



Quarterly Clearing Disclosures

Q4 2023

March 14, 2024



ICE Clear Q4 2023 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

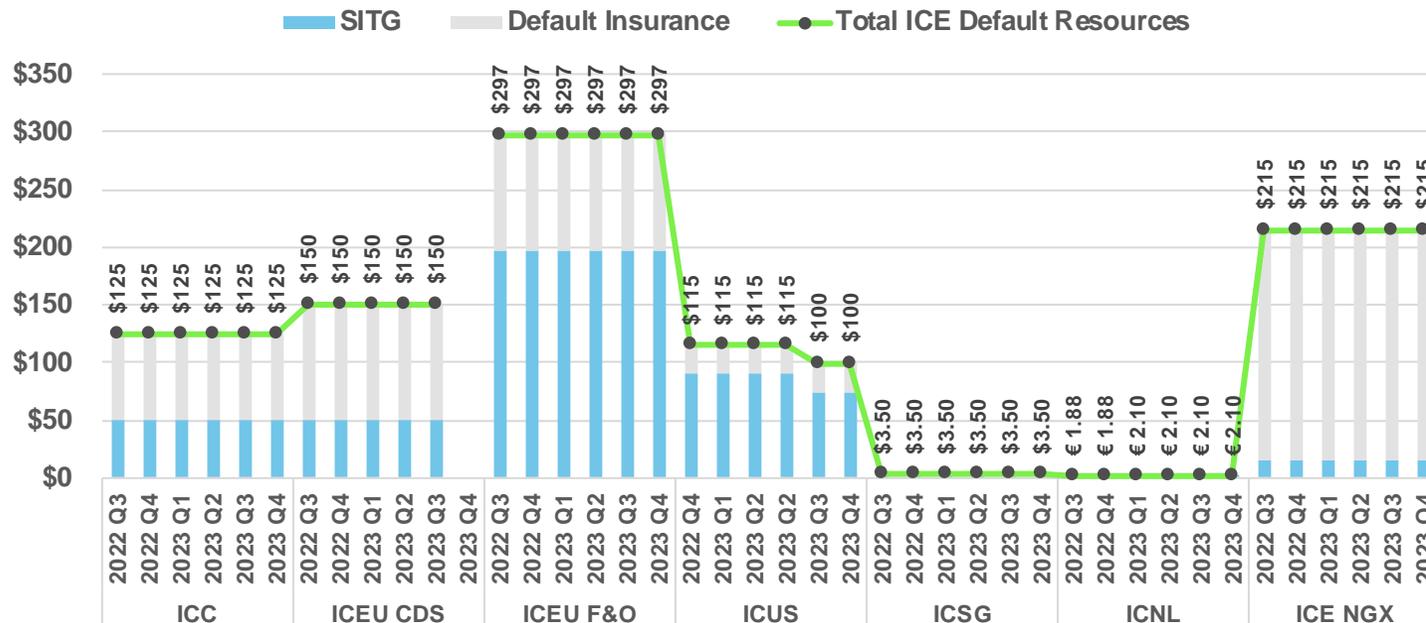
ICE recognizes the importance of operating highly transparent clearing houses such that all market participants have adequate information to fully understand the clearing process. ICE clearing houses comply with the regulatory disclosure requirements and additionally provide further public information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

To complete the disclosures, ICE has significantly coordinated with other clearing houses via CCP Global 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>

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 added a layer of default insurance to its layers of protection in 2019. 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 was recently renewed with a three-year term commencing September 17, 2022, in the amount of \$100 million for ICE Clear Europe, \$75 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 : \$75 million
 - Skin in the Game Contribution for Standard Contracts and Digital Currency Contracts - \$75 million
 - Skin in the Game Contribution for Digital Currency Contracts has been reduced from \$15 million to 0 as of 29th Sep, 2023.
- ICE Clear Singapore – Total Skin in the Game : \$3.5 million
 - Skin in the Game Contribution for Standard Contracts and Digital Currency Contracts - \$0.5 million
 - Additional Skin in the Game Contribution that can be used for Digital Currency Contracts only - \$3 million

Skin In The Game (in millions)	2022 Q3	2022 Q4	2023 Q1	2023 Q2	2023 Q3	2023 Q4
ICC	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50
ICEU CDS	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 0
ICEU F&O	\$ 197	\$ 197	\$ 197	\$ 197	\$ 197	\$ 197
ICUS	\$ 90	\$ 90	\$ 90	\$ 90	\$ 75	\$ 75
ICSG	\$ 3.5	\$ 3.5	\$ 3.5	\$ 3.5	\$ 3.5	\$ 3.5
ICNL	€ 1.875	€ 1.875	€ 2.1	€ 2.1	€ 2.1	€ 2.1
ICE NGX	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15

