

ICE Benchmark Administration Limited

Annual Report and Financial Statements

For the Year Ended 31 December 2020

ICE Benchmark Administration Limited

Contents

	Page
Strategic Report	1 - 12
Directors' Report	13 - 14
Independent Auditors' Report	15 - 18
Statement of Comprehensive Income	19
Balance Sheet	20
Statement of Changes in Equity	21
Notes to the Financial Statements	22 - 33

ICE Benchmark Administration Limited

Strategic Report For the Year Ended 31 December 2020

The directors present their Strategic Report for ICE Benchmark Administration Limited ('the Company') for the year ended 31 December 2020.

Principal activities and review of the business

The Company is the regulated administrator of a range of benchmarks and services and currently administers ICE LIBOR[®] (also known as LIBOR[®]), the ICE Swap Rate[®], the LBMA Gold Price and the LBMA Silver Price, ICE Term SONIA Reference Rates, and the Tradeweb ICE U.S. Treasury Closing Prices¹. The Company also operates the ISDA Standard Initial Margin Model (SIMM) Crowdsourcing Utility. The Company has implemented processes, governance, systems, controls and technology that enhance the transparency and integrity of these benchmarks and services, which are relied upon globally.

The Company combines robust regulatory and governance frameworks with advanced technology to bring credibility and trust to globally important benchmarks. The Company is independently capitalised.

Turnover increased by \$3,449,000 or 5%, for the year ended 31 December 2020, from the comparable period in 2019. Administrative expenses increased by \$2,896,000 or 10%, for the year ended 31 December 2020, from the comparable period in 2019, primarily due to relative increases in certain intercompany and professional services charges. As a result, operating profit increased by \$553,000, or 1%, for the year ended 31 December 2020, from the comparable period in 2019.

The Company is authorised and regulated by the UK's Financial Conduct Authority (FCA) for the regulated activity of administering a benchmark. From 27 April 2018 up until 11:00pm on 31 December 2020 (the end of the transition period in relation to the withdrawal of the UK from the EU) the Company was authorised as a benchmark administrator under the EU Benchmarks Regulation ('EU BMR'). Since then, the Company has been authorised as a benchmark administrator under the UK Benchmarks Regulation ('UK BMR').

The Company is a wholly-owned subsidiary of NYSE Holdings UK Limited, a private limited company registered in England. The ultimate parent company of the Company is Intercontinental Exchange, Inc. ('ICE'), a corporation registered in Delaware, United States. Related entities in these financial statements refer to members of the ICE group of companies ('the Group').

LIBOR is a widely-used benchmark for short-term interest rates. In July 2017, the FCA announced its intention that it would no longer be necessary to persuade, or compel, banks to submit to LIBOR after 31 December 2021. The FCA and other official sector bodies have made several further statements regarding the need for market participants to prepare to transition from LIBOR to alternative rates by 31 December 2021.

Since July 2017, the Company has engaged with end-users, panel banks, the FCA and other official sector bodies regarding the potential for continuing certain widely-used LIBOR settings after 31 December 2021. This has included surveys of banks and end-users of LIBOR to identify the LIBOR settings that are most widely-used and for which users would like to see the Company work to seek an agreement with globally active banks to support publication after year-end 2021. The focus of this engagement has been on seeking to support transition by providing support for users with outstanding LIBOR-linked contracts that are impossible or impractical to modify before year-end 2021 (so-called "tough legacy" contracts).

The Company has been clear throughout its engagement that any such settings would need to be compliant with relevant regulations and in particular those regarding representativeness. The Company was also clear that, notwithstanding the results of the surveys and the Company's associated engagement with the banks, there was no guarantee that any LIBOR settings would continue to be published after year-end 2021, and that users of LIBOR should not rely on the continued publication of any LIBOR settings when developing transition or fallback plans.

¹ ICE, ICE LIBOR, LIBOR and ICE ICE Swap Rate are trade marks of the Company and/or its affiliates.

Strategic Report (continued)
For the Year Ended 31 December 2020

Principal activities and review of the business (continued)

On 4 December 2020, following discussions with the FCA and other official sector bodies, and in accordance with procedures adopted pursuant to the UK BMR, the Company published a consultation on its intention to cease the publication of: (i) all GBP, EUR, CHF and JPY LIBOR settings, and the 1 Week and 2 Month USD LIBOR settings immediately following the LIBOR publication on 31 December 2021; and (ii) the Overnight and 1, 3, 6 and 12 Month USD LIBOR settings immediately following the LIBOR publication on 30 June 2023. The Company consulted on these intended cessation dates because a majority of LIBOR panel banks had communicated to the Company that they would not be willing to continue contributing to the relevant LIBOR settings after such dates. As a result, the Company considered that it would be unable to publish the relevant LIBOR settings on a representative basis after such dates.

The Company received a broad range of feedback from multiple stakeholders, both on the dates specified above and on the LIBOR transition process generally, including on matters beyond the Company's remit as administrator of LIBOR. On 5 March 2021, the Company published a feedback statement for the consultation and announced that, in the absence of sufficient panel bank support and without the intervention of the FCA to compel continued panel bank contributions to LIBOR, it is not possible for the Company to publish the relevant LIBOR settings on a representative basis beyond the dates specified above for such settings. As a result of the Company not having access to input data necessary to calculate LIBOR settings on a representative basis beyond the dates specified above for such settings, the Company has to cease the publication of the relevant LIBOR settings on such dates, unless the FCA exercises its proposed new powers (which are included in the current Financial Services Bill as proposed amendments to the UK Benchmarks Regulation) to require the Company to continue publishing such LIBOR settings using a changed methodology (also known as a "synthetic" basis).

Although the FCA has said that, in directing a methodology change, it will seek to achieve a reasonable and fair approximation of a benchmark's expected values, it has acknowledged that LIBOR settings published on such a changed, "synthetic" basis will no longer be representative of the underlying market and economic reality that the benchmark is intended to measure.

The FCA has advised the Company that it has no intention of using its proposed new powers to require the Company to continue the publication of any EUR or CHF LIBOR settings, or the Overnight/Spot Next, 1 Week, 2 Month and 12 Month LIBOR settings in any other currency, beyond the above intended cessation dates for such settings. The FCA has also advised the Company that it will consult on using these proposed new powers to require the Company to continue the publication on a "synthetic" basis of the 1 Month, 3 Month and 6 Month GBP and JPY LIBOR settings beyond such dates, and will continue to consider the case for using these proposed powers in respect of the 1 Month, 3 Month and 6 Month USD LIBOR settings.

The FCA has confirmed to the Company, based on undertakings received from the panel banks, that it does not expect that any LIBOR settings will become unrepresentative before the above intended cessation dates for such settings.

Stakeholders who are interested as to statements relating to the cessation or unrepresentativeness of LIBOR for the purpose of contractual triggers for fallback rate arrangements should see the FCA announcement of 5 March 2021 on future cessation and loss of representativeness of the LIBOR benchmarks.

Further details are available at <https://www.theice.com/iba/libor>.

The LBMA Gold Price and the LBMA Silver Price are the global benchmark prices for unallocated gold and silver delivered in London, derived from the Company's electronic auction process. Banks, producers, the investment community, central banks, fabricators, jewellers and other consumers, as well as market participants from around the globe, use the benchmarks as reference prices. Details are available at <https://www.theice.com/iba/lbma-gold-silver-price>.

