

May 2, 2016

Dear Intercontinental Exchange Investors,

Calvert Investment Management Inc. (Calvert) has a shareholder resolution filed with Intercontinental Exchange, Inc. (ICE) requesting that the company issue a sustainability report describing “the company’s present policies, performance, and improvement targets related to key environmental, social and governance (ESG) risks and opportunities.”

This resolution will be voted on at ICE’s annual meeting on May 13th, 2016, and we ask for your support.

Calvert has been engaging with ICE on sustainability disclosure matters since 2013, when the company acquired NYSE Euronext. NYSE Euronext was making substantial progress on ESG matters up to the point of its acquisition--including joining the UN’s Sustainable Stock Exchanges initiative, having a robust internal environmental policy, supporting its issuers on sustainability reporting and performance challenges through educational initiatives, and reporting annually its own ESG performance referencing the Global Reporting Initiative.

ICE, which subsequently divested Euronext, has not shown the same level of leadership, internal management of ESG issues, external reporting on such matters, or support for its listed companies on sustainability disclosure that NYSE Euronext had, nor had it published a sustainability report of any kind since 2013 at the point of our filing, which is why Calvert moved forward with a resolution after failing to see substantial progress from the company during our discussions.

Calvert believes tracking and reporting ESG practices accrues a multitude of benefits to a company, including the increased ability to compete in a global business environment that is marked by finite natural resources, swiftly changing legislation, and heightened public expectations for corporate accountability and transparency. Cross-team strategy improves, reputation improves, and operational excellence of ESG signals stronger financial performance.

Since the filing of our proposal, ICE has released a [2016 Corporate Responsibility Report](#) in March consisting of pages of discussion of “core values” and “culture” at ICE, with substantial boilerplate narrative, and little concrete data to allow shareholders to evaluate the company’s actions or progress on ESG topics. The report is not up to par with industry expectations, especially knowing that NYSE Euronext had laid a template

for reporting and had processes for capturing ESG data that were far more extensive than what we have seen being released by parent company ICE. ICE “details [its] commitment to sustainable and responsible operations” by “investing in [its] people.” Information on ESG-related goals, a materiality assessment, stakeholder engagement, robust initiatives, year-over-year performance data, and discussion of major controversy are all lacking in this initial report, and we think ICE can do much better. Therefore, we did not withdraw our proposal--and seek shareholder views (through a vote) on ICE’s ESG reporting performance.

Institutional Shareholder Services appears to agree that ICE's recent effort at reporting does not meet expectations and is recommending in its Benchmark Policy that investors support the proposal, noting that “ICE does not provide shareholders with sufficient information to comprehensively evaluate the company's management of all sustainability issues, nor does the company provide year-over-year performance data, or quantitative goals for evaluating its sustainability performance....” The ISS recommendation continues, “Therefore, this proposal merits shareholder support.”

In its 2016 DEF 14A under the ‘Statement by Our Board of Directors Against the Stockholder Proposal,’ ICE focuses on its recently published Corporate Responsibility Report and its decade-long history of publicly detailing the company’s ESG-related actions as reason to vote against our proposal. However, Calvert has not seen a record of consistent ESG action or leadership in ICE’s history, and there are several key issues regarding ICE’s current record on sustainability that we believe weaken this statement.

### **ICE’s Record on Sustainability**

- ICE ranks poorly with ratings systems MSCI and Sustainalytics for social concerns regarding: ability to recruit and retain talent, weak diversity programs, and concerns over human capital development, among other issues.
- ICE claims increased operational efficiency and waste reduction, however, the company fails to provide quantitative corroboration. Without performance data, it is impossible for investors to determine whether or not ICE is making progress on its stated priorities around sustainability.
- ICE ranks poor to average with ratings systems MSCI and Sustainalytics. MSCI downgraded ICE from A in September 2012 to B in February 2016, (tied for the lowest score among its ten largest peers in the Diversified Financials industry). Sustainalytics ranks ICE as an “average performer” overall, although it is named an “industry laggard” in regards to environmental issues.

- Pre-merger, NYSE published an environmental policy in 2010. Post-merger, as the Sustainalytics' analyst notes, "[a]lthough its largest subsidiary, NYSE, is a member of the Sustainable Stock Exchanges initiative (SSE) which reports that both NYSE and Euronext, another large subsidiary, have environmental policies, *the policies are in fact unavailable.*"
- Pre-merger, NYSE Euronext had a dedicated sustainability team of three people that has since been eliminated. It appears that there are currently no staff members wholly dedicated to sustainability within ICE or NYSE at present, even as ESG reporting expectations in its industry skyrocket and as investor and market expectations for stock exchanges to assist their listed companies with ESG reporting increases.
- Post-merger, ICE and NYSE involvement with ESG-related partnerships and engagements has dropped off significantly. NYSE had a history of hosting CDP events, had an ongoing partnership with CR Magazine, and was a part of the US Environmental Protection Agency's Green Power Partnership. At present, there are no indications that ICE or NYSE are still involved with any of these initiatives.
- ICE does not disclose many non-financial aspects of its business--on its website or its recent CSR report. It does not report to the CDP, or do GRI reports – both of which NYSE did pre-merger.
- NYSE has missed key deadlines required as a partner exchange of the UN's Sustainable Stock Exchanges (SSE) Initiative. It has failed to prepare its SSE Communication to Stakeholders even though it joined the Initiative in 2013.
- ICE has made no visible movement or commitment towards preparing guidance for issuers on ESG matters, falling behind peers including NASDAQ OMX, London Stock Exchange Group, and Hong Kong Exchanges and Clearing Ltd, all of whom have either produced listing rules or guidance or are in progress with such a commitment.

ICE holds a unique position, playing a dual role as a publically traded financials company and as an aggregator in the economy as a stock exchange and SRO. The lack of action by ICE therefore not only affects its individual business, shareholders, and stockholders, but also sets a precedent for inaction and poor disclosure for its issuers.

For this reason and those listed above, we feel that ICE either doesn't properly understand sustainability disclosure expectations in the market for itself or its issuers (based on what was produced in its 2016 CSR report), or does not yet prioritize them.

It is critical that ICE shareholders send a signal to management and the board that ESG transparency (goals, performance data, prioritization, and robust initiatives and policies) is an expectation now for a company with the size and influence of Intercontinental Exchange.

Calvert therefore encourages shareholders to vote FOR the proposal regarding the preparation of a sustainability report.

Regards,

A handwritten signature in black ink, appearing to read "Stu Dalheim". The signature is written in a cursive, flowing style.

Stu Dalheim  
Vice President, Governance and Advocacy