



# Resilient Today, Evolving for Tomorrow

2020 CORPORATE CITIZENSHIP & SUSTAINABILITY REPORT



# Table of Contents

03 A Letter From Our Chairman & Chief Executive Officer: Reflections on Resiliency

04 About CME Group: Committed to Driving Global Growth & Commerce

05 ESG at CME Group: Integrity Meets Strategy

07 Workforce Empowerment

13 Sustainable Solutions

17 Community Commitment

21 Corporate Stewardship



A LETTER FROM OUR CHAIRMAN & CHIEF EXECUTIVE OFFICER:

## Reflections on Resiliency

**This past year presented extraordinary social and economic challenges that impacted nearly every aspect of our daily lives. We remember those we lost as a result of the COVID-19 pandemic and salute the health care providers, first responders and essential workers who put so much on the line to fight this disease.**

While we were physically separated from each other for much of last year, that did not keep us from successfully operating our markets and creating a seamless experience for our clients. For CME Group, this period of adversity and uncertainty showcased one of our most important attributes: resiliency.

As the world's leading and most diverse derivatives marketplace, we continued to provide our clients and market participants access to global benchmark products across all major asset classes. CME Group also remained the most valuable brand among the world's leading exchanges for the seventh year in a row, reflecting the trust that we deliver to the global marketplace.

While the environment changed significantly in 2020, we remained steadfast in our efforts to inspire this trust and adhere to our values. We continued to advance our environmental, social and governance (ESG) priorities by ensuring the safety and well-being of our global team, focusing on diversity and inclusion, giving back to the communities in which we live and work, and introducing new sustainable solutions to the marketplace.

“

**For CME Group, this period of adversity & uncertainty showcased one of our most important attributes: resiliency.**

”



Following the onset of the pandemic and the unprecedented transition to a remote work environment, we provided a range of resources to help our employees balance their work and personal lives, address COVID-19 related health and caregiving challenges, and stay engaged with their global colleagues as they worked together to support our markets and serve our clients.

At CME Group, we recognize that a diverse and inclusive workforce spurs innovation and facilitates the decision-making that is a hallmark of the most successful global companies. Our continued efforts to strengthen the integrity of our company and the greater community mean that we are also committed to speaking out against social injustice, leading important company-wide conversations by example, and taking the steps necessary to drive meaningful change.

Likewise, our connection to the community remains critically important. A key priority for us: ensuring the next generation has access to the best educational opportunities and that teachers have the appropriate tools in place to shape their development. The CME Group Foundation remains committed to supporting the advancement of education initiatives across Chicago. I'm also proud of the way our employees supported those in need during these challenging times, both through their continued volunteer work and our matching gift program.

Finally, on sustainability, CME Group is focused on introducing risk management products that address the growing environmental interests of clients across financial and commodity markets and help to advance a more sustainable economy. In 2020, we launched the first-ever water futures based on the Nasdaq Veles California Water Index. Our E-mini S&P 500 ESG Futures, which launched in 2019, continued to gain momentum, achieving \$1.25 billion in record notional open interest during 2020. As ESG continues to become an increasingly important factor in investment strategies, CME Group will continue to develop new products that meet the demand.

Our commitment to ESG remains strong. We will continue to evolve our priorities to align with future stakeholder needs. I am proud of the progress we have made in continuing to expand our product offerings, serve our stakeholders and demonstrate our integrity.

I hope you will review this report to understand the investments and enhancements that we are making today and the commitments we are making for the future.

Sincerely,

A handwritten signature in dark ink, appearing to read "Terrence A. Duffy". The signature is fluid and cursive, with a large, stylized "T" and "D".

**Terrence A. Duffy**  
Chairman & Chief Executive Officer



ABOUT CME GROUP:

# Committed to Driving Global Growth & Commerce

From modest beginnings to becoming a global leader, CME Group is the world’s leading and most diverse derivatives marketplace. Offering a wide range of global benchmarks across all major asset classes, we are where the world comes to manage risk.



## North & South America

CHICAGO	PARSIPPANY
CHAMPAIGN	SÃO PAULO
HOUSTON	TORONTO
NEW YORK	WASHINGTON, DC

## EMEA

LONDON	FRANKFURT
AMSTERDAM	STOCKHOLM
BELFAST	TEL AVIV
BRISTOL	ZURICH

## APAC

SINGAPORE	SEOUL
BANGALORE	SYDNEY
BEIJING	TOKYO
HONG KONG	

## CME Group by the Numbers



**4,370 employees**



**Nearly 200 countries** where we serve our clients’ risk management needs



**19.1 million** contracts in overall average daily volume\*



**\$4.9 billion** in revenue

## Awards & Recognition

We are proud that our commitment to our clients, employees & communities in 2020 has resulted in global recognition.

### Risk Awards

EXCHANGE OF THE YEAR

Global Capital’s  
Global Derivatives  
Exchange of the Year

World’s  
Most  
Valuable  
Exchange  
Brand

BRAND FINANCE  
7TH CONSECUTIVE YEAR

### FOW International Awards

CLEARING HOUSE OF  
THE YEAR, AMERICAS

Computerworld’s  
100 Best Places to  
Work in IT

3RD CONSECUTIVE YEAR

\* Market statistics, including average daily volume by asset class and product, are available in greater detail at <http://investor.cmegroup.com/volume>.



ESG AT CME GROUP:

# Integrity Meets Strategy

At CME Group, we strive for excellence in everything we do, and our learning and efforts to improve never end. The same goes for our progress toward our environmental, social and governance (ESG) goals. We have developed a cohesive and actionable strategic framework that includes evolving and advancing our policies, goals and reporting.

As a global corporate citizen, we have responsibilities to all of our stakeholders, especially in challenging and unpredictable times like the year we just experienced. We aspire to transform the industry while always adhering to our values. Ultimately, it's about earning and strengthening our stakeholders' trust and making a positive difference.

## Numbers That Make a Difference

- 

**97%** of respondents confirmed they were able to effectively work from home utilizing our technology & collaboration tools
- 

**\$11.3 million** invested by the CME Group Foundation in early math education since 2007
- 

**530 trees** preserved through our paper recycling efforts in 2020



Kathleen Cronin



Anita Liskey

### Commitment Starts at the Top

Commitment to advancing our strategic priorities flows from the top and runs through our entire organization. Our governance structure includes Board-level oversight of our ESG goals and reporting.

The ESG Working Group is co-led by Kathleen Cronin, Senior Managing Director, General Counsel and Corporate Secretary, and Anita Liskey, Senior Managing Director, Global Brand Marketing and Communications.



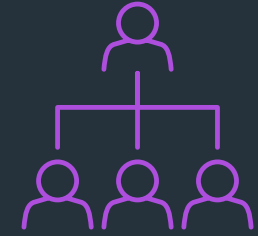
## Workforce Empowerment



## Sustainable Solutions



## Community Commitment



## Corporate Stewardship

### Benchmarking Our Progress

We have joined the ranks of more than 1,400 companies around the world as part of our active participation in the [S&P Global Corporate Sustainability Assessment](#). The assessment enables us to report on key metrics and benchmark our performance across economic, environmental and social criteria.

**Year-over-year, we improved in every dimension of the S&P Global Corporate Sustainability Assessment:**

	2020 Percentile	YoY Improvement
<b>Governance &amp; Economic Dimension</b>	<b>66</b>	<b>+42</b>
<b>Environmental Dimension</b>	<b>31</b>	<b>+8</b>
<b>Social Dimension</b>	<b>65</b>	<b>+43</b>

### Our Four Pillars of ESG

When we embarked on our measured ESG journey, we knew we needed to commit to actions that empower our workforce, support continued operational excellence, help secure a sustainable world and enrich our communities. The following pillars were established by our ESG Working Group to focus our strategy and impact.

- 1 Workforce Empowerment**
- 2 Sustainable Solutions**
- 3 Community Commitment**
- 4 Corporate Stewardship**



# Workforce Empowerment

At CME Group, our employees have propelled our success within our industry, helping to support our markets and clients around the world. Our team members are the heart and soul of our company, and we invest in them through training, continuous development, and fostering a culture of inclusion and innovation — in addition to providing critical benefits to them and their families.

## Prioritizing Our Employees' Health & Safety During the COVID-19 Pandemic

Throughout the crisis, our focus has been on keeping our colleagues around the world healthy and safe. After transitioning to remote work in mid-March 2020, we turned our attention to providing our employees with new policies and resources to help them navigate health and caregiving challenges, cope with the stress and anxiety caused by the pandemic and make their at-home work experience more effective.

### DEVELOPED A MEASURED APPROACH TO AN EVENTUAL RETURN TO THE OFFICE

Our team members are resilient. They continued to produce high-quality work and deliver results while remote, and we have relied on everyone's commitment to ensure that our return to the workplace is as successful as our transition to working from home.

Throughout the pandemic and vaccine rollout, the situation has remained extremely fluid, requiring extraordinary preparedness — matched with great flexibility.