ICE Swap Rate is recognised as the principal global benchmark for swap rates and spreads for interest rate swaps. ICE Swap Rate is used as the exercise value for cash-settled swaptions, for close-out payments on early terminations of interest rate swaps, for some floating rate bonds and for valuing portfolios of interest rate swaps. In May 2020, following market consultation, the Company amended the ICE Swap Rate methodology to include a waterfall of input data, including dealer-to-client prices and volumes for eligible derivatives at the second level.

**Strategic Report (continued)
For the Year Ended 31 December 2020**

Principal activities and review of the business (continued)

In October 2020, the Company launched an indicative, 'beta' version of the ICE Swap Rate for SONIA swaps. The rates are determined using the published ICE Swap Rate waterfall methodology and are available for the same tenors and at the same time as GBP LIBOR ICE Swap Rate. The rates have been published as a benchmark for use in financial instruments from 14 December 2020. Details are available at <https://www.theice.com/iba/ice-swap-rate>.

In July 2020, the Company launched an indicative, 'beta' version of its ICE Term SONIA Reference Rates. The rates are designed to measure, on a daily basis, expected (i.e. forward-looking) SONIA rates over one month, three month, six month and 12 month tenor periods, and are based on a waterfall methodology using eligible prices and volumes for specified SONIA-linked interest rate derivative products. The methodology was expanded in November to include dealer-to-client prices and volumes for eligible derivatives at the second level of the waterfall. The rates have been published as a benchmark for use in financial instruments from 11 January 2021. Details are available at <https://www.theice.com/iba/risk-free-rates#sonia>.

The Company refers users of ICE Swap Rate settings in respect of which LIBOR serves as the floating leg for the relevant interest rate swaps to the information regarding LIBOR above.

Because of the FCA announcing the cessation of certain LIBOR settings following year-end 2021 (or end-June 2023 in respect of certain USD LIBOR settings), and because LIBOR settings may cease to be able to be used in interest rate swaps following year-end 2021, there can be no certainty or guarantee that those ICE Swap Rate settings in respect of which LIBOR serves as the floating leg for the relevant interest rate swaps will be able to be published after that date.

The Company plans to consult with users in due course regarding any potential cessation of any ICE Swap Rate settings in respect of which LIBOR serves as the floating leg for the relevant interest rate swaps.

The Tradeweb ICE U.S. Treasury Closing Prices are a source of comprehensive, high quality reference prices for the U.S. Treasury market, and have been designed to represent the market mid-prices for U.S. Treasury Securities at specified times on days when the U.S. Treasury Securities market is open for trading in the United States.

The ISDA Standard Initial Margin Model (ISDA SIMM) is a common methodology for calculating initial margin for non-centrally cleared derivatives. With ISDA SIMM, the margin calculations depend upon the identification of appropriate ISDA SIMM Risk Buckets for each underlying asset. The Company's ISDA SIMM Crowdsourcing Facility covers the aggregation and compilation of risk buckets for the underlying assets, enabling market participants to implement the ISDA SIMM consistently and agree the margin that needs to be exchanged.

Section 172(1) statement - Stakeholder engagement

The following disclosures describe how the directors have had regard to the matters set out in section 172(1)(a) to (f) and forms the directors' statement required under section 414CZA of the Companies Act 2006.

The Board oversees, counsels and directs management in the long-term interests of the Company, its customers, shareholders and other stakeholders. It is the duty of the Board to serve as a prudent fiduciary for shareholders, to oversee the management of the Company and to promote the success of the Company.

Board decisions are undertaken with regard to the success and long-term stability of the Company for the benefits of its stakeholders and the Board is regularly engaged in business strategy, risk oversight, financial reporting and corporate responsibility matters.

The tables that follow on pages 4 to 10, describe how the directors have performed their duty to promote the success of the Company as required by 172(1)(a) to (f) of the Companies Act 2006.

Strategic Report (continued)
For the Year Ended 31 December 2020

Stakeholder group	Form of Engagement	Key topics and impact of engagement
<p>Shareholder Intercontinental Exchange, Inc., as ultimate shareholder, and its affiliates ("ICE Group" or "ICE"). ICE serves customers by operating the exchanges, clearing houses and information services businesses they rely upon to invest, trade and manage risk across global financial and commodity markets.</p> <p>The Company operates independently, acting as a regulated administrator of a range of benchmarks and a provider of other information and data.</p>	<p>The President (a Director) and the Company's COO are members of the ICE Group Operational Oversight Committee. Mr. Goone (a Director) has executive responsibilities as the Chief Strategy Officer of ICE.</p> <p>The Company also engages with ICE on global best practices for enterprise risk management, business continuity arrangements and other key functions, and in relation to ICE's provision of services to the Company (as discussed in the Suppliers section, on page 6).</p>	<p>Development of benchmark administration technology to enhance benchmark administration services, designing and building administrative tools to develop existing and new initiatives.</p>
<p>Customers The Company's customers are wide-ranging. Access to accurate, reliable information is essential to the integrity and everyday functioning of global markets and the economies which they support. Benchmarks and other information form a vital part of this ecosystem, helping market participants to assess the value of assets and make informed business decisions with confidence.</p>	<p>The Company liaises regularly with customers through its licensing and operational teams and the Company's management team regularly conducts outreach with customers to understand their ongoing requirements.</p> <p>Trade associations and other similar groups representing customers are present on the Company's Oversight Committees for its benchmarks.</p> <p>The Company publishes various information and discussion papers on its benchmarks and other information on other strategic initiatives.</p> <p>The Company consults with customers and other stakeholders on material changes to its benchmark methodologies and on potential benchmark cessations.</p>	<p>Through its engagement, the Company has sought to support and contribute towards the integrity and continued proper functioning of global markets and the economies which they support.</p> <p>In May 2020, the Company published its fourth update regarding the U.S Dollar ICE Bank Yield Index, which will be a forward-looking, credit-sensitive benchmark designed specifically as a potential replacement for LIBOR for U.S. dollar lending activity. In July 2020, the Company launched a dedicated ICE Bank Yield Index webpage with weekly test results. The Company has been publishing the test rates daily on its U.S. Dollar Reference Rates webpage from February 2021. Details are available at https://www.theice.com/iba/bank-yield-index.</p> <p>Also, in May 2020, following market consultation, the Company amended the ICE Swap Rate methodology to include a waterfall of input data, including dealer-to-client prices and volumes for eligible derivatives at the second level. Details are available at https://www.theice.com/iba/ice-swap-rate.</p>

