \$ 50 |
| ICEU CDS | \$ 50 | \$ 50 | \$ 50 | \$ 50 | \$ 50 |
| ICEU F&O | \$ 187 | \$ 187 | \$ 197 | \$ 197 | \$ 197 |
| ICUS | \$ 103 | \$ 103 | \$ 84 | \$ 84 | \$ 84 |
| ICSG | \$ 3.38 | \$ 3.38 | \$ 3.38 | \$ 3.33 | \$ 3.33 |
| ICNL | € 1.875 | € 1.875 | € 1.875 | € 1.875 | € 1.875 |
| ICE NGX | \$ 15 | \$ 15 | \$ 15 | \$ 15 | \$ 15 |

\$ 401 Million in ICE Skin in the Game

| Default Insurance (in millions) | 2020 Q3 | 2020 Q4 | 2021 Q1 | 2021 Q2 | 2021 Q3 |
|---------------------------------|---------|---------|---------|---------|---------|
| ICC | \$ 50 | \$ 50 | \$ 50 | \$ 50 | \$ 50 |
| ICEU | \$ 75 | \$ 75 | \$ 75 | \$ 75 | \$ 75 |
| ICUS | \$ 25 | \$ 25 | \$ 25 | \$ 25 | \$ 25 |
| ICSG | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| ICNL | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| ICE NGX | \$ 100 | \$ 100 | \$ 100 | \$ 100 | \$ 100 |

\$ 250 Million in ICE Default Insurance

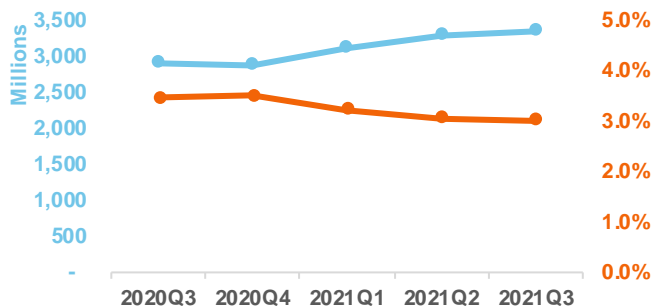


Default Resources – Clearing Members

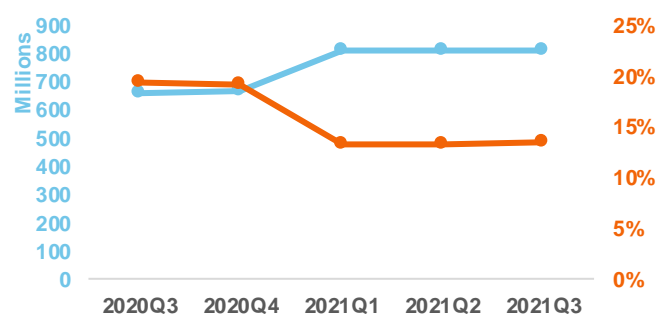
● Default Fund Requirement in Millions \$ ● % ICE Default Resources as compared to Member Default Resources

Guaranty Fund held remained Over-collateralized at all times during the Quarter

ICC

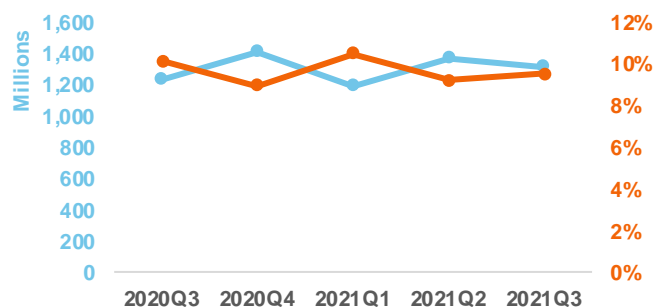


ICUS

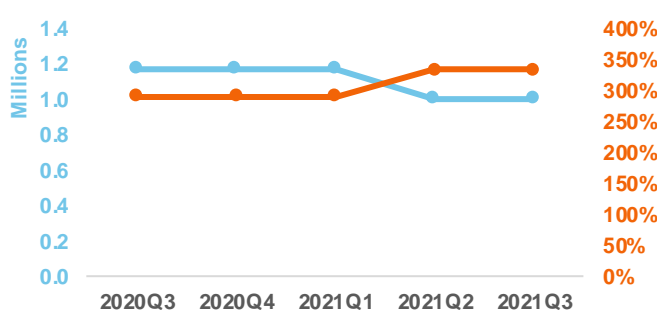


| Default Fund Requirement (in millions) | 2020 Q3 | 2020 Q4 | 2021 Q1 | 2021 Q2 | 2021 Q3 |
|--|----------|----------|----------|----------|----------|
| ICC | \$ 2,907 | \$ 2,870 | \$ 3,113 | \$ 3,289 | \$ 3,338 |
| ICEU CDS | \$ 1,235 | \$ 1,403 | \$ 1,192 | \$ 1,360 | \$ 1,315 |
| ICEU F&O | \$ 3,214 | \$ 3,214 | \$ 3,214 | \$ 3,211 | \$ 3,211 |
| ICUS | \$ 663 | \$ 664 | \$ 811 | \$ 810 | \$ 808 |
| ICSG | \$ 1.16 | \$ 1.16 | \$ 1.16 | \$ 1.00 | \$ 1.00 |
| ICNL | € 3 | € 3 | € 3 | € 3 | € 3 |
| ICE NGX | NA | NA | NA | NA | NA |