As we worked to develop a global return-to-office framework to help us prepare to reopen, we held firmly to the following principles:



**Employee safety & well-being**



**Global framework with local implementation**



**Clear, ongoing communication**



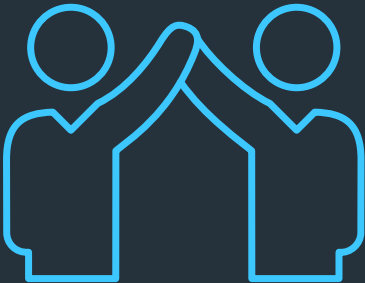
**Flexible, phased approach**

## Supporting Employees During the Pandemic

MID-MARCH

Nearly 100% of our global workforce transitioned to working remotely. We began measuring employee sentiment via our first employee work-from-home survey.

We implemented a comprehensive plan to take care of our limited number of on-site essential personnel. We provided them with PPE supplies, daily health screenings, specific quarantine & social distancing guidance, & contact tracing for individuals who may have been exposed. Our on-site essential employees were offered a pay premium & provided with transportation & meal reimbursement.



MAY

We introduced extended paid time off for employees who contracted COVID-19 or who needed to take care of a family member with COVID-19.

We conducted our second work-from-home survey. 97% of respondents confirmed they were able to effectively work from home utilizing our technology & collaboration tools.

JUNE

We provided employees with a \$350 subsidy for home office equipment.

JULY

We hosted a virtual Employee Well-Being Week to make resources & tools easily accessible for employees.

NOV.

We designed a virtual benefits fair & web portal to replace our in-person U.S. benefits fair. Employees virtually visited in real-time with vendors & HR to help them make educated benefits enrollment decisions.

DEC.

In the year-end work-from-home survey, 93% of respondents agreed that CME Group took the necessary steps to support their safety & well-being. Additionally, 89% agreed they had received timely, relevant & informative communications from CME Group about our COVID-19 response.

Benefits Evolved

At CME Group, we offer a rich employee experience as well as a wide range of benefits designed to support our employees' health & well-being, retirement needs, professional development & work-life balance.

Health

- Medical insurance
- Dental & vision
- Flexible spending accounts
- Onsite prevention & screening programs
- Fitness club benefits

Well-Being & Development

- Flexible work arrangements
- Parental leave benefits
- Adoption assistance
- Paid volunteer day
- Wellness program & incentives
- Ergonomic evaluations & workplace modifications
- Identity protection benefits
- Tuition assistance

Retirement

- 401(k) plan
- Cash balance pension plan

New in 2020

- Subsidies for home office equipment & supplies up to \$350 USD
- Employee Assistance Program hotline extended to our network of consultants
- Virtual workshops covering wellness & productivity while working remotely
- Waived copayments for telehealth services
- Extended Dependent Care FSA grace period
- Paid leave for employees who contracted COVID-19
- Paid leave for employees who needed to care for family who contracted COVID-19

Listed benefits reflect a high-level overview of our U.S. benefits offering for exempt and non-exempt employees but is not inclusive of all benefits offered. CME Group provides benefits for our international employees that vary by region.

American Heart Association's Workplace Health Achievement Index

GOLD RECOGNITION

2ND CONSECUTIVE YEAR

CME Group's signature 4Wellness program received this award for the second consecutive year, having seamlessly transitioned the program into virtual content for employees to engage with remotely.

Our First-Ever Employee Well-Being Week

Mental wellness and overall well-being are just as critical to building resilience and driving progress as physical health. Last summer, CME Group created a week-long event of virtual programming focused on enhancing employees' physical, emotional, mental and financial wellness.

Through sessions, workshops and panels, employees were introduced to tools, tips and resources to help them manage through these challenging times.

**"The race conversation with Phyllis Lockett was excellent. I appreciated that Terry addressed the important issues the country is facing due to systemic racism & that we are acknowledging what is happening & making clear that it isn't tolerated at CME."**

In addition to the week's continual programming, Chairman & Chief Executive Officer Terry Duffy co-hosted two keynote conversations. One, an open discussion about racial injustice with CME Group Board of Directors Member and Leap Innovations Founder and CEO Phyllis Lockett.



The other, a virtual conversation with psychotherapist and New York Times best-selling author Esther Perel, about mental and physical health in times of crisis.

Employee responses from our follow-up survey affirm our collective charge to support well-being, diversity and inclusion:

- "I appreciate how much CME Group is doing to consider the mental health of its employees on top of everything else. I think more companies should be doing that. It's great to see excellent leadership & be a part of a company that really considers so much."
- "Phyllis spoke very candidly about the importance of addressing racial injustice & didn't shy away from challenging us to intentionally take the steps needed to address D&I challenges."
- "Thank you, Terry & Phyllis! Being a minority & having immigrant parents, it's great to see the company I work for put a lot of focus on diversity & have the guts to acknowledge & discuss a very sensitive subject."



Critical Listening for a More Just World

It is the shared duty of everyone, including businesses, to drive meaningful change toward social justice and equality. At CME Group, our D&I Council partners with HR and our Employee Network Groups (ENGs) to advance critical conversations and promote change. In 2020, we held listening sessions across the organization to elevate the diverse experiences of our employees and emphasize the importance of fostering a more diverse and inclusive culture at CME Group and in our communities.

**"Inequality is everyone's issue. Our next steps as a company to advance equality will build on the investments we've made to support a long, sustained & enhanced commitment to diversity & inclusion. That's not to say our work is done – far from it. Lasting, positive change doesn't come easily or quickly. But, like all things that matter, we will need to continue working together to stand up for our values & do what is right for the company & each other."**

TERRY DUFFY, Chairman & Chief Executive Officer

The senseless deaths of Rayshard Brooks, George Floyd, Breonna Taylor, Ahmaud Arbery and others demonstrated that racism, racial inequality and injustice still persist across society and demanded a call for action.

Our leadership at CME Group recognized the importance of being part of the change, both in our workplace and in our communities. We remotely convened an all-employee meeting to hold a conversation around systemic racial injustice and our role as individual and corporate citizens during this call for reckoning.

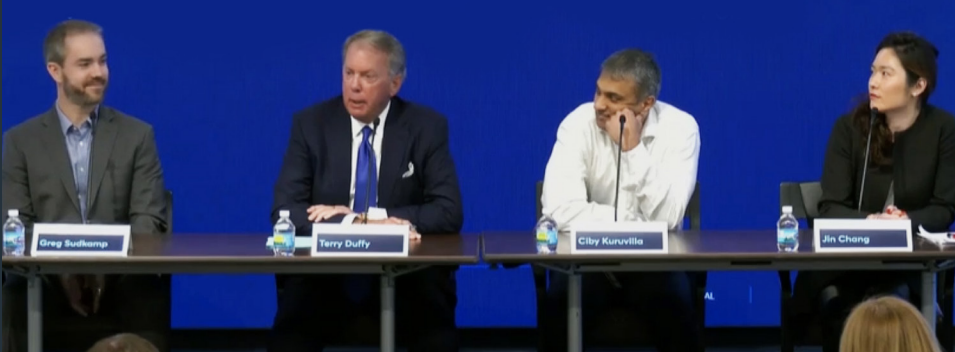
In the session, Terry answered employee questions about racial justice, diversity and inclusion within CME Group. Ahead of the session, our D&I Council formally reaffirmed our zero-tolerance policy for discrimination and delivered resources to continue offering employees support in the aftermath of the spring's tragic events.

EDUCATING OUR WORKFORCE

We offered consciously inclusive leadership training to all people managers in 2020, reaching more than 750 leaders. The in-depth session explored topics such as:

- Discovering what D&I means and its role in driving business and performance.
- Building comfort and competence to discuss D&I at work.
- Sharpening leadership skills toward becoming more consciously inclusive leaders and colleagues.

Understanding the importance of ongoing education and commitment, this training will be extended to all employees in 2021.



While our teams were still in the office, we welcomed the new year with a fireside chat led by Chairman & Chief Executive Officer Terry Duffy. He was joined by D&I Council members, Jin Chang & Ciby Kuruvilla; the president of our SERVE ENG for veterans & their allies, Greg Sudkamp; & Karen Durso, representing our Sustain & Enhance our Environmental Direction (SEED) & Women's Initiative Network (WIN) ENGs.

CME Group Employee Feedback

**"** Hearing Terry talk very candidly about the issues of race & discrimination was very powerful. He clearly didn't hold back in his support & belief that racism has no place in our company & that there is a problem that needs fixing. While we all knew this already, it does make a difference to hear the CEO of our publicly-traded company make it very clear. **"**

**"** It's great to start the year off demonstrating & talking about how important it is to get CME's culture right. Having people speak their truth from an honest & candid perspective provides a real opportunity for everyone to empathize with the experience of others from a different lens. I also think it was quite appropriate & necessary to discuss the contributions of the ENG's & let people know it's ok to join & participate because all of their effort not only benefits themselves but the company as well. **"**

CME Group Employee Network Groups



WIN  
(2012)

**The Women's Initiative Network**  
WIN is a community supporting women of all titles, ages & geographic locations that offers support, guidance, direction & networking.



