



NEWS RELEASE

ICE Launches Washington Cap and Invest Carbon Allowance Futures

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NEW YORK & AMSTERDAM & LONDON--(BUSINESS WIRE)-- Intercontinental Exchange, Inc. (NYSE:ICE), a leading global provider of data, technology, and market infrastructure, and operator of the world's most liquid environmental markets, today announced the launch of its newest carbon futures market based on Washington State's "Cap-and-Invest" program.

The Washington futures contract launched on June 5, 2023, with a total of 495 contracts traded so far, equivalent to 495,000 Washington carbon allowances.

The Washington contracts are the latest addition to ICE's global environmental markets which offer the most liquid venues to trade European, North American, and UK environmental programs, where the benchmark prices for the cost of pollution in the EU, North America and UK are formed each day.

"New programs like Washington, combined with the widening scope of the European ETS, means that more companies and sectors are mandated to account for the cost of pollution and treat their emissions footprint as a liability, incentivizing them to seek lower cost abatement opportunities and deliver a net zero pathway," said Gordon Bennett, Head of Utility Markets at ICE. "Financial markets play a fundamental role in helping to allocate capital efficiently and the price signals and liquidity of ICE's energy and environmental markets are integral to managing the uncertainties in meeting net zero."

"We welcome the new Washington Carbon Allowance Futures contract as it increases liquidity and opens the market to a broader set of participants," said Hank Yan, Managing Member, Braeswood Carbon. "Liquid, efficient environmental markets will deliver robust outcomes at the lowest possible cost and this launch marks yet another



milestone in these markets' growth."

"We congratulate ICE on the successful launch of the Washington Carbon Allowance Futures contract, as well as commend our clients who participated in the first day of trading," said Evan Ard, CEO of Evolution Markets. "The development of a hedging market for the Washington Cap and Invest program underscores again the important role markets play in helping us meet the challenge of global climate change."

"GTC is excited for the growth of the environmental products offered by ICE," said Dusty Granet, Co-founder and CIO, Green Trading Capital. "With the expansion of new carbon and renewable markets both domestically and globally, it is imperative to have robust futures and options offerings for the long-term success of these programs."

"Kepos Capital is thrilled to support the launch of Washington Carbon Allowance futures on ICE. We believe transparent pricing mechanisms are critical to efficiently incentivize necessary emissions reductions," said Nick Bonamo, Head of Trading, Kepos Capital. "At Kepos, our innovative suite of carbon transition investment strategies utilizes these tools to manage risk and invest in climate thematic opportunities. We applaud ICE for their continued commitment to carbon markets and a sustainable future."

"The launch of Washington's market heralded the start of an exciting new era of carbon market growth in North America. Carbon markets are mission critical tools for the climate transition, and it is great to see the introduction of new futures products to support the efficient development of Washington's market," said Callum Lee, Portfolio Manager, Lombard Odier Investment Managers.

"As a longstanding participant in compliance carbon markets in the Western United States, Mercuria is excited to provide market leadership via participation and liquidity provision in this burgeoning market," said Adam Raphaely, Managing Director of Trading, Mercuria Energy America, LLC.

"The launch of the ICE Washington Cap and Trade Futures contract represents a milestone in the ongoing expansion of carbon markets, introducing an additional tool for price risk management, enhancing price discovery and offering new investment opportunities," said Carlos Arcila-Barrera, Chief Investment Officer at Sigma Advanced Capital Management. "We are pleased to participate in supporting the ecosystem of financial solutions that foster the development of Compliance Carbon Markets across the globe."

"STX Commodities applauds the launch of the ICE Washington Carbon Allowance Futures contracts. This will bring more transparency and liquidity to the market. It demonstrates confidence in Washington's program and is another milestone toward the realization of a global carbon market," Tim Pabst, Managing Director, STX Commodities.

"Tullett Prebon is pleased to play a role in the growing carbon ecosystem. We look forward to helping market

participants as their needs grow in Washington's Carbon Markets, just as we have done for years in CCA, RGGI, and the VCM spaces," said Anthony Farinacci, Senior Vice President, Tullett Prebon.

ICE has been a leader in global energy and environmental markets for almost two decades. Since launch, approximately 115 billion carbon allowances, 350 million renewable energy certificates, over 6 billion carbon credits, and the equivalent of 5 billion Renewable Identification Numbers have traded on ICE. Environmentals are part of ICE's extensive commodity markets where open interest is up 10% year-over-year at 52.3 million contracts.

About Intercontinental Exchange

Intercontinental Exchange, Inc. (NYSE: ICE) is a Fortune 500 company that designs, builds and operates digital networks to connect people to opportunity. We provide financial technology and data services across major asset classes that offer our customers access to mission-critical workflow tools that increase transparency and operational efficiencies. We operate **exchanges**, including the **New York Stock Exchange**, and **clearing houses** that help people invest, raise capital and manage risk across multiple asset classes. Our comprehensive fixed income **data services** and execution capabilities provide information, analytics and platforms that help our customers capitalize on opportunities and operate more efficiently. At **ICE Mortgage Technology**, we are transforming and digitizing the U.S. residential mortgage process, from consumer engagement through loan registration. Together, we transform, streamline and automate industries to connect our customers to opportunity.

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Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995 -- Statements in this press release regarding ICE's business that are not historical facts are "forward-looking statements" that involve risks and uncertainties. For a discussion of additional risks and uncertainties, which could cause actual results to differ from those contained in the forward-looking statements, see ICE's Securities and Exchange Commission (SEC) filings, including, but not limited to, the risk factors in ICE's Annual Report on Form 10-K for the year ended December 31, 2022, as filed with the SEC on February 2, 2023.

Source: Intercontinental Exchange

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