ICEU CDS

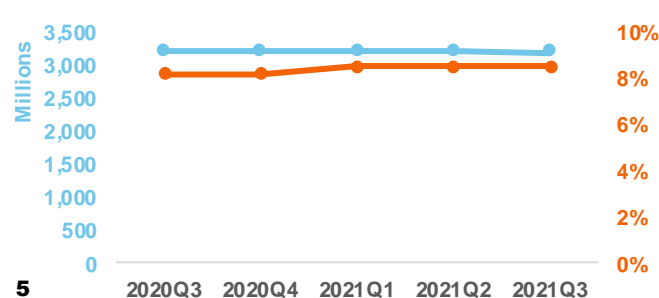


ICSG

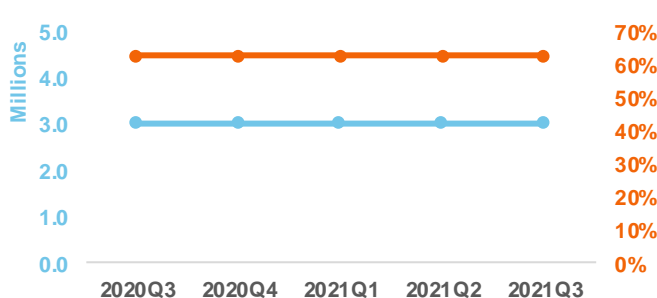


| % Total ICE Default Resources as compared to Participant Default Resources | 2020 Q3 | 2020 Q4 | 2021 Q1 | 2021 Q2 | 2021 Q3 |
|--|---------|---------|---------|---------|---------|
| ICC | 3.4% | 3.5% | 3.2% | 3.0% | 3.0% |
| ICEU CDS | 10.1% | 8.9% | 10.5% | 9.2% | 9.5% |
| ICEU F&O | 8.2% | 8.2% | 8.5% | 8.5% | 8.5% |
| ICUS | 14.0% | 14.0% | 11.5% | 11.5% | 11.6% |
| ICSG | 33.3% | 33.3% | 33.3% | 33.3% | 33.3% |
| ICNL | *290.5% | *290.5% | *290.5% | *333.0% | *333.0% |
| ICE NGX | NA | NA | NA | NA | NA |

ICEU F&O



ICNL



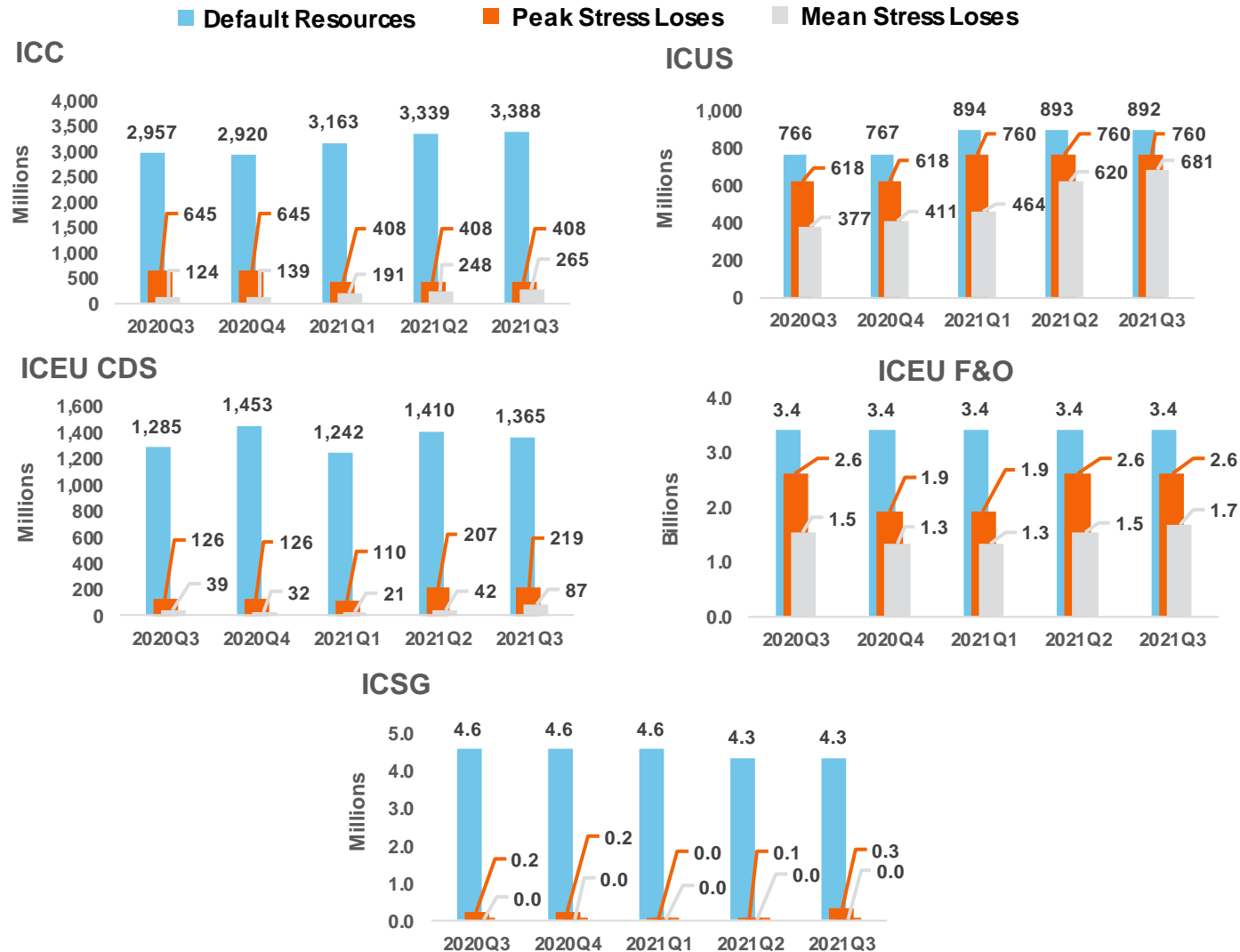
Notes:

