Registered number: 8457573

ICE Benchmark Administration Limited

Annual Report and Financial Statements

For the Year Ended 31 December 2019

ICE Benchmark Administration Limited

Contents

Strategic Report
For the Year Ended 31 December 2019

The directors present their Strategic Report for ICE Benchmark Administration Limited ('the Company') for the year ended 31 December 2019.

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 and the Tradeweb ICE U.S. Treasury Closing Prices[1]. 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 and 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.

The Company is a wholly-owned subsidiary of NYSE Holdings U.K. 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').

ICE LIBOR (also known as LIBOR) is a widely-used global benchmark for short-term interest rates. The Company has worked closely with market participants, regulators and other stakeholders to strengthen the LIBOR benchmark since assuming its administration in 2014, guided by regulatory recommendations and reform efforts. This includes the transition of LIBOR panel banks to making submissions under the "Waterfall" methodology contained in the LIBOR Output Statement, available on the Company's website.

In July 2017, the Chief Executive Officer of the FCA, Andrew Bailey, gave a speech in which he stated the FCA's intention that it would no longer be necessary for the FCA to "persuade, or compel, banks to submit to LIBOR" after end-2021. The FCA and other official sector bodies have made several announcements since 2017 regarding the need to transition from LIBOR to alternative rates, and market participants have been strongly advised of the need to ensure they are prepared for this transition by the end of 2021.

The Company has engaged with LIBOR contributor banks, other global banks and end-users of LIBOR regarding LIBOR transition, and the potential for the continued publication of certain widely-used LIBOR settings after end-2021 if necessary to provide a 'safety-net' for users with outstanding LIBOR-linked contracts that are impossible or impractical to modify ("tough legacy contracts"). This engagement included a LIBOR-usage survey which was open to all users of LIBOR and was designed to identify the most widely-used LIBOR settings for which users would like to see the Company work with global banks to potentially support publication after end-2021. The survey closed in February 2019, and the results have been published on the Company's website.

The Company is using the results of the survey and its other outreach work to engage with globally active banks to seek their support to potentially continue to publish certain widely-used LIBOR settings after end-2021 if necessary to provide a safety-net for users with tough legacy contracts. Any such settings will need to be compliant with relevant regulations and in particular those regarding representativeness.

There can be no certainty or guarantee that the Company will be able to obtain such support or publish any LIBOR settings after end-2021. Work on the possible continued publication of certain LIBOR settings is not intended as an alternative to the transition to alternative rates.

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

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.

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.

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.

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 3 to 7, 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 2019

Stakeholder group	Form of Engagement	Key topics and impact of engagement
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. The Company operates independently, acting as a regulated administrator of a range of benchmarks and a provider of other information and data.	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. The Company also engages with ICE on global best practices for enterprise risk management, business continuity arrangements and other key functions.	Development of benchmark administration technology to enhance benchmark administration services, design and build of administrative tools to develop existing and new initiatives, and strategic alignment on preparations for the U.K.'s withdrawal from the E.U.
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.	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. Trade associations and other similar groups representing customers are present on the Company's Oversight Committees for its benchmarks. The Company publishes various information and discussion papers on its benchmarks and other information on other strategic initiatives. The Company consults with customers and other stakeholders on material changes to its benchmark methodologies.	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. On 1 April 2019, the Company announced the successful transition of all LIBOR Contributor Banks to the LIBOR "Waterfall" methodology. The Company has sought to provide a 'safety-net' for users with tough LIBOR legacy contracts. Please see the Principal activities and review of the business section for further details. In September 2019, the Tradeweb ICE U.S. Treasury Closing Prices were launched as a source of comprehensive, high quality reference prices for the U.S. Treasury market. During the year, the Company published several updates in relation to its development of the U.S. Dollar ICE Bank Yield Index, which is designed to be a forward-looking, credit-sensitive benchmark and a potential replacement for LIBOR for U.S. dollar lending activity. During the year, the Company launched public consultations on expanding the data set used in the calculation of ICE Swap Rate and on the introduction of GBP ICE Swap Rates with SONIA as the floating leg. Details are available at https://www.theice.com/iba/ice-swap-rate.