Strategic Report (continued)
For the Year Ended 31 December 2020

Stakeholder group	Form of Engagement	Key topics and impact of engagement
Customers (continued)		<p>In July 2020, the Company launched an indicative, 'beta' version of its ICE Term SONIA Reference Rates. The rates are calculated according to a waterfall methodology and are based on eligible SONIA-linked derivatives product data. The methodology was expanded in November to include dealer-to-client prices and volumes for eligible derivatives at the second level of the waterfall. The rates have been published as a benchmark for use in financial instruments from 11 January 2021. Details are available at https://www.theice.com/iba/risk-free-rates#sonia.</p> <p>In October 2020, the Company launched an indicative, 'beta' version of the ICE Swap Rate for SONIA swaps.</p> <p>The rates are determined using the published ICE Swap Rate waterfall methodology and are available for the same tenors and at the same time as GBP LIBOR ICE Swap Rate. The rates have been published as a benchmark for use in financial instruments from 14 December 2020. Details are available at https://www.theice.com/iba/ice-swap-rate.</p> <p>The Company has continued its engagement with end-users, panel banks, the FCA and other official sector bodies regarding the future of LIBOR. In December 2020, the Company published a consultation on its intention to cease LIBOR settings and, in March 2021, published its feedback statement in respect of the consultation. Details are available at https://www.theice.com/iba/libor. Please see the Principal activities and review of the business section for further details.</p>

Strategic Report (continued)
For the Year Ended 31 December 2020

Stakeholder group	Form of Engagement	Key topics and impact of engagement
<p>People Our people include colleagues directly employed by the Company, and secondees and consultants who work exclusively for the Company.</p> <p>The Company's long-term success is predicated on the skills, commitment, engagement and success of our people and, in many functions, their specific expertise required in the provision of benchmark services.</p>	<p>Engagement with our people includes interactive 'town halls' and periodic staff update meetings. Feedback is gathered across a mix of 'always on feedback', employee surveys and individual employee-focused assessments. The President regularly communicates the outcome of this engagement with our people to the Board and provides feedback on various employee matters. In addition, functional heads present on various topics to the Board at meetings. There is also an established whistleblowing policy and procedure.</p> <p>ICE put a dedicated team in place to manage the COVID-19 pandemic response, adapting to rapidly changing developments, addressing individual concerns, and sharing information across the ICE Group. Firm-wide emails have been sent frequently, with updates including preventative health guidance and work from home tips. A dedicated section on our employee intranet has an FAQ section, the ability to track office closures and IT tools.</p>	<p>During the COVID-19 pandemic,:</p> <ul style="list-style-type: none"> – No workers have been laid off or furloughed as a result of COVID-19. – No government assistance has been sought. <p>ICE completed a global employee survey in 2020, the results of which will be presented to the IBA Board</p>
<p>Suppliers To support operations, ICE provides various services to the Company. The Company uses technology owned and developed by ICE, and related services, to provide its services.</p> <p>The Company sources data from various data providers in order to provide and administer its benchmarks and other information services.</p> <p>The Company also has other suppliers and service providers which provide the Company with the goods and services relied upon for operations, ranging from large multinational companies to smaller-scale local service providers.</p>	<p>Management and the Board utilise the mechanisms discussed in the Shareholder section, on page 4, to engage effectively with suppliers of services from the ICE Group.</p> <p>The Company has contractual outsourcing and data provision arrangements which govern its relationships with both internal and external outsourced service providers.</p> <p>Data providers are present on some of the Company's Oversight Committees for its benchmarks.</p> <p>The Company performs thorough due diligence regarding its non-ICE Group suppliers when on-boarding and on a recurring basis.</p> <p>We expect all our customers to be compliant with the Modern Slavery Act and we work closely with our suppliers to build on our knowledge and promote best practice.</p>	<p>Key topics of engagement in relation to the ICE Group suppliers included technology development and business continuity arrangements especially in the light of COVID-19. See the Shareholder section on page 4 for more detail.</p> <p>Generally, any changes to services and development initiatives are worked on concurrently between the Company and its service providers.</p> <p>The Board receives updates on the duty to report on prompt payment, practices and performance. The most recently published payment practices report showed the average time to pay an invoice was 42 days. The Company continues to engage with suppliers to improve workflow and refine payment practices. The Board approves the Company Modern Slavery statement on an annual basis.</p>

Strategic Report (continued)
For the Year Ended 31 December 2020

Stakeholder group	Form of Engagement	Key topics and impact of engagement
<p>Regulators and Policy Makers</p> <p>The Company is authorised and regulated by the UK's Financial Conduct Authority (FCA) for the regulated activity of administering a benchmark. During the year up until 11:00pm on 31 December 2020 (the end of the transition period in relation to the withdrawal of the UK from the EU) the Company was authorised as a benchmark administrator under the E.U. Benchmarks Regulation ('EU BMR'). Since then, the Company has been authorised as a benchmark administrator under the UK Benchmarks Regulation ('UK BMR').</p> <p>Effective engagement with the Company's regulator and other policy makers is fundamental to the business, which requires regulatory permissions to operate.</p>	<p>The Company is subject to ongoing supervision by its regulator. Members of the Board and senior management meet with the Company's regulator on various topics on an ongoing basis.</p> <p>Routine reports on a broad range of data are provided to the FCA. Further, the Company shares knowledge and expertise with regulators, legislators and industry organisations to contribute to the development of policy initiatives.</p> <p>Information provided by management at Board meetings is made available to the FCA.</p> <p>The President of the Company and other senior management present regularly at conferences and other industry events related to benchmarks.</p>	<p>Key topics of engagement with regulators included the evolution of the benchmarks administered by the Company, the development of new benchmarks and services (particularly in respect of products related to the alternative 'risk free' rates), the LIBOR transition and preparations for Brexit.</p> <p>Maintaining good relationships with our regulator and other policy makers and ensuring compliance with applicable legal and regulatory obligations helps to contribute towards maintaining high standards of business conduct.</p>
<p>Community and society</p> <p>The global financial community, the non-financial economy, and wider society including the environment are stakeholders impacted by the actions and continued success of the Company.</p> <p>The ICE Group's Corporate Responsibility Report 2020 can be found on https://www.intercontinentalexchange.com/about/corporate-responsibility. This report addresses a range of key Environmental, Social and Governance (ESG) topics that are also relevant for the Company.</p>	<p>The benchmarks and information services operated by the Company are relied upon globally. The Company has implemented processes, governance, systems, controls and technology that enhance the transparency and integrity of these services.</p> <p>We believe that it is important to create opportunities for the Company and its people to make a difference by helping others in our communities.</p> <p>We pursue that goal through financial support and volunteering both time and talents using several channels, including charitable donations and an employee matching program.</p>	<p>The Company operates a certified environmental management system to ensure that we meet and, wherever possible, exceed compliance obligations such as legal and regulatory requirements, industry standards and other voluntary commitments related to our environmental aspects.</p> <p>ICE's energy management program is heavily focused on its data centres; the Company's UK data centre electricity supply is 100% from renewable energy sources.</p> <p>The Directors' Report, page 13, contains information on the Company's statutory energy and carbon reporting.</p> <p>The ICE Group's Modern Slavery Statement and Data Privacy Policies have been published on the ICE website and these statements and policies apply to the Company.</p>

Strategic Report (continued)
For the Year Ended 31 December 2020

Principal decisions

The Company defines principal decisions as those made during the year that are material and significant to any key stakeholder groups as defined in the Stakeholder engagement section of the Strategic Report. In making the following principal decisions the Board considered the outcome from its stakeholder engagement as well as the need to maintain a reputation for high standards of business conduct.