- * Includes the Skin in the Game Contribution for Standard Contracts and Digital Currency Contracts
- ICE NGX is a CCP with a self funded default fund and does not require default fund contributions from its contracting parties.

Default Resources – Stress Testing

ICE Cover 2 Stress Losses in comparison to Prefunded Default Resources

Cover 2 Stress Loss is the estimated largest aggregate stress loss (in excess of initial margin) that would be caused by the default of any two members and their affiliates in extreme but plausible market conditions.



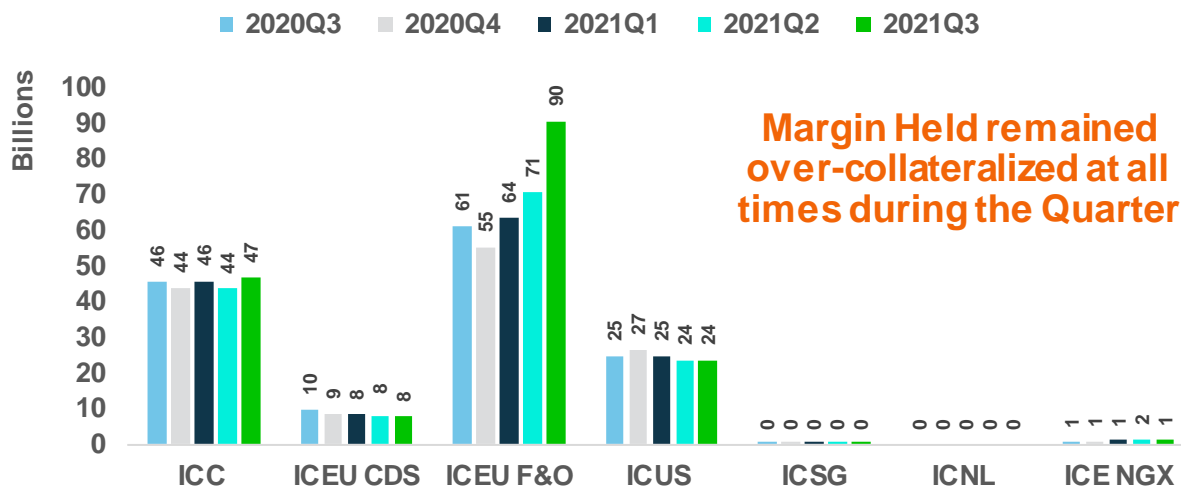
| Cover 2 Estimated Stress Loss Exceedance: # of Days and Amount | 2020 Q3 | 2020 Q4 | 2021 Q1 | 2021 Q2 | 2021 Q3 |
|--|--|---------|---------|---------|---------|
| ICC | | | | | |
| ICEU CDS | | | | | |
| ICEU F&O | | | | | |
| ICUS | | | | | |
| ICSG | | | | | |
| ICNL | No Open Interest during the previous 12 months | | | | |
| ICE NGX | Not Applicable | | | | |

