

Business Continuity Management at CME Group

Building a more resilient marketplace





Business Continuity at CME Group

CME Group is proud of its solid Business Continuity Management program, which is central to helping mitigate potential impacts to our markets and customers. It defines procedures that safeguard the interests of all of our stakeholders, and establishes steps necessary to protect our reputation and brand, following a disruption.



BUSINESS CONTINUITY STRATEGY

Overview

Our team of Business Continuity Management professionals, in conjunction with groups across the company, focuses on continuing to enhance our resiliency, crisis management and disaster recovery strategies to help mitigate against three major risk categories:

1. **Operational Risks** which are component failures and are mitigated by implementing component redundancies.
2. **Facility Risks** which are events that interrupt the operation of an entire data center or office and can be mitigated by implementing redundant data centers or work sites.
3. **Wide-Scale Disruptions** which are events that interrupt operations in entire vicinities and are mitigated via a variety of alternate work strategies.

In order to identify, address and reduce the impact of these risks, CME Group has implemented a **streamlined data center approach**, which includes moving all production systems into one datacenter and all backup systems into a second, out-of-region datacenter. The first data center is located in the Midwest region of the United States. This production datacenter houses our CME Globex electronic trading system, Clearing systems and Regulatory applications. Our second facility is located on the East Coast of the United States and houses the backup environments for these systems.

It is important to note that CME Group would only failover from our primary to backup datacenter in the event of a catastrophic incident. Our datacenters and systems are built with **multiple layers of redundancy** at each level. In the event of a system component failure, we would continue to operate within our production environment by failing over affected systems and components, within that environment.

In addition to recovering our systems, CME Group has identified critical staffing needs during a disruption and has established several alternate work strategies to help ensure that essential personnel are available to administer systems and processes as well as communicate with customers. Alternate worksites, work transfer and increased ability for employees to work remotely are a few of these strategies. We have successfully activated these plans several times, most recently at our New York office during Hurricane Sandy and in our Cambridge, Massachusetts, office during the Boston lockdown after the Marathon bombing.

“As a systemically important financial market utility, CME Group is held to the highest standard.”

In addition to holding ourselves to the highest standards, CME Group has been designated as a **systemically important financial market utility** by the Financial Stability Oversight Council – so we are held to the United States Government's highest standards, too. More information about our partnerships with various government agencies can be found on page 18.