Stakeholder group	Form of Engagement	Key topics and impact of engagement
People Our people include colleagues directly employed by the Company, and secondees and consultants who work exclusively for the Company. 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.	Engagement with our people includes interactive 'town halls', Executive lunches, 'lunch & learns' and regular 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.	A global employee survey focused on culture was completed recently by ICE and the results were presented to the Board. Feedback from the survey has resulted in enhanced internal communications, more employee development opportunities and a remote working policy.
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. The Company sources data from various data providers in order to provide and administer its benchmarks and other information services. 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.	Management and the Board utilise the mechanisms discussed in the Shareholder section, on page 3, to engage effectively with suppliers of services from the ICE Group. The Company has contractual outsourcing and data provision arrangements which govern its relationships with both internal and external outsourced service providers. Data providers are present on the Company's Oversight Committees for its benchmarks. The Company performs thorough due diligence regarding its non-ICE Group suppliers when on-boarding and on a recurring basis. 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.	Key topics of engagement in relation to the ICE Group suppliers included technology development and business continuity arrangements. See the Shareholder section on page 3 for more detail. In general, any changes to services and development initiatives are worked on concurrently between the Company and its service providers. 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 41 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.

Strategic Report (continued)
For the Year Ended 31 December 2019

Stakeholder group	Form of Engagement	Key topics and impact of engagement
Regulators and Policy Makers The Company is authorised and regulated by the U.K.'s Financial Conduct Authority (FCA) 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'). Effective engagement with the Company's regulator and other policy makers is fundamental to the business, which requires regulatory permissions to operate.	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. 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. Information provided by management at Board meetings is made available to the FCA. The President of the Company and other senior management present regularly at conferences and other industry gatherings related to benchmarks.	Key topics of engagement with regulators included the evolution of the benchmarks administered by the Company, the development of new benchmarks and services, LIBOR transition and Brexit. 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.
Community and society 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.	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. We believe that it's important to create opportunities for the Company and its people to make a difference by helping others in our communities. We pursue that goal through financial support and volunteering both time and talents using several channels, including: charitable donations and an employee matching program.	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. ICE's energy management program is heavily focused on its data centres; the Company's U.K. data centre electricity supply is 100% from renewable energy sources. 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.

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 reviewed and approved the methodologies for each of the benchmarks administered by the Company and related governance policies and frameworks.	The Company documents and determines its benchmarks in accordance with the approved methodologies and operates in accordance with relevant governance procedures and frameworks. The Board considered a number of business development opportunities to enhance further the benchmarking information available to the Company's customers.	The Board considered the approval of the methodologies, policies and frameworks to be in the best interests of the Company. No single or combined stakeholder groups were left disadvantaged by the Board's approvals.
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 11 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 $33.5 million in dividend distributions which were paid during the year, see note 16.	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. 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.	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.

Decision	Impact	Stakeholder considerations
Business Developments The Board considered and agreed the launch of the Tradeweb ICE U.S. Treasury Closing Prices.	The Tradeweb ICE U.S. Treasury Closing Prices launched successfully in September 2019, and are 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.	Trusted reference price data is critical for financial firms to manage investment portfolios, evaluate the fair value of securities, perform compliance monitoring, and satisfy general accounting standards. The Tradeweb ICE U.S. Treasury Closing Prices are a source of comprehensive, high quality reference prices for the U.S. Treasury market, based on data from Tradeweb's institutional platform, a leading platform for U.S. Treasury trading globally. The Board considered the launch of the Tradeweb ICE U.S. Treasury Closing Prices in the best interests of the Company having carefully considered the impact to all of its stakeholders.

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 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 our reputation.

3. The industry in which the Company operates is highly competitive and the Company expects the competition to intensify in the future.

4. The Company's systems and third party service providers may be vulnerable to security risks, hacking and cyber-attacks, especially, in the light of the Company's role in the global financial market place, which could result in wrongful use of information, 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 BMR. Any action by regulators or regulatory developments may be significant to the business.