ZERO

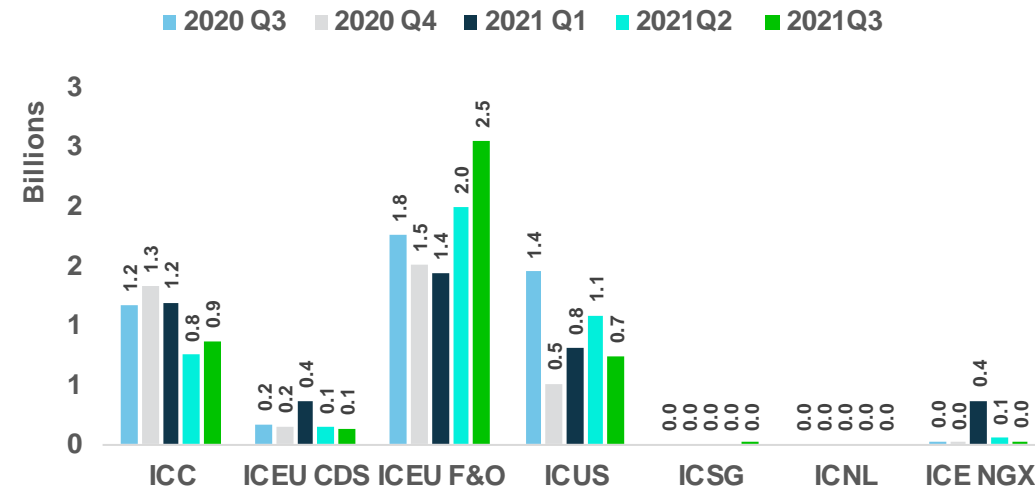
“None of ICE’s Clearing Houses have experienced a breach of its Cover 2 Default Resource Requirement since the inception of the Public Quantitative Disclosures in September 2015”

Margins

Total Initial Margin Required at Quarter End

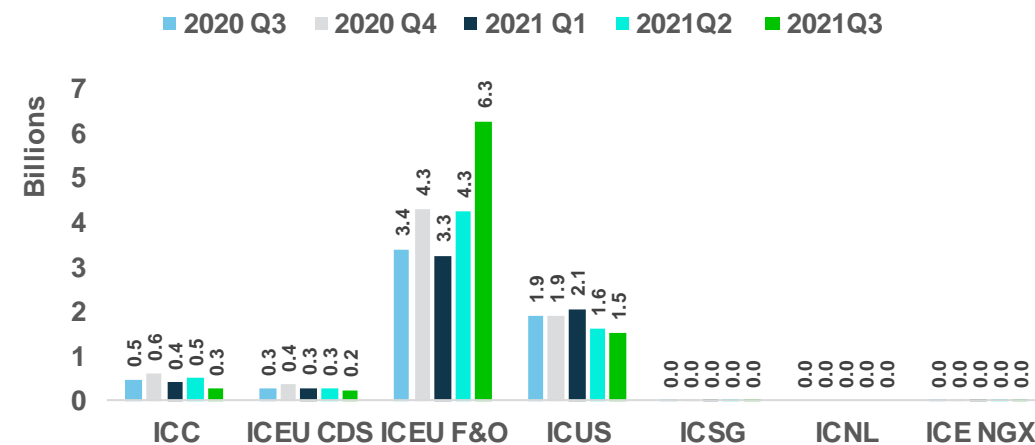


Peak Total Initial Margin Call during the Quarter



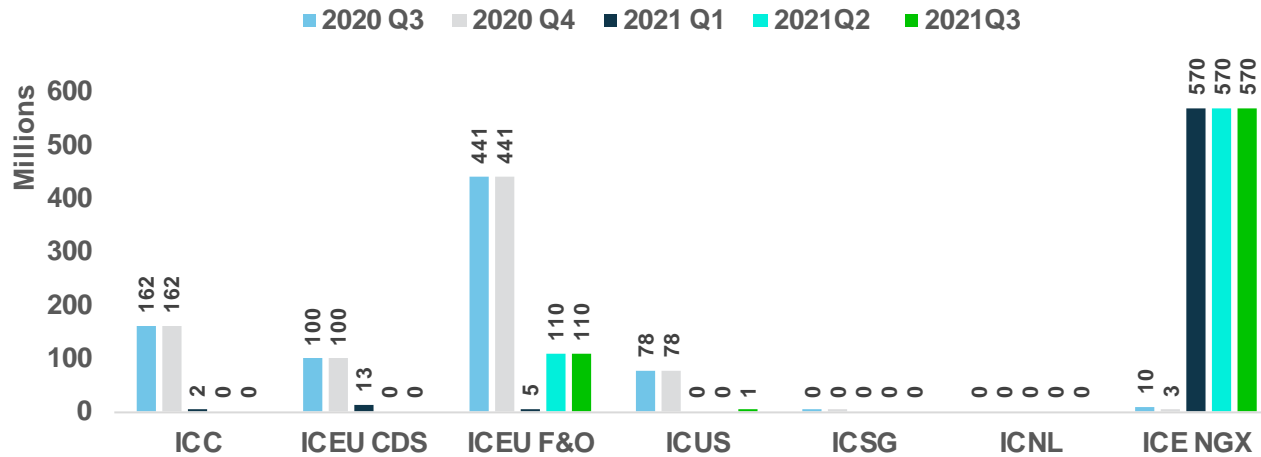
| Total Initial Margin Required (in millions) | Margin Period of Risk (MPOR) | 2020 Q3 | 2020 Q4 | 2021 Q1 | 2021 Q2 | 2021 Q3 |
|---|-------------------------------------|-------------|-------------|-------------|-------------|-------------|
| ICC | At least 5 days | \$ 45,522 M | \$ 43,954 M | \$ 45,800 M | \$ 43,671 M | \$ 46,522 M |
| ICEU CDS | 5-day for House 7-day for Client | € 9,660 M | € 8,798 M | € 8,492 M | € 8,036 M | € 7,872 M |
| ICEU F&O | 1 or 2-day | \$ 61,038 M | \$ 55,245 M | \$ 63,526 M | \$ 70,588 M | \$ 90,440 M |
| ICUS | 1 or 2-day | \$ 24,661 M | \$ 26,599 M | \$ 24,656 M | \$ 23,599 M | \$ 23,574 M |
| ICSG | 1 day | \$ 0.1 M | \$ 0.0 M | \$ 0.2 M | \$ 0.2 M | \$ 0.4 M |
| ICNL | 2 days | € 0 | € 0 | € 0 | € 0 | € 0 |
| ICE NGX | 2 days | CAD 806 M | CAD 867 M | CAD 1,090 M | CAD 1,518 M | CAD 1,261 M |

