



# Nasdaq 2019 Sustainability Report

PREPARED IN ACCORDANCE WITH  
THE GRI STANDARDS (CORE OPTION)





## Foreword

As we chart the global path forward amid the Covid-19 pandemic, it is encouraging to see many companies embrace our shared responsibility for solving big problems and moving society forward. From giant corporations retrofitting their factories to manufacture ventilators, to local restaurants staying open to cook meals for home-bound senior citizens, we are seeing leaders step up with an understanding that we're all in this together.

Even as we address the immediate health and economic crises stemming from the pandemic, we can seize this moment also to advance on the longstanding and systemic challenges that threaten our shared prosperity.

Nasdaq is devoted to catalyzing progress. In both our own internal practices and in our ability to share tools and best practices with thousands of clients and listed companies, we actively seek to impact our global community by leveraging the scale of our operations and our client network to make a positive difference. For example, in 2019, we launched several Environmental, Social, and Governance (ESG) focused initiatives, anticipating the growing need and desire from our clients to have a set of tools that help them measure, analyze, and take positive action. The ESG Advisory offering we launched has deepened our engagement with our clients' executive leadership teams and Boards of Directors to accelerate development of their ESG programs. We also saw a significant increase in Sustainable Bond listings on our European Debt Market and launched the Nasdaq Sustainable Bond Network to bring increased transparency to this area of the market. In addition, transactions in our Nordic-based ESG Index futures reached one million contracts during the period. We have been encouraged by how strongly client demand is rising for our expanded ESG offerings, and have continued to look for innovative ways to further build on these solutions.

As we work to enhance our ESG fundamentals and transparency, we were encouraged to receive from Sustainalytics the largest ESG score improvement among our peers in 2019. In addition, Nasdaq's Board of Directors reconstituted its Nominating & Governance Committee to include oversight of Nasdaq's corporate responsibility, including environmental and social initiatives. This committee was renamed the "Nominating & ESG Committee" in December 2019, underscoring board-level commitment to ESG.

Nasdaq reached major milestones regarding environmental and employee wellness in 2019, as we achieved carbon neutrality across all business operations and received awards



for our diversity and inclusion programs. Nasdaq was named to the prestigious Dow Jones Sustainability North America Index for the fourth consecutive year, the only exchange company to have done so.

In addition to our efforts with our clients and in our communities, Nasdaq extended its sustainability advocacy by signing the Business Roundtable's "Statement on the Purpose of a Company" letter, reaffirming our commitment to deliver value to all stakeholders. As part of this pledge, starting with this report, we are publishing our diversity statistics where we are permitted to collect that data. Our ultimate goal is for Nasdaq's team to reflect the diversity of the populations of each of the countries where we operate.

We share this progress with a clear understanding that there is more work ahead of us than behind us. As we near 2021, when Nasdaq will celebrate its 50th anniversary, we remain deeply committed to long-term ESG advocacy, oversight, and philanthropy to engage with stakeholders at all levels.

**Adena Friedman,**  
*President & CEO, Nasdaq*



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## General Disclosures / Organizational Profile

### Name of the Organization (GRI 102-1)

The legal name of the organization is Nasdaq, Inc. ("Nasdaq"); "NASDAQ" was once an acronym (National Association of Securities Dealers Automated Quotations) and thus capitalized, which may explain variant spellings found in other source documents.

### Activities, Brands, Products, and Services (GRI 102-2)

Nasdaq is a global technology company serving the capital markets and other industries. Our diverse offerings of data, analytics, software and services enables clients to optimize and execute their business vision with confidence.

Nasdaq manages, operates and provides products and services in four business segments: Market Services (Equity Derivative Trading and Clearing, Cash Equity Trading, FICC and Trade Management Services), Corporate Services (Listing Services and Corporate Solutions), Information Services (Market Data, Indexes, and Investment Data & Analytics) and Market Technology.

Because Nasdaq owns, manages, and/or operates many specific brands and branded products, we direct you to Exhibit 21.1 of our 2019 Form 10-K ("Subsidiaries and Affiliates of Nasdaq, Inc.") or more detail. For purposes of this report, our Annual Report on Form 10-K for the year ended December 31, 2019 is referred to as our "2019 Form 10-K."

### Location of Headquarters (GRI 102-3)

As of December 31, 2019, Nasdaq was headquartered at 151 W. 42nd Street, New York City, NY, 10036.

### Location of Operations (GRI 102-4)

The table below lists locations where Nasdaq had significant operations, offices, or facilities as of 2019.

Outside the U.S., we also maintained smaller leased locations in Belgium, China, Denmark, Estonia, Finland, France, Germany, Hong Kong, Iceland, Italy, Japan, Latvia, Netherlands, Norway, Singapore, South Korea, Spain and Ukraine. In some countries, we maintained multiple locations. Nasdaq operates in emerging markets that may be subject to greater political, economic and social uncertainties than developed countries, and the global nature of our business may expose us to currency risks.

Within the U.S., we also maintained leased locations in California, Colorado, Connecticut, Illinois, Massachusetts, New Jersey, Oregon, Virginia and Washington, DC. In some states, we maintained multiple locations.

Note: In addition to the above, we also leased approximately 67,000 square feet of space used as data centers and disaster preparedness facilities in multiple locations.

Location	Use	Size (approximate)
Stockholm, Sweden	European headquarters	264,000 ft <sup>2</sup>
New York, NY (USA)	U.S. headquarters	113,000 ft <sup>2</sup>
Philadelphia, PA (USA)	General office space	74,000 ft <sup>2</sup>
Atlanta, GA (USA)	General office space	68,000 ft <sup>2</sup>
New York, NY (USA)	MarketSite	66,000 ft <sup>2</sup>
Bengaluru, India	General office space	63,000 ft <sup>2</sup>
New York, NY (USA)	General office space	53,000 ft <sup>2</sup>
Vilnius, Lithuania	General office space	51,000 ft <sup>2</sup>
Rockville, MD (USA)	General office space	48,000 ft <sup>2</sup>
Manila, Philippines	General office space	36,000 ft <sup>2</sup>
London, England	General office space	31,000 ft <sup>2</sup>
Sydney, Australia	General office space	29,000 ft <sup>2</sup>
Toronto, Canada	General office space	26,000 ft <sup>2</sup>

## Ownership and Legal Form (GRI 102-5)

Nasdaq is a Delaware-incorporated, publicly traded company, listed on the Nasdaq Stock Market, with approximately 165M shares of common stock outstanding under the ticker symbol "NDAQ." As of February 2020, we had approximately 235 holders of record of our common stock. In addition to U.S. Securities Exchange Commission (SEC) and Nasdaq Stock Market rules and requirements for public companies, Nasdaq's exchange-related businesses are subject to extensive regulation in the U.S., Canada, and Europe.

## Markets Served (GRI 102-6)

Nasdaq products and services are present in virtually every market and economy in the world. Our market technology powers more than 100 of the world's market infrastructure organizations, including exchanges, clearinghouses, central securities depositories and regulators, in over 50 countries. A diverse array of sectors are served by Nasdaq, including Financials, Information Technology, Energy, and others. The types of customers and beneficiaries serviced by Nasdaq are equally numerous, including investors, analysts, corporate administrators, bankers and regulators.

## Scale of the Organization (GRI 102-7)

Nasdaq manages, operates and provides products and services in four business segments: Market Services, Corporate Services, Information Services and Market Technology. Each segment has multiple business units. For more information, please see the "Products and Services" section of the 2019 Form 10-K.

The table below shows a three-year trended view of Nasdaq employees, net revenues, total assets, and market capitalization (as of 12/31 of the relevant year). The employee count here is an aggregate number and not subdivided by country or region; approximately 50% of all Nasdaq employees work outside the U.S. There is more employee demographic detail found in Disclosure 102-8, immediately following.

	2017	2018	2019
<b>Employees</b>	4,734	4,099	4,361
<b>Net Revenues</b>	\$3.95B	\$4.28B	\$4.26B
<b>Total Assets</b>	\$15.35B	\$15.70B	\$13.92B
<b>Market Cap</b>	\$12.78B	\$13.55B	\$17.67B

The **Beneficial Ownership** information below was included in our annual proxy filing as required by Section 16(a) of the Exchange Act and SEC regulations thereunder. We include it here per GRI Standards guidance for Disclosure 102-7, but refer you to the 2020 Proxy Statement (pages 116-118) for more detail, including footnotes. This information is current as of the dates noted in the proxy statement.

- Borse Dubai Limited [29,780,515 shares, or 18.1%]
- Investor AB [19,394,142 shares, or 11.8%]
- Massachusetts Financial Services Company [13,823,742 shares, or 8.4%]
- The Vanguard Group, Inc. [12,839,409 shares, or 7.8%]
- Adena T. Friedman [575,690 shares, or less than 1%]
- Michael R. Splinter [57,643 shares, or less than 1%]
- Steven D. Black [35,139 shares, or less than 1%]
- Essa Kazim [33,675 shares, or less than 1%]
- Bradley J. Peterson [31,805 shares, or less than 1%]
- Michael Ptaszniak [27,540 shares, or less than 1%]
- P.C. Nelson Griggs [25,681 shares, or less than 1%]
- Lars R. Wedenborn [22,500 shares, or less than 1%]
- Thomas A. Kloet [15,571 shares, or less than 1%]
- Melissa M. Arnoldi [7,368 shares, or less than 1%]
- John D. Rainey [5,702 shares, or less than 1%]
- Charlene T. Begley [4,114 shares, or less than 1%]
- Jacob Wallenberg [2,514 shares, or less than 1%]
- Alfred W. Zollar [less than 1%]
- Lauren B. Dillard [less than 1%]

*Note: All Directors and Executive Officers of Nasdaq as a group (22 Persons) held 914,8922 shares, or 0.6%.*

## Information on Employees and Other Workers (GRI 102-8)

Data compiled in the tables below provides a substantial overview of key demographics within the organization and is current as of July 10, 2020.

### Percentage of Operations

	2017	2018	2019
Employees/male	64.08%	65.48%	65.00%
Employees/female	35.86%	34.30%	34.75%

### Supervised Workers

	2017	2018	2019
Supervised Workers/Male	2,446	2,185	2,282
Supervised Workers/Female	1,424	1,179	1,268
Total	3,870	3,364	3,550

**Number of Permanent Employees by Employment Type**

	2017	2018	2019
Full-time/Male	3,006	2,677	2,813
Full-time/Female	1,649	1,376	1,485
<b>Total: Full-time</b>	<b>4,655</b>	<b>4,053</b>	<b>4,298</b>
Part-time/Male	30	30	21
Part-time/Female	50	42	30
<b>Total: Part-time</b>	<b>80</b>	<b>72</b>	<b>51</b>

**Number of Employees by Employment Contract**

	2017	2018	2019
Indefinite or Permanent Contract/Male:	3,036	2,707	2,834
Indefinite or Permanent Contract/Female	1,699	1,418	1,515
<b>Total: Indefinite or Permanent Contract</b>	<b>4,735</b>	<b>4,125</b>	<b>4,349</b>
Fixed-Term or Temporary Contract/Male*	72	68	90
Fixed-Term or Temporary Contract/Female*	50	40	50
<b>Total: Fixed-Term or Temporary Contract*</b>	<b>122</b>	<b>108</b>	<b>140</b>

\* This category includes fixed term, intern, and student workers.

**Breakout of Workforce by Region**

Note: Nasdaq has only included regular or permanent contract employees in this data.

	2017	2018	2019
Americas/Male	1,453	1,283	1,290
Americas/Female	775	653	683
APAC/Male	610	463	477
APAC/Female	392	254	293
EMEA/Male	973	961	1,067
EMEA/Female	532	511	539

**Supply Chain (GRI 102-9)**

Nasdaq suppliers include—but are not limited to—data centers, cloud providers, professional services firms, market data providers, human resources services, marketing and advertising, technology providers, and facilities-related suppliers.

- Nasdaq actively engaged with approximately 3,500 different suppliers during the reporting period; 1,200 of which are based in North America and 2,300 elsewhere.

For more information, please read the Nasdaq Supplier Code of Ethics at [Nasdaq.com/sustainability](https://www.nasdaq.com/sustainability).

**Significant Changes to the Organization and its Supply Chain (GRI 102-10)**

Significant organizational changes (noted below) occurred during the reporting period, which inevitably created impacts on the Nasdaq structure, business, and supply chain.

- Headcount increased to 4,361 employees as of December 31, 2019 from 4,099 as of December 31, 2018 primarily due to our 2019 acquisitions and growth in our Market Technology and Investment Data & Analytics businesses, partially offset by our 2019 divestitures.
- In January 2019, we bolstered our Market Technology business by acquiring Cinnober, a major Swedish financial technology provider to brokers, exchanges and clearinghouses worldwide that provides technology solutions similar and complimentary to our Market Technology business. This acquisition strengthened our position as a leading market infrastructure technology provider.