LAUNCH  
(2014)

**LAUNCH**  
LAUNCH supports employees who are early in their career, new to CME Group or the derivatives industry, or who have a general interest in meeting others.



SERVE  
(2015)

**Service Members & Veterans**  
SERVE provides a forum for military veterans & service members to build relationships, explore professional development opportunities & promote education around topics affecting veterans.



PRIDE  
(2015)

**Promoting Rights, Inclusion, Diversity & Equality**  
PRIDE focuses on LGBTQ topics, helping to ensure that CME Group is at the forefront of recognizing, retaining & providing for its entire diverse workforce.



SEED  
(2015)

**Sustain & Enhance our Environmental Direction**  
SEED advocates for greater environmental sustainability within CME Group, helps promote our corporate social responsibility efforts & seeks ways to better manage the company's sustainability risk.



BOLD  
(2016)

**Black Organization for Leadership & Development**  
BOLD strives to advance development, leadership & career opportunities — primarily for employees of African heritage — by providing a network & support system to enable success for themselves, their company & the community.



HOLA  
(2016)

**Hispanics Organizing for Leadership & Achievement**  
HOLA provides a platform for the Latino & Hispanic community to contribute to the success of CME Group through leadership, development & networking opportunities.



FLOW  
(2019)

**Fulfillment, Lifestyle, Openness & Wellness**  
FLOW supports employees' health, happiness & self-worth. The group unites employees who share a mutual passion for & interest in health & well-being.



CAN  
(New in 2020)

**Connecting Asia Network**  
CAN creates a platform for employees across regions to connect, contribute & network. The group encourages efforts to diversify our employee base, in addition to promoting education around Asian culture & heritage & the role APAC plays in our global business.



WIT  
(New in 2020)

**Women in Technology**  
WIT establishes a base from which all employees, but specifically female information technology employees, can further develop their careers at the firm and network with colleagues of similar interests — professionally and personally.

EMPLOYEE NETWORK GROUPS

The opportunity to build supportive communities around shared interests and experiences is one small part of the role Employee Network Groups (ENGs) play at CME Group. We continue to support a robust network of 10 ENGs, which surface critical issues in their respective communities for our broader workforce and promote continuous learning and conversation.

Our ENGs in 2020:



1,350 ENG members



105 education & networking events



60 wellness events focused on physical & mental health



11 volunteer events

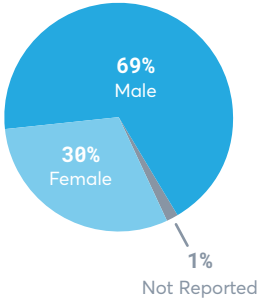
WHO WE REPRESENT AROUND THE WORLD

We're driven by the belief that measuring our progress is key to achieving it, and that measurement starts with a baseline. Due to the pandemic, the U.S. Equal Employment Opportunity Commission has deferred equal employment opportunity reporting for 2019 and 2020. However, we recognize the importance of transparency and the value in reporting it openly. We plan to disclose our comprehensive EEO-1 data in our upcoming 2021 report.

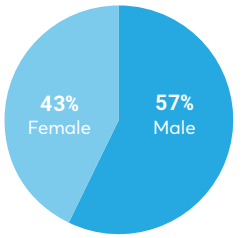
The following provides a snapshot of our employee workforce as of 12/31/2020:

Ethnicity (U.S. Only)	
American Indian or Alaska Native	0.12%
Asian	22.00%
Black or African American	6.55%
Hispanic or Latino	5.57%
Native Hawaiian or Other Pacific Islander	0.12%
White	56.71%
Two or More Races	1.53%
Not Reported	7.40%

Global Gender



Senior Managing Directors & Above



We are focused on recruiting and retaining diverse talent through an expansive recruiting effort, internal development programs and open and honest communication. Diversity and inclusion are foundational to building a culture of innovation and mutual respect. We have designated a member of our recruiting team to focus solely on developing and implementing D&I recruiting strategies, challenging conventional sourcing approaches, researching new sources of diverse talent and promoting CME Group as an employer of choice for diverse talent.



D&I LOOKING AHEAD

At CME Group, we are determined to ensure our commitment to diversity and inclusion is sustained far beyond this past historic year. Our corporate Diversity and Inclusion Council has established six workstreams to guide our efforts:

**Communications:** To create a strong culture of communication around D&I issues and promote ways to get involved.

**ENG Support & Governance:** To partner with ENGs to provide resources, support their missions and guide future growth and development.

**Mentoring & Coaching:** To provide career coaching and mentoring programs to help employees advance their professional goals.

**Recruiting:** To expand and diversify our talent pipeline, attracting and retaining talent from underrepresented communities.

**Supplier Diversity:** To increase the number of diverse suppliers and associated annual spend.

**Training & Education:** To support all employee levels with D&I foundational training and advanced learning opportunities.

SUPPLIER DIVERSITY

Inside and outside of our own organization, we have a role to play in ensuring a more diverse and inclusive supply chain. In 2020, CME Group initiated a supplier diversity program and joined the National Minority Supplier Diversity Council. In 2021, we are prepared to maximize inclusion of qualified diverse suppliers and implement Diversity Trax, a tool to help us better manage, vet and track our diverse suppliers and spend.

SECTOR DIVERSITY

A lack of diversity in the financial industry negatively impacts us all and requires leadership in our sector to drive progress. We are proud to participate in the Financial Services Pipeline Initiative, a collaboration involving Chicago-based financial institutions and the Chicago Community Trust. The initiative aims to increase the representation of Black and Latinx financial service professionals and improve the overall cultural competency of our industry.



Get What You Give: Employee Engagement & Development

At CME Group, we are committed to investing in our employees' success. Our teams work alongside leading experts who inspire each other and comprise problem solvers, difference makers and trailblazers. Because we rely on a highly skilled global workforce, we are always seeking new ways to motivate, challenge and uplift our employees.

Our Performance is Monitored Against the Following Metrics:

Despite the global pandemic, we remained focused on employee development, leadership & retention. In 2020, we had:

5.2%

voluntary turnover

34%

of open roles filled w/ internal candidates

8.9%

of employees promoted

We also regularly survey our employees to better understand & meet their needs. Based on our 2020 pulse engagement survey:



88% of respondents appreciate the opportunities CME Group provides to gain valuable skills & experiences.



87% say they're excited about how their work contributes to the company's success.



82% are satisfied with the collaboration tools & resources available to help them do their jobs — representing a five-point increase from 2019.



80% agree that CME Group encourages & promotes diversity of backgrounds, talents & perspectives.

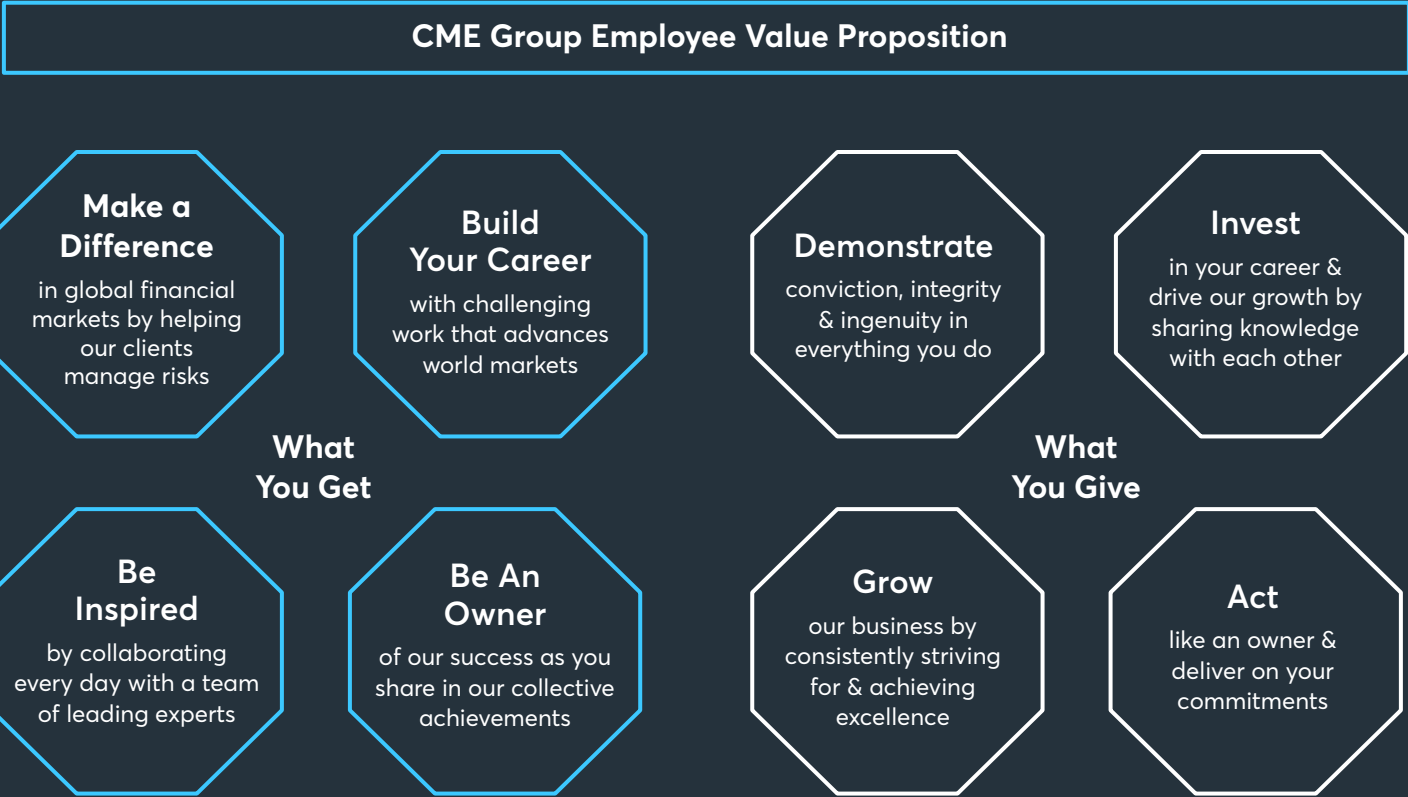
Human Rights Campaign Foundation Best Places to Work for LGBTQ Equality & Perfect Score on Corporate Equality Index