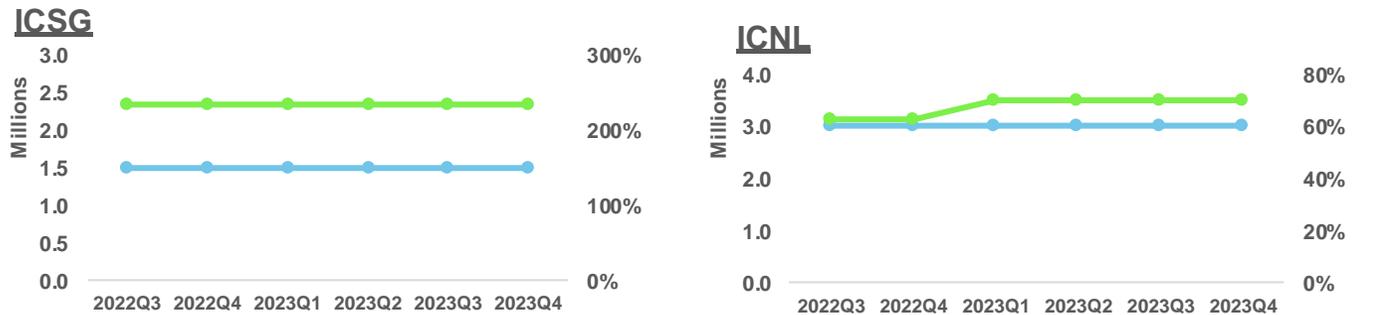
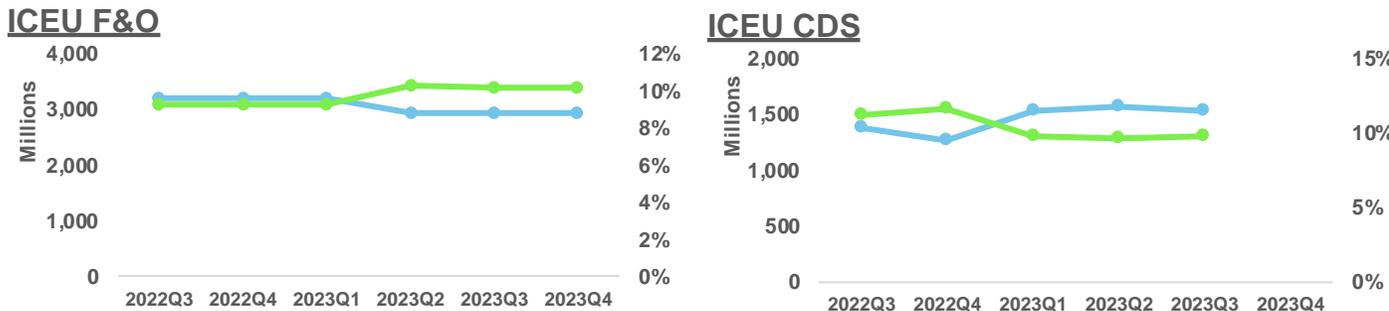
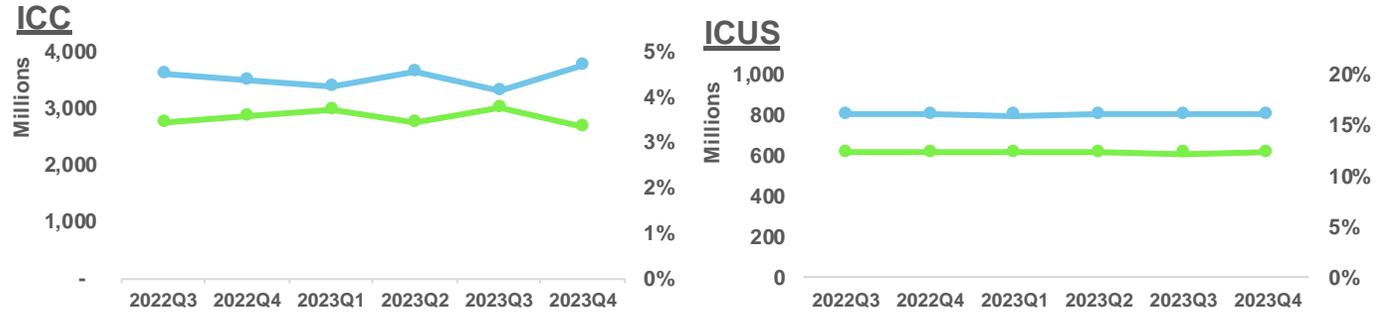
\$ 342 Million in ICE Skin in the Game

Default Insurance (in millions)	2022 Q3	2022 Q4	2023 Q1	2023 Q2	2023 Q3	2023 Q4
ICC	\$ 75	\$ 75	\$ 75	\$ 75	\$ 75	\$ 75
ICEU	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100
ICUS	\$ 25	\$ 25	\$ 25	\$ 25	\$ 25	\$ 25
ICSG	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
ICNL	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
ICE NGX	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200

\$ 400 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

Default Fund Requirement (in millions)	2022 Q3	2022 Q4	2023 Q1	2023 Q2	2023 Q3	2023 Q4
ICC	\$ 3,622	\$ 3,479	\$ 3,379	\$ 3,661	\$ 3,326	\$ 3,762
ICEU CDS	\$ 1,285	\$ 1,378	\$ 1,555	\$ 1,431	\$ 1,445	\$ 0
ICEU F&O	\$ 3,210	\$ 3,211	\$ 3,212	\$ 2,910	\$ 2,910	\$ 2,910
ICUS	\$ 806	\$ 805	\$ 805	\$ 805	\$ 811	\$ 806
ICSG	\$ 1.5	\$ 1.5	\$ 1.5	\$ 1.5	\$ 1.5	\$ 1.5
ICNL	€ 3	€ 3	€ 3	€ 3	€ 3	€ 3
ICE NGX	NA	NA	NA	NA	NA	NA

Total ICE Default Resources as % of Participant Default Resources	2022 Q3	2022 Q4	2023 Q1	2023 Q2	2023 Q3	2023 Q4
ICC	3.5%	3.6%	3.7%	3.4%	3.8%	3.3%
ICEU CDS	11.7%	10.9%	9.6%	9.6%	9.8%	-
ICEU F&O	9.3%	9.2%	9.2%	10.2%	10.2%	10.2%
ICUS	12.3%	12.4%	12.4%	12.4%	12.3%	12.3%
ICSG	33.3%	33.3%	33.3%	33.3%	33.3%	33.3%
ICNL	62.5%	62.5%	70%	70%	69.9%	69.9%
ICE NGX	NA	NA	NA	NA	NA	NA