**Precautionary Principle or Approach (GRI 102-11)**

As an active and longstanding UN Global Compact signatory, Nasdaq affirms its support annually for Principle 7: “Businesses should support a precautionary approach to environmental challenges.” Nasdaq leverages the precautionary approach in risk management generally, and in particular when it comes to climate action and awareness. We have recently demonstrated our use of this principle in the following ways:

- We revised our environmental responsibility policy to prioritize a commitment to care for health and the environment. It can be found online at [Nasdaq.com/sustainability](https://www.nasdaq.com/sustainability).
- Nasdaq updated the name of its Nominating & Governance Committee to the *Nominating & ESG Committee* to better align with its expanded responsibilities. The Committee completed its initial year of oversight of environmental, social and human capital management policies, practices, initiatives and reporting.
- Nasdaq identified key environmental and social goals and metrics for Nasdaq under the leadership of our ESG Steering Committee, co-chaired by the CFO and CMO. This group oversees the company application of precaution in climate matters that impact enterprise risk management (ERM).
- We strengthened our business continuity, crisis management and disaster recovery management programs to minimize any



negative impact to the organization in the event of a crisis.

- The Nasdaq Code of Ethics was updated to reflect the continuing evolution of privacy requirements and increased emphasis on reporting potential data breaches. We also enhanced the text with infographics to make content more accessible for employees.

### External Initiatives (GRI 102-12)

This is a list of externally developed economic, environmental and social charters, principles, or other initiatives to which Nasdaq subscribes or which it endorses.

- United Nations Global Compact (UNGC)
- UN Women's Empowerment Principles
- The Parity Pledge
- The 30% Club

### Membership of Associations (GRI 102-13)

Nasdaq maintains memberships in the following industry or other associations, and national or international advocacy organizations:

- American Securities Association (ASA)
- Business Roundtable (BRT) (Note: This is a CEO-specific membership)
- Ethics & Compliance Initiative
- Equity Markets Association (EMA)
- Federation of European Stock Exchanges (FESE)
- Harvard Law School Corporate Governance Advisory Board
- International Corporate Governance Network (ICGN)
- International Options Market Association (IOMA)
- Options Clearing Corporation's Options Industry Council (OIC)
- Partnership for New York City
- Silicon Valley Leadership Group
- TechNet
- The Council on Foreign Relations
- U.S. Chamber of Commerce (also: The Center for Capital Markets Competitiveness)
- World Federation of Exchanges (WFE)

In addition to those listed above, Nasdaq has participated significantly in projects related to:

- Boston College Center for Corporate Citizenship (BCCCC)
- GRI Global Sustainability Standards Board (GSSB)
- UN Sustainable Stock Exchanges Initiative (SSE)

## General Disclosures / Ethics and Integrity

### Values, Principles, Standards, and Norms of Behavior (GRI 102-16)

The Nasdaq Ethics and Compliance program is designed to meet or exceed applicable standards, including guidelines published by U.S. and European regulators and international organizations. Nasdaq embraces good governance by holding ourselves to the highest ethical standards in all interactions.

Our Global Ethics Program supports and promotes meaningful implementation of the Code of Ethics throughout our business. The program is based on industry-leading practices and led by our Senior Vice President and Corporate Secretary, supported by a cross-functional, geographically diverse team, with oversight by the Chief Regulatory Officer and Audit Committee. External compliance experts are also regularly consulted. Pillars of the program include structural elements such as policies, risk assessment, monitoring, training and communications.

Ethical values are reinforced through training and effective employee communication, including town halls and topic-specific webinars.

The Nasdaq Code of Ethics, in conjunction with other policies, procedures, standards and handbooks, outlines the responsibilities expected of officers, directors, employees, contractors and others representing Nasdaq in conducting business in accordance with the highest standards of ethics and compliance. The Code is applicable to the Board, all of our employees (including the principal executive officer, the principal financial officer and the controller and principal accounting officer), contract workers and others who conduct work on behalf of Nasdaq. There is a supplemental Code of Conduct for the Board which contains additional provisions specifically applicable to directors.

Nasdaq also embeds its commitment to governance transparency, integrity and ethical business practices in a series of robust policy documents, all freely available for download on our Investor Relations website at <http://ir.nasdaq.com>.

In addition to our published Code of Ethics, reflecting Nasdaq's commitment to ethical business, we have published a series of documents detailing our business practices related to key topics on our Investor Relations website at <http://ir.nasdaq.com>.

## General Disclosures / Governance

### Governance Structure (GRI 102-18)

The information below illustrates aspects of Nasdaq's Governance structure, including committees of the highest governance body and committees and/or working groups responsible for decision-making on economic, environmental, and social topics.

[102-18a] Our governance framework is designed to promote governance transparency and ensure our Board has the necessary authority to review and evaluate our business operations. Our goal is to align the interests of directors, management and stakeholders while complying with or exceeding the requirements of the Nasdaq Stock Market and applicable law. This governance framework establishes Board practices with respect to oversight of corporate strategy, long-term value creation, capital allocation, risk management, human capital management, corporate governance and other initiatives.

The Nasdaq, Inc. Board of Directors has four standing Committees: an Audit & Risk Committee, a Finance Committee, a Management Compensation Committee and a Nominating & ESG Committee. Each of these Committees, other than the Finance Committee, consists exclusively of independent directors. The Chair of each Committee reports to the Board in Chairman's Session or Executive Session on the topics discussed and actions taken at each meeting. Each of these Committees operates under a written charter that includes the Committee's duties and responsibilities. A more complete description of each standing Committee is included in our 2020 Proxy Statement.

[102-18b] In terms of sustainability oversight per se, governance is well established and highly functional across the organization. The Nominating & ESG Committee has formal responsibility and oversight for ESG programs and receives regular reporting on related matters and initiatives.

Nasdaq also has an internal ESG Working Group, which is co-chaired by executive leaders (the Chief Financial Officer and Chief Marketing Officer) and comprised of diverse, experienced representatives from multiple business units, including the Global Head of Sustainability, Global Head of Real Estate & Facilities, Corporate Secretary, Investor Relations Officer, and Executive Vice President of Human Resources. The ESG Working Group serves as the central working body for designing and implementing ESG strategy.

As with the general Governance disclosure above (GRI 102-16), Nasdaq embeds its commitment to sustainability in a series of public documents (Environmental Practices Statement, Human Rights Practices Statement, Supplier Code of Ethics, and so on) that are available for download on our website.

## General Disclosures / Stakeholder Engagement

### List of Stakeholder Groups (GRI 102-40)

Nasdaq regularly conducts a materiality assessment – and at times with assistance from third-party firms – to determine the scope, impact, and importance of ESG topics to the company. During this process, we identify and engage key stakeholder groups.

The external stakeholders identified in our latest assessment were:

- Listed companies
- Investors
- Intergovernmental Organizations (IGOs)
- Non-governmental Organizations (NGOs)
- Industry peers
- Nasdaq customers, clients, and suppliers
- ESG reporting frameworks
- Industry associations
- Regulators/market monitors
- Advocacy groups

Internal stakeholders were identified by business function:

- President & CEO
- Chief Legal Officer
- Head of Listing Services
- Vice Chairman
- Head of Human Resources
- Corporate Secretary
- Global Head of Real Estate & Facilities
- Global Head of Sustainability
- Procurement Leads
- Institutional Stockholders
- Other employees (represented via a company-wide survey)

### Collective Bargaining Agreements (GRI 102-41)

1.9% of Nasdaq's workers are covered by employee-specific Collective Bargaining Agreements (CBAs), not including non-company specific industry CBAs.

## Identifying and Selecting Stakeholders (GRI 102-42)

As part of the Materiality assessment process described above (GRI 102-40), Nasdaq has identified and selected key stakeholders via direct consultation with investors, issuers, employees, and sustainability reporting experts. Furthermore, we have leveraged best practices found elsewhere in the industry—such as the work of the UN Sustainable Stock Exchanges initiative (SSE) and the WFE Sustainability Working Group (SWG).

## Approach to Stakeholder Engagement (GRI 102-43)

Nasdaq's approach to stakeholder engagement is summarized in the information below, covering frequency of engagement by type and by stakeholder group, and indications of whether any of the engagement was undertaken specifically as part of the report preparation process.

### Institutional Investors (Engaged quarterly or upon request)

We value our shareholders' perspectives and maintain a robust shareholder engagement program. During 2019, we conducted outreach to a cross-section of shareholders owning approximately 75% of our outstanding shares. In 2019, our key shareholder engagement activities included 9 investor (non-deal) road shows in 8 countries, attendance at 15 investor conferences and our 2019 Annual Meeting of Shareholders. We continued our formal engagement sessions with the investment stewardship teams of shareholders owning approximately 64% of our outstanding shares.

In addition, we conducted quarterly outreach to the investment stewardship teams at many of our institutional holders. Ongoing communication with our shareholders helps the Board and senior management gain useful feedback on a wide range of subjects and understand the issues that matter most to our shareholders. Nasdaq views accountability to shareholders as both a mark of good governance and a critical component of our success. Management regularly confers with investors and actively solicits feedback on a variety of topics including those listed below.

### 2019 Shareholder Meeting Highlights

- Shareholder Level of Participation: 92.6%
- Votes in Support of the CEO's Election to the Board: 99.8%
- Votes in Support of the Chairman's Election to the Board: 96.5%
- Percentage Range of Votes for Other Nominees' Election: 98.7%-99.9%
- Votes in Support of 2019 Say-on-Pay Proposal: 96.3%

### Companies and Customers (Engaged periodically)

Nasdaq engages with companies, customers, NGOs, and other market participants on ESG matters, primarily through content-specific events, small workshops, one-on-one meetings, and satisfaction surveys.

### Employees (Engaged monthly, quarterly, or as needed)

Nasdaq engages with employees through frequent town halls (4) and other types of interactive sessions (at least monthly) with senior management, and periodic employee engagement surveys (quarterly and annual), which take detailed feedback from employees.

Although the engagements described above are not explicitly identified as part of the report preparation process, they do serve multiple needs and often inform our reporting efforts.

## Key Topics and Concerns Raised (GRI 102-44)

As part of the Materiality assessment process described above (GRI 102-40), Nasdaq is able to identify, analyze, and prioritize key sustainability topics and concerns—primarily through a process of elimination. Nasdaq often consults with key collaborators and market-focused constituents, primarily the Global Reporting Initiative (GRI), the Sustainability Accounting Standards Board (SASB), RobecoSAM Dow Jones Sustainability Indexes (DJSI), and a number of stakeholders favored by Nasdaq peers and competitors.

It is clear throughout this process that sustainability is a broad concept that covers a wide range of topics. ESG reporting frameworks and many of our peers and customers define sustainability in various ways, none particularly satisfying or germane to our business.

Thus, we have tended to organize our measurement into a few broad categories: Environmental topics, including those that concern the organization's impacts on living and non-living natural systems, including ecosystems, land, air, and water; Social topics, including those that impact the organization's workforce, supply chain, customers, and/or community; and Governance topics, including those that concern management structure and corporate operations.

But the table below categorizes key sustainability topics into more finite groups.



Environmental	Human Rights	Labor Practices & Decent Work	Economic	Society	Product Responsibility
Materials	Non-discrimination	Training and Education	Economic Performance	Anti-Corruption	Customer Health & Safety
Energy	Freedom of Association & Collective Bargaining	Employment	Philanthropy	Public Policy	Product & Service Labeling
Water	Child Labor	Labor/Management Relations	Market Presence	Anti-competitive Behavior	Marketing Communications
Biodiversity	Forced /Compulsory Labor	Occupational Health & Safety	Indirect Economic Impacts	Local Communities	Customer Privacy
Emissions	Security Practices	Diversity & Equal Opportunity	Economic Inclusion	Supplier Assessment for Impacts on Society	Product Compliance
Effluents and Waste	Indigenous Rights	Equal Remuneration for Men and Women	Procurement Practices	Grievance Mechanisms for Impacts on Society	
Products and Services	Supplier Human Rights Assessment	Supplier Assessment for Labor Practices			
Environmental Compliance	Human Rights Grievance Mechanisms	Labor Practices Grievance Mechanisms			

## General Disclosures / Reporting Practice

### Entities Included in the Consolidated Financial Statements (GRI 102-45)

[102-45a] Nasdaq's consolidated financial statements are prepared in accordance with U.S. GAAP and include the accounts of Nasdaq, its wholly owned subsidiaries and other entities in which Nasdaq has a controlling financial interest. When we do not have a controlling interest in an entity but exercise significant influence over the entity's operating and financial policies, such investment is accounted for under the equity method of accounting. We recognize our share of earnings or losses of an equity method investee based on our ownership percentage. These consolidated financial statements can be found in public filings, including our 2019 Form 10-K.

[102-45b] None of the entities included in our consolidated financial statements, as detailed in 102-45a, are excluded from this Sustainability Report.

### Defining Report Content and Topic Boundaries (GRI 102-46)

When evaluating materiality, we consider impacts to different stakeholders and ecosystems in addition to those more directly tied to the company's financial performance.

[102-46a] As part of our Materiality assessment process, Nasdaq seeks to understand the potential impact of key sustainability topics and establish reasonable boundaries for them. Such an exercise is foundational; our business continuity and commitment to corporate responsibility depend on it.