Decision	Impact	Stakeholder considerations
Benchmark methodologies and governance The Board reviews and approves the methodologies for each of the benchmarks administered by the Company and related governance policies and frameworks. In particular, the Board approved an update to the ICE Swap Rate methodology to include a waterfall of input data, including dealer-to-client prices and volumes for eligible derivatives at the second level.	<p>The Company monitors and evolves its benchmarks to produce reliable rates which are designed to reflect the relevant underlying market, in line with applicable law and regulation.</p> <p>The Company determines its benchmarks in accordance with the approved methodologies and operates in accordance with relevant governance procedures and frameworks.</p> <p>The Board considered a number of business development opportunities to enhance further the benchmarking information available to the Company's customers.</p>	<p>The Board considered the approval of the methodologies, including the update to the ICE Swap Rate methodology, related governance policies and frameworks to be in the best interests of the Company.</p> <p>No single or combined stakeholder groups were left disadvantaged by the Board's approvals.</p>
Regulatory capital requirements The Board reviewed and approved the annual regulatory capital requirements and the amount of capital and financial resources allocated to meet these requirements (see note 10 for amounts).	Holding sufficient capital to safeguard against risk and meet ongoing regulatory requirements is necessary for the immediate and long-term sustainability and success of the Company and underpins the business model.	Restricting and safeguarding appropriate amounts of capital ensures the Company has adequate levels of capital to protect against the risk of disruption to the provision of services, or to be able to wind down or restructure following a stress event, if necessary.
Dividends The Board reviewed and approved a total of \$33.3 million in dividend distributions which were paid during the year, see note 15.	<p>During determination of the dividend distributions, the Board duly considered the Company's ongoing operational, capital, regulatory and legal requirements and incorporated adequate contingency for reasonable foreseeable future events in order to assess suitability of making a distribution. These considerations included an assessment of any additional risks and potential financial and operational demands associated with the COVID-19 pandemic.</p> <p>No alternative use of capital was identified as having been foregone in favour of the dividends paid as all financial resources and capital required for other principal decisions made had been provided for.</p>	<p>The Board considered the dividends to be in the best interests of the Company having carefully considered the impact to all of its stakeholders based on the information provided by senior management at the time of each dividend. No single or combined stakeholder groups were left disadvantaged or lacking resources otherwise needed following the dividend declarations.</p> <p>The Company has not accessed the COVID Corporate Financing Facility or any other COVID-19 related government liquidity facilities. The Company has no plans to access such facilities, or reasonable expectation that it might do so.</p>

Strategic Report (continued)
For the Year Ended 31 December 2020

Decision	Impact	Stakeholder considerations
<p>Business Developments</p> <p>The Board considered strategic and business development opportunities to enhance further the benchmarking information available to the Company's customers.</p>	<p>The Company started to publish regular ICE Bank Yield Index test results and launched an indicative, 'beta' version of its ICE Term SONIA Reference Rates (which are now available as a benchmark for use in financial instruments).</p> <p>The Company also launched a version of the ICE Swap Rate for SONIA swaps.</p>	<p>By considering strategic and business development initiatives, and launching prototype benchmarks prior to formal launch for use in financial instruments, the Company seeks to develop and produce rates that it can publish and licence on a reliable and representative basis, to assist market participants with their benchmarking needs.</p>
<p>Consultation on the Company's intention to cease providing LIBOR settings</p> <p>The Board reviewed and approved the decision to consult on the Company's intention to cease the publication of: (i) all GBP, EUR, CHF and JPY LIBOR settings, and the 1 Week and 2 Month USD LIBOR settings immediately following the LIBOR publication on December 31, 2021; and (ii) the Overnight and 1, 3, 6 and 12 Month USD LIBOR settings immediately following the LIBOR publication on June 30, 2023, subject to any rights of the FCA to compel IBA to continue publication.</p> <p>The Company consulted on these intended cessation dates because a majority of LIBOR panel banks had communicated to the Company that they would not be willing to continue contributing to the relevant LIBOR settings after such dates. As a result, the Company considered that it would be unable to publish the relevant LIBOR settings on a representative basis after such dates.</p> <p>Please see the Principal activities and review of the business section for further details.</p>	<p>The consultation on the Company's intention to cease providing LIBOR settings was launched on 4 December 2020 and closed for comment on 25 January 2021.</p> <p>Following the end of the consultation, the Company shared the results of the consultation with the FCA and published a feedback statement summarising responses and announcing the outcome of the consultation.</p> <p>The Company received a broad range of feedback from multiple stakeholders, both on the dates specified in the consultation and on the LIBOR transition process generally, including on matters beyond the Company's remit as administrator of LIBOR.</p>	<p>On 5 March 2021, the Company announced that, in the absence of sufficient panel bank support and without the intervention of the FCA to compel continued panel bank contributions to LIBOR, it is not possible for the Company to publish the relevant LIBOR settings on a representative basis beyond the dates specified in the consultation for such settings.</p> <p>As a result, the Company has to cease the publication of the relevant LIBOR settings on such dates, unless the FCA exercises its proposed new powers (which are included in the current Financial Services Bill as proposed amendments to the UK Benchmarks Regulation) to require the Company to continue publishing such LIBOR settings using a changed methodology (also known as a "synthetic" basis).</p> <p>Although the FCA has said that, in directing a methodology change, it will seek to achieve a reasonable and fair approximation of a benchmark's expected values, it has acknowledged that LIBOR settings published on such a changed, "synthetic" basis will no longer be representative of the underlying market and economic reality that the benchmark is intended to measure.</p> <p>The FCA has advised the Company that it has no intention of using its proposed new powers to require the Company to continue the publication of any EUR or CHF LIBOR settings, or the Overnight/Spot Next, 1 Week, 2 Month and 12 Month LIBOR settings in any other currency, beyond the Company's intended cessation dates for such settings.</p>

Strategic Report (continued)
For the Year Ended 31 December 2020

Decision	Impact	Stakeholder considerations
Consultation on the Company's intention to cease providing LIBOR settings (continued)		<p>The FCA has also advised the Company that it will consult on using these proposed new powers to require the Company to continue the publication on a "synthetic" basis of the 1 Month, 3 Month and 6 Month GBP and JPY LIBOR settings beyond such dates, and will continue to consider the case for using these proposed powers in respect of the 1 Month, 3 Month and 6 Month USD LIBOR settings.</p> <p>The FCA has confirmed to the Company, based on undertakings received from the panel banks, that it does not expect that any LIBOR settings will become unrepresentative before the Company's intended cessation dates for such settings.</p>

Principal risks and uncertainties

1. The Company is subject to a number of risks. The Company's revenues depend on the administration of benchmarks. Should the Company fail to adequately administer the benchmarks, there is a risk that the existing mandates to operate them could become untenable and opportunities to operate other benchmarks would be restricted.
2. There is a risk of any failures, negative publicity or lawsuits in relation to the Company's administration of benchmarks, which could result in a loss of confidence in the administration of these benchmarks and could harm our business and reputation.
3. The Company faces intense competition. If the Company is unable to keep up with rapid changes in technology and client preferences it could negatively impact its competitive position.
4. The Company's systems and those of its third-party service providers may be vulnerable to cyber-attacks, hacking and other cyber security risks, which could result in wrongful manipulation, disclosure, destruction, or use of our information or that of a third party, or which could make the participants reluctant to use the Company's products.
5. The Company faces the risk of changes to the regulatory environment in which it operates, which may result in changes to and transitions from its benchmarks, reduced revenues, higher costs or changes to the business model. As a regulated administrator of a range of benchmarks, the Company will continue to be subject to extensive regulation, including the UK BMR. Any action by regulators or regulatory developments may be significant to the business.
6. Risks could adversely affect the Company as a consequence of the process involved in the transition from LIBOR, including the potential for the FCA to require the Company to continue publishing certain LIBOR settings using a changed and unrepresentative methodology (also known as a "synthetic" basis), the FCA announcing the cessation of certain LIBOR settings, and the potential replacement of LIBOR settings.
7. The Company's success largely depends on key personnel, including senior management, and having adequate succession plans in place. The Company may not be able to attract, retain and develop the highly skilled employees needed to support the business.

