

## Intercontinental Exchange—Trading to Support the Global Energy Transition



Intercontinental Exchange (ICE) has evolved from a startup electronic trading platform into one of the world's most influential financial market operators, operating the New York Stock Exchange, derivatives exchanges, fixed-income data services and mortgage technology solutions across an integrated ecosystem.

### Our Analysis

ICE's competitive strength rests on three pillars, each reinforced by distinct economic moats. First, the exchange business exemplifies network effects. As more participants trade on ICE platforms, liquidity deepens, attracting additional traders and creating self-reinforcing dominance. This dynamic is particularly pronounced in energy futures, where ICE holds dominant market positions in Brent crude and European natural gas contracts. Current energy market volatility has heightened demand for these hedging instruments, which also contributes to the growth of the exchange business.

Second, the fixed-income data segment leverages ICE's scale and brand recognition in bond pricing, a market where trust and reliability command premium pricing. Financial institutions depend on ICE's datasets for portfolio valuation and regulatory compliance, creating sticky relationships and supporting growth.

Finally, ICE has also assembled an end-to-end mortgage technology platform through acquisitions like Ellie Mae and Black Knight. The platform's services range from the initial lead generation through client service, positioning ICE to digitize an industry historically reliant on fragmented, manual processes. As mortgage markets stabilize and lenders seek efficiency gains, this platform offers substantial growth potential.

We anticipate a cyclical recovery in the mortgage and fixed-income markets and management's renewed capital return focus to support the company's long-term growth potential.

### Sustainability Outcomes

ICE occupies a unique position in the global energy transition, providing environmental data services and facilitating environmental markets, such as carbon credit trading, which supports decarbonization efforts. This helps mitigate long-term risks in its oil and gas derivatives business. The company also faces significant data and cybersecurity risks which it has addressed through a formal cybersecurity strategy and dedicated cybersecurity and threat-intelligence teams.

# SUSTAINABILITY HIGHLIGHTS

## PARNASSUS CORE SELECT ETF (PRCS)

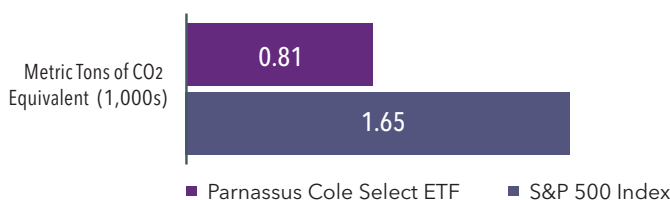
### 2024-2025 Engagements

Theme	Companies Engaged
Climate Risk	Applied Materials, Bank of America
Water Risk	Applied Materials, Microsoft
Chemical Safety	Amazon.com, Ball Corp, Stryker Corp.
Responsible AI	NVIDIA, Salesforce
Proxy & Governance	Amazon.com, Applied Materials, Bank of America, Deere & Co, Realty Income, Salesforce
Sustainable Workplace	Amazon.com, Applied Materials, Bank of America, Workday
General ESG/Individual	Autozone

### Key Metrics

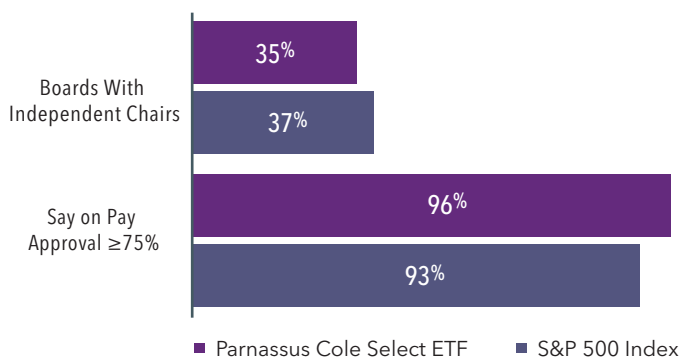
#### Environmental Impact: Portfolio company emissions are 51% lower than the benchmark.

Greenhouse Gas Emissions: scope 1 is direct emissions and scope 2 is indirect emissions from purchased energy. Lower is better to help improve air and water quality.



#### Ethical Governance: We seek companies with strong management teams whose incentives are aligned with shareholders.

We believe corporate boards are more likely to make better decisions if they have independent chairs. Say-on-Pay is a non-binding shareholder vote on executive compensation. We consider shareholder approval greater than 75% to represent alignment with investor expectations.



As of 6/30/2025. Sources: Parnassus, ISS, MSCI, FactSet.

**ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) GUIDELINES** The Parnassus strategies evaluate ESG factors as part of the investment decision-making process, considering a range of impacts they may have on future revenues, expenses, assets, liabilities and overall risk. The strategies also utilize active ownership to encourage more sustainable business policies and practices and greater ESG transparency. Active ownership strategies include proxy voting, dialogue with company management, sponsorship of shareholder resolutions, and public policy advocacy. There is no guarantee that the ESG strategies will be successful.

GHG Emissions are calculated by Parnassus using ISS and FactSet data and are based on the assets under management of the fund at portfolio weights (ex-cash). GHG Emissions for the Index are calculated for Index holdings at Index weights. Emissions data are updated annually on a one-year lag so 12/31/23 is the most recent data available. Parnassus Investments calculates the aggregate percentage difference between the fund and the Index. Scope 1 Emissions are the direct emissions that occur from sources controlled or owned by the company. Scope 2 Emissions are the indirect greenhouse gas emissions associated with the purchase of electricity, steam, heat or cooling.

For the current holdings of the [Parnassus Core Equity Fund](#), the [Parnassus Growth Equity Fund](#), the [Parnassus Value Equity Fund](#), the [Parnassus Mid Cap Fund](#), the [Parnassus Mid Cap Growth Fund](#), the [Parnassus International Equity Fund](#), the [Parnassus Core Select ETF](#), and the [Parnassus Value Select ETF](#), please visit each fund's individual holdings page. Fund holdings are subject to change at any time. Fund holdings are subject to change at any time.

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ETF investing involves risk, and loss of principal is possible. The Parnassus Funds are distributed by Parnassus Funds Distributor, LLC.

**Before investing, an investor should carefully consider the investment objectives, risks, charges and expenses of a fund and should carefully read the prospectus or summary prospectus, which contains this and other information and can be found in our Literature and Forms section or by calling (800) 999-3505 for a mutual fund prospectus or (855) 514-4443 for an ETF prospectus.**