#### **We have determined these topics to be:**

- Ethics & Regulatory Compliance
- Risk Management
- Financial Performance
- Client Privacy & Data Security

Most internal stakeholders, when prompted to consider relevant ESG topics, emphasized the need to attract and retain highly skilled employees. A small number of similar responses were noted, including retaining talent in a constricted job market; encouraging employees to take a more proactive leadership role; and demonstrating our commitment to diversity and inclusion at all levels of the company.

Internal team members also expressed commitment to meet the expectations of the many clients and communities that Nasdaq serves while maintaining exemplary financial performance. This, too, informed our understanding of the

topics and their meaningful boundaries for our business.

[102-46b] Because we follow the GRI Standards, we affirm our support for both the Content Principles (1.1-1.4) and Quality Principles (1.5-1.9) that underlie good sustainability disclosures. This affirmation is not meant to characterize the overall quality of the information or the extent of our impacts, but rather to demonstrate proper application of the Standards.

Nasdaq seeks to properly identify and engage with its stakeholders and works diligently to integrate their reasonable expectations and interests. In 2019, for example, our President & CEO signed a Business Roundtable letter that advocated an expanded definition of "stakeholders" for U.S. corporations. Our Sustainability Report attempts to present our performance in the wider context of sustainability – within this company, industry, sector, market, and various national and regional economies.

Nasdaq understands the variant interpretations of materiality. Indeed, we attend to this debate in the latest version of our own ESG Reporting Guide (2019). When evaluating materiality, we consider impacts to different stakeholders and ecosystems in addition to those more directly tied to the company's financial performance. Our report includes coverage of material topics (and boundaries) that signal significant economic, environmental, and social impacts. As previously stated, items considered "material" for purposes of this report may not be material under other definitions or for other purposes, including under the U.S. securities laws or for financial reporting purposes.

Nasdaq also empowers its stakeholders to capably and completely assess performance during the reporting period. The data we report is intended to be accurate and detailed enough for this purpose; we have striven to illustrate our performance using appropriate and informed methods. Because we aim to present a balanced view of our sustainability performance, our report reflects both achievements and aspirations to enable a reasoned assessment.

This report attempts to present information in a manner that is understandable, accessible, and clear to all stakeholders. Yet we have not always reported sustainability information in a consistent and comparable manner. This was due to constrained resources and conflicting expertise—which many U.S. companies experience on this topic—and not a signal of disengagement. Stakeholders may not always be able to trend changes in our performance over time, but as our reporting becomes more consistent and comparable, this issue should diminish.

We believe that the data, process, and workflow used in our disclosure is sufficiently transparent, which should help to demonstrate the reliability, quality, and significance of the report. Nasdaq endeavors to report its sustainability



performance on a regular schedule so that stakeholders can make timely and informed decisions.

This makes clear that Nasdaq applies the GRI reporting principles in the composition and presentation of its sustainability report. Nasdaq wishes to produce a report of sufficient quality and scope to not only serve our own stakeholders, but also provide a suitable exemplar for the thousands of companies (public and private) listed on our markets.

List of Material Topics (GRI 102-47)

Pursuant to the process described above (GRI 102-44), when a large array of important ESG topics is initially identified, the Materiality assessment process allows the reporting company to identify and focus on a smaller, more meaningful number of performance indicators. The information below describes the path that Nasdaq took to get there.

As of the reporting date (2019), this is the list of topics that Nasdaq has identified in its analysis of the structure and strategy of an enterprise-wide approach to sustainability.

 Environmental (E)	 Social (S)	 Corporate Governance (G)
Innovation & Climate Resilience	Community Investment & Philanthropy	Corporate Governance
Waste Reduction	Human Rights & Labor Practices	Ethics & Compliance
Water Consumption & Pollution	Cybersecurity & Client Privacy	Anti-Corruption
Energy Consumption	Employee Engagement & Development	Efficient & Transparent Markets
	Access to Technology & Financial Inclusion	Compensation Practices
	Diversity & Inclusion	Advocacy & Collaboration
	Recruiting & Talent Attraction	ESG Products & Services
	Health, Safety & Wellness	Responsible Supply Chain & Sourcing
		Managing Conflicts of Interest
		Managing Business Continuity and Technology Risks
		Disclosure Practices
		Public Policy & Political Contributions



Not all of these topics, of course, have been determined to be equally material to Nasdaq. A rigorous evaluation of each—through analysis, research, and stakeholder engagement—enables us to isolate and prioritize key issues. As part of a mapping exercise, we can use data from stakeholder interviews to make topical determinations of importance (internal and external) and priority, resulting in a shortlist:

- Advocacy & Collaboration
- Anti-Corruption
- Corporate Governance
- Cybersecurity & Client Privacy
- Disclosure Practices
- Diversity & Inclusion
- Efficient & Transparent Markets
- Ethics & Compliance
- Managing Business Continuity & Technology Risks

From this list, Nasdaq was able to identify three (3) materially relevant topics for this Sustainability Report:

- Ethics & Compliance (GRI 205: Anti-Corruption)
- Efficient & Transparent Markets (GRI 203: Indirect Economic Impacts)
- Cybersecurity & Client Privacy (GRI 418 Customer Privacy)

This report includes disclosures related to each of these material topics, enhanced performance data on our environmental responsibility and consumption, and summaries of management approach for all of the other relevant Standards.

### Restatements of Information (GRI 102-48)

Nasdaq is not aware of any negative impacts resulting from restatements of information given in previous sustainability reports.

### Changes in Reporting (GRI 102-49)

Nasdaq does not have any significant changes to report from its most recent sustainability report (2018) in the list of material topics and topic boundaries.

### Reporting Period (GRI 102-50)

**Start Date:** January 1, 2019

**End Date:** December 31, 2019

*Note: For some topics (energy and emissions data, for example) Nasdaq is providing data from previous years for comparison. In other places, such as our diversity disclosure above (GRI 102-8),*

*the date range may vary somewhat due to the availability of information. In all cases, the date ranges will be clearly indicated.*

### Date of Most Recent Report GRI (102-51)

Nasdaq's most recent Sustainability Report covered the reporting period from January 1, 2018 to December 31, 2018 and was released in 2020.

### Reporting Cycle (GRI 102-52)

Nasdaq reports its sustainability performance on an annual basis. The current report (2019) demonstrates our commitment to normalize reporting periods; we expect to publish this information in subsequent years on or about our annual financial reporting date. Future reports will include the full data set, but only highlight information or processes that have changed since the previous report.

Note: There were complicating factors this year (2020) for our reporting schedule due to the COVID-19 crisis.

### Contact Point for Questions Regarding the Report (GRI 102-53)

**Name:** Evan Harvey

**Title:** Global Head of Sustainability

**Address:** Nasdaq, 1100 New York Ave NW #310E, Washington, DC 20005

**Phone:** +1 212-912-3076

**Email:** sustainability@nasdaq.com

### Claims of Reporting in Accordance with the GRI Standards (GRI 102-54)

This report has been prepared in accordance with the GRI Standards: Core option. All of the information required to satisfy that option is included in the text or its related references.

Because this report has been prepared in accordance with the Core option, there are certain disclosures that we are required to include. We have referred to GRI Standards guidance (specifically Table 1, page 22) in making this determination. We have been similarly guided when weighing the inclusion of specific Economic, Environmental, and Social topics. In all cases, Nasdaq's disclosure method aligns first with GRI Guidance, then an assessment of materiality, and finally the topic boundaries and reasons for omission.

## GRI Content Index (GRI 102-55)

The Table of Contents for this Sustainability Report will double as our GRI Content Index.

## External Assurance (GRI 102-56)

Our Sustainability Report has not been externally validated or assured.

## Management Approach

### Explanation of the Material Topic and its Boundary (GRI 103-1)

### The Management Approach and its Components (GRI 103-2)

### Evaluation of the Management Approach (GRI 103-3)

All three sections of the detailed “management approach” disclosures are covered in the material topic disclosures listed below:

- GRI 203: Indirect Economic Impacts
- GRI 205: Anti-Corruption
- GRI 418 Customer Privacy

The report also includes management approach data (as well as performance indicators) for a number of topics that are meaningful for our business – and thus meaningful for our stakeholders – but not necessarily determined to be material.

## Economic Performance

### Economic Performance (GRI 201)

In broad terms, our business performance is impacted by a number of drivers including macroeconomic events affecting the risk and return of financial assets, investor sentiment, government and private sector demands for capital, the regulatory environment for capital markets, changes in technology, and changes in investment patterns and priorities. Our future revenues and net income will continue to be influenced by a number of domestic and international economic trends.

### Direct Economic Value Generated and Distributed (GRI 201-1)

This table presents selected financial data and should be read in conjunction with the consolidated financial statements and notes of Nasdaq and Management’s Discussion and Analysis of Financial Condition and Results of Operations included the Form 2019 Form 10-K.

Although the GRI Standards recommend more detailed subsets of economic value distribution (payments to providers of capital, for example), Nasdaq does not include this information in its public financial disclosures.

*Numbers below represent millions USD (\$)*

	2017	2018	2019
Total revenues	3,948	4,277	4,262
Transaction-based expenses	(1,537)	(1,751)	(1,727)
Revenues less transaction-based expenses	2,411	2,526	2,535
Total operating expenses	1,420	1,498	1,518
Operating income	991	1,028	1,017
Net income attributable to Nasdaq	729	458	774

## Financial Implications and Other Risks/Opportunities due to Climate Change (GRI 201-2)

Physical Risk		
Description	Impact Description	Financial Implications
Climate change may have a long-term adverse impact on our business operation.	While we seek to mitigate our business risks associated with climate change by establishing robust environmental and sustainability programs, there are inherent climate related risks wherever our business is conducted. There is an increased focus from our investors, clients, employees, and other stakeholders concerning corporate citizenship and sustainability matters. Access to clean water and reliable energy in the communities where we conduct our business, whether for our offices, data centers, vendors, clients or other stakeholders, is a priority.	For example, changes in weather where we operate may increase the costs of powering and cooling our data centers or the facilities that we use to operate our exchanges and clearinghouses, develop our products or provide cloud-based services. Climate related events, including extreme weather events and their impact on the critical infrastructure in the United States and elsewhere, have the potential to disrupt our business or the business of our clients, create adverse market conditions, including trading volatility beyond historical levels, and adversely affect our business, reputation, financial condition and operating results

## Defined Benefit Plan Obligations and Other Retirement Plans (GRI 201-3)

Retirement plans offered to employees are based on:	Defined contribution plans
Separate fund exists to pay the plan's pension liabilities	No
Estimated value of liabilities	
Fund set up to pay the plan's pension liabilities is:	
Percentage of salary contributed by employee or employer	6%
Type and level of participation in retirement plans	Participation in regional or country-based schemes. Level: Country based

In the US, Nasdaq offers a defined contribution savings plan to its employees. Regular full or part-time employees who are regularly scheduled to work at least 20 hours per week can participate with no waiting period, either by enrolling to participate as soon as they are hired or otherwise first become eligible, or employees may be automatically enrolled.

- Company match: Nasdaq matches 100% up to 6% contribution by the employee
- Total Assets: \$590,852,308
- Held in various assets at Vanguard
- In non-US countries, Nasdaq follows the local laws in extending retirement benefits to employees



## Financial Assistance Received from Government (GRI 201-4)

	2016	2017	2018	2019
Tax relief / credits (USA)	\$891,365	\$1,879,373	\$12,737,261	\$11,681,120
Investment grants, research & development grants, and other relevant grants (by country)				
• Australia	\$990,293	\$671,359	\$178,219	0
• Lithuania	\$133,159	\$501,946	\$434,989	\$473,925
• Sweden				\$300,000
• USA				\$2,000,000
<b>Total</b>	<b>\$1,123,452</b>	<b>\$1,173,305</b>	<b>\$613,208</b>	<b>\$2,773,925</b>

Note: USD (\$) currency

## Market Presence (GRI 202)

We operate a variety of listing platforms around the world to provide multiple global capital raising solutions for private and public companies. Companies listed on our markets represent a diverse array of industries including, among others, health care, consumer products, telecommunication services, information technology, financial services, industrials and energy.

Companies seeking to list securities on The Nasdaq Stock Market must meet minimum listing requirements, including specified financial and corporate governance criteria. Once listed, companies must meet continued listing standards.

The number of listings on our markets is primarily influenced by factors such as investor demand, the global economy, available sources of financing, and tax and regulatory policies. Adverse conditions may jeopardize the ability of our listed companies to comply with the continued listing requirements of our exchanges.

As of December 31, 2019, a total of 3,140 companies listed securities on The Nasdaq Stock Market, with 1,420 listings on The Nasdaq Global Select Market, 870 on The Nasdaq Global Market and 850 on The Nasdaq Capital Market.

For more information, please read our 2019 Form 10-K.