3RD CONSECUTIVE YEAR

TRAINING & DEVELOPMENT

Our training and development programs continued without skipping a beat in a remote work environment. In fact, employees reaped the benefits of attending programs virtually, being able to network with colleagues based in different locations. Our redesigned People Leadership Programs focused on emotional intelligence, and even included a simulation presenting participants with challenges and critical tasks managers face.

We also have a development program for our individual contributors designed to enhance their skills and experience at CME Group, including two educational sessions on influence and innovation.





# Sustainable Solutions

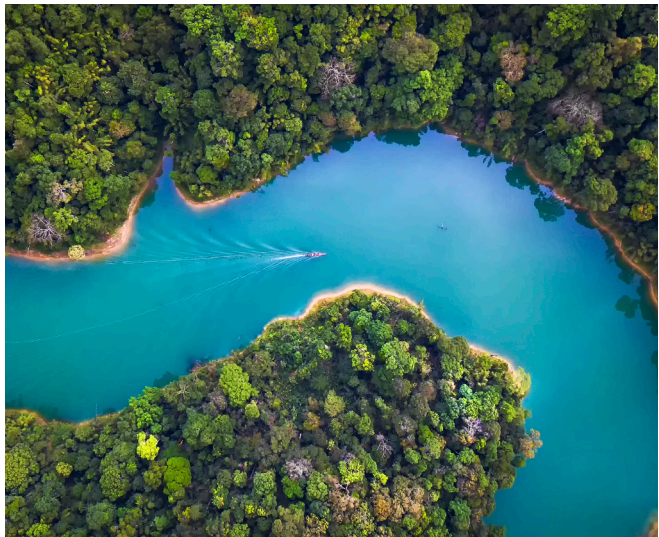
## Products Designed for a Sustainable Future

We have always developed products and services for our clients' evolving risk management needs. As a global business operating in a complex environment, we understand the importance of developing both innovative and sustainable business solutions.

### NASDAQ VELES CALIFORNIA WATER INDEX FUTURES

Water is essential for food security and agricultural production. In California, the largest food-producing state in the United States, increasing demand for water and supply constraints, like droughts and wildfires, make this essential resource even more scarce. In December 2020, we introduced the first-ever water futures contract, which we believe can be a part of the solution to the California water challenge.

Nasdaq Veles California Water Index futures are specifically designed to serve farmers and commercial water users seeking to manage financial risk by providing certainty of price today for commercial water they will need in the future. Our futures reveal greater transparency into future water price expectations by establishing a forward price curve, helping market participants manage the price risk associated with the scarcity of water in the largest water market in the United States. Water futures can help strengthen California's water market, by offering greater transparency, oversight and price discovery for water industry participants, creating market-based incentives for participants.



The launch surpassed expectations, with contracts representing nearly 340 million gallons of water traded in the first month.

### GLOBAL EMISSIONS OFFSET FUTURES

As more countries and companies work to create a lower carbon economy, demand for voluntary carbon offsets has grown. In 2020, we prepared for the March 2021 launch of the GEO futures contract. We are excited for the potential that the new contract holds as demand for global decarbonization increases.

In 2020, we continued to pursue product launches & extensions that align with a more sustainable world and economy.

- **CME Group's E-Mini S&P 500 ESG Futures** achieved open interest of \$1.25 billion in notional value.
- **Around 530,000 tons of recycled steel** were hedged on CME Group exchanges, via our recycled steel futures contract, which enables risk management for this key scrap market.
- **We successfully launched the Nasdaq Veles California Water Index Futures**, designed to help food producers, municipalities & businesses hedge the cost of water used primarily for agricultural & commercial purposes.
- **We launched cobalt futures** to support the risk management needs in the fast-growing market & increased use of electric vehicles; the contract has traded actively since its November launch.
- **Our bioenergy futures remain highly active**, providing market participants with a tool to manage price risk in renewable transport fuels.
- **We prepared for the 2021 launch of the Global Emissions Offset (GEO) futures contract**, which is designed to help clients manage the risks associated with voluntary decarbonization strategies.



“

In the near-term, GEO futures will provide a regulated, market-based solution to address risk management needs. They create a standardized pricing benchmark to help facilitate long-term climate goals that impact our planet for the better.

”

PETER KEAVEY  
Managing Director of  
Energy Products



“  
Every industry, including finance, has been forced to change their processes & approach. As we share our lessons learned and practices related to ESG, I am hopeful that it will spark new ideas & ways we can improve in the future.  
”

OWAIN JOHNSON  
Managing Director, Research & Product Development



### Employee Innovation Program Recognition

72

new patents  
in 2020

620

patents since  
inception\*

\$3.4

million awarded  
to employees  
since inception

\*Includes patents acquired in the NEX Group acquisition.

## Industry Engagement

CME Group participates in and shares its expertise with a number of high-profile initiatives designed to develop market-wide approaches to advancing more sustainable financial markets.

**Our representatives have actively participated in the following working groups, committees and taskforces:**

- The World Federation of Exchanges' Sustainability Working Group and its ESG Definitions Subgroup
- The Commodity Futures Trading Commission's Climate-Related Market Risk Subcommittee
- The International Regulatory Strategy Group's ESG Workstream
- The Taskforce on Scaling Voluntary Carbon Markets
- The International Organization of Securities Commissions (IOSCO) Affiliate Members Advisory Committee and its Sustainability Task Force
- Futures Industry Association's U.S. Commodities Climate Risk Working Group
- Sustainable Stock Exchanges Initiative's Derivatives Markets Advisory Group

Julie Winkler, Chief Commercial Officer, participated in the Commodity Futures Trading Commission's Climate-Related Market Risk Subcommittee of the Market Risk Advisory Committee. CME Group also participated in the World Federation of Exchanges Annual Sustainability Survey, which captures the nature of and extent of member engagement in ESG.

## CME Group Innovation Lab & Employee Innovation Program

We value ingenuity and believe innovation can transform business and improve our world for the better. For decades, CME Group has played a vital role in innovative solutions that have shaped the global economy and financial markets.

Established in 2014, our Innovation Lab helps us drive structured, collaborative and fresh thinking around how we create value for our clients and business. Through the Lab, we bring together colleagues with diverse perspectives from all levels, departments and functions to both guide and challenge one another.

This year, Innovation Lab sessions shifted to a virtual presence, leveraging digital platforms to continue generating new insights, exploring emerging opportunities and accelerating actions to unlock new possibilities that can transform both our company and the industry at large.

Our drive to innovate on behalf of our clients extends to all levels of our organization. Through our Employee Innovation Program, we recognize colleagues by providing cash incentives to those who apply for and are issued patents. In 2020, CME Group employees received a total of 72 new patents with awards totaling \$189,000.

CME Group has obtained over 620 patents worldwide, including 72 new patents in 2020. Since the inception of its Employee Innovation Award Program, CME Group has awarded nearly \$3.4 million in cash incentives to our employees.



# Advancing Sustainability Within our Operations

## CARBON FOOTPRINT STUDY

As part of our commitment to advance a more environmentally and economically sustainable future, we recognize the importance of reducing our carbon footprint. In 2020, we conducted our first carbon emissions assessment, in accordance with the requirements of the [Greenhouse Gas Protocol](#), to calculate our scope 1, 2 and 3 greenhouse gas emissions.\* This assessment offered us valuable insights into where our emissions primarily came from in 2019 and what areas we can focus on to lessen our environmental impact and reduce our carbon footprint moving forward. We will disclose 2020 and 2021 emissions in our next report.

### In our first-ever study of global emissions for 2019 we learned:

- Our total estimated emissions were 63,569 metric tonnes of CO2e
- Scope 1 emissions, or direct fuel combustion emissions of company vehicles, made up less than 1% of our total emissions profile.
- Scope 2 emissions made up 54% of the total footprint, primarily driven by electricity consumption from data centers and offices.
- Business flights, which are considered Scope 3, were the second largest emission source, comprising 19% of emissions.