**Strategic Report (continued)
For the Year Ended 31 December 2020**

LIBOR Litigation

In re: ICE LIBOR Antitrust Litigation

In 2019, three virtually identical purported class action complaints were filed in the United States District Court for the Southern District of New York against ICE and several of its subsidiaries, including the Company (the 'ICE Defendants'), as well as 18 multinational banks and various of their respective subsidiaries and affiliates (the 'Panel Bank Defendants') by, respectively, Putnam Bank, a savings bank based in Putnam, Connecticut; two municipal pension funds affiliated with the City of Livonia, Michigan; and four retirement and benefit funds affiliated with the Hawaii Sheet Metal Workers Union. The Company is the administrator for various regulated benchmarks, including the ICE LIBOR benchmark that is currently calculated daily based upon the submissions from a reference panel (which includes the Panel Bank Defendants).

The plaintiffs sought to litigate on behalf of a purported class of all U.S.-based persons or entities who transacted with a Panel Bank Defendant by receiving a payment on an interest rate indexed to a one-month or three-month USD LIBOR-benchmarked rate during the period from 1 February 2014 to the present. The plaintiffs alleged that the ICE Defendants and the Panel Bank Defendants engaged in a conspiracy to set the LIBOR benchmark at artificially low levels, with an alleged purpose and effect of depressing payments by the Panel Bank Defendants to members of the purported class.

Subsequent to the filing of the individual complaints, the various plaintiffs referenced above filed a consolidated amended complaint against the ICE and Panel Bank Defendants. As with the individual complaints, the consolidated amended complaint asserted a claim for violations of the Sherman and Clayton Antitrust Acts and sought unspecified treble damages and other relief. The ICE Defendants and the Panel Bank Defendants filed motions to dismiss the consolidated amended complaint.

On 26 March 2020, the court issued a decision and order granting the ICE and Panel Bank Defendants' motions to dismiss for failure to state a claim. Among other things, the court found that the amended complaint "...is made up of almost entirely conclusory allegations and is essentially devoid of any evidence, direct or circumstantial, to support the conclusion that Defendants colluded with one another".

The plaintiffs appealed the decision to the Second Circuit. While briefing of the appeal was ongoing, each of the named plaintiffs withdrew from the case. Plaintiffs' counsel, by request dated 28 December 2020, sought permission on behalf of DYJ Holdings, LLC, a New Jersey-based holding company, to intervene for the purpose of serving as named plaintiff and representative of the purported class; the defendants opposed this request and requested that the Second Circuit dismiss the appeal. The parties are awaiting a decision from the Second Circuit.

McCarthy et al. v. ICE, et al.

A second complaint against the same ICE Defendants and Panel Bank Defendants named in the dismissed *In re: ICE LIBOR Antitrust Litigation* was filed in the United States District Court for the Northern District of California on behalf of a number of individual plaintiffs in August 2020. Unlike *re: ICE LIBOR Antitrust Litigation*, this complaint was not brought as a class action.

The lawsuit alleges that the setting of USD ICE LIBOR is per se horizontal price fixing and an unlawful conspiracy to monopolise in breach of the Sherman and Clayton Antitrust Acts, resulting in LIBOR being set too high (in contrast to the allegations in *In re: ICE LIBOR Antitrust Litigation*, where it is claimed the defendants conspired to set the LIBOR rate too low). Plaintiffs sought unspecified treble damages and other relief.

In November 2020, the ICE Defendants and the Panel Bank Defendants filed a motion to transfer the case to the United States District Court for the Southern District of New York. In the same month, plaintiffs filed a motion for a preliminary and permanent injunction prohibiting all defendants from, among other things, continuing to "set or observe" LIBOR, which the defendants have opposed. The parties are awaiting a decision from the court.

**Strategic Report (continued)
For the Year Ended 31 December 2020**

Coronavirus (COVID-19) pandemic

The coronavirus (COVID-19) pandemic has created economic and financial disruptions globally and has led governmental authorities to take unprecedented measures to mitigate the spread of the disease, including travel bans, border closings, business closures, quarantines and shelter-in-place orders, and to take actions designed to stabilise markets and promote economic growth.

From an operational perspective, the ICE Group and the Company have continued to operate and there are no plans to close any business operations as a result of the COVID-19 pandemic. However, due to the COVID-19 pandemic, preventative measures have been taken and contingency plans implemented, and currently most employees are working remotely. In accordance with recently amended UK Government guidance, the Company is currently requiring that all employees who can work from home to do so. Recognising that some employees cannot reasonably work from home, our office remains open with a rotation schedule and social distancing measures in place. The Company continues to monitor government mandates in determining office re-openings, re-closures and work-related travel.

The full extent of the impact of the pandemic on the Company will depend largely on future developments, including the duration, spread and severity of the outbreak, the distribution, public acceptance and widespread use and effectiveness of vaccines against COVID-19 and the actions taken to contain the spread of the disease or mitigate its impact. We continue to monitor this dynamic situation, including guidance and regulations issued by governmental authorities. In light of the continually evolving nature of the COVID-19 outbreak, it is not possible at this time to estimate the ultimate effect of the pandemic on the Company's business, results of operations or financial condition in the future.

In addition, to the extent that COVID-19 may adversely affect the business, financial condition or results of operations, it may also heighten other risks described in this section.

Approval

This report was approved by the board on 25 March 2021 and signed on its behalf.



Timothy Joseph Bowler
Director

**Directors' Report
For the Year Ended 31 December 2020**

The directors present their report and the financial statements for the year ended 31 December 2020.

Directors' responsibilities statement

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Results and dividends

The profit for the year, after taxation, amounted to \$35,739,000 (2019: \$35,607,000).

Dividends of \$33,300,000 were declared and paid during the year (2019: \$33,500,000).

Directors

The directors who served during the year were:

André-François Hélier Villeneuve
Michel André Jean-Edmond Prada
David Scott Goone
Timothy Joseph Bowler
Candice Koederitz
Paula Madoff
John David Crompton

Information on how the directors have discharged their duties under s. 172 of the Companies Act 2006 is available in the Company's Strategic Report on pages 3 to 10.

Streamlined Energy and Carbon Report

The Company's Streamlined Energy and Carbon Report ('SECR') disclosures are presented at an ICE UK Group level in the financial statements of ICE Europe Parent Limited, registered company number 7295772, which will be publicly available via Companies House prior to 30 September 2021.