## Indirect Economic Impacts (GRI 203)

### Indirect Economic Impacts / Explanation of the Material Topic and Boundary (GRI 103-1)

#### Explanation of Materiality

This topic was determined to be of significant importance during our sustainability assessment. It is material in this context because of Nasdaq's position in the global economy, its importance to the efficient function of capital markets, and its potential impact on a wide range of stakeholders. Nasdaq as an organization has the means to cause or contribute to

related impacts or is directly linked to these impacts through its business relationships.

### Indirect Economic Impacts / Evaluation of Management Approach (GRI 103-3)

Nasdaq regularly evaluates the efficacy of its operation, impact, products and services in order to increase positive outcomes and decrease negative outcomes.

## Infrastructure Investments and Services Supported (GRI 203-1)

Powering over 100 market infrastructure operators in more than 50 countries, Nasdaq is a leading global technology solutions provider and partner to exchanges, clearing organizations, central securities depositories, regulators, banks, brokers, buy-side rms and corporate businesses.

Our products support a wide array of assets, including but not limited to cash equities, equity derivatives, currencies, various interest-bearing securities, commodities, energy products and digital currencies.

Nasdaq's market technology is utilized by leading markets in the U.S., Europe and Asia as well as emerging markets in the Middle East, Latin America, and Africa. Additionally, more than 160 market participants leverage our surveillance technology globally to manage their integrity obligations and assist them in complying with market rules, regulations and internal market surveillance policies.

Our Investment Data & Analytics business is a leading content and analytics cloud-based solutions provider used by asset managers, investment consultants and asset owners to help facilitate better investment decisions.

Through eVestment, we offer leading content and analytics used by asset managers, investment consultants and asset owners to help facilitate institutional investment decisions. eVestment provides a suite of cloud-based solutions to help

the institutional investing community identify and capitalize on global investment trends and select and monitor investment managers. eVestment's products also enable asset managers to market their funds worldwide.

Additionally, the Nasdaq Fund Network gathers and distributes daily net asset values from over 35,000 funds and other investment vehicles across North America.

## Significant Indirect Economic Impacts (GRI 203-2)

Nasdaq includes a few examples of indirect economic impacts, both positive and negative, in the information below. However, our 2019 Form 10-K enumerates numerous and varied risks affecting the company beyond just economic conditions and market factors. Please refer to document for more context and detail.

- Our business performance is impacted by a number of factors, including general economic conditions in both the U.S. and Europe, market volatility, changes in investment patterns and priorities, and other factors that are generally beyond our control. To the extent that global or national economic conditions weaken and result in slower growth or recessions, our business is likely to be negatively impacted.

Significance of the impacts in the context of external benchmarks and stakeholder priorities, such as national and international standards, protocols, and policy agenda:

- Adverse market conditions could reduce customer demand for our services and the ability of our customers, lenders and other counterparties to meet their obligations to us. Poor economic conditions may result in a reduction in the demand for our products and services, including our market technology, data, index and corporate solutions, a decline in trading volumes or values and deterioration of the economic welfare of our listed companies.

## Procurement Practices (GRI 204)

Nasdaq brings together ingenuity, integrity, and insights to deliver products that accelerate economic progress and empower people to achieve their greatest ambitions. Integrity, along with our commitment to ethical business, are reflected in our procurement practices. Suppliers to Nasdaq interact with our staff and may in limited circumstances act on our behalf with customers, other suppliers, members of the public, and others doing business with us. As such, their actions may reflect on our business, people, and brand.

Furthermore, as an integral part of our business ecosystem, suppliers contribute to our workplace culture and our ability to comply with the wide range of laws and regulations that apply to our business. Accordingly, we view it as vital that they adhere to our values, standards, and compliance requirements in all dealings with Nasdaq personnel and work related to our company.

Our Supplier Code of Ethics sets out Nasdaq's expectations for suppliers regarding compliance with all ethics and compliance standards. Nasdaq seeks suppliers that share our commitment to ethics and integrity by implementing compliance programs that align with expectations in this document. Although companies may have their own code of conduct that addresses similar topics, our suppliers should ensure that they address any Nasdaq-specific issues and requirements with their staff.

Compliance with the topics and compliance areas covered in the Supplier Code of Ethics is considered in decisions regarding continuing service with a supplier, as well as decisions regarding whether a particular individual can continue to perform services for Nasdaq.

To learn more, please read our Supplier Code of Ethics at [nasdaq.com/sustainability](https://nasdaq.com/sustainability).

## Anti-Corruption (GRI 205)

### Anti-Corruption / Explanation of the Material Topic and Boundary (GRI 103-1)

#### *Explanation of Materiality*

This topic was determined to be of significant importance during our sustainability assessment. It is material in this context because of Nasdaq's position in the global economy, its importance to the efficient function of capital markets, and its potential impact on a wide range of stakeholders. Nasdaq as an organization has the means to cause or contribute to related impacts or is directly linked to these impacts through its business relationships.

## Anti-Corruption / Management Approach and its Components (GRI 103-2)

### Management Approach

Nasdaq has implemented compliance programs designed to address the requirements of the Foreign Corrupt Practices Act (FCPA), UK Bribery Act, and other anti-bribery and anti-corruption laws. Its policy includes “red flags” for corruption and situations where extra diligence must be exercised.

### Anti-Corruption / Evaluation of Management Approach (GRI 103-3)

Nasdaq regularly assesses its anti-corruption based on changes to relevant laws, regulatory guidance and industry practices. This is done on an annual basis as part of its annual Code of Ethics and policy update process with periodic external program assessments conducted.

## Operations Assessed for Risks Related to Corruption (GRI 205-1)

Nasdaq believes that, overall, it faces limited corruption risk and the risk that it does face are mitigated by its program. Specific focus areas for risk mitigation include interactions with customers that are state-owned enterprises, engagement with regulatory authorities and the use of sales agents. Nasdaq conducts screening of all vendors/agents for corruption risk and monitors all payments including vendor payments and employee reimbursed expenses for compliance.

- Percentage of business units analyzed for risks related to corruption: 100%

Nasdaq’s anti-corruption program is implemented at an enterprise, global level across all of its business units in a risk-based manner. The program includes policies, procedures, monitoring and periodic risk assessments aligned to leading practices and standards including those published by the US Department of Justice and OECD. As set forth in Nasdaq’s Code of Ethics and relevant policies, it has zero-tolerance for violation of bribery and corruption laws.

## Communication and Training about Anti-Corruption Policies and Procedures (GRI 205-2)

Communication on anti-corruption policies and procedures	2017	2018	2019
Governance body members	100%	100%	100%
Employees	100%	100%	100%

Every year, the Code of Ethics and the Gifts, Business-Related Events & Anti-Bribery and Corruption Policy is reviewed with updates approved by executive management and the Board

of Directors. The updated documents are communicated to all employees and certified by them on an annual basis.

Orientation training for new and rehires in North America covers ethics and compliance topics, including anti-corruption. These orientation learnings will be delivered to all regions later in 2020. In November 2019, a Company-wide training was conducted that included Anti-Corruption and Bribery as topics.

Nasdaq’s Supplier Code of Ethics outlines our expectations for business partners including those related to bribery and corruption. Upon adopting significant updates to the Code, it will be sent to all business partners.

## Confirmed Incidents of Corruption and Actions Taken (GRI 205-3)

Total number of confirmed incidents of corruption:	0
Total number of confirmed incidents in which employees were dismissed or disciplined for corruption:	0
Total number of confirmed incidents when contracts with business partners were not renewed due to violations related to corruption:	0

## Anti-Competitive Behavior (GRI 206)

All of our U.S. national securities exchanges are subject to SEC oversight, as prescribed by the Exchange Act, including periodic and special examinations by the SEC. Our exchanges also are potentially subject to regulatory or legal action by the SEC at any time in connection with alleged regulatory violations.

We have been subject to a number of routine reviews and inspections by the SEC or external auditors in the ordinary course, and we have been and may in the future be subject to SEC enforcement proceedings. To the extent such actions or reviews and inspections result in regulatory or other changes, we may be required to modify the manner in which we conduct our business, which may adversely affect our business.

For more information, please read our 2019 Form 10-K.

## Legal Actions for Anti-Competitive Behavior, Anti-trust, and Monopoly Practices (GRI 206-1)

Nasdaq has an Antitrust and Unfair Trade Practices Policy and a robust compliance program thereunder. We have not incurred any fines or settlements related to antitrust/anti-competitive practices in the last four fiscal years. Except as disclosed in our periodic reports filed under the Securities Exchange Act of 1934, as amended, we are not currently a party to any investigation that we believe could have a material adverse effect on our business, consolidated financial condition or operating results.



## Tax Governance, Control, and Risk Management (GRI 207-2)

<b>Governance body or executive-level position accountable for compliance with the tax strategy</b>	Head of tax with regular oversight by the CAO, CFO and periodic communication with the Audit Committee
<b>How approach to tax is embedded within the organization</b>	Tax review is embedded in critical risk areas- including contract management, legal entity management, cross border arrangement, employee tax, financial accounting reporting and other areas.
<b>Approach to tax risks</b>	Tax acts as both a first and second line of defense to execute and monitor controls to identify tax risk. Risks are reported in the tax organization to the head of tax and escalated as needed to the CAO/CFO and Audit Committee.
<b>How compliance with the tax governance and control framework is evaluated</b>	The head of tax and tax SMEs are monitoring the function for compliance with risk appetite.
<b>Mechanisms for reporting concerns about unethical/unlawful behavior and the organization's integrity in relation to tax</b>	Escalation to manager or independent ethics reporting
<b>Assurance process for disclosures on tax, and if applicable, a reference to the assurance report, statement, or opinion.</b>	Nasdaq and its eligible subsidiaries file a consolidated U.S. federal income tax return and applicable state and local income tax returns and non-U.S. income tax returns. We are subject to examination by federal, state and local, and foreign tax authorities.

## Stakeholder Engagement and Management of Concerns Related to Tax (GRI 207-3)

<b>Approach to engagement with tax authorities</b>	We strive for open and transparent communication with the tax authorities, including timely responses to audit requests and effective disclosures.
<b>Approach to public policy advocacy on tax</b>	Tax partners with our public advocacy group across the globe to educate our stakeholders on potential legislation and the impacts to Nasdaq
<b>The processes for collecting and considering the views and concerns of stakeholders, including external stakeholders</b>	Nasdaq seeks to properly identify and engage with its stakeholders and works diligently to integrate their reasonable expectations and interests.

# Environmental

## Energy (GRI 302)

Energy consumption, the reduction in energy demand and its corresponding carbon emissions is a high priority for Nasdaq. Carbon emissions are the main source of Nasdaq's operational emissions. Nasdaq can exercise some control and impact through changes in its operations, strategy and policies.

Nasdaq purchased Renewable Energy Certificates ("RECs") and Carbon Offsets ("COs") to neutralize its 2019 Scope 1, 2 & 3 emissions, achieving carbon neutrality for the 2nd consecutive year. Achieving carbon neutrality is a top environmental priority for Nasdaq, along with greatly reducing its demand for energy, as described in the below main areas of focus:

- Executing a sustainable leasing strategy of consolidating offices in the same city and selecting office buildings with green energy certifications and guaranteed certifiable renewable energy supply
- Selecting data center operators with ISO certifications, renewable energy offerings and sustainability policies
- Achieving a green certification on new office space construction that ensures a sustainable office with greatly reduced power consumption and corresponding carbon emissions
- Occupancy and vacancy sensors are installed throughout the Nasdaq office spaces to automatically turn off the office space lights to save on energy consumption
- When office and data center infrastructure and equipment approach end of life, replacing it with a newer more energy efficient and/or sustainable product
- Nasdaq is implementing Zoom Video Conferencing technology in an effort to reduce the need for business travel
- When business travel is required, Nasdaq recommends travel by rail and is partnering with airlines, ride sharing companies, etc. who share Nasdaq's sustainable commitment by also providing carbon neutral travel options
- Implementing a new program to remove all single-use items from office pantries to reduce the amount of generated waste
- A new procure-to-pay system, Coupa, was installed at Nasdaq that requires electronic invoices, eliminating paper waste and inefficiencies
- DocuSign is used enterprise wide to electronically send and execute contracts and other documents, reducing the need to print, mail and/or scan documents
- Educating Nasdaq employees on how to reduce energy consumption and waste, improve recycling and re-use of materials, and streamline business travel
- The Nasdaq Green Team employee network, the ESG Working Group, and the Real Estate and Facilities team coordinate on these initiatives and many others

Nasdaq used 9 months of data to forecast their full year emissions and then added another 12% to this number to ensure that its REC purchases would cover any fluctuations in the final 3 months of data. This was verified using an external consultant, who also assisted Nasdaq in the purchase of fully certified and attested RECs in the country where the actual energy was consumed. The RECs were purchased through diverse environmental projects that align with Nasdaq's sustainability practices.