Peak Total Variation Margin during the Quarter

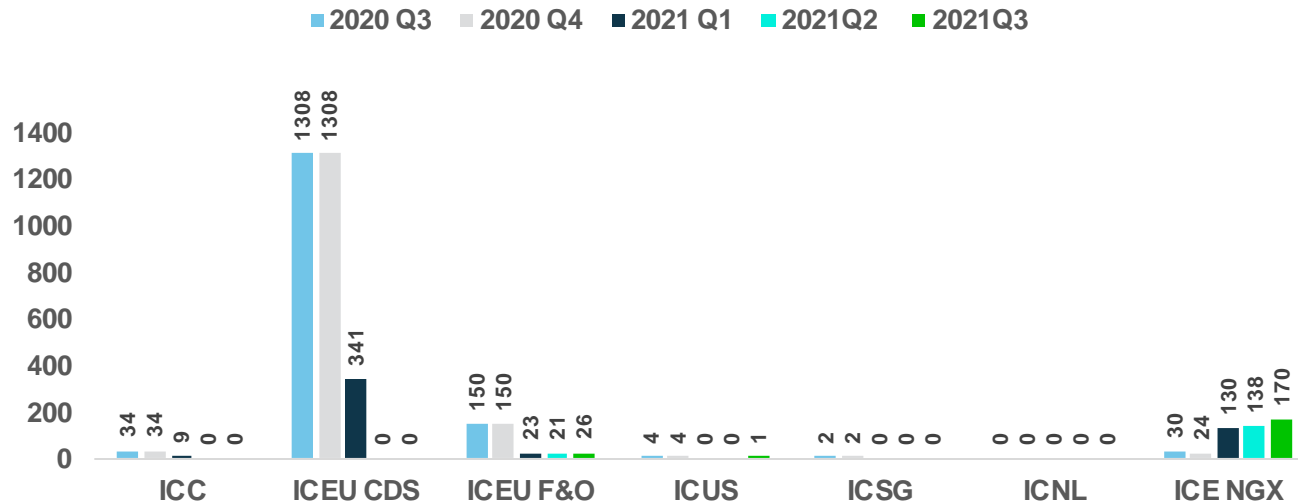


Back-Testing of Initial Margin

Peak Breach Amount - 12 Months



Number of Breaches



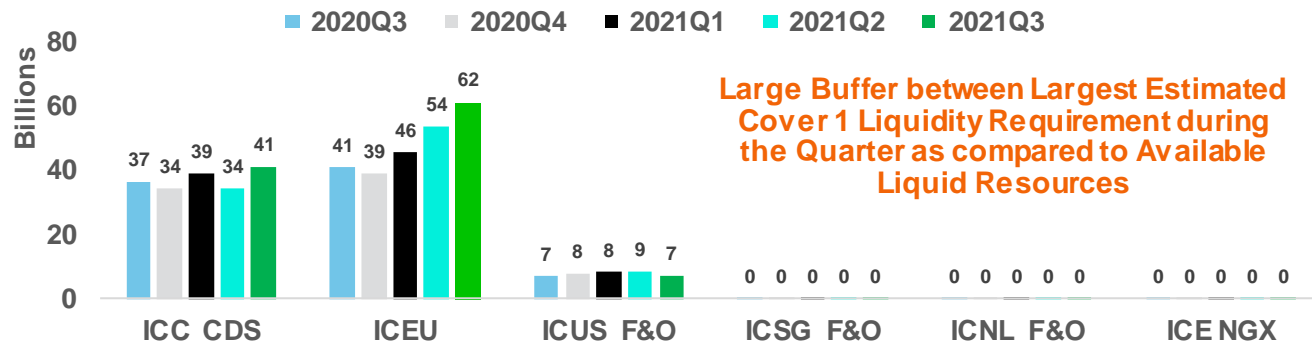
| Achieved Coverage Level - 12 Mos. (in millions) | 2020 Q3 | 2020 Q4 | 2021 Q1 | 2021 Q2 | 2021 Q3 |
|---|----------|----------|---------|---------|---------|
| ICC | 99.63% | 99.63% | 99.90% | 100.00% | 100.00% |
| ICEU CDS | ^^97.90% | ^^97.99% | 99.50% | 100.00% | 100.00% |
| ICEU F&O | 99.76% | 99.75% | 99.96% | 99.97% | 99.96% |
| ICUS | 99.97% | 99.97% | 100.00% | 100.00% | 99.99% |
| ICSG | 99.69% | 99.66% | 100.00% | 100.00% | 100.00% |
| ICNL | NA | NA | NA | NA | NA |
| ICE NGX | 99.90% | 99.90% | 99.70% | 99.70% | 99.60% |