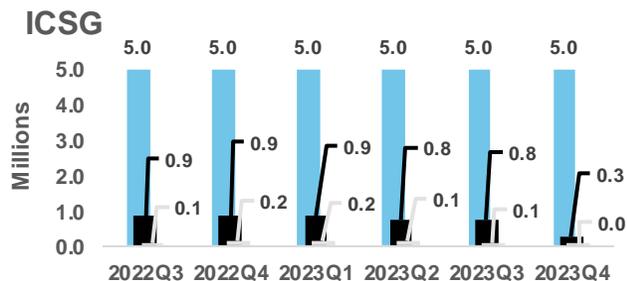
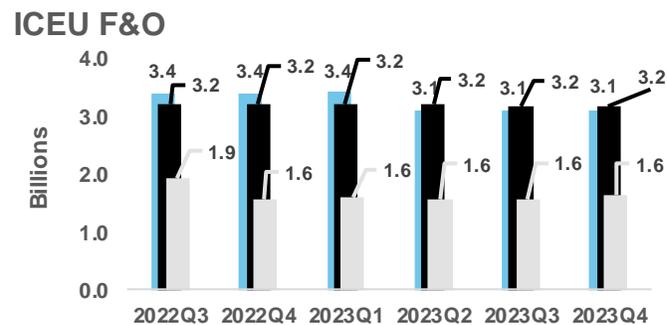
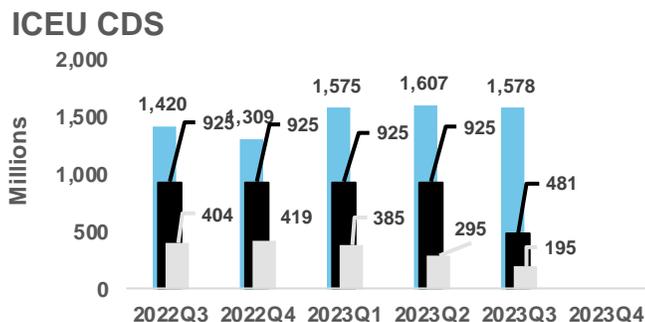
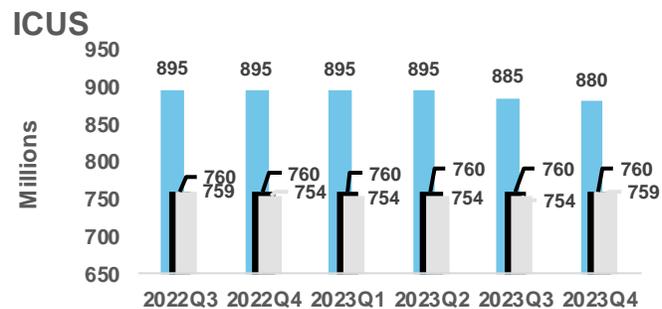
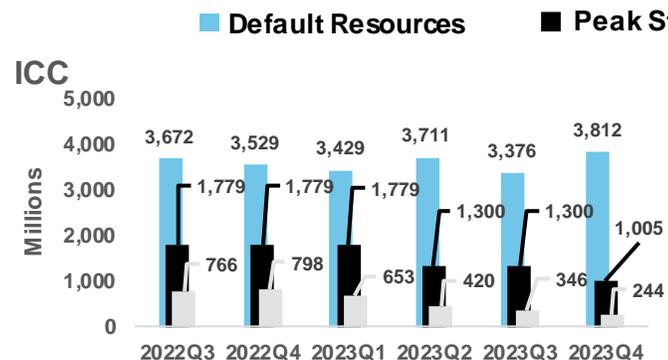
Notes:

- * 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

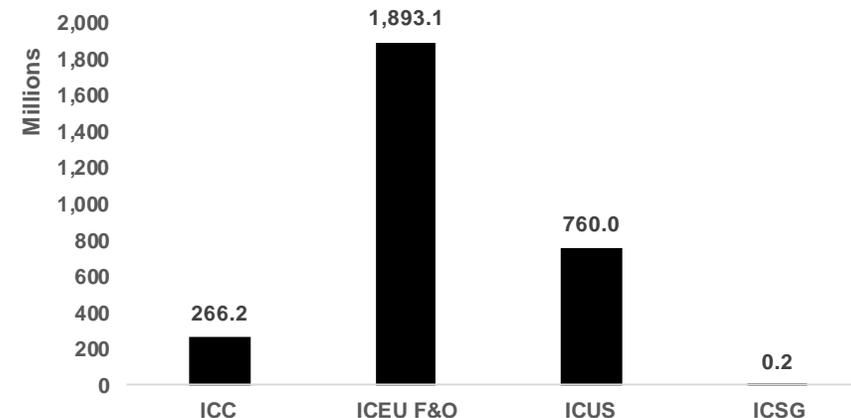
ICE Cover 2 Stress Losses in comparison to Prefunded Default Resources

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.



Notes:
1. Default Resources are reported with quarter end numbers. However, Peak Stress Losses are calculated over previous 12 months.

Peak Cover 2 Stress Losses During Q4 2023

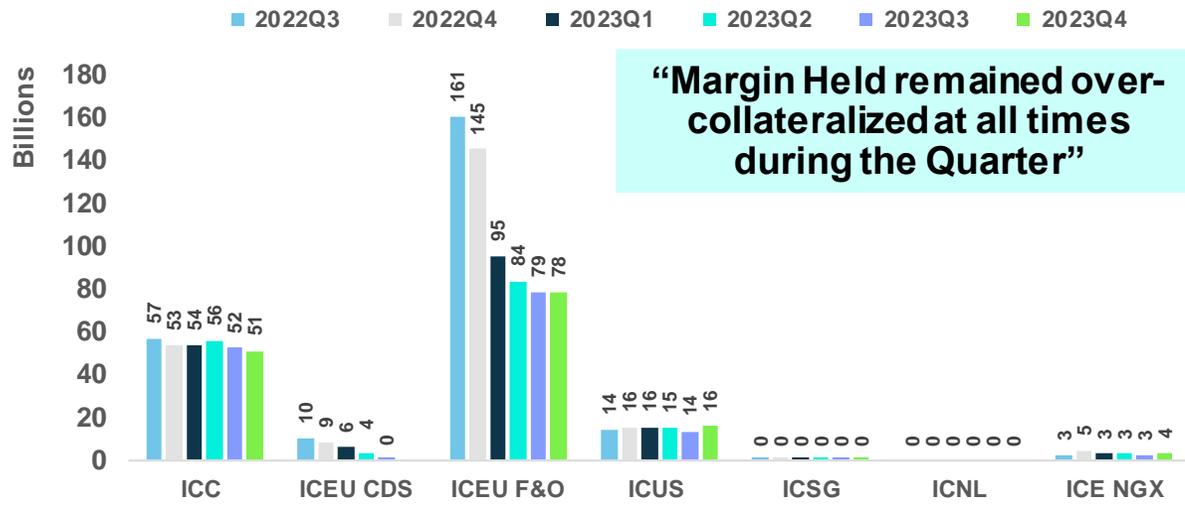


Cover 2 Estimated Stress Loss Exceedance: # of Days and Amount	2022 Q3	2022 Q4	2023 Q1	2023 Q2	2023 Q3	2023 Q4
	ICC, ICEU, ICUS, ICSG	ZERO				
ICNL	No Open Interest during the previous 12 months					
ICE NGX	Not Applicable					