The results of the assessment, and future assessments, will inform our strategy and the actions taken by our facilities and operations groups to reduce our environmental impact.

\*For more information, [see the back page of this report](#).

To start, we are targeting a decrease in electricity consumption at our data centers and carbon emissions via business flights. We are committed to continued progress.

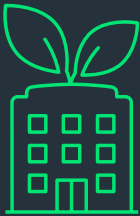
## DATA CENTERS

Data centers by nature utilize significant amounts of energy. While we do not own or have full operational control of our data centers, we have partnered with our providers to decrease energy consumption and power usage effectiveness (PUE) by:

- Optimizing hot aisle/cold aisle containment where appropriate;
- Using high-efficiency chillers;
- Implementing chiller economizers, which provide “free cooling” during periods of low to mild outside air temperatures;
- Leveraging infrared monitoring of data centers that facilitate directional tiles to direct and optimize cold air to hot spots.








By working with providers to reduce electricity consumption at data centers, we are diminishing the greatest driver of our overall emissions.



In 2020, we reduced our average PUE by 3% at our primary data center in Aurora compared to 2019, representing a nearly 10% reduction since 2017.



CME Group Paper Recycling Results

-  46,000 lbs of CO2 emissions avoided (that's equivalent to the emissions of more than 4 cars per year)
-  530 trees preserved
-  71,400 kWh of electricity saved (that's nearly 190 years of energy demand for a laptop)
-  866,000 gallons of water saved (that's almost 95 swimming pools of water)
-  158 cubic yards of landfill space conserved



SEED challenged employees to reduce their use of single-use plastic by distributing durable hot & cold beverage tumblers. This photo from the challenge was taken in January 2020 ahead of our transition to a remote work environment.

TRAVEL CURTAILMENT & REMOTE CONFERENCING

Over the years, we have invested in video conferencing technology that enables us to avoid significant amounts of business travel and related flights. During the COVID-19 pandemic, this investment paid off. Our employees had the tools to stay productive amid in-person meeting and travel restrictions.

While some travel will resume post-pandemic, we expect that our continued investment and improvements in remote collaboration tools will result in an overall trend to limit or reduce travel-related emissions as much as possible.

Enhancing our Work Environment

At CME Group, we initiated several programs designed to enhance our workplaces that proved beneficial in 2020. These workplace programs will continue to optimize efficiency and promote sustainability long into the future.

GLOBAL OFFICE CONSOLIDATIONS

As part of our integration following the NEX Group acquisition, we consolidated redundant office locations. We also transitioned certain smaller offices to remote environments. These efforts resulted in a decrease of approximately 56,000 square feet, helping to reduce our carbon footprint and optimizing the quality of our work environment for our employees.

CHICAGO HEADQUARTERS CONSOLIDATION & RENOVATION

Over the past three years, we undertook an extensive project to consolidate and densify our Chicago footprint, resulting in a reduction of approximately 163,000 square feet of office space. As part of this initiative, we transformed our space into a more collaborative, brighter space that makes better use of natural light. We have also reduced our electrical use and improved our efficiency with respect to lighting, heating and cooling.

RECYCLING & COMPOSTING

Our decision to securely shred and recycle paper has helped lessen our environmental footprint, including preserving 530 trees and saving nearly 95 pools full of water. Additionally, we recycled 3.37 tons of electronic waste.



SEED members educated other employees on the benefits of composting, empowering team members to go green from their home offices.

# Community Commitment

In 2020, we remained deeply connected to, engaged with and invested in our communities. The CME Group Foundation and our corporate giving program awarded more than \$7.6 million to philanthropic causes in 2020.

## Supporting our Communities During the Pandemic

CME Group donated \$100,000 to food pantries in Chicago, New York, the United Kingdom and Singapore. We also connected employees around the globe with virtual volunteer opportunities to support those hit hardest by the pandemic and conducted a virtual holiday gift drive.

In addition, the CME Group Foundation donated approximately \$470,000 to dedicated COVID-19 relief organizations in Chicago, including:

- Chicago Education Equity COVID-19 Response Fund
- City of Chicago Department of Family and Support Services, in support of youth summer employment
- Urban Initiatives, supporting youth summer programming
- My Chi My Future, serving the Austin neighborhood in Chicago with youth learning hubs

## 7,000 N-95 Face Masks Donated to First Responders & Health Care Professionals

When the onset of the COVID-19 pandemic caused a global shortage of face masks, health care professionals and first responders were the most in need.



Our facilities and health care center teams recovered and donated boxes full of masks needed to protect those on the front line of the COVID-19 crisis.

**"I think that in times of crisis, we all need to think about others' needs & what we can do to help. Being able to help protect the people who protect us was incredibly gratifying."**

SUE SKARBEK  
CME Group Nurse & Health Care Center Manager

After hearing Chicago Mayor Lori Lightfoot's appeal for companies to donate medical supplies in March 2020, CME Group's facilities and health care center teams pulled 7,000 N-95 masks from storage that had been purchased and held as a safety precaution. Those masks quickly made their way to Rush University Medical Center and the City of Chicago Operations Center, organizations that mobilized COVID-19 response kits, where they were distributed to first responders and health care professionals on the front lines.

### Our 2020 Giving



More than **\$7.6 million** in total giving



**\$312,000** in matching gifts



**\$755,000** in scholarships



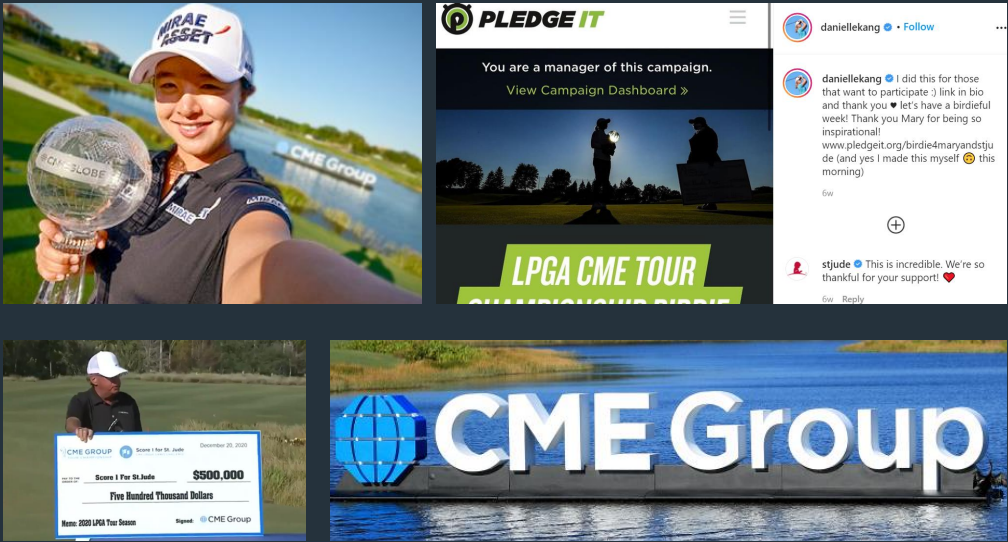
Despite the limitations caused by the pandemic, our employees used the equivalent of **217 paid days off for volunteering** in 2020.







CME Group Tour Championship brought media attention & offered a national platform to the patients who benefit from St. Jude's research.



Golfer Danielle Kang took to Instagram, getting fans involved. She invited her followers to pledge funds for every birdie she scored.

### Birdies to Benefit St. Jude Children's Hospital

We enhanced our partnership with St. Jude Children's Research Hospital at the CME Group Tour Championship, bringing the St. Jude mission to life for the Ladies Professional Golf Association's (LPGA) global audience.

With the support of the LPGA's athletes and their enthusiastic fan base, we helped elevate the voices of the children of St. Jude who could not attend the event in person because of the pandemic. The Golf Channel aired live interviews with St. Jude patients, and the LPGA's social media channels shared virtual meet-ups between the golfers and patients.

Golfer Danielle Kang even took to Instagram herself, inviting her fans to pledge funds for every birdie she scored.

In 2020, we also introduced a new element to the tournament: an auction that resulted in \$51,000 in donations from LPGA Tour fans. To complete the weekend, CME Group Chairman & Chief Executive Officer Terry Duffy presented a \$500,000 check from CME Group to St. Jude during the trophy presentation.

Every dollar raised means St. Jude can continue to advance its mission of finding cures and means of prevention for pediatric diseases, thereby ensuring that it will never need to deny a child treatment based on a family's ability to pay.

### Community Charitable Donations

In 2020, it was especially important for us to invest in the causes most meaningful to our local communities.

- We marked the highest amount donated through our matching program; we contributed \$312,000 in matching gifts to charities around the world.
- We donated nearly \$13,000 in school supplies to our adopted school in Chicago, Washington Irving Elementary, at the onset of the pandemic to assist with the transition to remote learning.
- We resumed our partnership with Working in the Schools (WITS) in Fall 2020 to virtually read and tutor 4th grade students from Washington Irving.