Response to Specific Situations

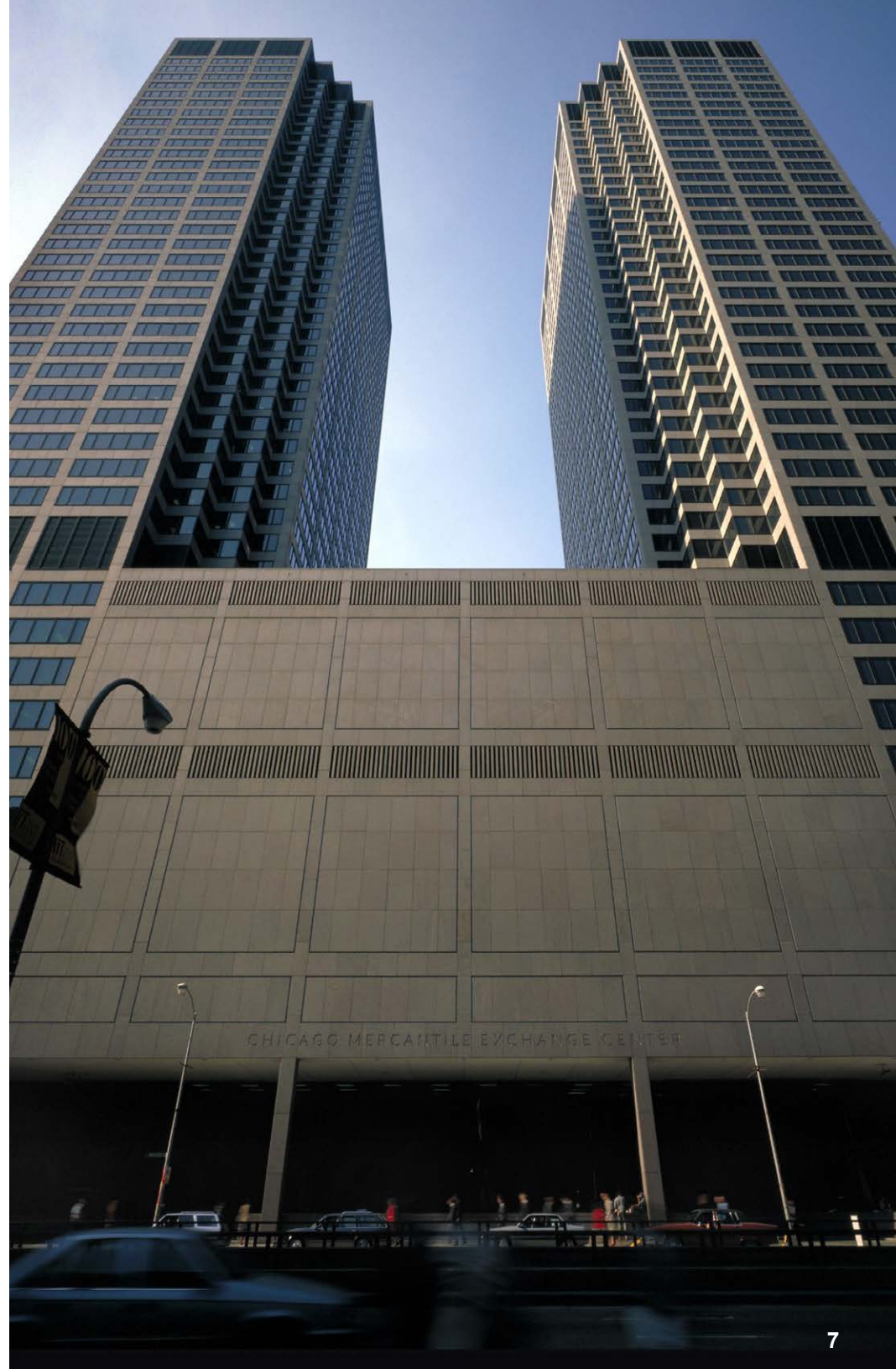
Our business continuity management strategy is focused on mitigating risks in the event that:

- A region is affected;
- CME Group is affected, but the local area remains unaffected, and;
- A specific CME Group location is impacted by a situation.

Our team of business continuity professionals, in collaboration with CME Group's Physical Security and Global Information Security Teams, has established an extensive framework to help protect against threats, mitigate risks and respond to / recover from events that could potential disrupt business at each of our locations, around the world. You can learn more about our relationships and collaboration with other industry members and local authorities in the Industry / Government Involvement and Collaboration section of this brochure.

Open Outcry Trading Continuity Strategy

In the event of a situation that renders either of our Chicago or New York trading floors unavailable, CME Group will transition the remainder of trading activity to the CME Globex electronic trading platform from the impacted trading floor. The migration of those markets that trade solely on the floor to the CME Globex electronic trading platform is part of our regular testing strategy.





Customer Outreach Program

We know that our customers have come to expect consistent and reliable operations at CME Group – and a solid business continuity program is central to meeting these expectations. This year, our Business Continuity Management team introduced a customer outreach program. Participation in the program is available to all customers, including: clearing firms, CME Globex-connected customers, CME Direct clients, CME ClearPort customers, partner exchanges, co-located firms, OTC and SDR customers.

Through regular communication, customers learn about our customer tests, latest developments and enhancements to our program and what's coming next at CME Group and in our industry. Additionally, we will host quarterly meetings and conference calls where our customers can network and hear from experts in the business resiliency field.