6. The FCA and other official sector bodies have made several announcements regarding the need to transition from LIBOR to alternative rates, and market participants have been strongly advised of the need to ensure they are prepared for the transition by end-2021. As a result, there can be no certainty or guarantee that the Company will be able to publish any LIBOR settings after end-2021 (For further details see the principal activities and review of the business sections).

7. The Company's success largely depends on key personnel, including senior management. Because competition for the Company's key employees is intense, it may not be able to attract, retain and develop the highly skilled employees needed to support the business. The loss of senior management or other key personnel could harm the business.

Brexit

In March 2017, the U.K. officially triggered Article 50 of the Treaty of Rome and, in doing so, notified its intention of leaving the E.U. in line with outcome of the U.K.'s June 2016 "Brexit" referendum. The triggering of Article 50 began the process of withdrawal from the E.U.. In November 2018, the U.K. and the other 27 countries of the E.U., agreed upon the terms of a withdrawal agreement that set out the terms of the U.K.'s withdrawal from the E.U. and includes an implementation period. During the implementation period, the U.K. agreed to apply E.U. law. Following the U.K. General Election held on 12 December 2019 which returned a Conservative majority government, the European Union (Withdrawal Agreement) Bill was passed by both Houses of Parliament, receiving Royal Assent on 23 January 2020. Prime Minister Boris Johnson signed the Withdrawal Agreement on the following day, completing the U.K.'s ratification process. This was followed by ratification by the European Parliament and the European Council on 29 January and 30 January 2020 respectively.

The U.K. left the E.U. at 11.00 pm GMT on 31 January 2020 on the basis of the Withdrawal Agreement and the associated Political Declaration.

The Political Declaration sets out a framework for agreeing the future relationship between the U.K. and the E.U. and covers areas including economic partnership (e.g. trade in goods, services and investment, and fishing opportunities), security partnership (e.g. law enforcement and judicial cooperation, security and defence), institutional and other arrangements (e.g. governance arrangements and dispute settlement) and the forward process (e.g. ground rules for the negotiation process). The Political Declaration also explains that the U.K. and the E.U. will seek to conclude equivalence assessments of each other's financial services frameworks by the end of June 2020. It goes on to state that the parties intend to reach agreement on the future relationship by the end of 2020.

However, the future relationship between the U.K. and the E.U. remains uncertain, as the U.K. and the E.U. work through the implementation period to negotiate a future relationship. Although the Withdrawal Agreement includes a provision for extension for up to a further two year period, the implementation period is currently expected to end on 31 December 2020. If no agreement is reached and no extension is agreed, the U.K. will leave the E.U. with no agreements in place beyond any temporary arrangements that have or may be put in place by the E.U. or individual E.U. Member States and the U.K. as part of no-deal contingency efforts and those conferred by mutual membership of the World Trade Organization. Given the lack of comparable precedent, it is unclear what financial, trade and legal implications the U.K. leaving the E.U. with no agreements in place would have and how such withdrawal would affect the Company.

Supervised entities in the E.U. are able to continue to use the Company's benchmarks during the implementation period. If Equivalence for financial services is not agreed between the E.U. and the U.K. during the implementation period, the E.U. Benchmarks Regulation (BMR) has three mechanisms for third-country administrators, which are: Equivalence; Recognition; and Endorsement. The Company has considered these in its Brexit planning and is committed to ensuring continuity of licensing of the Company's benchmarks in the E.U. after the implementation period.

LIBOR Litigation

On 15 January 2019 and 31 January 2019, two virtually identical purported class action complaints were filed by, respectively, Putnam Bank, a savings bank based in Putnam, Connecticut, and two municipal pension funds affiliated with the City of Livonia, Michigan in the U.S. 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”). On 4 March 2019, a virtually identical complaint was filed on behalf of four retirement and benefit funds affiliated with the Hawaii Sheet Metal Workers Union. The company is the administrator for the ICE LIBOR benchmark that is calculated daily based upon the submissions from a reference panel (which includes the Panel Bank Defendants). On 1 July 2019, the various plaintiffs referenced above filed a consolidated amended complaint against the ICE and Panel Bank Defendants.