Directors' Report (continued)
For the Year Ended 31 December 2020

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

The auditors, Ernst & Young LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 25 March 2021 and signed on its behalf.



Timothy Joseph Bowler
Director

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ICE BENCHMARK ADMINISTRATION LIMITED

Opinion

We have audited the financial statements of ICE Benchmark Administration Limited for the year ended 31 December 2020 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes 1 to 19, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 December 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period up to 25 March 2022, being not less than twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 10, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

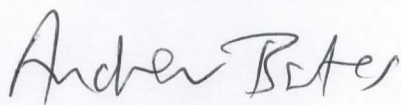
Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company. It is authorised and regulated by the Financial Conduct Authority ('FCA') in the U.K. for the regulated activity of administering a benchmark and is authorised as a benchmark administrator under the E.U. Benchmarks Regulation (Regulation (E.U.) 2016/1011 of 8 June 2016) ('BMR'). The Company is required to comply with the BMR and the FCA's rules for benchmark administrators. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Financial Reporting Standard 102 and the relevant direct and indirect taxation regulations.
- We understood how the Company is complying with those frameworks by to prevent override of controls designed to prevent fraud by enquiry of management and the directors to understand how the Company maintains and communicates its policies and procedures as well as through the evaluation of corroborating documentation. We also reviewed correspondence with relevant authorities.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by making enquiries of management, and those charged with governance, and by considering their incentives to manage earnings or influence the perceptions of stakeholders.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved testing controls that exist at the entity level, as well as controls at the individual transaction level. We tested specific manual adjusting journal entries, where we exercised a heightened level of professional scepticism and included an element of unpredictability in the nature, timing and extent of our testing.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed



Andrew Bates (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London
26 March 2021

Notes:

1. The maintenance and integrity of the ICE Benchmark Administration Limited web site is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the web site.
2. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

ICE Benchmark Administration Limited

Statement of Comprehensive Income For the Year Ended 31 December 2020

	Note	2020 \$000	2019 \$000
Turnover	2	74,084	70,635
Gross profit		74,084	70,635
Administrative expenses		(30,468)	(27,572)
Operating profit	3	43,616	43,063
Interest receivable	6	155	697
Profit before tax		43,771	43,760
Tax on profit	7	(8,032)	(8,153)
Profit for the financial year		35,739	35,607
Other comprehensive income for the year		-	-
Total comprehensive income for the year		35,739	35,607

There were no recognised gains and losses for 2020 or 2019 other than those included in the statement of comprehensive income.


The notes on pages 22 to 33 form part of these financial statements.

ICE Benchmark Administration Limited
Registered number: 8457573

Balance Sheet
As at 31 December 2020

	Note	2020 \$000	2020 \$000	2019 \$000	2019 \$000
Fixed assets					
Intangible assets	8		28		344
			28		344
Current assets					
Debtors: amounts falling due within one year	9	6,003		7,319	
Cash at bank and in hand	10	34,132		35,466	
		40,135		42,785	
Creditors: amounts falling due within one year	11	(6,674)		(11,748)	
Net current assets			33,461		31,037
Total assets less current liabilities			33,489		31,381
Creditors: amounts falling due after more than one year	12		(2,220)		(1,968)
Net assets			31,269		29,413
Capital and reserves					
Called up share capital	14		15,700		15,700
Profit and loss account			15,569		13,713
			31,269		29,413

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 25 March 2021.



Timothy Joseph Bowler
Director

ICE Benchmark Administration Limited

Statement of Changes in Equity For the Year Ended 31 December 2020

	Called up share capital \$000	Profit and loss account \$000	Total equity \$000
At 1 January 2020	15,700	13,713	29,413
Comprehensive income for the year			
Profit for the year	-	35,739	35,739
Total comprehensive income for the year	-	35,739	35,739
Dividends: Equity capital	-	(33,300)	(33,300)
Payments under share-based payments agreements	-	(2,006)	(2,006)
Effect of capital contributions relating to share-based payments	-	1,509	1,509
Increase in amounts due under share-based payments recharge agreements	-	(86)	(86)
Total transactions with owners	-	(33,883)	(33,883)
At 31 December 2020	15,700	15,569	31,269

Statement of Changes in Equity For the Year Ended 31 December 2019

	Called up share capital \$000	Profit and loss account \$000	Total equity \$000
At 1 January 2019	15,700	12,379	28,079
Comprehensive income for the year			
Profit for the year	-	35,607	35,607
Total comprehensive income for the year	-	35,607	35,607
Dividends: Equity capital	-	(33,500)	(33,500)
Payments under share-based payments agreements	-	(1,941)	(1,941)
Effect of capital contributions relating to share-based payments	-	1,515	1,515
Increase in amounts due under share-based payments recharge agreements	-	(347)	(347)
Total transactions with owners	-	(34,273)	(34,273)
At 31 December 2019	15,700	13,713	29,413

The notes on pages 22 to 33 form part of these financial statements.

**Notes to the Financial Statements
For the Year Ended 31 December 2020**

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

The financial statements are presented in US Dollars (\$ or USD), which is the Company's functional and presentation currency.

The following principal accounting policies have been applied:

1.2 Financial reporting standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102:

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42 to 11.48A;
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.29;
- the requirements of Section 26 Share-based Payment paragraphs 26.18(b), 26.19 to 26.21 and 26.23;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Intercontinental Exchange, Inc., as at 31 December 2020 and these financial statements may be obtained from www.theice.com.

1.3 Going concern

The Company has adequate financial resources and generates revenue from a number of different sources. As a consequence, the directors believe that the Company is well placed to manage its business risks successfully in spite of the current uncertain economic and regulatory outlook.

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

1.4 Turnover

Turnover comprises revenue recognised by the Company in respect of goods and services supplied during the year, exclusive of value added tax and trade discounts.

**Notes to the Financial Statements
For the Year Ended 31 December 2020**

1. Accounting policies (continued)

1.5 Interest receivable

Interest receivable is recognised as earned.

1.6 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

1.7 Intangible assets and amortisation

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

1.8 Cash at bank and in hand

Cash and cash equivalents comprise cash at bank and in hand and cash equivalents, which are short-term, highly liquid investments that are readily convertible to known amounts of cash that are subject to an insignificant risk of changes in value. Therefore, an investment normally qualifies as a cash equivalent only when it has a short maturity of approximately three months or less from the date of acquisition.

**Notes to the Financial Statements
For the Year Ended 31 December 2020**

1. Accounting policies (continued)

1.9 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into US dollars at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into US dollars at the rate ruling on the date of the transaction. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction.

Exchange gains and losses are recognised in the Statement of Comprehensive Income.

1.10 Pensions

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payments obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

1.11 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid.

1.12 Share-based transactions

The cost of employees' services received in exchange for the grant of rights under equity-based employee compensation schemes is measured at the fair value of the equity instruments at the date of the grant and is expensed over the vesting period. This expense in the profit and loss account is offset by the recognition of a capital contribution in reserves. In the case of Employee Stock Purchase Plans ('ESPP') and options granted, fair value is measured using the Black-Scholes pricing model. Under ESPP, employees may purchase ICE shares at a price equal to 85% of the lesser of the fair market value of the shares on the first or the last trading day of each offering period. A share-based payment expense is recognised for the 15% discount given to participating employees.