REC energy type	Percentage
Wind	73.24%
Hydro	2.29%
Solar	0.86%
Geothermal	0.79%
Various others	22.82%

Project	Location
Landfill / gas collection	Clinton, IL USA
Biogas program	Vietnam
Brazil nut rainforest conservation	Peru

Nasdaq compares its energy consumption and emissions to previous years in order to review energy reduction targets and sustainability initiatives. In particular, we focus on these operational areas of impact:

- On-site combustion
- Leased commercial office space
- Leased space within commercial data centers
- Business travel
- Purchased goods & services
- Employee commuting
- Commercial water consumption
- Waste generation
- Recycling/compost diversion rates

*Note: More information about our energy-related emissions strategy is described in GRI 305 below.*

## Energy Consumption Within the Organization (GRI 302-1)

	2016	2017	2018	2019
Renewable Energy (MWh)	7,057	8,669	41,123	44,989
Non-Renewable Energy (MWh)	5,960	5,085	8,815	10,616
Total Consumption (MWh)	13,017*	13,754*	49,938	55,605

\*2016-2017 consumption data does not include data centers

### Energy Sold

Electricity	0	0	0	0
Heating	0	0	0	0
Cooling	0	0	0	0
Steam	0	0	0	0

Renewable Energy Certificates	thousand MWh	12,073
Power Purchase Agreement	MWh	44,989

\*Percentage of total operational spending on energy (most recent reporting year): More than 5% but less than or equal to 10%

\*Our organization undertakes the following energy-related activities.

- Consumption of fuel (excluding feedstocks)
- Consumption of purchased or acquired electricity
- Consumption of purchased or acquired heat
- Consumption of purchased or acquired cooling

Standards, methodologies, and assumptions used:

- All energy for Heating and cooling is included in the electricity numbers.

Source of the conversion factors used:

<https://www.convertunits.com/from/MWh/to/gigajoule>

Publicly disclose a breakout of the sources of the renewable energy used

No

Data publicly available:

No

Nasdaq achieved carbon neutrality for 2019 through the purchase of certified Renewable Energy Certificates and Carbon Offsets. The procurement was settled before all 2019 consumption data was collected and analyzed, so a strategy of over-procurement was used to ensure that carbon neutrality would be reached.

Nasdaq is responsible for 10,616,071 kWh of non-renewable power consumption worldwide in 2019. This is compensated for by the over 12,000,000 kWh worth of Renewable Energy Certificates purchased by Nasdaq.

The 2019 Electricity (MWh) consumption table below incorporates data for both office spaces and data centers

Country	Total Power Consumption (kWh/year)	Renewable Power (kWh/year)	% Renewable	Net Emissions (MT CO2e)
Canada	1,441,926	441,504	31%	240
United States	36,611,654	32,479,668	89%	3,180
Australia	1,252,796	0	0%	1,586
China	8,295	0	0%	10
Hong Kong	54,455	0	0%	67
India	937,940	0	0%	1,149
Japan	20,999	0	0%	17
Philippines	1,327,712	0	0%	1,046
Singapore	128,422	0	0%	101
South Korea	1,240	0	0%	1
Belgium	15,522	0	0%	4
Denmark	181,136	181,136	100%	0
Estonia	62,931	0	0%	109
Finland	179,766	179,766	100%	0
France	47,305	0	0%	4
Germany	307,037	283,824	92%	17
Iceland	108,804	108,804	100%	0
Italy	8,347	0	0%	5
Latvia	20,588	0	0%	4
Lithuania	519,196	519,196	100%	0
Netherlands	414,202	0	0%	311
Norway	81,069	10,539	13%	1
Spain	9,169	9,169	100%	0
Sweden	9,987,093	8,939,198	90%	20
UAE	5,042	0	0%	5
UK	1,849,605	1,836,955	99%	5
Ukraine	23,579	0	0%	17
<b>Total</b>	<b>55,605,830</b>	<b>44,989,759</b>	<b>81%</b>	<b>7,899</b>



## Energy Consumption Outside of the Organization (GRI 302-2)

The following items display consumption in MT CO<sub>2</sub>e units

- External renewable energy consumption: 0
- External non-renewable energy consumption: 28,475
  - Upstream / purchased goods and services: 7,696
  - Upstream / waste generated in operations: 96
  - Upstream / business travel: 13,695
  - Upstream / employee commuting: 6,919
  - Upstream / water consumption: 69
- Total external energy consumption: 28,475

**Notes on Goods/Services.** Companies may use one of multiple methods to calculate emissions from purchased goods and services. Based on what was provided by Nasdaq, this document relies on a spend-based methodology using secondary data (industry average data). The spend-based method estimates emissions for goods and services by collecting data on the economic value of goods and services purchased and multiplying it by relevant secondary (industry average) emission factors (e.g. average emissions per monetary value of goods). USD spend in each basic category of purchased goods and services as provided by Nasdaq was entered into the Greenhouse Gas Protocol's Scope 3 Evaluator tool.

**Notes on Business Travel.** Carbon emissions from air travel that were calculated and provided by Nasdaq's travel agencies were used. For train/plane travel provided by Nasdaq's travel agencies, the following assumptions were made:

- Trains travel 110 mph, meaning 655,848 minutes of train trips equates to 1,202,388 passenger-miles on board trains for the dataset
- Planes emit an average of 0.0005 MT CO<sub>2</sub>e per passenger-mile and trains emit an average of 0.0003 MT CO<sub>2</sub>e per passenger-mile [U.S. Department of Energy, *Transportation Energy Data Book*, Edition 37, 2019]

**Notes on Employee Commuting.** Headcount data was entered into the Greenhouse Gas Protocol's Scope 3 Evaluator tool. Developed by the World Resource Institute and the World Business Council on Sustainable Development over a decade-long partnership, the Greenhouse Gas Protocol was first published in 2001 and now serves as the basis for nearly every greenhouse gas standard in the world. The Greenhouse Gas Protocol's Scope 3 Evaluator tool directs companies to rely on the following assumptions to calculate emissions from employee commuting.

Using U.S. Department of Transportation data (USDOT 2014), in conjunction with ecoinvent 2.2 datasets for various

transportation modes in conjunction with GWP impact assessment (SCLCI 2010, IPCC 2007), as well as some assumptions about commuting and work schedules (240 days of commuting per year; carpoolers are allocated one third of the car ride), it is estimated that the average employee emits 1,700 kgCO<sub>2</sub>e/year.

The reference flow quantity is the average value of the employee number range among the options provided by the Greenhouse Gas Protocol's Scope 3 Evaluator tool.

**Notes on Water/Waste.** Data was provided by landlords to Nasdaq. Where data was unavailable, estimates were established based upon the office location, amenities and headcount.

The GhG Protocol (<https://ghgprotocol.org/scope-3-evaluator>) was used to determine conversion factors in the analysis above.

## Energy Intensity (GRI 302-3)

	Unit	2018	2019
Numerator	Absolute energy consumption	201,739	205,408
Denominator	Number of full-time employees	4,539	4,507
Energy Intensity		44.45*	45.58**

\* only includes electricity

\*\* includes fuel, electricity, heating, cooling

## Water (GRI 303)

2019 was the first year that Nasdaq has calculated and recorded water consumption. Water was tracked in Nasdaq leased commercial office space and in the leased racks within a commercial data centers in an effort to establish a baseline in this category that we can now track and compare.

Actual consumption data was provided by landlords and data center operators to Nasdaq for either our leased space or the entire building. In the latter case, Nasdaq's proportional share was determined using leased square footage within the building. Where data was unavailable, estimates were generated using assumptions related to the office location, amenities within the space, square footage and headcount.

Sustainability and reduced water consumption/waste generation is an environmental priority for Nasdaq. This is demonstrated by the following tactics:

- Executing a sustainable leasing strategy by consolidating offices in the same city and selecting office buildings with green energy certifications

- Reduced water consumption being incorporated into building infrastructure and operations
- Prioritizing data centers with ISO certifications, renewable energy offerings, and sustainability policies, including closed loop cooling systems that greatly reduce wastewater volumes
- Seeking green certifications on new construction of office spaces

With 2019 as the base year, this project will be continuously evaluated as new strategies are implemented and Nasdaq becomes more sophisticated in the gathering and publication of this data.

It's important to note that Nasdaq operates as a tenant, often in facilities that it does not own nor directly control, and thus our ability to track and/or remedy water, waste, and effluent issues is somewhat limited. There was no formal performance policy regarding water and effluents in place for 2019, but Nasdaq began recording the data. In addition, our tenancy in LEED-certified buildings (and other environmentally efficient facilities) demonstrates a certain measure of water and effluent responsibility.

### Water Withdrawal by Source GRI (303-1)

Water Withdrawal Source	2019
Surface water, including wetlands, rivers, lakes, oceans	0 kiloliters
Total salt/brackish water	0 kiloliters
Ground water	0 kiloliters
Rainwater collected directly and stored	0 kiloliters
Wastewater from another organization	0 kiloliters
Municipal water supplies or other water utilities	289,931 kiloliters
<b>Total water withdrawal</b>	<b>289,931 kiloliters</b>

### Water Recycled and Reused (GRI 303-3)

Total volume of water recycled/re-used	0 m3
Recycled water as a percentage of total water withdrawal	0%

- Our water data is estimated
- Does a water recycling program exist: No
- Total amount of recycled water is publicly disclosed: Yes
- Percentage of total water use satisfied through use of recycled water is publicly disclosed: Yes
- Water for office space is provided directly by the utility
- Water for data centers is provided by the utility or rainwater in certain locations

### Operational Sites and Protected Areas, Areas of High Biodiversity Value (GRI 304-1)

None of our leased office space and/or data center space – to the best of our knowledge—is in, around, or adjacent to areas of high biodiversity and/or protected areas. Furthermore, Nasdaq does not manufacture items or operate any manufacturing facilities in, around, or adjacent to such areas. We reserve the right to modify this analysis and perhaps disclose more data if new information comes to light.

### Emissions (GRI 305)

#### Direct (Scope 1) GHG Emissions (GRI 305-1)

#### Indirect (Scope 2) GHG Emissions GRI (305-2)

#### Other Indirect (Scope 3) GHG Emissions (GRI 305-3)

Reducing energy demand and corresponding emissions is a priority for Nasdaq. We can help to drive change by modifying our operations, strategy and policies. Our management approach to energy strategy – including emissions strategy – is described above (GRI 302) and our Scope 1, 2, and 3 emissions data is summarized here.

- Nasdaq purchased Carbon Offsets (COs) to account for all of its 2019 Scope 1, 2 and 3 emissions, achieving enterprise carbon neutrality for the second consecutive year.

This table includes global data for Nasdaq's office space, data centers, onsite combustion, business travel, employee commuting, goods and services consumption, wastewater generation, waste generation and recycling/compost diversion for the reporting period January 1, 2019 through December 31, 2019. Emissions are reported in metric tons of CO2 equivalence.

		2019 Gross Emissions	2019 Net Emissions*	2019 REC/CO Purchases	2019 TOTAL Emissions**
Scope 1:	Total	306	306	404	(98)
	• On-Site Combustion	306	306	404	(98)
Scope 2:	Total	34,509	7,902	12,073	(4,171)
	• Office Electricity	13,611	5,878	8,980	(3,102)
	• Data Center Electricity	20,898	2,024	3,093	(1,069)
Scope 3:	Total	24,875	24,875	37,596	(9,121)
	• Business Travel	13,695	13,695	18,082	(4,387)
	• Goods & Services	7,696	7,696	10,161	(2,465)
	• Employee Commuting	6,919	6,919	9,135	(2,216)
	• Water	69	69	91	(22)
	• Waste	96	96	127	(31)

\* Net emissions after Landlord & Data Center operator renewable energy supply factors are applied

\*\* Total Emissions after Nasdaq REC & CO purchases are applied

A very small amount of emissions associated with clean energy technology may be accounted for when evaluating the overall grid mix. This was factored into our calculation of emissions factors for purchased electricity (Gross Scope 2 emissions above). Calculation of overall emissions factors is based on a grid mix, as many regulators – such as the U.S. Environmental Protection Agency (EPA) – suggest. These grid emissions factors are country/region-specific and serve as the basis for our Scope 2 calculations.

Nasdaq purchased REC instruments in order to negate Scope 2 emissions with a corresponding volume of certified green energy products. Any per-MWh adjustments are accounted for before the REC is sold on the market. Although it is common practice to balance REC purchases against carbon emissions tallies, Nasdaq actually overpurchased in 2019 to offset any peripheral life cycle carbon coefficients.

## GHG Emissions Intensity (GRI 305-4)

	Denominator	2019	2018
GHG emissions intensity ratio	Number of full-time employees	12.95 MT	13.96 MT
List of gases included:	Types of greenhouse gas emissions included:		
• CO2	• Direct (Scope 1)		
• CH4	• Indirect (Scope 2)		
• N2O	• Other Indirect (Scope 3)		
• HFCs			
• PFCs			
• SF6			
• NF3			

## Reduction of GHG Emissions (GRI 305-5)

Nasdaq's GHG emissions were reduced as a direct result of reduction initiatives, in metric tons of CO<sub>2</sub>e.