The plaintiffs seek 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 allege that the ICE and 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.

As with the individual complaints, the consolidated amended complaint asserts a claim for violations of the Sherman and Clayton Antitrust Acts and seeks unspecified treble damages and other relief. The ICE and Panel Bank Defendants filed motions to dismiss the consolidated amended complaint on 30 August 2019. The district court heard oral arguments on the motions on 30 January 2020, and the parties are awaiting the court's decision. ICE and the Company intend to vigorously defend these matters but cannot reasonably estimate at this time what the outcomes and timings of these will be.

Coronavirus (Covid-19)

Coronavirus (Covid-19) was recognised as a pandemic by the World Health Organization (WHO) on 11 March 2020. The Company’s Business Continuity Plan sets out the strategies available to ensure continuity of service, which include operating at alternative locations and remote working. These processes are tested on a regular basis.

The ICE Group has a Pandemic Plan and its Pandemic Steering Committee (PSC) meets regularly to assess new information relating to Covid-19. The PSC leads for the ICE Group in determining the response level, recommending strategy and disseminating information to staff.

The full extent of the pandemic is as of yet unknown and there is a degree of uncertainty over what the impact on the Company will be. However, it is the directors view that the Company has adequate financial and non-financial resources to manage this risk and has currently not experienced any material detrimental financial impact. The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and continue to prepare the financial statements on a going concern basis.

Approval

This report was approved by the board on 18 March 2020 and signed on its behalf.

Timothy Joseph Bowler
Director

Directors' Report
For the Year Ended 31 December 2019

The directors present their report and the financial statements for the year ended 31 December 2019.

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 $35,607,000 (2018: $32,341,000).

Dividends of $33,500,000 were declared and paid during the year (2018: $29,000,000).

Directors

The directors who served during the year were:

André-François Hélier Villeneuve
Michel André Jean-Edmond Prada
David Scott Goone
Dame DeAnne Shirley Julius DCMG CBE (resigned 30 September 2019)
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.

Disclosure of information to auditors

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

- so far as the directors are aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the directors have 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 18 March 2020 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 2019 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes 1 to 20, 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 2019 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 below. 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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.

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.

In connection with our audit of the financial statements, 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 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 or a material misstatement of the other information. 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.

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

Ernst & Young LLP

Andrew Bates (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London
19 March 2020

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.

Statement of Comprehensive Income
For the Year Ended 31 December 2019

	Note	2019 $000	2018 $000
Turnover	2	**70,635**	65,933
Gross profit		**70,635**	65,933
Administrative expenses		**(27,572)**	(26,789)
Operating profit	3	**43,063**	39,144
Interest receivable	6	**697**	498
Interest payable	7	**-**	(50)
Profit before tax		**43,760**	39,592
Tax on profit	8	**(8,153)**	(7,251)
Profit for the financial year		**35,607**	32,341
Other comprehensive income for the year		**-**	-
Total comprehensive income for the year		**35,607**	32,341

There were no recognised gains and losses for 2019 or 2018 other than those included in the statement of comprehensive income.

The notes on pages 18 to 28 form part of these financial statements.

ICE Benchmark Administration Limited
Registered number: 8457573

Balance Sheet
As at 31 December 2019

	Note	**2019 $000**	**2019 $000**	2018 $000	2018 $000
Fixed assets					
Intangible assets	9		**344**		660
			344		660
Current assets					
Debtors: amounts falling due within one year	10	**7,319**		6,360	
Cash at bank and in hand	11	**35,466**		31,817	
		42,785		38,177	
Creditors: amounts falling due within one year	12	**(11,748)**		(9,181)	
Net current assets			**31,037**		28,996
Total assets less current liabilities			**31,381**		29,656
Creditors: amounts falling due after more than one year	13		**(1,968)**		(1,577)
Net assets			**29,413**		28,079
Capital and reserves					
Called up share capital	15		**15,700**		15,700
Profit and loss account			**13,713**		12,379
			29,413		28,079

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 18 March 2020.