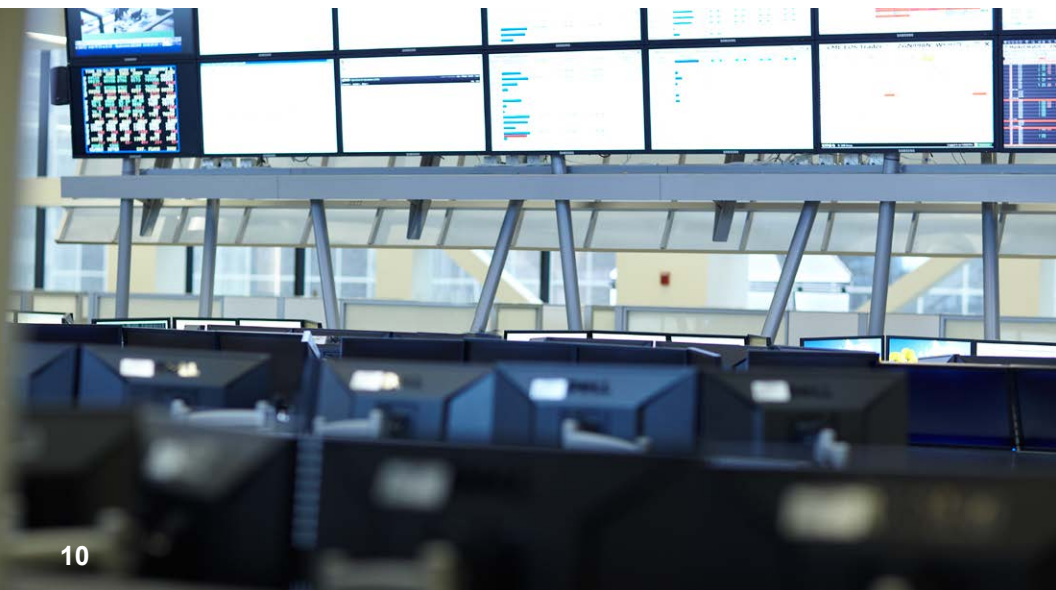
Our communications with firms are timely and clear, aim to familiarize customers with our business continuity and disaster recovery strategy and provide explicit information on how to connect to our systems should we need to activate plans during an emergency.

Firms are strongly encouraged to join our customer outreach program and test with us at least annually. If you would like to participate, please contact bcp@cmegroup.com.

We also participate in the Futures Industry Association's (FIA) October test, along with many of the major domestic and international futures exchanges and firms.

Additional Information for Customers is Available on cmegroup.com:

- CME Globex Disaster Recovery Process
- CME Clearing Disaster Recovery Process
- CME Direct Disaster Recovery Process



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Implementation of Full Business Continuity Plan

Overview

CME Group's Business Continuity Management Program has been developed using a phased approach that is consistent with today's standard business continuity practices and aligned with the ISO 22301. We begin by performing a Risk Analysis and a Business Impact Analysis (BIA) for each business unit of the company, to determine the operational and financial repercussions of a business disruption.

During the BIA, Recovery Time Objectives (RTOs) are developed to gauge criticality of business processes. From the RTOs, recovery strategies are developed into plans. In addition to employing industry-leading practices and methods, our program and plans are maintained via a variety of interconnected tools, including CMDB – Configuration Management Database – which is a repository that constantly monitors and collects information about our technology infrastructure and systems, helping to ensure that our teams always have the latest information and status about all of our applications. By using these tools and methods, we maintain information related to employees, applications, equipment, vendors, personnel attributes and other data that is needed to create accurate and comprehensive plans.

Crisis Management and Incident Response / Regional Incident Response

CME Group has also developed a Crisis Management Plan that includes plans and procedures for communicating with customers, regulators, authorities, other financial institutions and our own employees.

Our Regional Incident Response Teams work to address situations that may impact specific offices or regions, and our customers and employees in those regions. These teams are composed of key leaders and support teams from each location's critical departments.

Should an event impact our company, customers or employees on a larger scale, we could activate our company-wide Crisis Management Team or Logistics Incident Response Teams. These teams test and drill regularly.