**"I really value the ability to double the impact of the charitable contributions I make. During the pandemic, many charities I support saw their funding drop drastically, so getting the match from CME Group allowed me to make my donations more meaningful."**

JASON GRANT  
Global Information Security, Belfast



**FALL FUNDRAISING: CAMPAIGN FOR MEN'S & WOMEN'S HEALTH**

For the past six years, CME Group has proudly sponsored a fall fundraising campaign, raising a total of more than \$2 million to benefit charities focused on men's and women's health. In 2020, \$162,000 was allocated to the American Heart Association Global Go Red for Women Movement and The Movember Foundation, including \$62,000 from our employees.

**CHICAGO STAR SCHOLARSHIP**

CME Group has a 35-year partnership with the City of Chicago on initiatives that help make college more affordable for graduates of Chicago Public Schools. Since the launch of the Mayoral Award for Student Achievement with the City of Chicago in 1986, CME Group has annually supported high-achieving CPS students in pursuit of college degrees, resulting in thousands of scholarships and estimated financial support exceeding \$2 million.

Through the Star Scholarship program, which was established in 2017, CME Group selects 25 [Star Scholars](#) from City Colleges of Chicago to receive a \$5,000 scholarship each, paid over two years, to support furthering their college education with a bachelor's degree in finance, economics, business or a STEM-related major at one of the Chicago Star Partner colleges.

**CME Group Foundation Helps Prepare Youth for Tomorrow**

The CME Group Foundation is a private foundation that strives to empower future generations through education, equipping today's students for tomorrow's challenges.

**CME GROUP FOUNDATION GRANTS**

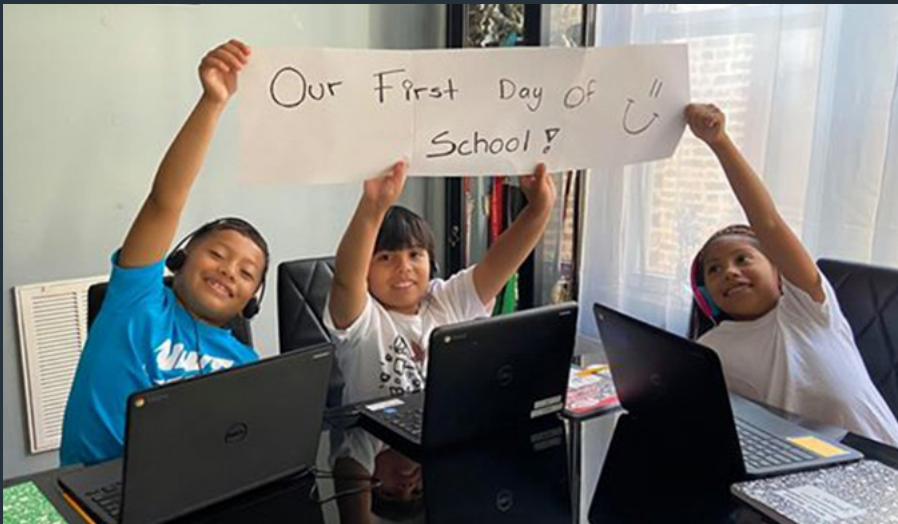
Through the CME Group Foundation, we support organizations and initiatives focused on providing youth from early childhood to college with the tools they need to achieve their full potential.

From 2007 to 2020, CME Group Foundation invested more than \$11.3 million through partnerships with nearly 30 grantees to improve early math education in Chicago and across the state of Illinois. Over the course of its Early Math Initiative, the Foundation has built a strategy rooted in research-practice partnerships that develops, tests and scales effective training for early math education, helping to improve classroom practice, and in turn, student outcomes.

**CHRISTOPHER HOUSE ADAPTS TO VIRTUAL LEARNING ENVIRONMENT**

Christopher House, a CME Group Foundation grantee, works to close opportunity gaps for thousands of Chicago's low-income children and families with its innovative continuum of care approach. This includes personalized education, immersive family support, counseling, support groups, parent programs and more.

The organization quickly adapted programming as a result of the pandemic to meet the needs of its community. Many Christopher House scholars lacked access to basic technology at home, but the organization was able to provide each student with a Chromebook and free internet to access lessons from home. As a result, 100% of Christopher House scholars now have the technology they need for success.



Christopher House early childhood scholars will have access to 115 minutes of live instruction per day.

“

The Star Scholarship program expands equity & opportunity for our dedicated students, helping us build a stronger pipeline of talent across Chicago. CME Group recognizes the strength & determination within our community colleges, & we are honored to help these students reach the next milestone in their path to success.

”

LORI LIGHTFOOT  
Mayor of Chicago

CME Group Foundation Grantees in 2020			
Early Childhood Education	University of Chicago STEM Ed	\$200,000	payable over two years to provide a cohort of elementary school teachers with the knowledge, confidence & tools for teaching math to young children
	University of Illinois at Chicago	\$200,000	payable over two years to support the Elementary Math Specialist Program
	DePaul University	\$200,000	payable over two years to expand the Elementary Math Specialist Program
K-12 Education	Children First Fund of the Chicago Public Schools Foundation	\$400,000	payable over two years to support computer science 4 All & after-school computer science clubs
	George W. Bush Foundation	\$300,000	payable over three years to support the School Leadership Initiative
	Northwestern University Office of Community & Education Partnerships	\$50,000	to support the STEAMBassador program
College & Career	Scholarship America	\$700,000	to support CME Group Foundation Scholars
	City Colleges of Chicago Foundation	\$1,000,000	payable over five years to support The Chicago Roadmap

The full list can be found at [cmegroupfoundation.org](https://cmegroupfoundation.org).

FUTURES FUNDAMENTALS

When we launched Futures Fundamentals, our goal was to help audiences better understand futures markets and the role they play in the economy. Today, Futures Fundamentals is a collective, industry-wide 501(c)(3) organization, supported by a number of industry participants and associations. The organization serves as a leading online resource for derivatives education for new market users, policymakers, educators and students, and the general public.



> 522,000 students reached in 2020



1,600% increase in resource downloads in April 2020 compared to April 2019



1.4 million students reached since program start in 2015

2020 was a record-breaking year for Futures Fundamentals, as the pandemic closed in-person classrooms and caused a shift toward e-learning. The [Econ Essentials program](#), a collaboration between Futures Fundamentals and Discovery Education, continued to provide teachers with resources to explain basic economic principles through real-world applications.

“Given the outsized role futures markets play in global economies & key areas of everyday life, we believe education about these markets should be a key part of early economic literacy. We are proud to partner with a variety of industry participants to help a broader global audience understand futures products & how they affect all of us.”

ANITA LISKEY  
Senior Managing Director, Global Brand Marketing & Communications



# Corporate Stewardship

Despite a year filled with turmoil and risk, we continued to lead our sector globally, reflecting the solid foundation upon which we have built our business. Everything we do at CME Group is based in strong governance practices and our culture of compliance, ethics and accountability. Our corporate values define how we conduct our business as we strive to:

- 

Lead with conviction & integrity
- 

Advance the global economy
- 

Build lasting relationships
- 

Act with ingenuity every day

**“Diversity, equality & inclusion must take a systems approach. We have to reimagine new methods & lean into the full ecosystem in order to drive change.”**

PHYLLIS LOCKETT  
CME Group Board of Directors & Member of Market Regulation & Oversight, Nominating & Governance, & Risk Committees

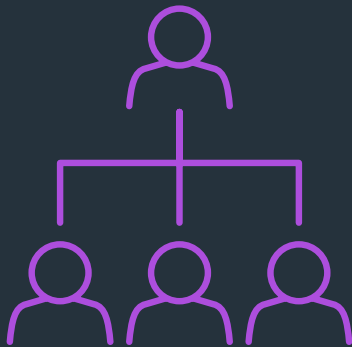
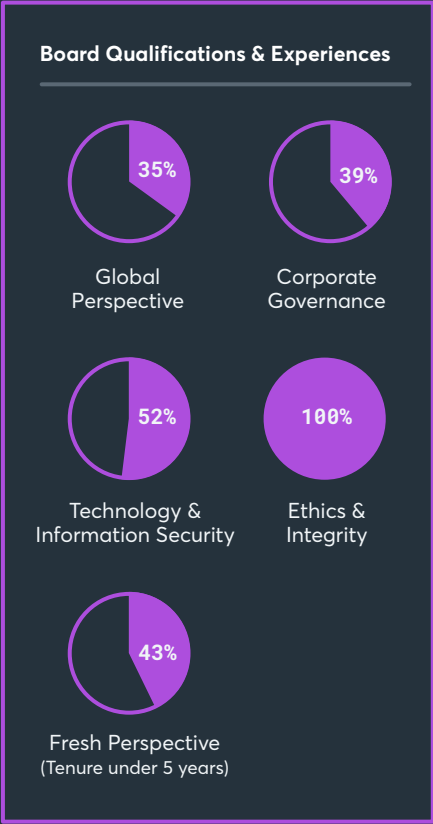


## OUR BOARD OF DIRECTORS

Our business principles start with our Board of Directors. In 2020, our Board was dedicated to the issues that mattered most in a trying year:

- Overseeing risk management in the face of the COVID-19 pandemic
- Ensuring our marketplace continued to function effectively during times of unprecedented market uncertainty and volatility
- Securing the safety and well-being of our global team
- Helping our clients manage their risk and navigate uncertainty during the pandemic
- Launching new and innovative products and services
- Achieving synergies with the NEX integration
- Continuing to deliver value to our shareholders

The Governance section of our [2021 Proxy Statement](#) provides additional information on the attributes and qualifications of our Board members, including detailed biographies and diversity statistics.