Timothy J Bowler

Timothy Joseph Bowler
Director

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

	Called up share capital	Profit and loss account	Total equity
	$000	$000	$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

Statement of Changes in Equity
For the Year Ended 31 December 2018

	Called up share capital	Profit and loss account	Total equity
	$000	$000	$000
At 1 January 2018	15,700	10,059	25,759
Comprehensive income for the year			
Profit for the year	-	32,341	32,341
Dividends: Equity capital	-	(29,000)	(29,000)
Payments under share-based payments agreements	-	(2,682)	(2,682)
Effect of capital contributions relating to share-based payments	-	1,437	1,437
Decrease in amounts due under share-based payments recharge agreements	-	224	224
Total transactions with owners	-	(30,021)	(30,021)
At 31 December 2018	15,700	12,379	28,079

The notes on pages 18 to 28 form part of these financial statements.

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 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 4 Statement of Financial Position paragraph 4.12(a)(iv);
- 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 11.39 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 2019 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.

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 the Statement of Comprehensive Income, 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 equivalents 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.

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. Accounting policies (continued)

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.

2. Turnover

	2019	2018
	$000	$000
North America	**12,887**	11,347
Europe	**42,089**	40,560
Rest of the world	**15,659**	14,026
	70,635	65,933

3. Operating profit

The operating profit is stated after charging:

	2019	2018
	$000	$000
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	**137**	120
Auditors' remuneration for non-audit services	**269**	60
Exchange differences	**(142)**	720

4. Employees

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

	2019 $000	2018 $000
Wages and salaries	**5,959**	6,097
Social security costs	**548**	549
Cost of defined contribution scheme	**220**	231
	6,727	6,877

Included in the wages and salaries costs disclosed above was a charge of $1,515,000 (2018: $1,437,000) in respect of share-based payment transactions.

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

	2019 No.	2018 No.
	21	20

5. Directors' remuneration

	2019 $000	2018 $000
Directors' emoluments	**1,535**	1,602
Company contributions to defined contribution pension schemes	**13**	13
	1,548	1,615

During the year retirement benefits were accruing to 1 director (2018: 1). The highest paid director received remuneration of $983,000 (2018: $1,051,000) 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 $13,000 (2018: $13,000).

6. Interest receivable

	2019 $000	2018 $000
Other interest receivable	**697**	498
	697	498

7. Interest payable

	2019 $000	2018 $000
Other interest payable	-	50
	-	50

8. Taxation

	2019 $000	2018 $000
Corporation tax		
Current tax on profits for the year	8,029	7,185
Adjustments in respect of previous periods	(1)	(1)
	8,028	7,184
Foreign tax		
Foreign tax on income for the year	167	119
	167	119
Total current tax	8,195	7,303
Deferred tax		
Changes to tax rates	15	20
Adjustments in respect of previous periods	1	-
Deferred tax (credit)/charge for the year	(58)	(72)
Total deferred tax	(42)	(52)
Taxation on profit on ordinary activities	8,153	7,251

8. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2018: lower than) the standard rate of corporation tax in the UK of 19% (2018: 19%). The differences are explained below:

	2019 $000	2018 $000
Profit on ordinary activities before tax	**43,760**	39,592
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018: 19%)	**8,314**	7,522
Effects of:		
Income not taxable for tax purposes	**(4)**	(50)
Statutory deduction on share schemes greater than accounting charges	**(339)**	(359)
Foreign tax on income for the year	**167**	119
Change in rates	**15**	20
Adjustments to tax charge in respect of prior periods	**-**	(1)
Total tax charge for the year	**8,153**	7,251

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 2016 on 15 September 2016 it will reduce further to 17% from 1 April 2020. Given that this rate was 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 maximum effect on deferred tax of the reduction in the UK corporation tax rate to 17% is expected to be $32,000. The deferred tax asset of $324,000 (note 14) is expected to decrease by $102,000 before 31 December 2020.