The Company has entered into recharge agreements with ICE in respect of the ICE group incentive plans. Under the terms of the recharge agreements, the Company may be charged for the benefit of share-based compensation at the date of vesting/exercise, pro-rated over the period that the employees were in the service of the Company. Any amounts paid under these agreements have been recorded as a distribution of reserves.

Any liability under the recharge agreements with respect to outstanding share-based compensation, calculated at the share price at the balance sheet date and pro-rated over the life of the equity instrument, is also recorded as a distribution of reserves.

**Notes to the Financial Statements
For the Year Ended 31 December 2020**

2. Turnover

	2020	2019
	\$000	\$000
North America	10,705	12,887
Europe	50,210	42,088
Rest of the world	13,169	15,660
	74,084	70,635

3. Operating profit

The operating profit is stated after charging:

	2020	2019
	\$000	\$000
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	142	137
Auditors' remuneration for non-audit services	256	269
Exchange differences	(305)	(142)
Amortisation of intangible assets	316	316

4. Employees

Staff costs, including directors' remuneration, were as follows:

	2020	2019
	\$000	\$000
Wages and salaries	6,220	5,959
Social security costs	569	548
Cost of defined contribution scheme	234	220
	7,023	6,727

Included in the wages and salaries costs disclosed above was a charge of \$1,509,000 (2019: \$1,515,000) in respect of share-based payment transactions.

The average monthly number of employees, including the directors, during the year was as follows:

2020	2019
No.	No.
21	21

Notes to the Financial Statements
For the Year Ended 31 December 2020

5. Directors' remuneration

	2020	2019
	\$000	\$000
Directors' emoluments	1,556	1,535
Company contributions to defined contribution pension schemes	8	13
	1,564	1,548

The highest paid director received remuneration of \$1,069,000 (2019: \$983,000) and received shares in respect of qualifying services during the year. The value of the Company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to \$8,000 (2019: \$13,000). During the year retirement benefits were accruing to 1 director (2019: 1). 1 director (2019: 1) received shares in respect of qualifying services during the year.

6. Interest receivable

	2020	2019
	\$000	\$000
Bank interest receivable	155	697
	155	697

7. Taxation

	2020	2019
	\$000	\$000
Corporation tax		
Current tax on profits for the year	7,893	8,029
Adjustments in respect of previous periods	-	(1)
	7,893	8,028
Foreign tax		
Foreign tax on income for the year	182	167
Total current tax	8,075	8,195
Deferred tax		
Changes to tax rates	(35)	15
Adjustments in respect of previous periods	-	1
Deferred tax credit for the year	(8)	(58)
Total deferred tax	(43)	(42)
Taxation on profit on ordinary activities	8,032	8,153

Notes to the Financial Statements
For the Year Ended 31 December 2020

7. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2019: lower than) the standard rate of corporation tax in the UK of 19% (2019: 19%). The differences are explained below:

	2020 \$000	2019 \$000
Profit on ordinary activities before tax	43,771	43,760
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019: 19%)	8,316	8,314
Effects of:		
Income not taxable for tax purposes	(67)	(4)
Statutory deduction on share schemes greater than accounting charges	(364)	(339)
Foreign tax on income for the year	182	167
Change in rates	(35)	15
Total tax charge for the year	8,032	8,153

Factors that may affect future tax charges

The headline rate of UK corporation tax reduced from 20% to 19% on 1 April 2017 and, following the enactment of Finance Act 2020 on 22 July 2020 it will remain at 19%. Given that this rate was already enacted at the time of the balance sheet date, the closing deferred tax balances have been calculated with reference to this rate.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date. The deferred tax asset is expected to decrease by \$117,000 before 31 December 2021.

On 3 March 2021 it was announced that the UK corporation tax rate would rise to 25% from 1 April 2023. Any deferred tax balances included within the accounts have been calculated with reference to the currently enacted rate of 19%, as required under FRS 102.

Notes to the Financial Statements
For the Year Ended 31 December 2020

8. Intangible assets

	Pre contract- completion costs \$000
Cost	
At 1 January 2020	2,214
At 31 December 2020	<u>2,214</u>
Amortisation	
At 1 January 2020	1,870
Charge for the year	316
At 31 December 2020	<u>2,186</u>
Net book value	
At 31 December 2020	<u>28</u>
At 31 December 2019	<u>344</u>

The intangible fixed assets are the pre contract-completion costs for the LIBOR administration contract. The pre contract-completion costs recognised by the Company are amortised in equal annual amounts over the 7 year commitment to administer LIBOR, commencing 1 February 2014.

9. Debtors

	2020 \$000	2019 \$000
Trade debtors	103	1,658
Amounts owed by group undertakings	1,237	1,252
Other debtors	1	96
Prepayments and accrued income	3,510	3,989
Corporation tax	785	-
Deferred taxation	367	324
	<u>6,003</u>	<u>7,319</u>

Notes to the Financial Statements
For the Year Ended 31 December 2020

10. Cash at bank and in hand

	2020 \$000	2019 \$000
Cash at bank and in hand	34,132	35,466
	34,132	35,466

The Company is required by the FCA to restrict the use of the equivalent of six months of operating expenditure, as agreed at the time of authorisation, in cash or cash equivalents at all times. At 31 December 2020 this amount was \$15,892,000 (2019: \$14,927,000).

The Company is also expected to hold an operational risk buffer equivalent to three months of operating expenditure in cash or cash equivalents. At 31 December 2020 this amounted to \$7,946,000 (2019: \$7,464,000).

11. Creditors: Amounts falling due within one year

	2020 \$000	2019 \$000
Trade creditors	3	424
Amounts owed to group undertakings	1,106	2,071
Corporation tax	-	4,077
Other taxation and social security	105	168
Accruals	5,460	5,008
	6,674	11,748

All creditors are unsecured. Accruals include \$752,000 (2019: \$918,000) due under shared-based payments recharge agreements.

12. Creditors: Amounts falling due after more than one year

	2020 \$000	2019 \$000
Accruals	2,220	1,968
	2,220	1,968

Accruals represent \$2,220,000 (2019: \$1,968,000) due under shared-based payments recharge agreements.

Notes to the Financial Statements
For the Year Ended 31 December 2020

13. Deferred taxation

	2020 \$000
At beginning of year	324
Credited to the profit or loss	43
At end of year	367

The deferred tax asset is made up as follows:

	2020 \$000	2019 \$000
Decelerated capital allowances	36	39
Short-term timing differences	331	285
	367	324

14. Share capital

	2020 \$000	2019 \$000
Allotted, called up and fully paid		
15,700,000 (2019: 15,700,000) Ordinary shares of \$1 each	15,700	15,700
1 (2019: 1) Ordinary shares share of £1	-	-
	15,700	15,700

15. Dividends

	2020 \$000	2019 \$000
Dividends paid on equity capital	33,300	33,500
	33,300	33,500

On 25 March 2021, a dividend of \$9,500,000 was approved by the Directors.