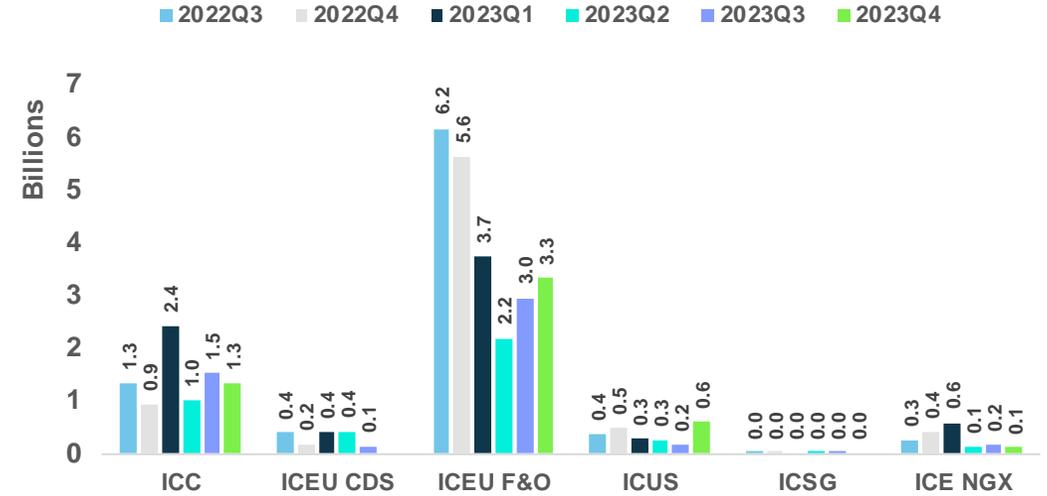
“None of ICE’s Clearing Houses have experienced a breach of its Cover 2 Default Resource Requirement since the inception of the Public Quantitative Disclosures in September 2015”

Margins

Total Initial Margin Required at Quarter End

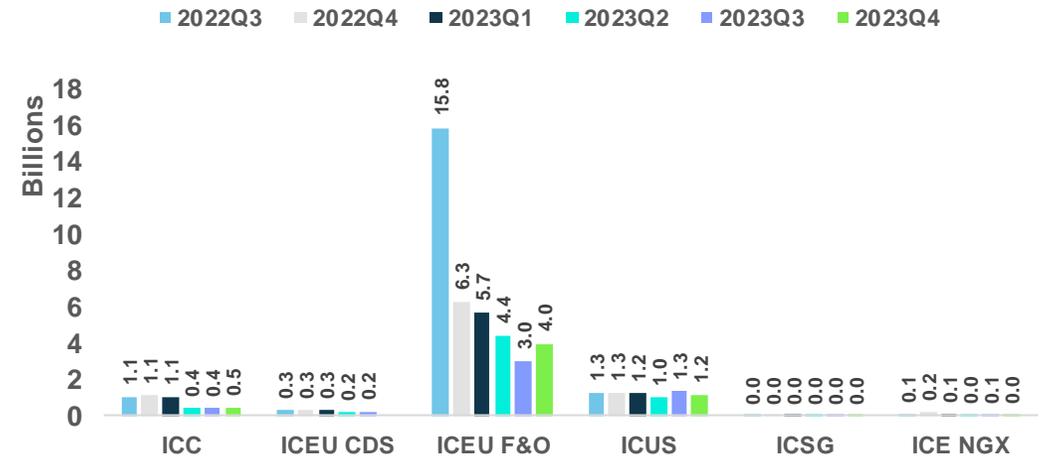


Peak Total Initial Margin Call during the Quarter



Total Initial Margin Required (in millions)	Margin Period of Risk (MPOR)	2022 Q3	2022 Q4	2023 Q1	2023 Q2	2023 Q3	2023 Q4
ICC	At least 5 days	\$ 56,859	\$ 53,492	\$ 53,708	\$ 55,755	\$ 52,422	\$ 51,081
ICEU CDS	5-day for House 7-day for Client	€ 10,226	€ 8,672	€ 6,333	€ 3,815	€ 221	-
ICEU F&O	1 or 2-day	\$ 160,729	\$ 145,382	\$ 95,188	\$ 83,885	\$ 78,582	\$ 78,448
ICUS	1 or 2-day	\$ 14,283	\$ 15,503	\$ 15,720	\$ 15,306	\$ 13,602	\$ 15,850
ICSG	1 day	\$ 0.6	\$ 0.4	\$ 0.5	\$ 0.6	\$ 0.3	\$ 0.1
ICNL	2 days	€ 0	€ 0	€ 0	€ 0	€ 0	€ 0
ICE NGX	2 days	CAD 2,674	CAD 4,743	CAD 2,948	CAD 3,236	CAD 2,783	CAD 3,538

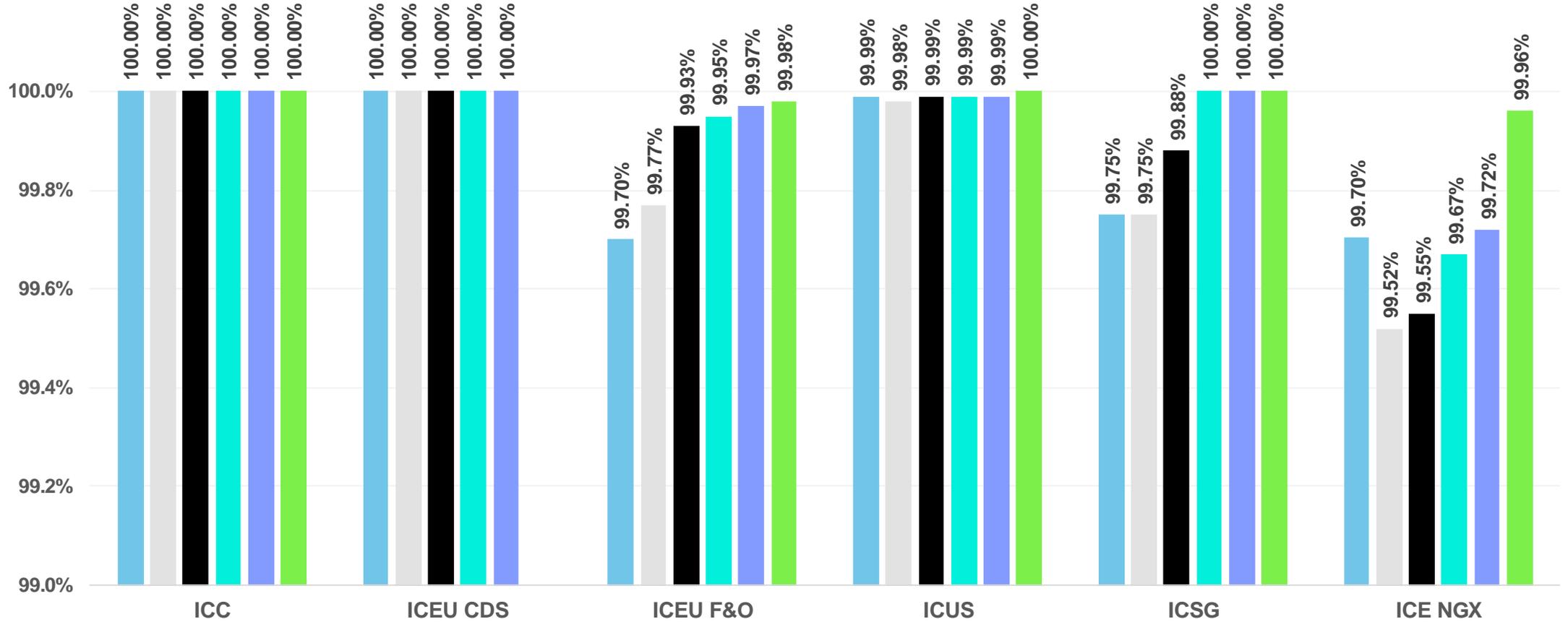
Peak Total Variation Margin during the Quarter