**“**During the extreme uncertainty created by the pandemic in 2020, our focus on risk management & business continuity was never more critical. Our preparedness enabled us to continue operating our global markets so businesses & individuals around the world could manage their risks, while prioritizing the health & safety of our employees.**”**

**DENNIS SUSKIND**  
CME Group Board of Directors, Chair of Risk Committee & Member of Audit, Executive, Market Regulation & Oversight, & Nominating & Governance Committees



### Additional Resources to Understand Our Board-level Risk Oversight:

- [Board of Directors Code of Ethics](#)
- [Confidentiality & Data Protection Policy](#)
- [Modern Slavery Act Transparency Statement](#)
- [Board of Directors Committee Charters](#)
- [Corporate Governance Principles](#)
- [Board of Directors Conflict of Interest](#)
- [Employee Code of Conduct](#)

### Risk Universe for 2021

#### Clearing House

- Clearing House Financial Resources
- Clearing House Operations

#### Compliance

- Corporate Compliance
- Regulatory
- Legislative, Regulatory & Political
- Legal

#### Financial

- Accounting & Financial Information
- Credit, Market & Industry

#### Operational

- Sourcing & Third Party
- Information Security
- Physical Security
- Personnel & Human Resources
- Operational Resilience
- Information Technology
- Planning & Execution
- Trading Operations
- Post-Trade Services

#### Reputational

- Brand

#### Strategic & Commercial

- Growth
- Commercial Offerings

CME Group tracks impacts from climate and sustainability risk within the foregoing risk universe categories as applicable based on the potential impact to its operations and strategy.

### BOARD OVERSIGHT OF RISK

Senior management owns responsibility for managing the company's risk on a day-to-day basis, with our Board of Directors involved in overseeing risk management activities and programs designed to identify, assess, monitor and report on risks and opportunities, including our Enterprise Risk Management (ERM), compliance, business continuity and cybersecurity programs.

Our Board has a dedicated Risk Committee responsible for reviewing, assessing and providing oversight of our risk management practices and assisting the full Board in its oversight of the effectiveness of our policies and processes. Please see [Appendix A](#) of the Risk Committee's charter, which outlines the specific risk categories overseen by the Board and its committees.

In accordance with our ERM framework, CME Group keeps the Board and the Risk Committee apprised on a quarterly basis of the company's risk profile for clearing house, compliance, financial, operational, reputational, strategic and commercial risks. Ongoing written and verbal reports are also received from key risk owners, including the Chief Risk Officer of the Clearing House, Global Chief Compliance Officer, Chief Information Security Officer and Global Head of Business Continuity Management.

We also have a dedicated Accounting Compliance Team, which tests the effectiveness of our internal procedures for financial reporting and disclosure. Our internal audit function independently and objectively reviews our risk and controls throughout the organization, and reports to the Audit Committee, as well as other committees.

### Enterprise Risk Management

Strong ERM is core to understanding our risks comprehensively, allowing us to operate effectively for our business and our clients. CME Group's ERM program evaluates and monitors risks across multiple categories — from operational to reputational to strategic, financial and more.

Managing, mitigating and reporting on risk has never been more important than in the year we just experienced where the pandemic fueled uncertainty and tough market conditions. Our robust ERM program, matrixed across our organization, was vital to ensuring that our Board and senior leaders had an ongoing holistic picture of our overall sustainability and risk profile.

### THIRD PARTY RISK MANAGEMENT

Third party risk management (TPRM) is essential to identify, assess and manage potential risks relating to the engagement of third parties that support CME Group in delivering its business strategy. Through our TPRM program, we have established due diligence standards and procedures to demonstrate the purchase of goods, software services and engagement of third parties are appropriately reviewed, negotiated, risk-assessed and understood, authorized and documented.

TPRM is a multi-disciplinary program at CME Group. The program involves coordination with our procurement, legal, information security, data governance and business continuity teams, allowing our contracts and vendor renewals to align to our risk management posture, provide adequate assurance and meet regulatory requirements.

Maintaining Business Continuity & Stability

CME Group provides market participants worldwide the ability to efficiently manage risk across multiple asset classes, by trading futures, options, cash and over-the-counter products. Our clearing house has been classified as a systemically important financial market utility by the Financial Stability Oversight Council, meaning our continuity is critical and subject to certain regulations that ensure the stability of the U.S. financial system. Our Business Continuity Management (BCM) Program aims to mitigate potential impacts to our markets, assets and people, and to safeguard access to our products and services.

Our BCM team continually identifies new and changing business risks to our operations across all CME Group locations through internal monitoring and planning, industry partnerships, the media and various information sharing organizations across these regions. The BCM team works with departments and employees across the company to assess risks at varying levels of severity. We have developed a framework for mitigating these risks to ensure our business and our markets continue to operate effectively through various resiliency strategies. For example, prior to the pandemic, BCM had prepared CME Group for workforce and system disruption, having previously tested functionality of remote working on a regular basis.

2020 was a complex and unprecedented year given the COVID-19 pandemic. BCM started monitoring and responding to the pandemic in January within APAC and continued to manage and monitor risks globally as they emerged.

Once the World Health Organization issued its official pandemic designation in March 2020, we formally triggered our global pandemic plan, which resulted in notifications to key regulatory bodies and the closure of our trading floors.

In mid-March, we announced mandatory work from home measures extending across all CME Group locations, ahead of many local government advisories. Since then, we have continued to collaborate with industry and government officials to ensure the health and safety of our CME Group community. We were able to reconfigure the Eurodollar options trading pit to meet social distancing standards and put additional safety measures in place to reopen that trading pit in August 2020. Through it all, we continued to evolve and stayed the course.

Employee Remote Work Survey Feedback:

-  **93%** agreed that CME Group took the necessary steps to support their safety & well-being.
-  **89%** said CME Group communications were timely, relevant & informative.
-  **96%** reported their managers stayed in touch with them while working remotely.



## Client Engagement Metrics & YoY Growth

↑ 112%

increase in sales engagements

↑ 23%

increase in client meetings

↑ 50%

Website visitors

↑ 8%

Client satisfaction

Broad geographic client coverage with sales engagement up

↑ 76%

in EMEA

↑ 93%

in APAC

↑ 158%

in the Americas

## Risk Awards

EXCHANGE OF THE YEAR

We were recognized as Exchange of the Year by the 2021 Risk Awards for our ability to maintain operational resilience & price discovery on key financial benchmarks at a time of stress for both markets & individual institutions in 2020.



## Client Engagement & Support

We've continuously improved our commercial and strategic sustainability by listening to our clients and constantly innovating to address their risk management needs. We made necessary changes while introducing many new products in 2020 — including our new gold futures contract with expanded delivery options, which helped our clients avoid pandemic-related shipping disruptions.

Client satisfaction remains one of our key objectives and is something we measure every year. We have consistently seen year-over-year growth in client satisfaction, with our latest 2020 brand study confirming a significantly higher satisfaction score than other derivatives exchanges.

## PROVIDING TRANSPARENT DISCLOSURE TO OUR EU CLIENTS

Many of our clients who interact with EU and UK retail investors are protected by Packaged Retail and Insurance-Based Investment Products (PRIIPs) regulation. With that in mind, we have created a suite of Key Information Documents — called KIDs — which cover certain products. KIDs provide the product information required by law to help clients understand the nature, risks, costs and potential gains of the product, and compare it with others.

## Preserving Market Integrity Always

CME Group is committed to the integrity and transparency of our markets. Our ability to ensure the effective operations of our markets was put to the test during the historic volatility that occurred during the pandemic.

Never was the planning and preparedness of our team so critical in allowing us to effectively operate our markets and meet the needs of our global client base with the majority of our employees working remotely.

During 2020, we experienced historical record ADV of 32.1 million contracts during the month of March. In accordance with applicable regulations, we have designed our trading and clearing systems to be able to handle anticipated present and future peak trading volumes.

## CME GLOBEX PLATFORM

Our CME Globex platform provides extensive market controls designed to ensure fair and efficient markets. That includes:

- Functionality for limits and banding for the price integrity of our products
- Tools to prevent market and triggered stop orders from filling at extreme pricing
- Controls to prevent excessive messaging rates

## MARKET REGULATION DEPARTMENT

Our Market Regulation Department is responsible for monitoring our markets to identify and prevent potential rule violations, including disruptive trading practices. The department utilizes sophisticated regulatory systems to conduct market and trade practice surveillance. A key element of our regulation program is educating our market participants about the requirements and expectations detailed in our rulebooks, trading advisories and educational opportunities. When violations are identified and disciplinary action warranted, enforcement proceedings are conducted before a disciplinary panel, and appropriate disciplinary actions are taken.