16. Pension commitments

The Company operates money purchase pension schemes for eligible employees. The assets of the schemes are held separately from those of the Company in independently administered funds. There were no contributions outstanding at 31 December 2020 (2019: \$nil).

**Notes to the Financial Statements
For the Year Ended 31 December 2020**

17. Contingent liability

In re: ICE LIBOR Antitrust Litigation

In 2019, three virtually identical purported class action complaints were filed in the United States District Court for the Southern District of New York against ICE and several of its subsidiaries, including the Company (the 'ICE Defendants'), as well as 18 multinational banks and various of their respective subsidiaries and affiliates (the 'Panel Bank Defendants') by, respectively, Putnam Bank, a savings bank based in Putnam, Connecticut; two municipal pension funds affiliated with the City of Livonia, Michigan; and four retirement and benefit funds affiliated with the Hawaii Sheet Metal Workers Union. The Company is the administrator for various regulated benchmarks, including the ICE LIBOR benchmark that is currently calculated daily based upon the submissions from a reference panel (which includes the Panel Bank Defendants).

The plaintiffs sought to litigate on behalf of a purported class of all U.S.-based persons or entities who transacted with a Panel Bank Defendant by receiving a payment on an interest rate indexed to a one-month or three-month USD LIBOR-benchmarked rate during the period from 1 February 2014 to the present. The plaintiffs alleged that the ICE Defendants and the Panel Bank Defendants engaged in a conspiracy to set the LIBOR benchmark at artificially low levels, with an alleged purpose and effect of depressing payments by the Panel Bank Defendants to members of the purported class.

Subsequent to the filing of the individual complaints, the various plaintiffs referenced above filed a consolidated amended complaint against the ICE and Panel Bank Defendants. As with the individual complaints, the consolidated amended complaint asserted a claim for violations of the Sherman and Clayton Antitrust Acts and sought unspecified treble damages and other relief. The ICE Defendants and the Panel Bank Defendants filed motions to dismiss the consolidated amended complaint.

On 26 March 2020, the court issued a decision and order granting the ICE and Panel Bank Defendants' motions to dismiss for failure to state a claim. Among other things, the court found that the amended complaint "...is made up of almost entirely conclusory allegations and is essentially devoid of any evidence, direct or circumstantial, to support the conclusion that Defendants colluded with one another".

The plaintiffs appealed the decision to the Second Circuit. While briefing of the appeal was ongoing, each of the named plaintiffs withdrew from the case. Plaintiffs' counsel, by request dated 28 December 2020, sought permission on behalf of DYJ Holdings, LLC, a New Jersey-based holding company, to intervene for the purpose of serving as named plaintiff and representative of the purported class; the defendants opposed this request and requested that the Second Circuit dismiss the appeal. The parties are awaiting a decision from the Second Circuit.

McCarthy et al. v. ICE, et al.

A second complaint against the same ICE Defendants and Panel Bank Defendants named in the dismissed *In re: ICE LIBOR Antitrust Litigation* was filed in the United States District Court for the Northern District of California on behalf of a number of individual plaintiffs in August 2020. Unlike *re: ICE LIBOR Antitrust Litigation*, this complaint was not brought as a class action.

The lawsuit alleges that the setting of USD ICE LIBOR is per se horizontal price fixing and an unlawful conspiracy to monopolise in breach of the Sherman and Clayton Antitrust Acts, resulting in LIBOR being set too high (in contrast to the allegations in *In re: ICE LIBOR Antitrust Litigation*, where it is claimed the defendants conspired to set the LIBOR rate too low). Plaintiffs sought unspecified treble damages and other relief.

In November 2020, the ICE Defendants and the Panel Bank Defendants filed a motion to transfer the case to the United States District Court for the Southern District of New York. In the same month, plaintiffs filed a motion for a preliminary and permanent injunction prohibiting all defendants from, among other things, continuing to "set or observe" LIBOR, which the defendants have opposed. The parties are awaiting a decision from the court.

ICE and the Company intend to continue to vigorously defend these matters but cannot reasonably estimate at this time what the outcomes and timings might be.

**Notes to the Financial Statements
For the Year Ended 31 December 2020**

18. Non-adjusting events after the end of the reporting period

On 4 December 2020, following discussions with the FCA and other official sector bodies, and in accordance with procedures adopted pursuant to the UK BMR, the Company published a consultation on its intention to cease the publication of: (i) all GBP, EUR, CHF and JPY LIBOR settings, and the 1 Week and 2 Month USD LIBOR settings immediately following the LIBOR publication on 31 December 2021; and (ii) the Overnight and 1, 3, 6 and 12 Month USD LIBOR settings immediately following the LIBOR publication on 30 June 2023. The Company consulted on these intended cessation dates because a majority of LIBOR panel banks had communicated to the Company that they would not be willing to continue contributing to the relevant LIBOR settings after such dates. As a result, the Company considered that it would be unable to publish the relevant LIBOR settings on a representative basis after such dates.

The Company received a broad range of feedback from multiple stakeholders, both on the dates specified above and on the LIBOR transition process generally, including on matters beyond the Company's remit as administrator of LIBOR. On 5 March 2021, the Company published a feedback statement for the consultation and announced that, in the absence of sufficient panel bank support and without the intervention of the FCA to compel continued panel bank contributions to LIBOR, it is not possible for the Company to publish the relevant LIBOR settings on a representative basis beyond the dates specified above for such settings. As a result of the Company not having access to input data necessary to calculate LIBOR settings on a representative basis beyond the dates specified above for such settings, the Company has to cease the publication of the relevant LIBOR settings on such dates, unless the FCA exercises its proposed new powers (which are included in the current Financial Services Bill as proposed amendments to the UK Benchmarks Regulation) to require the Company to continue publishing such LIBOR settings using a changed methodology (also known as a "synthetic" basis).

The FCA has advised the Company that it has no intention of using its proposed new powers to require the Company to continue the publication of any EUR or CHF LIBOR settings, or the Overnight/Spot Next, 1 Week, 2 Month and 12 Month LIBOR settings in any other currency, beyond the above intended cessation dates for such settings. The FCA has also advised the Company that it will consult on using these proposed new powers to require the Company to continue the publication on a "synthetic" basis of the 1 Month, 3 Month and 6 Month GBP and JPY LIBOR settings beyond such dates, and will continue to consider the case for using these proposed powers in respect of the 1 Month, 3 Month and 6 Month USD LIBOR settings.

The Company cannot reasonably estimate at this time what the financial effect of the above events on the Company will be. For more details see the Principal activities and review of the business section of the Strategic Report.

19. Ultimate parent undertaking and controlling party

The Company is a wholly-owned subsidiary of NYSE Holdings UK Limited, a company incorporated and registered in England and Wales. The ultimate parent company and controlling entity is Intercontinental Exchange, Inc., a corporation registered in Delaware, United States.

The Company's financial statements have been included in the group financial statements of the ultimate parent company, Intercontinental Exchange, Inc.

The group financial statements of Intercontinental Exchange, Inc., may be obtained from the website www.theice.com.

**Notes to the Financial Statements
For the Year Ended 31 December 2020**

20. Registered office

The registered office of the Company is:

Milton Gate
60 Chiswell Street
London
EC1Y 4SA
United Kingdom