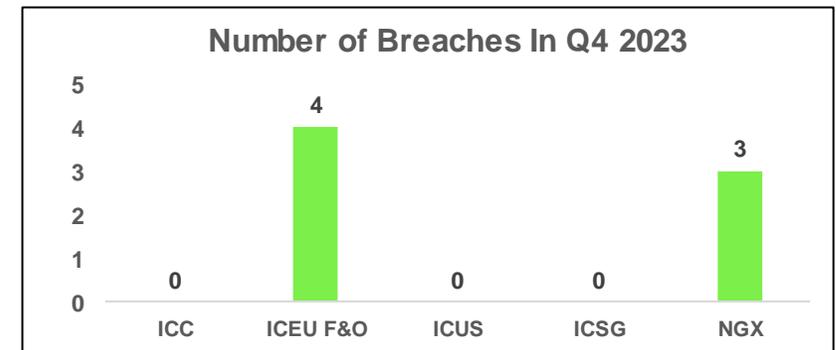
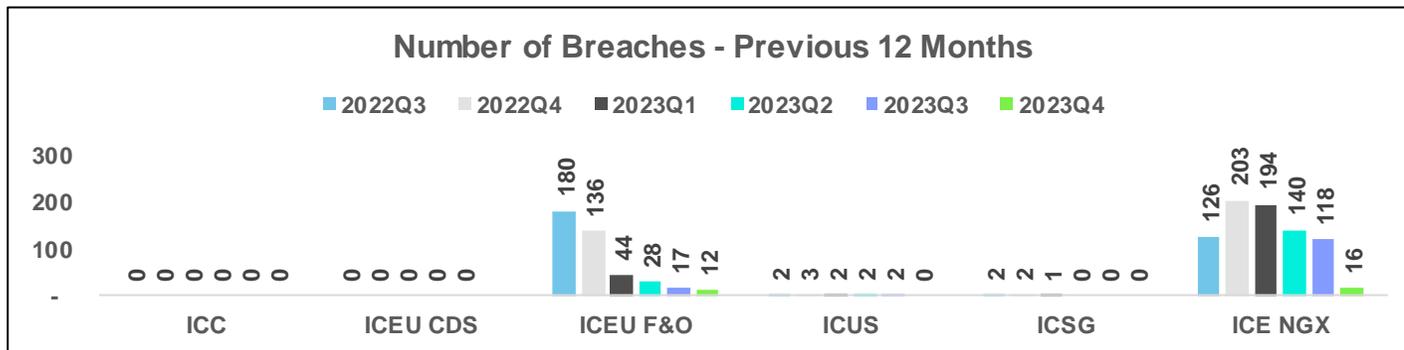
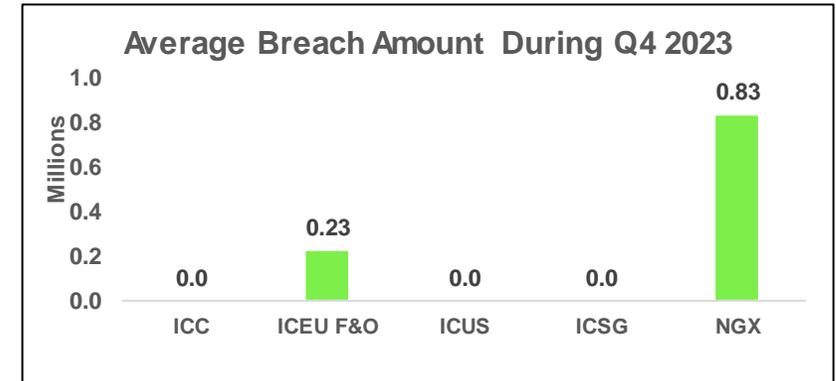
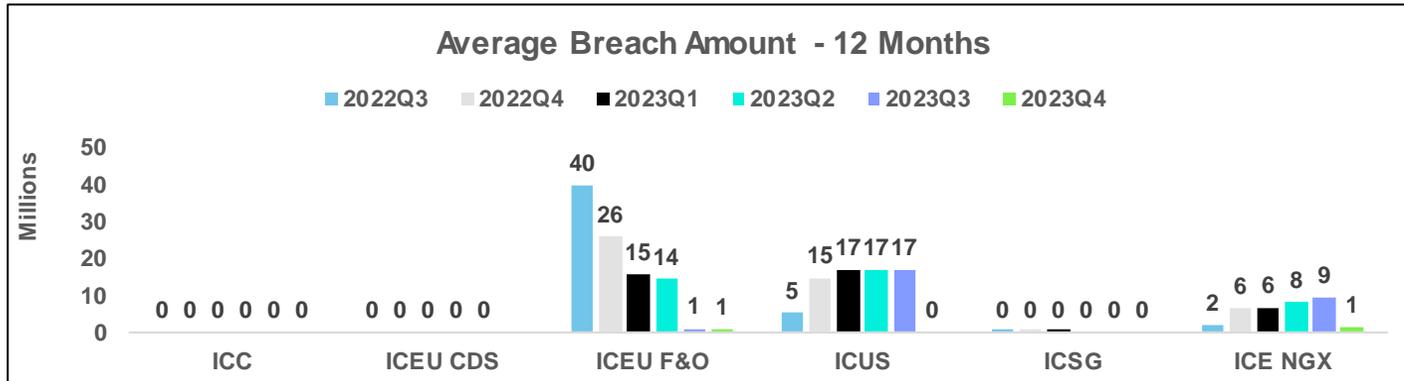
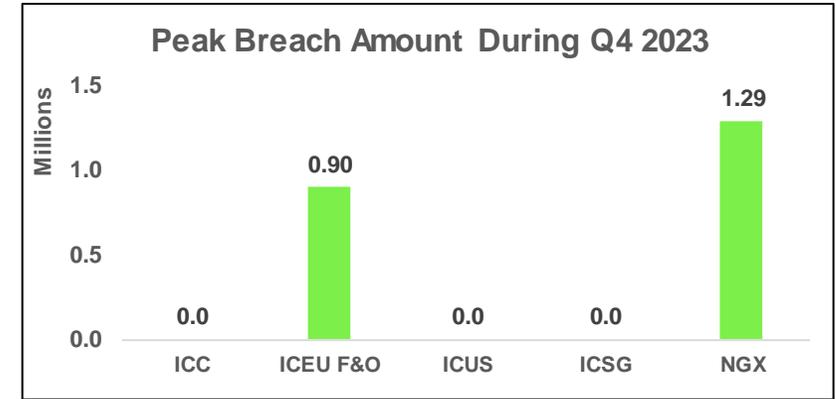
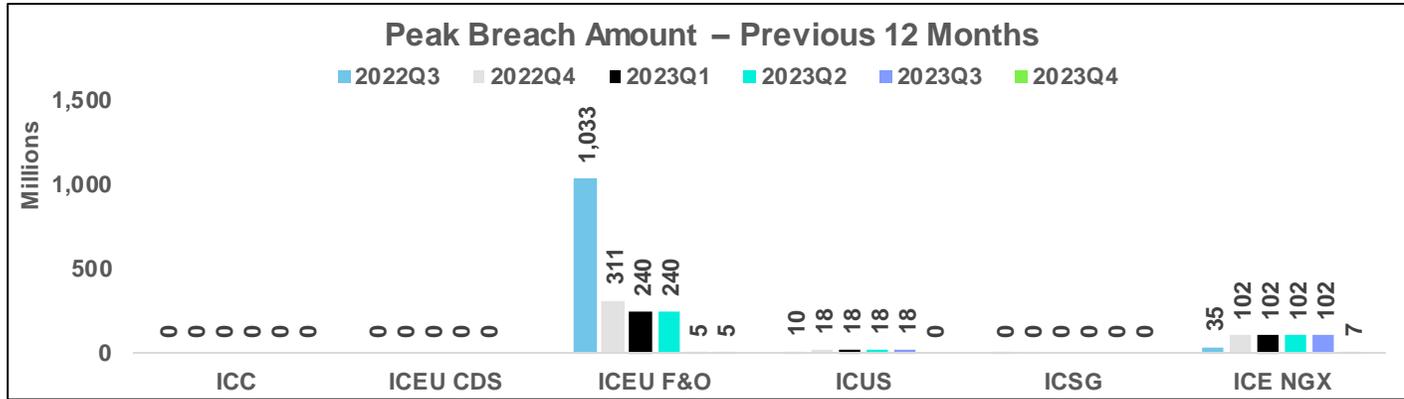
Back-Testing of Initial Margin