- Nasdaq's total carbon footprint (2019) was reduced by 69MT CO<sub>2</sub>e from 2018

Many strategic choices helped to drive the reduction in gross emissions, including:

- Developing a new sustainable leasing strategy (consolidating offices in the same city, selecting office buildings with green energy certifications, etc.)
- Achieving green certification on new construction of office spaces
- Targeting more sustainable data centers and installing energy rated equipment
  - For example: Nasdaq actually leased a greater number of data center server racks in 2019, yet our resulting energy consumption (and, by implication, related carbon emissions) went down by 20%
- Nasdaq reduced business travel costs by 8% by implementing the Zoom meetings platform globally, thereby reducing travel

## Effluents and Waste (GRI 306)

Waste reduction, recycling and compost diversion are chief priorities for Nasdaq in the operation and management of its facilities. A number of the efficiency measures described above (GRI 305) have driven progress on this topic.

- Our sustainable leasing strategy ensures efficient waste disposal and diversion of recyclable and compostable materials
- Green certifications signify offices with innovative (and effective) waste management and recycling programs
- Our 2019 Scope 3 data covers the disposal and treatment of waste in facilities not owned or controlled by the company – our first year for such a public disclosure
- Nasdaq has no hazardous effluents or waste to report

Whenever possible, Nasdaq's actual waste data was included in the calculation; otherwise a proportional share was determined using occupied square footage. If waste data was completely unavailable, estimates were based on office location, amenities, square footage, and headcount.

- Global waste generation across Nasdaq's offices contributed to approximately 96 MT CO<sub>2</sub>e in 2019.

## Water Discharge by Quality and Destination (GRI 306-1)

Nasdaq has calculated and recorded this topic data for the first time.

- Global wastewater from Nasdaq's office and data center sites contributed to approximately 69 MT CO<sub>2</sub>e annually into Scope 3.
- This total includes estimates for a number of sites that could not report wastewater data.

	Destination	Volume	Quality of the water (including treatment method)	Reused by another organization
2019	Americas	257,078 m <sup>3</sup>	Wastewater from office space & Data Centers	No
2019	APAC	7,794 m <sup>3</sup>	Wastewater from office space & Data Centers	No
2019	EMEA	2,059 m <sup>3</sup>	Wastewater from office space & Data Centers	No
		Total water discharge: 289,931 m <sup>3</sup>		

## Waste by Type and Disposal Method GRI (306-2)

Method of disposal and weight (in MT) of non-hazardous waste	2019
Reuse:	0
Recycling:	586
Composting:	94
Recovery (including energy recovery):	0
Incineration (mass burn):	0
Deep well injection:	0
Landfill:	254
On-site storage:	0
Other:	
Total weight of non-hazardous waste disposed:	934

2019 was the first year that Nasdaq has calculated and recorded non-hazardous waste. Many of the calculation assumptions are described above (GRI 306).



## Water Bodies Affected by Water Discharges and/or Runoff (GRI 306-5)

To the best of our knowledge, Nasdaq office spaces and data centers are not in, around, or adjacent to protected bodies of water. Any discharge or runoff associated with Nasdaq's business operations would be domestic/commercial office space wastewater.

## Environmental Compliance (GRI 307)

Nasdaq endeavors to comply with all federal, state, regional and local laws and regulations in all areas. This applies to all business operations, partners and supply chains. This includes all environmental laws and regulations; Nasdaq is required to report certain infringements or penalties to the SEC.

Climate change and resource scarcity are challenges to society and to business. As a responsible corporate citizen operating technology and exchange businesses across the globe, Nasdaq endeavors to lessen our environmental impact and make our operations efficient. We understand the importance of taking efforts to reduce our carbon footprint and actively promoting sustainable business operations. This approach is directly in line with a corporate culture that values ethical business and innovation.

With respect to our business functions, we account for a relatively small, manageable environmental impact through the use of natural resources in our global operations. We focus our environmental efforts on a few key areas, including the way we use resources, manage our workspaces, and conduct business travel. These efforts seek to lessen the environmental impact of our organization by reducing atmospheric carbon emissions, and managing water and waste associated with our business. Nasdaq conserves natural resources by leveraging innovation, technology, education, and a culture of continuous improvement.

In addition to compliance with applicable environmental and regulatory requirements, we have committed to a number of environmental objectives, when feasible and practicable, including:

- Responsible stewardship of key resources, such as water
- Promoting recycling, upcycling, and creative re-use efforts  
Integration of energy-efficient designs, products, and strategies in our workplaces
- Identifying potential materials, parts, and products with lower environmental impacts as part of significant purchases  
Active reduction of pollution and waste products, particularly e-waste
- Raising environmental awareness of employees and clients
- Promoting renewable energy sourcing

- Encouraging the use of electronic communication and collaboration to help avoid waste creation

To learn more, please read our Environmental Practices Statement at [nasdaq.com/sustainability](https://www.nasdaq.com/sustainability).

## Non-Compliance with Environmental Laws and Regulations (GRI 307-1)

To the best of our knowledge, in 2019:

- Nasdaq has received no fines and/or monetary sanctions for non-compliance with environmental laws and/or regulations
- No non-monetary sanctions
- No cases brought through dispute resolution mechanisms

## Supplier Environmental Assessment (GRI 308)

Nasdaq is committed to sustainability within our organization, but also with our suppliers and vendors. Nasdaq suppliers are subject to a Supplier Risk and Onboarding analysis program. Although specific environmental criteria are not used, our vendors are periodically screened for negative news, which tends to capture environmental controversies.

The Thomson Reuters WorldCheck One tool also scans for international sanctions, regulatory enforcement actions taken, legal enforcement actions taken, and the identification of any politically exposed persons. In addition, their CLEAR product provides another level of scrutiny: negative news, bankruptcies, liens or court judgments, any open or closed lawsuits, and numerous other financial and geopolitical data points.

Nasdaq also has a detailed Supplier Code of Ethics. The purpose of this code is to set out Nasdaq's expectations for suppliers regarding adherence with ethics and compliance standards. It includes ethical and responsible business practices, such as the maintenance of accurate records, the encouragement of sustainability and environmental programs, avoiding conflicts of interest, adherence to trading restrictions, observations of confidentiality, dedication to data privacy, meeting self-regulatory obligations, and being proactive on human rights and diversity/inclusion.

## New Suppliers Screened Using Environmental Criteria (GRI 308-1)

Nasdaq suppliers are subject to our Supplier Risk and Onboarding program. The GRI standards for environmental criteria are encompassed in our screening, specifically as it pertains to any/all negative news that is publicly available, as well as both current and past legal or regulatory troubles.

## Negative Environmental Impacts in the Supply Chain and Actions Taken (GRI 308-2)

Number of suppliers subject to environmental impact assessments:	100
Number of suppliers identified as having significant actual and potential negative environmental impacts:	0
Percentage of suppliers identified as having significant actual and potential negative environmental impacts with which improvements were agreed upon as a result of assessment:	0
Percentage of suppliers identified as having significant actual and potential negative environmental impacts with which relationships were terminated as a result of assessment:	0

## SOCIAL

### Employment (GRI 401)

Nasdaq is committed to operating a fair, inclusive, and supportive workplace. This commitment includes compliance with applicable laws regarding workplace conditions and rights in the jurisdictions in which we operate. Nasdaq adheres to laws related to the establishment of trade unions, works councils, or other employee representatives. Nasdaq strictly prohibits forced labor or activities that support human trafficking; Nasdaq is committed to compliance with the UK Modern Slavery Act and similar corresponding laws in other jurisdictions where we operate.

To learn more, please read our Human Rights Practices Statement at [nasdaq.com/sustainability](https://nasdaq.com/sustainability)

### New Employee Hires and Employee Turnover (GRI 401-1)

The table below summarizes our 2019 new hire and turnover data for all global operations, age groups, and employee categories.

	2017		2018		2019	
	Total #	Rate	Total #	Rate	Total #	Rate
New Hires	1,138		767		970	
Employee Turnover	704	9.0*	1,430	9.9*	778	10.4*

\* Voluntary turnover reported

## Benefits Provided to Full-Time Employees that are Not Provided to Temporary or Part-Time Employees (GRI 401-2)

- Life insurance
- Accident insurance
- Adoption or fertility assistance programs
- Disability/invalidity insurance
- Pension plans/retirement provision
- Maternity and/or paternity leave
- Childcare
- Job security initiatives for redeployment, including retraining, relocation, work-sharing and outplacement services
- Flexible work schemes and work-sharing
- Stock ownership
- Vacation
- Paid sick days
- PTO (including any of the following:
  - unspecified, vacation and/or sick days)
  - Insurance: Healthcare Employee
  - Insurance: Healthcare Family
  - Insurance: Healthcare Domestic Partner
  - Insurance: Dental
  - Insurance: Vision
  - Insurance: AD&D
  - Insurance: Short Term Disability
  - Insurance: Long Term Disability
  - Employee Assistance Program
  - Education Benefits: Employee
  - Relocation Assistance
  - Work/Life Support Program
  - Wellness/Fitness Program
  - Onsite Recreation Facilities
  - Employee Stock Grants
- Stock Purchase Plan
- Childcare: Other
- Bereavement Leave
- Tuition reimbursement (other than career training)
- Gym facilities or gym fee reimbursement programs
- Preventative healthcare programs
- Flex scheduling
- Telecommuting options
- Carpooling support programs
- Employee recognition programs
- Paid time off for employee volunteers
- Workforce training, skills, and leadership development programs
- Matching gift program
- Mentoring Program

*Note: Most of our benefits are offered to regular full time / 20+ hour part-time employees.*

## Parental Leave (GRI 401-3)

	2019	2018	2017
Number of female employees by gender that were entitled to parental leave:	501	495	580
Number of male employees by gender that were entitled to parental leave:	997	1,014	1,176
Number of female employees by gender that took parental leave:	22	14	15
Number of male employees by gender that took parental leave:	25	35	16
Number of female employees who returned to work after parental leave ended:	22	14	15
Number of male employees who returned to work after parental leave ended:	25	35	16
Number of female employees who returned to work after parental leave ended who were still employed twelve months after their return to work:	21	14	14
Number of male employees who returned to work after parental leave ended who were still employed twelve months after their return to work:	25	35	16
Return to work and retention rates of female employees who returned to work after leave:	95	100	93
Return to work and retention rates of male employees who returned to work after leave:	100	100	100

*Note: Data shared in the table above is for U.S. operations only.*

Nasdaq offers a parental leave benefit to support members of the Nasdaq community – both women and men – as they strive to balance their work with the wonderful but challenging role of becoming parents, or as their families grow. All U.S. employees who are regularly scheduled to work 20 hours or more per week are eligible. Birth/adoptive parents are offered 14 weeks of continuous leave plus additional 2 weeks of Flex time before and after the arrival of the infant.

### Labor/Management Relations (GRI 402)

It is Nasdaq's policy to comply with the provisions of the Fair Labor Standards Act (U.S.) and applicable state and local wage laws. In accordance with these laws, and except as permitted by these laws, exempt employees generally are paid on a salaried basis, regardless of the number of hours they work in a given workweek. Nasdaq prohibits any unauthorized deductions from the salary of such exempt employees.

### Minimum Notice Periods Regarding Operational Changes (GRI 402-1)

Nasdaq has operations in many countries and abides by local regulations wherever applicable.

### Occupational Health and Safety (GRI 403)

Nasdaq is committed to providing a safe and healthful working environment. In support of this goal, we strive to comply with relevant federal, state, and local occupational health and safety laws and regulations. Nasdaq endeavors to minimize the exposure of our employees, contractors, and other visitors to our facilities to health and safety risks. To accomplish this objective, all Nasdaq employees are expected to work diligently to maintain safe and healthful working conditions and to adhere to proper operating practices and procedures designed to prevent injuries and illnesses.

Nasdaq has established a variety of employee benefit programs designed to assist employees and their eligible dependents in meeting the financial challenges that can result from life changes, such as illness, disability, retirement and death. In addition, Nasdaq's benefit programs can help employees plan for retirement, deal with job-related or personal problems, and enhance job-related skills.

As part of our commitment to employee safety, Nasdaq has also transitioned to a customized enterprise class, mobile safety communications platform –connecting people to the help they need during an emergency situation. Its discreet, two-way communications platform provides a quick, convenient way for employees to communicate directly via an app with Nasdaq's Global Security Command Center and Global Risk Management teams, as well as local law enforcement.

### Workers Representation in Joint Health and Safety Committees (JHSC) (GRI 403-1)

- Percentage of the total Nasdaq workforce represented in formal joint management-worker health and safety committees: Up to 25%

Nasdaq has, or is in the process of installing and training, Joint Health and Safety Committees ("JHSC") in its offices, including worker representatives when required by law and the number of employees in such offices. Nasdaq also designates location leaders, facilities managers and human resources representatives who are jointly responsible for any health and safety matters in each office, all of whom receive appropriate training/guidance regarding such responsibilities.

- Nasdaq Workplaces with 20 or more employees have a JHSC;
- Nasdaq Workplaces employing 20-49 employees have a minimum of 2 members on the JHSC;
- Nasdaq Workplaces employing 50+ employees have a minimum of 4 members on the JHSC;
- At least half of the JHSC members must be workers;
- A JHSC must have at minimum 2 members, one worker member and one management member;
- Management members may be selected by management and worker members are to be selected by the workers; and
- The two most qualified members of the JHSC shall co-chair the committee.