9. Intangible assets

	Pre contract-completion costs $000
Cost	
At 1 January 2019	**2,214**
At 31 December 2019	**2,214**
Amortisation	
At 1 January 2019	**1,554**
Charge for the year on owned assets	**316**
At 31 December 2019	**1,870**
Net book value	
At 31 December 2019	**344**
At 31 December 2018	660

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.

10. Debtors

	2019 $000	2018 $000
Trade debtors	**1,658**	529
Amounts owed by group undertakings	**1,252**	1,348
Other debtors	**96**	709
Prepayments and accrued income	**3,989**	3,492
Deferred taxation	**324**	282
	7,319	6,360

Notes to the Financial Statements
For the Year Ended 31 December 2019

11. Cash at bank and in hand

	2019 $000	2018 $000
Cash at bank and in hand	**35,466**	31,817
	35,466	31,817

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 2019 this amount was $14,927,000 (2018: $14,583,000).

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 2019 this amounted to $7,464,000 (2018: $7,291,000).

12. Creditors: Amounts falling due within one year

	2019 $000	2018 $000
Trade creditors	**424**	27
Amounts owed to group undertakings	**2,071**	1,624
Corporation tax	**4,077**	3,444
Other taxation and social security	**168**	173
Accruals	**5,008**	3,913
	11,748	9,181

All creditors are unsecured. Accruals include $918,000 (2018: $962,000) due under shared-based payments recharge agreements.

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

	2019 $000	2018 $000
Accruals	**1,968**	1,577
	1,968	1,577

Accruals represent $1,968,000 (2018: $1,577,000) due under shared-based payments recharge agreements.

14. Deferred taxation

	2019 $000
At beginning of year	**282**
Credited to the profit or loss	**42**
At end of year	**324**

The deferred tax asset is made up as follows:

	2019 $000	2018 $000
Decelerated capital allowances	**39**	51
Short-term timing differences	**285**	231
	324	282

15. Share capital

	2019 $000	2018 $000
Allotted, called up and fully paid		
15,700,000 (2018: 15,700,000) Ordinary shares shares of $1 each	**15,700**	15,700
1 (2018: 1) Ordinary shares share of £1	**-**	-
	15,700	15,700

16. Dividends

	2019 $000	2018 $000
Dividends paid on equity capital	**33,500**	29,000
	33,500	29,000

On 18 March 2020, a dividend of $9,500,000 was approved by the Directors.

17. 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 2019 (2018: $nil).

Notes to the Financial Statements
For the Year Ended 31 December 2019

18. Contingent liability

On 15 January 2019 and 31 January 2019, two virtually identical purported class action complaints were filed by, respectively, Putnam Bank, a savings bank based in Putnam, Connecticut, and two municipal pension funds affiliated with the City of Livonia, Michigan in the U.S. 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”). On 4 March 2019, a virtually identical complaint was filed on behalf of four retirement and benefit funds affiliated with the Hawaii Sheet Metal Workers Union. The company is the administrator for the ICE LIBOR benchmark that is calculated daily based upon the submissions from a reference panel (which includes the Panel Bank Defendants). On 1 July 2019, the various plaintiffs referenced above filed a consolidated amended complaint against the ICE and Panel Bank Defendants.

The plaintiffs seek 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 allege that the ICE and 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.

As with the individual complaints, the consolidated amended complaint asserts a claim for violations of the Sherman and Clayton Antitrust Acts and seeks unspecified treble damages and other relief. The ICE and Panel Bank Defendants filed motions to dismiss the consolidated amended complaint on 30 August 2019. The district court heard oral arguments on the motions on 30 January 2020, and the parties are awaiting the court's decision. ICE and the Company intend to vigorously defend these matters but cannot reasonably estimate at this time what the outcomes and timings of these will be.

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.

20. Registered office

The registered office of the Company is:

Milton Gate
60 Chiswell Street
London
EC1Y 4SA
United Kingdom