Achieved Coverage Level - Previous 12 Months

2022Q3 2022Q4 2023Q1 2023Q2 2023Q3 2023Q4



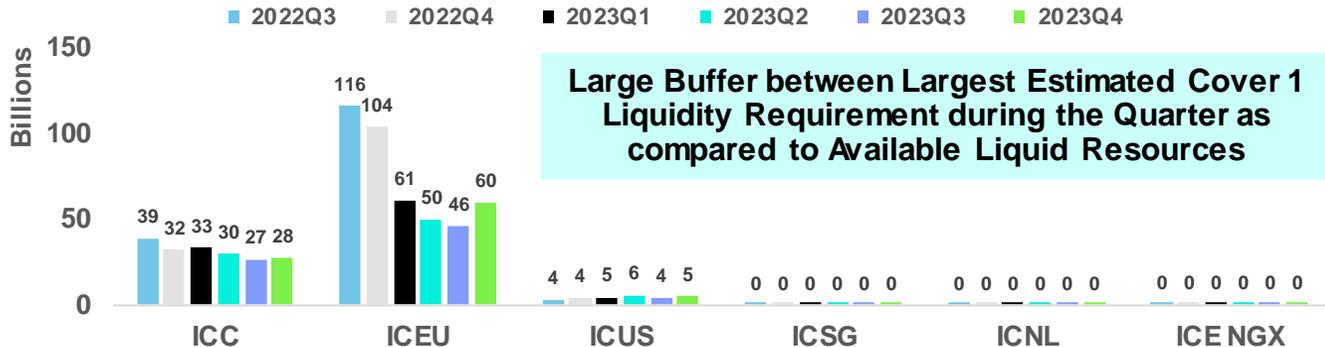
Back-Testing of Initial Margin



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

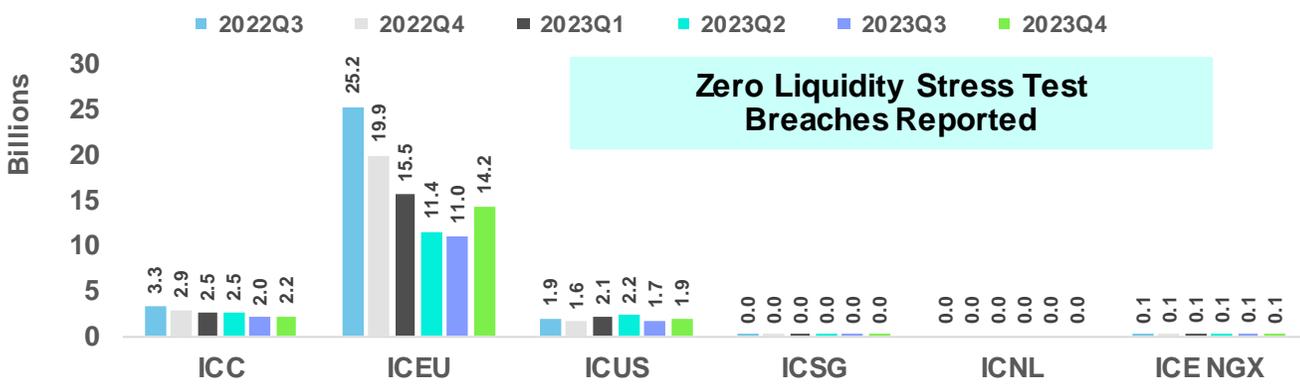
Available Liquid Resources (in millions)	2022 Q3	2022 Q4	2023 Q1	2023 Q2	2023 Q3	2023 Q4
ICC	\$ 38,859	\$ 32,376	\$ 33,301	\$ 29,836	\$ 26,853	\$ 27,822
ICEU	\$ 116,105	\$ 103,983	\$ 61,291	\$ 49,821	\$ 45,947	\$ 60,068
ICUS	\$ 3,513	\$ 4,329	\$ 4,850	\$ 5,873	\$ 4,295	\$ 4,912
ICSG	\$ 23	\$ 22	\$ 23	\$ 23	\$ 23	\$ 22
ICNL	\$ 29	\$ 29	\$ 28	\$ 27	\$ 27	\$ 26
ICE NGX	\$ 145	\$ 345	\$ 345	\$ 345	\$ 345	\$ 345