GLOBAL COMMAND CENTER

Our Global Command Center (GCC) provides electronic market operations and production support to the CME Globex electronic trading community 24 hours per day, Sunday through Friday. The department acts as a monitoring and escalation point to identify and assist our Customer Support Group with any suspected issues related to CME Globex trading activities. As events unfold, whether technical or event-driven, the GCC provides ongoing analysis, ranging from dissecting client activity to in-depth studies of system behavior.

On the proactive front, the GCC collaborates with numerous departments on topics including product launch, rules and liability claims, and systems stability analysis. With global markets closed on Saturday, the GCC team uses this time to manage system maintenance, mock-trading sessions, partner exchange initiatives and disaster recovery simulations.

The GCC sends notifications during emergency situations. If it is determined that an event is likely to affect a significant number of clients or has the potential to require an emergency market halt, the GCC posts a message on [cmegroup.com](https://cmegroup.com) and notifies subscribed clients via email or SMS text. If markets are halted, the GCC will send messages at 15-minute intervals throughout the event investigation. Once the issue is resolved, the GCC will announce the market reopening time.

CME Group discloses material market operational issues as required by public company reporting obligations in its periodic filings with the U.S. Securities and Exchange Commission.

Our Policies, Practices & Culture of Stewardship

COMPLIANCE & ETHICS PROGRAM

We lead with conviction and integrity and hold ourselves to the highest standards with regard to ethics and compliance.

Code of Conduct

CME Group's [Code of Conduct](#) serves as an essential element of our compliance program and a guide for ethical and compliance issues that can arise. The Code highlights our business principles and is supplemented by policies detailing the expectations for gifts, personal trading, conflicts of interest, confidentiality and information security and anti-financial crime.

Speak Up Culture

All CME Group colleagues have a duty to report any concerning behavior through one of our many resources. For example, colleagues have the ability to make anonymous reports to the CME Group Helpline, where locally permitted. Regardless of whether the report is raised anonymously or not, we make every effort to protect the confidentiality of anyone who raises a concern in good faith. All reported matters are taken seriously, investigated as necessary and incorporated into our regular reports to senior management and our Board of Directors.

Anti-Harassment & Non-Discrimination Policies

CME Group considers all potential job candidates or contractors without regard to their race, gender, age or any other legally protected characteristic. We are committed to providing a workplace free from discrimination or harassment. Our principles of equality and opportunity guide us in the way we treat each other, as well as the way we work with our clients and other stakeholders.

Our Code of Conduct Includes Guidance on How We:

- Foster a culture of respect, inclusion & integrity
- Participate in the financial markets fairly & prevent market abuse
- Grow our business fairly
- Protect confidentiality of information & safeguard systems & assets
- Achieve regulatory excellence
- Preserve our brand & reputation

CME Group discloses material legal proceedings as required by public company reporting obligations in its periodic filings with the U.S. Securities & Exchange Commission.

Our Anti-Financial Crime Policy Requires That We:

- Compete hard, but fairly & in accordance with all applicable anti-trust & competition laws & avoid even the appearance of improper activity
- Are committed to developing a culture of honesty & integrity & have developed & maintain effective controls reasonably designed to reducing the likelihood of fraud
- Have zero tolerance for corruption
- Have a risk-based program designed to comply with applicable economic sanctions laws & regulations, which regulate where & with whom we can conduct business
- Have a risk-based program designed to prevent persons from engaging in money laundering or terrorist financing through the use of our businesses

## Cyber Defense



~ 40 global employees on the Cyber Defense Team



Nearly 1,500 security incidents successfully managed



In 2020, 100% of our employees completed their annual assignment of training on cyber-security & compliance & ethics matters



19,000 suspicious emails with 2,300+ malicious in nature escalated to the Cyber Defense Team



99 million emails blocked by cyber controls, including 47,000 malicious messages

## Industry Participation

- World Federation of Exchanges (WFE)
- Securities Industry Financial Markets Association (SIFMA)
- Financial Services Information Sharing & Analysis Center (FS-ISAC)
  - Futures Commission Merchant (FCM)
  - Clearing House & Exchange Forum (CHEF)
- SWIFT Information Sharing & Analysis Centre (ISAC)
- Analysis & Resilience Center (ARC)
- Financial Services Sector Coordinating Council (FSSCC)
- Futures Industry Association (FIA)
- Sustainable Stock Exchanges Initiative (SSE)
- Financial Stability Board (FSB)
- Electronic Debt Markets Association Europe (EDMA-Europe)
- Trisector Coordination (Electrical, Communication & Financial Sector)
- CPM-IOSCO Working Groups
- International Swaps & Derivatives Association

## MANAGING CONFLICTS OF INTEREST

CME Group has adopted an established [program to address conflicts of interests](#) under its Code, including a process for identifying, monitoring and managing actual and potential conflicts of interest. We seek to ensure that a conflict of interest does not adversely affect CME Group's interests or those of our clients, shareholders or other stakeholders. All colleagues have an obligation to always do what is best for the company and must make sure the interests of our clients are always prioritized over any of our personal interests.

## DATA PRIVACY

We established the [CME Group Privacy Center](#) so our stakeholders can easily access and understand our deep commitment and approach to privacy. We are transparent on our policies on general personal data and rights, including for current and former employees and potential employees. Our Privacy Center also includes information about our cookies policy and subscription management. Our Data Privacy team also has been working diligently to advise and guide on the responsible collection and use of personal and health data as we support our return to the office.

## INFORMATION SECURITY

Effective information security reduces risk by protecting our organization against threats, managing vulnerabilities and reducing impact to our technology and data assets. This year, CME Group obtained the ISO27001 information security certification, an international standard signifying that CME Group manages information security with processes that preserve the confidentiality, integrity and availability of information.

## CYBER DEFENSE

Our global economy has never been more dependent on the internet, meaning that cyber defense has never been more critical. In light of a constantly evolving digital landscape, CME Group has been advancing our systems, resources and processes to protect our company and our data.

Our state-of-the-art Cyber Defense Center links virtually to our international operational cybersecurity teams and serves as a hub, allowing us to efficiently manage and quickly investigate thousands of cyber-security events on a daily basis. CME Group's Global Information Security (GIS) team conducts analysis and collaborates to effectively respond to any systemic events that might threaten our industry and economy.

## INDUSTRY PARTICIPATION

To promote a healthy exchange between peers and to support the collective efforts that build a more resilient sector, our BCM, GIS, Global Physical Security and Clearing House teams participate in numerous information sharing organizations in our industry.

## TAX POLICY

CME Group's approach to [tax risk management](#) and governance is consistent with our overall approach to risk management. It requires compliance with our legal and regulatory obligations everywhere we operate.

## POLITICAL ACTION COMMITTEE

The CME Group Political Action Committee (PAC) is a voluntary contribution program for eligible employees and exchange members that makes contributions to political candidates who support open, competitive, fair and free markets, and represent the interests and values of CME Group, regardless of political affiliation. Under federal law, CME Group Inc. itself may not make political contributions.





## About CME Group

As the world's leading and most diverse derivatives marketplace, CME Group ([www.cmegroup.com](http://www.cmegroup.com)) enables clients to trade futures, options, cash and OTC markets, optimize portfolios, and analyze data – empowering market participants worldwide to efficiently manage risk and capture opportunities. CME Group exchanges offer the widest range of global benchmark products across all major asset classes based on interest rates, indexes, foreign exchange, energy, agricultural products and metals. The company offers futures and options on futures trading through the CME Globex® platform, fixed income trading via BrokerTec and foreign exchange trading on the EBS platform. In addition, it operates one of the world's leading central counterparty clearing providers, CME Clearing. With a range of pre- and post-trade products and services underpinning the entire lifecycle of a trade, CME Group also offers optimization and reconciliation services through TriOptima, and trade processing services through Traiana.

**Questions?** To learn more about CME Group's ESG strategy & initiatives, please contact us at [esg@cmegroup.com](mailto:esg@cmegroup.com).

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2019 was the first year that CME Group conducted a carbon emissions study. CME Group engaged an external firm to support the quantitative data collection and calculations. Emissions were calculated for all three scopes (Scope 1, Scope 2 and Scope 3) in accordance with the requirements of the World Resources Institute GHG Protocol Corporate Accounting and Reporting Standard based upon data for January 2019 to December 2019. With the exception of the Chicago trading floor, all of CME Group's real estate is leased and the study included quantitative environmental footprint metrics for such facilities. Within certain leased facilities, certain emissions were not included due to the lack of operational control over such emissions and the de minimis nature of such emissions relative to CME Group's more substantial emission sources. Calculations of carbon emissions from air travel were based on data provided by CME Group's travel agencies. With 2019 as the base year, our environmental disclosure initiatives will evolve as we make enhancements in the scope and process to gather information relating to our environmental impact and new strategies are developed and implemented.

Information is as of December 31, 2020 unless otherwise noted.

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