^^ This number is computed using a 1yr horizon, includes overlapping breaches and includes accounts with statistically insignificant numbers of observations. Note that 1yr horizon for 5 or 7 day MPOR accounts including overlapping observations is effectively 52 or 37 independent observations, and hence not statistically sound or meaningful. The regulatory requirement of 99.5% should be applied to a back-testing time horizon that is appropriate for the margin period of risk that is applicable for the product, which in this case is 5 or 7 days. Note that under the Basel Traffic Light System metrics, where a more statistically meaningful methodology over a longer period is used; the margin methodology meets the regulatory requirements.

Liquidity

Resources

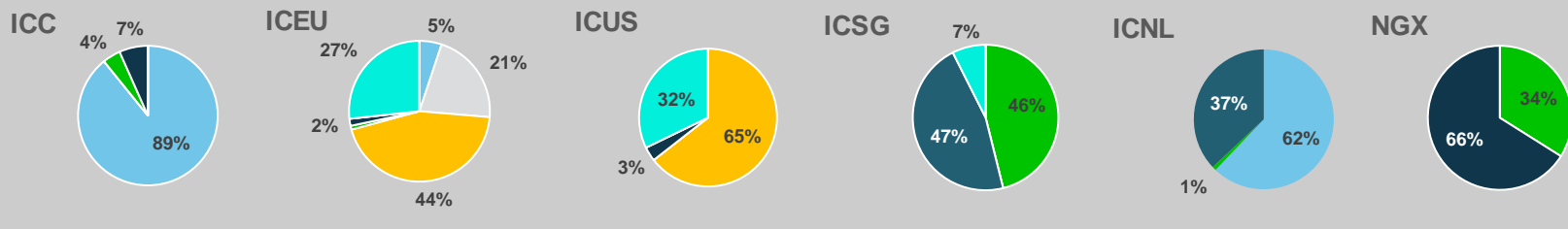
Available Liquid Resources at Quarter End



Large Buffer between Largest Estimated Cover 1 Liquidity Requirement during the Quarter as compared to Available Liquid Resources

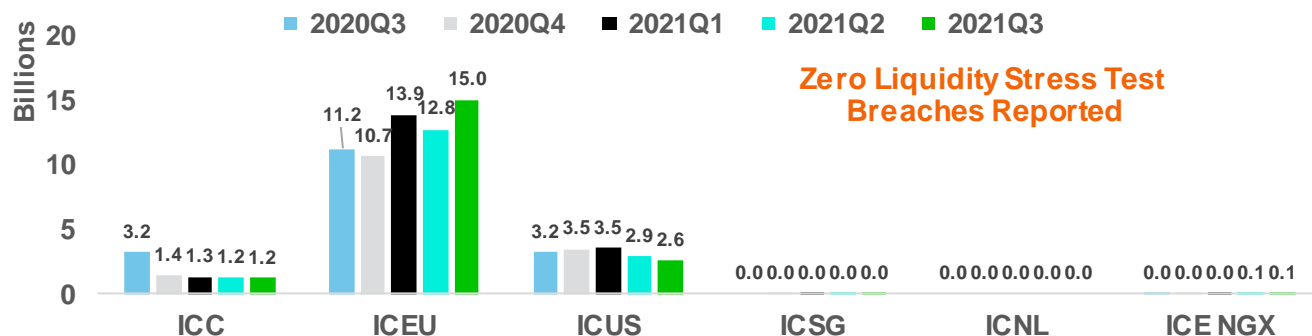
| Available Liquid Resources (in millions) | 2020 Q3 | 2020 Q4 | 2021 Q1 | 2021 Q2 | 2021 Q3 |
|--|-----------|-----------|-----------|-----------|-----------|
| ICC | \$ 36,585 | \$ 34,386 | \$ 39,203 | \$ 34,471 | \$ 41,211 |
| ICEU | \$ 40,981 | \$ 39,000 | \$ 45,586 | \$ 53,639 | \$ 61,530 |
| ICUS | \$ 7,065 | \$ 8,022 | \$ 8,358 | \$ 8,609 | \$ 7,402 |
| ICSG | \$ 21 | \$ 20 | \$ 22 | \$ 21 | \$ 22 |
| ICNL | € 25 | € 29 | € 28 | € 28 | € 27 |
| ICE NGX | CAD 145 | CAD 147 | CAD 152 | CAD 147 | CAD 193 |

- Cash Deposited at Central Banks
- Cash Deposited at Other Central Banks
- Secured Cash at Commercial Banks (including Reverse Repo)
- Unsecured Cash at Commercial Banks
- Secured Committed Lines of Credit
- Unsecured Committed Lines of Credit
- Highly Marketable Collateral