Life Safety Planning

We have developed life and safety plans to protect our employees and our trading floor populations. Plans include evacuation, shelter-in-place and infectious disease, along with a comprehensive emergency notification strategy. Our evacuation and shelter-in-place plans are maintained by the CME Group Physical Security department and are tested by running semi-annual exercises with building management and the local fire authorities.



Global Security

CME Group maintains a robust Global Security Team, tasked with providing for the safety and security of all CME Group employees, visitors, facilities and infrastructure. Among Global Security's capabilities are a 24/7 manned state-of-art command and control center maintaining constant dispatch capabilities and close partnership with the company's Business Continuity and Global Information Security Teams. Through daily interaction and communication with key federal, state, local and international law enforcement and intelligence agencies, our security team works to ensure that CME Group has access to the most up-to-date information regarding any potential threat or concern which could negatively impact our markets, employees, customers and infrastructure.

Testing

CME Group's Business Continuity Management Team employs a rigorous testing program. Tests are audited by the company's Internal Audit department and results are reported to Executive Management. Annual testing activities include, but are not limited to:

- Fail-over testing on critical trading floor applications - performed three times each year.
- Each year (and during several events,) our alternate work strategies have been tested or employed, including during our industry's sector-wide telecommuting test.
- Fail-over capabilities are tested several times each year for our trading, clearing regulatory and business systems environments.
- Critical business units test their recovery capabilities and plans twice annually, during data center recovery tests.
- Employees test remote connectivity and emergency notification systems regularly.
- Partner exchanges work with us to test disaster recovery procedures.





Industry/ Government Involvement & Cooperation

In today's interconnected world, there are so many interdependencies between exchanges, banks, regulators and customers that in order to be successful, we must all work together. CME Group has made it a priority to join and work with a variety of organizations focused on financial services resiliency. Some of these groups include:



The Financial Services Sector Coordinating Council (FSSCC) – one of the Department of Homeland Security's coordinating councils set up to provide homeland security and infrastructure protection. CME Group is a member of this Financial Sector council and has been a member of the committee to review the National Incident Response Plan.



Financial Services Information Sharing and Analysis Center (FS-ISAC) – the industry forum for collaboration on critical security threats facing the financial services sector.



ChicagoFIRST – a non-profit association dedicated to Homeland Security and Emergency Management issues affecting financial institutions which require a coordinated response. It is a coalition of private sector financial institutions and several local, state and federal agencies. In addition, ChicagoFIRST has several strategic partners made up of infrastructure providers and important state and federal agencies.



Futures Industry Association (FIA) – the leading trade organization for the futures, options and over-the-counter cleared swaps markets.



Securities Industry and Financial Markets Association (SIFMA) – a leading securities industry trade group representing securities firms, banks and asset management companies.



City Security and Resilience Networks – the leading UK based business security and resilience membership network.

CME Group is regulated by various government agencies, including the United States Commodity Futures Trading Commission, the Security and Exchange Commission and the United Kingdom's Financial Conduct Authority. In addition to working closely with our regulators, we have established partnerships and relationships with:



Homeland Security



FEMA



- Federal and State Emergency Management Associations (EMAs)
- City and State Offices of Emergency Management

We also believe that it is paramount for CME Group to take a leadership role within the industry. Over the past several years, members of our Business Continuity Management team have or currently:

- Serve as Chapter President for the Association of Contingency Planners (ACP)
- Serve as Secretary of the Board for ChicagoFIRST
- Serve on the Board for the Business Resumption Planners Association (BRPA)
- Serve as President for the Sungard Regional User Group
- Represent the Financial Sector on the Partnership for Critical Infrastructure Security (PCIS)
- Participate on the FS-ISAC Business Resiliency Committee
- Participate on the SIFMA Business Continuity Planning Tactical Committee
- Participate on the FIA Industry Test Working Group

More information and a complete list of our partnerships – both public and private sector – can be found on our [website](#).

Members of our Business Continuity Management team are located in Chicago, Houston, New York and London. For more information or to schedule time to speak with a member of our team, please contact us at bcp@cmegroup.com. To join our customer program, visit <http://www.cmegroup.com/globex/gam-business-continuity-contact.html>.



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