It is important to ensure that all health and safety representatives receive appropriate training, respecting the duties and functions of a representative. The names of the members of the JHSC are to be posted in the workplace, and the JHSC must meet regularly and minutes must be taken and posted.

A worker member is required to conduct an inspection of the workplace once a month.

The primary duty of the JHSC is to identify hazards and make recommendations for controls of the hazards to the employer

### Training and Education (GRI 404)

Nasdaq provides a full range of online and classroom programs, covering interpersonal skills development, management training, sales training, technology training, and other topics. Permanent employees receive an annual performance review from their immediate manager, which includes performance rating, detailed feedback, career development planning. Nasdaq reviews previously included a discussion of optional development goals.



2019 reviews included discussion of behaviors supporting our company culture and values; for 2020, we expect the goal-setting and performance process will include required development goals for all employees.

### Average Hours of Training Per Year Per Employee (GRI 404-1)

Our newly acquired Learning Management System has data beginning in Fall 2019. A full year of performance data will be available for our 2020 sustainability report.

Life at Nasdaq includes a range of learning and development options that inspire colleagues to grow their talents and excel in their professional life. At Nasdaq, we ascribe to the 70/20/10 Learning Principle, where 70% of development happens on the job, 20% through coaching & mentoring and 10% by formal training. To cater to a diversity of learning styles, the Leadership & Career Development team offers online, in- class, or peer learning – all managed through a sophisticated Learning Management System. Nearly all employees participate in at least one classroom based or digital offering each year.

### Programs for Upgrading Employee Skills and Transition Assistance Programs (GRI 404-2)

Nasdaq supports the development of its employees through each important transition in their careers – as new entrants to the organization, as managers of teams and people and as leaders who lead the global organization. Under the 70/20/10 Learning Principle, where 70% of development happens on the job, 20% through coaching & mentoring and 10% by formal training, the company offers a variety of management training that are offered through many different types of channels that support diverse learning styles. The information below provides more detail:

- New hires go through a highly involved onboarding experience called the Nasdaq Journey, which shares the firm's structure, people, culture

- The Nasdaq Listed Leader Program, which is an all-new program of 10 management development modules built around our updated Leadership Values & Behaviors, is designed to further develop the competencies required by leaders at all levels to drive our culture forward
- The New Manager Program has all of the information and skills a first-time manager would need to get started on their transition to a people management role

The company also supports employees who wish to take courses and programs of study at degree-granting institutions of higher learning through tuition reimbursement programs. Attending industry conferences, seminars, symposiums, purchasing books, magazines and other subscriptions, and costs associated with obtaining legally mandated professional licenses or certifications, such as CFA, CPA, etc. are also covered in most locations through the benefits programs.

Executive coaching and mentoring opportunities are built into the overall Learning and development program, and Nasdaq provide outplacement services or transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination.

### Percentage of Employees Receiving Regular Performance Reviews (GRI 404-3)

Nasdaq's performance management program has been established to enhance the job performance and professional growth of each employee. Under this program, written performance evaluations are provided to each regular full-time and regular part-time employee twice per year. A manager formally assesses his or her employees in writing during the mid-year and year-end performance review periods. Both parties meet to discuss the written assessment and a record of it is made using the tools provided in Workday. These performance evaluations become part of the employee's formal personnel record and serve as factors for consideration in relocation, transfer and advancement decisions.

Employee Category	Male 2019	Female 2019	Total 2019	Male 2018	Female 2018	Total 2018	Male 2017	Female 2017	Total 2017
Total workforce	85.33	79.02	81.87	83.52	79.48	80.38	89.66	87.35	87.13

The purposes of the performance review program are to:

- Ensure that each employee has a clear understanding of what is expected by his or her manager;
- Let each employee know his or her job performance with respect to goals and competencies; and
- Inform each employee of the knowledge and skills he or she must acquire or improve to grow in the present job, move into another role and/or advance at Nasdaq.

## Diversity and Equal Opportunity (GRI 405)

Our commitment to advancing a diverse workforce—which comprises the multitude of dimensions of human difference—is a visible and public commitment as evidenced in our equal opportunity and human rights statements.

We are committed to advancing gender parity and reflect our commitment as signatories of the Parity Pledge – which is a commitment to interviewing at least one woman for all positions at the vice president level and above.

Our commitment is embraced at all levels in the organization and we make intentional efforts to ensure equal opportunities across the firm. This is also reflected in our commitment to the United Nations Women's Empowerment Principles.

## Diversity of Governance Bodies and Employees (GRI 405-1)

	Gender		Age Groups			
	Male	Female	Minority or Vulnerable Group	<30	30-50	>50
Governance Body						
Board of Directors	7 (70%)	3 (30%)	3 (30%)	0 (0%)	2 (20%)	8 (80%)
Employees by Job Category						
Managers	552	247				
Total	2,813 (65%)	1,485 (35%)				

Gender	2017	2018	2019
Male	64.1%	65.5%	65.0%
Female	35.90%	34.3%	34.7%
Undisclosed	0.0%	0.2%	0.3%

Our female representation was negatively impacted by a significant divestiture in 2018, where 43% of the 805 employees were female. The divestiture reduced our overall employees by nearly 20%.

Ethnicity (U.S. Only)	2017	2018	2019
White	70.03%	68.67%	67.86%
Asian	15.39%	16.23%	15.96%
Black	6.73%	6.66%	7.39%
Hispanic	5.05%	5.14%	4.93%
Two or More	1.97%	1.73%	1.93%
Pacific Islander	0.24%	0.16%	0.12%
Native Amer.	0.04%	0.05%	0.05%
Not disclosed	0.55%	1.36%	1.76%

## Non-Discrimination (GRI 406)

Through its Workplace Harassment policy, Nasdaq reiterates its commitment to providing a workplace that is free from unlawful discrimination, harassment and retaliation, and where employees are treated with respect.

Nasdaq is committed to establishing and maintaining a productive work environment that is free of unlawful discrimination, harassment and retaliation, and where employees are treated with respect and dignity. Accordingly, Nasdaq will not tolerate any form of unlawful discrimination, harassment or retaliation by any co-workers, supervisors,

managers, or third parties against any employee by any person, including other employees, temporary agency employees, contractors, vendors, customers, clients, couriers or guests.

It is expected that all employees will observe the highest standards of conduct and will avoid any behavior that could be interpreted as unlawful. Employees and managers who experience or witness behavior or conduct which may constitute or contribute to discrimination, harassment or retaliation must immediately report such occurrences using the reporting channel designated in this policy.

Nasdaq is committed to providing its employees an environment that is free from workplace harassment on the basis of one's membership in a protected class, and these classes include, but are not limited to:

- Actual or perceived age, color, disability, medical condition, national origin, ancestry, race, religion, gender, sex (including but not limited to pregnancy, childbirth, breastfeeding or medical conditions relating to breastfeeding, pregnancy, or childbirth), sexual orientation, gender identity and/or expression, veteran or military status, marital and/or familial status, genetic information, or any other actual or perceived characteristic or classification protected by applicable law.

As stated in the Nasdaq Employee Handbooks, any employee who has concerns about discrimination or equal opportunity in the workplace may contact their manager or more senior management, their People Partner, a member of the Global Ethics Team or the Office of General Counsel. Discrimination, harassment, bullying and retaliation for speaking up have no place at Nasdaq.

Nasdaq believes in the fundamental dignity of every human being and the rights of every individual to live and work safely and humanely, without fear of oppression or coercion. Our policies and training emphasize responsibility, integrity, and values-based decision-making and set forth our standards for conducting our business ethically and consistent with our moral principles.

These principles and standards shape our interactions with fellow employees, clients, suppliers, communities, and markets around the world—and with our community of shareholders, too. They are foundational to our company and enable our continued success. Reflecting Nasdaq's obligations as a global company, Nasdaq has incorporated within its Code of Ethics, corporate policies, or programs specific requirements to put key principles into practice, including:

- **Equal Employment Opportunity and Discrimination.** Nasdaq is committed to creating a work environment that promotes personal and professional growth and that fully utilizes the abilities of its employees—regardless of age, color, disability, national origin, ancestry, race, religion, gender, sexual orientation, gender identity and/or expression, veteran

status, genetic information, or any other legally protected classification. Nasdaq prohibits discrimination based on any of these classifications

- **Harassment.** Nasdaq does not tolerate any form of workplace, sexual, online or other harassment against any employee by any person, including other employees, temporary agency employees, contractors, vendors, customers, clients, couriers, or guests.
- **Non-Retaliation.** Nasdaq prohibits retaliation against individuals who have reported concerns, sought guidance, or cooperated in an investigation. Any employee that engages in retaliation is subject to disciplinary action, up to and including termination of employment.

To learn more, please read our Human Rights Practices Statement at [nasdaq.com/sustainability](https://nasdaq.com/sustainability).

## Freedom of Association and Collective Bargaining (GRI 407)

It is Nasdaq's policy to comply with the provisions of the Fair Labor Standards Act (U.S.) and state and local wage laws. The Fair Labor Standards Act (FLSA) establishes minimum wage, overtime pay, recordkeeping, and child labor standards affecting full-time and part-time workers in the private sector and in Federal, State, and local governments.

Nasdaq has operations in many countries and collaborates with a wide variety of local and multinational suppliers. In all locations and in all cases, Nasdaq strives to abide by local regulations and ensures that the protection of people's rights is a priority.

Nasdaq is not aware of any operations or specific suppliers that are rated at risk of violating any rights, regulations and/or laws (GRI 407-1).

## Child Labor (GRI 408) Forced or Compulsory Labor (GRI 409)

Nasdaq is firmly committed to preventing acts of modern slavery and human trafficking from occurring within its business and supply chains. This commitment is reflected in our Code of Ethics and supporting policies, our SpeakUp! Program, practices around screening employees and contracted staff, our vendor diligence and risk management program, and our Supplier Code of Ethics. Reflecting our continuous improvement approach to every aspect of our business, we will continue to evolve these programs and implement new initiatives consistent with best practices in our industry, supporting the goals of the UK Modern Slavery Act (MSA) and similar legislation in other countries where we have operations.

In response to the enactment of the MSA, Nasdaq conducted diligence regarding the risk of modern slavery related to its

business. Such evaluation involved participation from the Office of General Counsel, Strategic Sourcing, Human Resources and Facilities functions. Similar to the conclusion reached by other companies in our industry, Nasdaq believes that its operations and supply chain generally involve a low risk of modern slavery. However, we appreciate the importance of taking steps to combat all forms of modern slavery as well as the need to be vigilant in detecting and deterring any form of human rights violation committed in connection with our business operations.

For more information, please read our Nasdaq UK Modern Slavery Act Transparency Statement.

### Operations/Suppliers at Risk for Incidents of Forced or Compulsory Labor (GRI 409-1)

Nasdaq believes that its operations and supply chain generally involve a low risk of forced or compulsory labor. We are not aware of (nor have we received any reports alleging) any incidents of forced or compulsory labor involving our operations or supply chain.

As part of our Supplier Risk and Onboarding program, we screen and monitor suppliers using commercial screening tools for any international sanctions, regulatory and other legal enforcement actions, and affiliation with any politically exposed persons. In addition, for certain suppliers, we supplement this screening with additional assessment for any negative news, bankruptcies, liens or court judgments, pending or closed lawsuits and other pertinent information. None of our screening or monitoring has identified forced or compulsory labor by a Nasdaq supplier. If we were to identify information indicating such conduct by a supplier or a potential supplier, we would investigate the concern further and, if substantiated or confirmed, Nasdaq would not do business with the supplier.

In addition, we publish a Supplier Code of Ethics that requires all suppliers to abide by our standards, inclusive of maintaining proper human rights governance. This document is available online at [nasdaq.com/sustainability](https://nasdaq.com/sustainability).

### Security Practices (GRI 410)

Nasdaq has Security teams and/or personnel within its major office locations globally. Security Personnel also travel domestically and internationally with select Nasdaq Executives as the need arises.

Every Nasdaq office contains physical security measures as deemed necessary by internal audit and risk analysis and complies with applicable regulations. Nasdaq Global Security has a robust security posture for all aspects of physical security, travel security, executive protection, and monitoring of global events through its Facility Security Operations Center (FSOC). This is accomplished through on-site, virtual training,

the assignment of a Site Security Liaison representative in each Nasdaq office location, and documentation of established policies and procedures.

As part of its travel security program, global security monitors the domestic and international travel of all Nasdaq personnel. The destination is evaluated and suitable guidance provided to the personnel to ensure a smooth trip. Global security directly supports the CEO and/or other executives as necessary on all travel.

Every Nasdaq office has a security response procedure that is approved by Internal Audit and is readily available for Nasdaq employees and consultants to consume. Nasdaq ensures that employees are trained and briefed on emergency security procedures as required by Landlords and local regulations.