Requirements

Peak Estimated Aggregated Cover 1 Liquidity Requirement during the Quarter



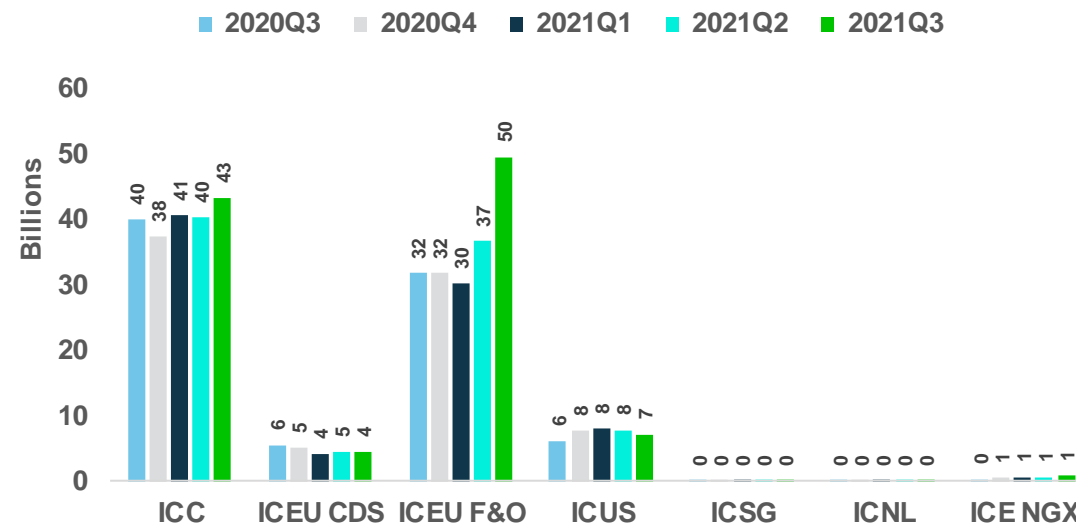
Zero Liquidity Stress Test Breaches Reported

| Maximum Estimated Aggregated Cover 1 Liquidity Requirement (in millions) | 2020 Q3 | 2020 Q4 | 2021 Q1 | 2021 Q2 | 2021 Q3 |
|--|-----------|-----------|-----------|-----------|-----------|
| ICC | \$ 3,205 | \$ 1,447 | \$ 1,312 | \$ 1,233 | \$ 1,228 |
| ICEU | \$ 11,239 | \$ 10,662 | \$ 13,857 | \$ 12,754 | \$ 15,014 |
| ICUS | \$ 3,189 | \$ 3,485 | \$ 3,528 | \$ 2,867 | \$ 2,586 |
| ICSG | \$ 0 | \$ 0.0 | \$ 0.0 | \$ 0.1 | \$ 0.6 |
| ICNL | € 0 | € 0 | € 0 | € 0 | € 0 |
| ICE NGX | CAD 28 | CAD 41 | CAD 40 | CAD 52 | CAD 52 |

Total Cash Received

| | ICC | ICEU CDS | ICEU F&O | ICUS | ICSG | ICNL | ICE NGX |
|---|-----------------|-----------------|------------------|-----------------|---------------|---------------|----------------|
| | USD | EUR | USD | USD | USD | EUR | CAD |
| Cash Received at 9/30/2021 | 43,400 M | 4,473 M | 49,687 M | 7,280 M | 4.3 M | 3 M | 774 M |
| %held at Central Banks | 86 % | 29.55 % | | 0 % | 0 % | 100 % | 0 % |
| % Overnight Reverse Repos | 8 % | 48.06 % | | 79.74 % | 0 % | 0 % | 0 % |
| % Unsecured at Commercial Banks | 6 % | 0.98 % | | 0 % | 62.91 % | 0 % | 100 % |
| % in Money Market Funds | 0 % | 0 % | | 0 % | 37.09 % | 0 % | 0 % |
| % in Sovereign Govt. Bonds | 0 % | 21.41 % | | 20.26 % | 0 % | 0 % | 0 % |
| Total Collateral Received as Initial Margin and Default Fund | 51,518 M | 10,899 M | 103,731 M | 26,100 M | 4.3 M | 3 M | 4,193 M |
| % Cash | 78.5% | 41.0% | 47.9% | 27.9% | 100.0% | 100.0% | 18.5% |
| % Non - Cash | 21.5% | 59.0% | 52.1% | 72.1% | 0.0% | 0.0% | 81.5% |

Total Cash Received as Initial Margin and Default Fund



“Cash Received from members was and continues to be safeguarded at Central Bank Account, where Central Bank access was available. Majority of the remaining cash was held at well diversified and highly creditworthy reverse repurchase counterparties or was held in short dated sovereign bonds. Small portion of the cash was held at well diversified and highly creditworthy commercial banks.”