- 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

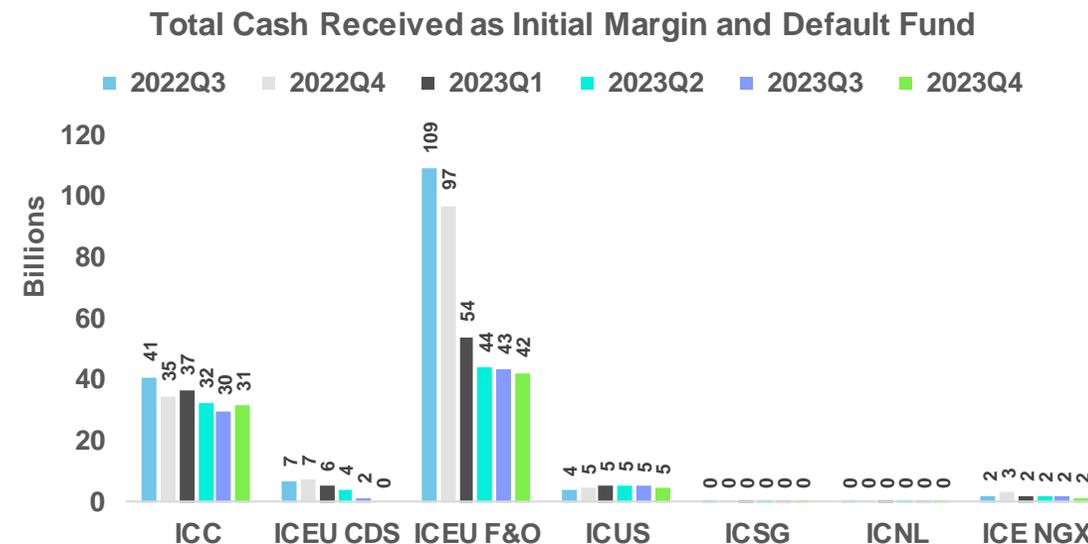
Maximum Estimated Aggregated Cover 1 Liquidity Requirement (in millions)	2022 Q3	2022 Q4	2023 Q1	2023 Q2	2023 Q3	2023 Q4
ICC	\$ 3,276	\$ 2,889	\$ 2,473	\$ 2,476	\$ 2,022	\$ 2,182
ICEU	\$ 25,174	\$ 19,934	\$ 15,530	\$ 11,440	\$ 10,986	\$ 14,232
ICUS	\$ 1,931	\$ 1,559	\$ 2,122	\$ 2,240	\$ 1,724	\$ 1,910
ICSG	\$ 0.6	\$ 1.0	\$ 0.4	\$ 0.3	\$ 0.3	\$ 0.3
ICNL	€ 0	€ 0	€ 0	€ 0	€ 0	€ 0
ICE NGX	CAD 64	CAD 74	CAD 89	CAD 103	CAD 93	CAD 64

ICC: ICE Clear Credit; ICEU - CDS: ICE Clear Europe: Credit Default Swaps; ICEU - F&O: ICE Clear Europe Futures & Options; ICUS: ICE Clear U.S.; ICSG: ICE Clear Singapore; ICNL: ICE Clear Netherlands; ICE NGX: ICE Natural Gas Exchange



Total Cash Received

	ICC	ICEU F&O	ICUS	ICSG	ICNL	ICE NGX
	USD	USD	USD	USD	EUR	CAD
Cash Received at 12/29/2023	31,441 M	42,262 M	4,600 M	6 M	3 M	1,616 M
%held at Central Banks	74.0%	13.8%	0.0%	0.0%	100.0%	0.0%
% Overnight Reverse Repos	15.9%	76.8%	93.3%	0.0%	0.0%	0.0%
% Unsecured at Commercial Banks	10.0%	0.09%	0.0%	60.4%	0.0%	100.0%
% in Money Market Funds	0.0%	0.0%	0.0%	39.7%	0.0%	0.0%
% in Sovereign Govt. Bonds	0.0%	9.4%	6.7%	0.0%	0.0%	0.0%
Total Collateral Received as Initial Margin and Default Fund	57,700 M	88,327 M	18,108 M	6 M	3 M	8,250 M
% Cash	54.5%	47.8%	25.4%	100.0%	100.0%	19.6%
% Non - Cash	45.5%	52.2%	74.6%	0.0%	0.0%	80.4%