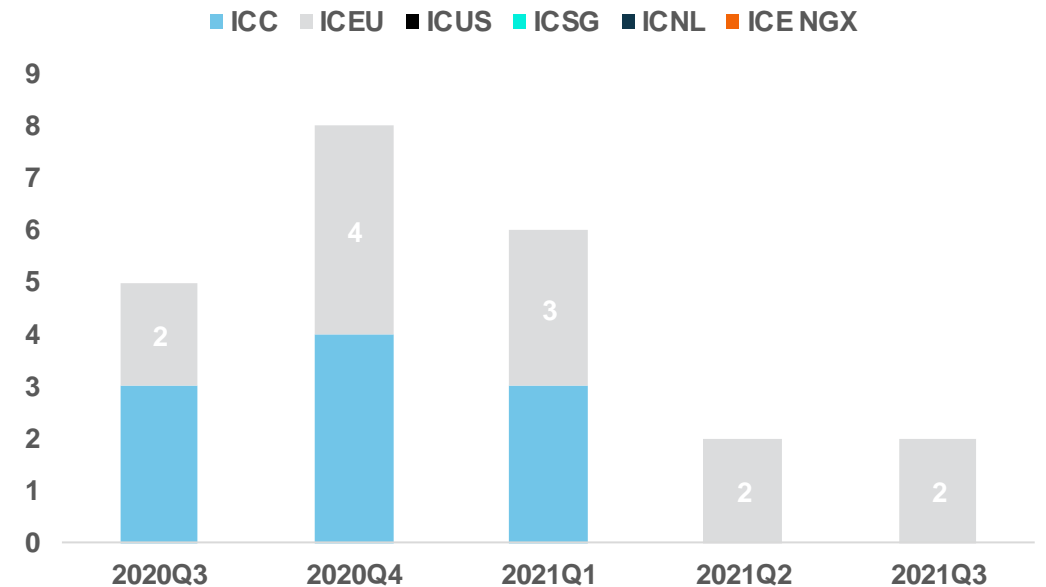
Operational Availability

| Actual availability of the core system(s) – previous 12 months | 2020 Q3 | 2020 Q4 | 2021 Q1 | 2021 Q2 | 2021 Q3 |
|--|---------|---------|---------|---------|---------|
| ICC | 99.99% | 99.99% | 99.99% | 100% | 100% |
| ICEU | 99.99% | 99.99% | 99.99% | 99.99% | 99.99% |
| ICUS | 100% | 100% | 100% | 100% | 100% |
| ICSG | 100% | 100% | 100% | 100% | 100% |
| ICNL | 100% | 100% | 100% | 100% | 100% |
| ICE NGX | 100% | 100% | 100% | 100% | 100% |

“Five (5) of the Six (6) ICE Clearing Houses experienced Zero (0) Operational Outages and their Core Clearing Systems remained available at 100% over the last 12 months. Remaining one (1) clearing house experienced minor system failures and remained available at 99.99%”

“Total Number of Outages have reduced Quarter over Quarter”

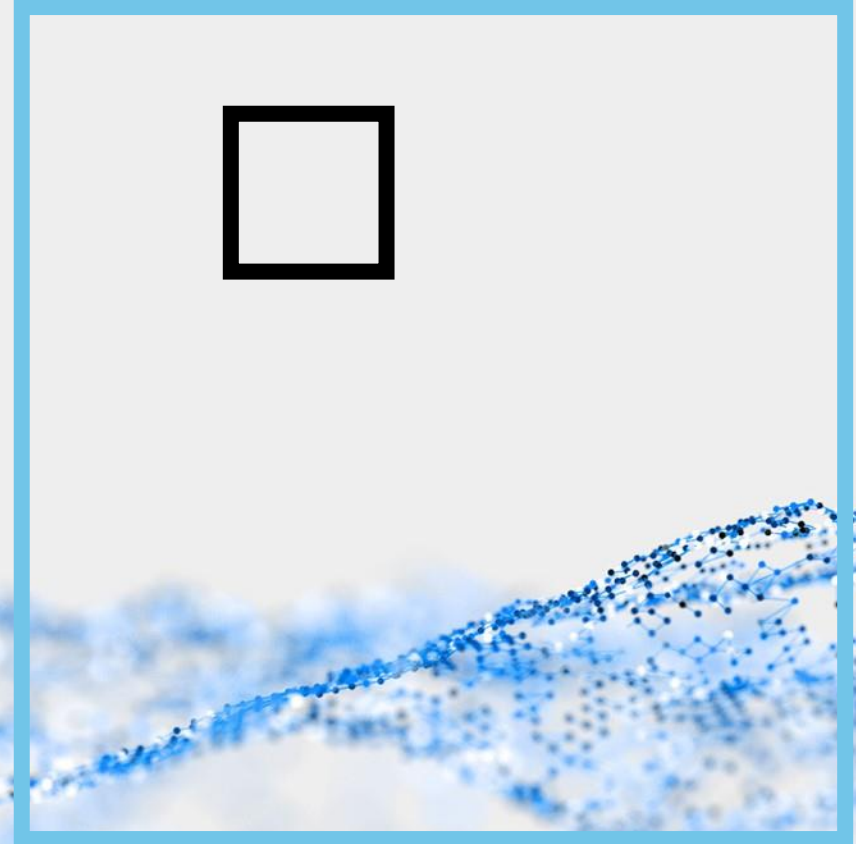
Number of Core System Outages in Previous 12 Months



Questions

**For questions regarding the CPMI-IOSCO
Quantitative Disclosures:**

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