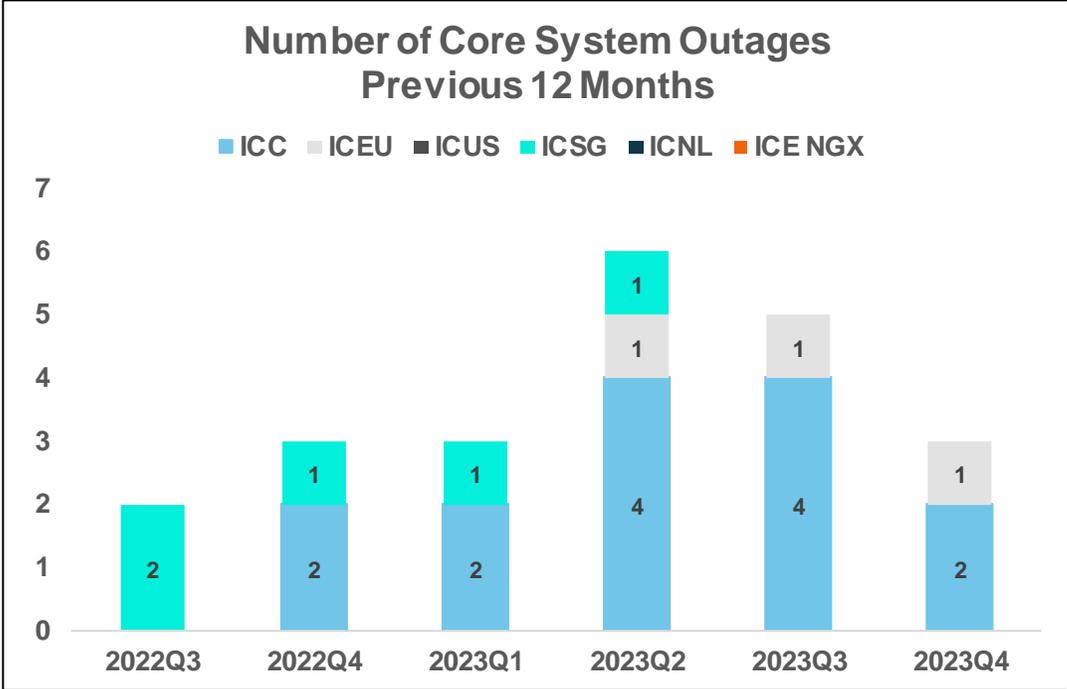


“Cash Received from members was and continues to be safeguarded at Central Bank Account, where Central Bank access was available. Majority of the remaining cash was held at well diversified and highly creditworthy reverse repurchase counterparties or was held in short dated sovereign bonds. Small portion 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	2022 Q3	2022 Q4	2023 Q1	2023 Q2	2023 Q3	2023 Q4
ICC	100%	99.99%	99.99%	99.94%	99.97%	99.98%
ICEU	100%	100%	100%	99.99%	99.99%	99.99%
ICUS	100%	100%	100%	100%	100%	100%
ICSG	99.96%	99.99%	99.99%	99.99%	100%	100%
ICNL	100%	100%	100%	100%	100%	100%
ICE NGX	100%	100%	100%	100%	100%	100%

“Four of the Six ICE Clearing Houses experienced Zero Operational Outages and their Core Clearing Systems remained available at 100% over the last 12 months. Remaining two clearing houses experienced minor system failures and remained available over 99.9%”



Q4 2023 Recap

- Nov 2023: Closure of ICEU CDS Clearing Service
- 390 + unique clearing members, thousands of clients across ICE Clearing Houses
- \$ 342 Million in ICE Skin in the Game
- \$ 400 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

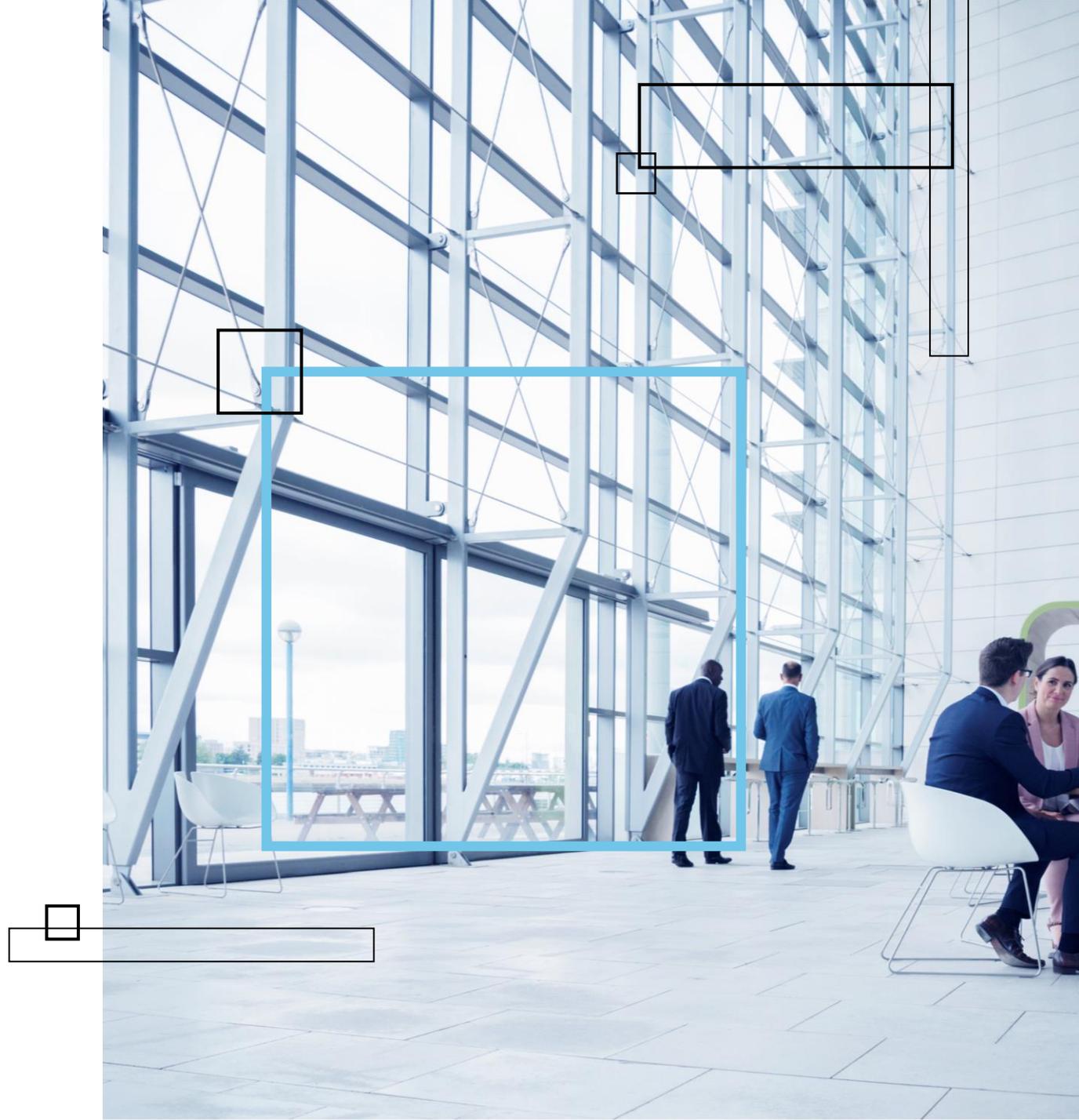
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Questions

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

ICEPFMIResponse@Ice.com



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