Global Security conducts outreach in many manners to ensure that all Nasdaq personnel are aware of the documented security and safety policies and procedures. In the crisis realm, LiveSafe is utilized as a method to account for personnel in/near a crisis event and provide guidance to them. Global Security considers safety and security to be a shared responsibility, and it is incumbent for all personnel to support this important area.

Internal Audit routinely reviews Nasdaq's Security procedures and the infrastructure of each site to ensure that processes are correctly implemented and industry best practices are being followed.

Global Security utilizes significant outreach to third party vendors, established law enforcement contacts, intelligence community assets, international organizations, governmental bodies, and monitoring of a variety of sources at the FSOC to remain abreast of emerging events and trends and the employment of industry standard best practices. Nasdaq is evaluated on its security practices by various regulatory bodies, outside auditors and Nasdaq Internal audit on a routine basis.

### Human Rights Assessment (GRI 412)

Nasdaq supports fundamental human rights—both inside and outside our company—and demonstrates its commitment by enacting responsible workplace practices across our global enterprise. Nasdaq believes in the fundamental dignity of every human being and the rights of every individual to live and work safely and humanely, without fear of oppression or coercion.

Our Vision, Mission and Values Statements, along with our Code of Ethics and Employee Handbooks, emphasize responsibility, integrity, and values-based decision-making and set forth our standards for conducting our business ethically and consistent with our moral principles. These principles and standards shape our interactions with fellow employees, clients, suppliers, communities, and markets around the world and with our community of shareholders, too. They are foundational to our company and enable our continued success.

Reinforcing Nasdaq's obligations as a global company, Nasdaq



has incorporated within its Code of Ethics, corporate policies, or programs specific requirements to put certain principles into practice, including:

- Equal Employment Opportunity and Anti-Discrimination
- Anti-Harassment
- Non-Retaliation
- Diversity & Inclusion
- Data Privacy
- Health & Safety
- Labor Standards

To learn more, please read our Human Rights Practices Statement at [nasdaq.com/sustainability](https://nasdaq.com/sustainability).

## Employee Training on Human Rights Policies or Procedures (GRI 412-2)

Our newly acquired Learning Management System has data beginning in Fall 2019. We expect a full year of performance data will be available for our 2020 sustainability report.

## Significant Investment Agreements and Contracts That Include Human Rights Clauses or That Underwent Human Rights Screening (GRI 412-3)

Nasdaq did not enter any significant investment agreements or contracts, nor initiated any capital investment projects material to its financial accounts, during the reporting period, in which human rights protection was a significant concern. Nasdaq's significant acquisitions and investments in 2019 were in the United States and Sweden.

*Note: Nasdaq plans to conduct a Human Rights assessment in 2020.*

## Local Communities (GRI 413)

Unforeseen or catastrophic events could interrupt our critical business functions. In addition, our U.S. and European businesses are heavily concentrated in particular areas and may be adversely affected by events in those areas.

We may incur losses as a result of unforeseen or catastrophic events, such as terrorist attacks, natural disasters, pandemic, extreme weather, fire, power loss, telecommunications failures, human error, theft, sabotage and vandalism. Given our position in the global capital markets, we may be more likely than other companies to be a target for malicious disruption activities.

In addition, our U.S. and European business operations are heavily concentrated in the U.S. East Coast, and Stockholm respectively. Any event that impacts either of those geographic areas could potentially affect our ability to operate

our businesses.

We have disaster recovery and business continuity plans and capabilities for critical systems and business functions to mitigate the risk of an interruption. Any interruption in our critical business functions or systems could negatively impact our financial condition and operating results. For example, some colocation customers may lack adequate disaster recovery solutions to avoid loss of trade flow from a sustained interruption of our critical systems.

For more information, please read our 2019 Form 10-K.

## New Suppliers that were Screened Using Social Criteria (GRI 414-1)

	2019	2018
Percentage of new suppliers that were screened using social criteria:	100%	75%

More details on our supplier screening program can be found above (GRI 308).

## Negative Social Impacts in the Supply Chain and Actions Taken (GRI 414-2)

Number of suppliers assessed for social impacts:	3,500
Number of suppliers identified as having significant actual and potential negative social impacts:	0
Suppliers with which improvements were agreed upon as a result of assessment:	0
Suppliers with which relationships were terminated as a result of assessment:	0

It should be noted that once a supplier is onboarded, the risk analytics are run continuously thereafter. It is not a one-time exercise.

- Over the course of 2019, Nasdaq flagged 171 vendors for potential risks as part of our supplier risk and onboarding program
- None of those risks were definitively identified as having a negative social impact

The nature of our businesses, and the associated vendors required to run our businesses, lends itself to a low risk profile as it relates to purchasing. We are primarily purchasing market data, software, and other technology products.

## Public Policy (GRI 415)

Nasdaq has a long history of working on issues that affect public companies, including public policy related to capital formation, stock option accounting, Sarbanes-Oxley, immigration reform, legal reform, taxes, and many others.

Many factors and issues may obstruct public companies as they grow and Nasdaq may seek to make the regulatory burden more bearable. Nasdaq believes that every area of government action can be used to help or hinder the innovation and job creation prospects of the private sector. Recent advocacy efforts include:

- **Access to Capital.** Nasdaq supports entrepreneurs to achieve the pinnacle of business when they take their companies public. Venture-backed and other growth phase companies face numerous challenges as they attempt to access capital. Three years ago, we embarked on a massive public policy effort—including a blueprint report, "The Promise of Market Reform: Reigniting America's Economic Engine," - to revitalize the capital markets.
- **Legal Immigration Reform.** To be the best, companies need the ability to recruit the best workers. Global competition means global access to human capital. Nasdaq supports comprehensive highly skilled immigration reform. We must increase the number of H-1B visas available and reform the employment-based green card process. These issues should not be tied, in policy or debate, to the illegal immigration issue.
- **Education.** The public and private sectors must work together to develop initiatives to improve science and math education, and increase the number of Americans attaining degrees in science, technology, engineering and mathematics through new programs and resources that strengthen our public schools.
- **Legal/Lawsuit Reform.** Nasdaq supports a fair and efficient legal system to resolve civil suits in a just and expeditious manner. However, we remain concerned about the ever-increasing litigiousness of our society and its burden on both the small business community and the court system. Small businesses are the engine of economic growth and job

creation. Nasdaq supports common sense tort reforms that eliminate frivolous lawsuits and promote reasonable awards.

Political Contributions (GRI 415-1)

Nasdaq's Political Action Committee (PAC) only gives campaign contributions to US campaigns. Per U.S. regulations we submit filings that provide details on all PAC transactions; you can find that information here:

- <https://disclosurespreview.house.gov>

In Europe, Nasdaq does not make monetary, in-kind or other contributions to political parties or candidates. In the jurisdictions where we operate, Nasdaq participates through commentary, testimony and other forms of dialogue on relevant policy questions affecting our business sectors.

Incidents of Non-Compliance Concerning Marketing Communications (GRI 417-3)

	2018	2019
Total number of incidents of non-compliance with regulations resulting in a fine or penalty	0	0
Total number of incidents of non-compliance with regulations resulting in a warning	0	0
Total number of incidents of non-compliance with voluntary codes	0	0

# Customer Privacy

## Customer Privacy (GRI 418)

### Customer Privacy / Explanation of the Material Topic and Boundary (GRI 103-1)

#### Explanation of Materiality

This topic was determined to be of significant importance during our sustainability assessment. It is material in this context because of Nasdaq's position in the global economy, its importance to the efficient function of capital markets, and its potential impact on a wide range of stakeholders. Nasdaq as an organization has the means to cause or contribute to related impacts or is directly linked to these impacts through its business relationships.

#### Topic Boundaries

As set forth in the Nasdaq Code of Ethics and relevant company policies, Nasdaq personnel are expected to protect and secure the confidentiality of non-public information that they receive, access or create in connection with their work at the company. This includes adhering to any laws, regulations and/or non-disclosure agreements that restrict the use of data (including personal data), require measures to safeguard it, and limit disclosure of information. It also requires that personnel limit their use of information technology assets (e.g., laptops, phones and other devices) to permitted activities so that data is not put at risk, and that they promptly report any suspected improper use or potential disclosure of data.

#### Boundary Limitations

Limited to the global operations of Nasdaq, Inc. and its subsidiaries

### Customer Privacy / Management Approach and its Components (GRI 103-2)

#### Management Approach

As a global technology company and exchange operator, Nasdaq views data as its lifeblood. Accordingly, we are committed to appropriately securing nonpublic data used as part of our business operations, including information that Nasdaq generates in the performance of its services, and data provided to us by third parties, including customers, vendors, business partners, employees and other stakeholders.

#### Statement of Purpose

This commitment is reflected in our engrained culture of security, our robust policies and procedures for data systems and processing activities, our mechanisms for monitoring our information systems and data use, the role-based training that we provide to staff on data protection, and the team of skilled

information security and technology professionals who design, protect, and maintain our information systems.

#### Components

Reflecting the unique risks and potential harm posed by mishandling or misuse of personal data, Nasdaq's privacy program builds on the foundation of our information security program to apply special governance, policies, procedures and training on the use, handling and processing of personal data and performance of activities that impact privacy rights (as determined by the jurisdictions in which we operate).

### Customer Privacy / Evaluation of Management Approach (GRI 103-3)

Nasdaq appreciates the special obligations that apply to processing personal data and individuals' rights to privacy and personal data protection. Nasdaq's privacy compliance program is designed to adhere to laws and regulations applicable to personal data that it processes (including, as applicable, the European General Data Protection Regulation - GDPR and the California Consumer Privacy Act - CCPA) as well as its posted Privacy Policy (available at <https://www.nasdaq.com/privacy-statement>) and contractual commitments to customers, vendors and other counter-parties.

To support these principles, Nasdaq maintains a comprehensive and consistent set of information security documentation and requirements intended to ensure the security, reliability, integrity, accuracy, confidentiality, and availability of Nasdaq information assets. These documents record the security controls and personnel responsibilities established to protect Nasdaq information and information systems against both accidental and unauthorized access, modification, interference, disclosure, and destruction. These include our Information Security Policies, which apply to personnel (both employees and contractors) working for Nasdaq.

For more information, please read our Information Protection & Privacy Practices document at [nasdaq.com/sustainability](https://nasdaq.com/sustainability).

## Substantiated Complaints Concerning Customer Privacy and Data (GRI 418-1)

Substantiated Material Complaints Concerning Customer Privacy and Data	2018	2019
Total number of complaints concerning breaches of customer privacy received from outside parties and substantiated by the organization	0	0
Total number of complaints concerning breaches of customer privacy received from regulatory bodies	0	0
Total number of identified leaks, thefts, or losses of customer data	0	0

For more information, please read our Information Protection & Privacy Practices document at [nasdaq.com/sustainability](https://nasdaq.com/sustainability).

## Socioeconomic Compliance (GRI 419)

Nasdaq carefully manages its socioeconomic compliance. This includes our overall record of compliance as well as adhering to

specific laws or regulations that have relevance for our business. For issues related to accounting practices, tax strategy, anti-corruption, anti-bribery, and labor (workplace discrimination, equality, harassment), Nasdaq complies with appropriate international declarations, conventions, and treaties, as well as national, sub-national, regional, and local regulations.

## Non-Compliance with Laws and Regulations in the Social and Economic Area (GRI 419-1)

We are not aware of any significant fines and/or non-monetary sanctions for non-compliance with laws and/or regulations in the social and economic area during the reporting period.

- Total monetary value of significant fines: \$0
- Total number of non-monetary sanctions: 0

## Concluding Note on GRI Standards

Some topics have not determined to be of significant Nasdaq business or stakeholder impact—or the performance of our facilities, operations, policies, products, and services are not directly relevant to the aims of the related disclosure—so they have been omitted from this document. Our collective reason for omission should be considered “Not Applicable” in Standards parlance. This practice shortens the report considerably and allows the reader to focus on more meaningful, relevant, and material information. We reserve the right to modify this analysis—and perhaps disclose more data—if new information comes to light in subsequent reporting cycles.

This report covers our owned and operated businesses and does not address the performance or operations of our suppliers or contractors unless otherwise noted. All financial information is presented in U.S. dollars unless otherwise noted.

This report contains forward-looking statements relating to Nasdaq’s operations that are based on management’s current expectations, estimates and projections. See the “Cautionary Note Regarding Forward-Looking Statements” below.

Therefore, the actual conduct of our activities, including the development, implementation or continuation of any program, policy or initiative discussed or forecasted in this report, may differ materially in the future. As with any projections or estimates, actual results or numbers may vary. Many of the standards and metrics used in preparing this report continue to evolve and are based on management assumptions believed to be reasonable at the time of preparation but should not be considered guarantees.

### Disclaimers

#### Cautionary Note Regarding Forward-Looking Statements

Information set forth in this communication contains forward-looking statements that involve a number of risks and uncertainties. This report contains forward-looking statements relating to Nasdaq’s operations that are based on management’s current expectations, estimates and projections regarding the ESG matters described in this report. Words or phrases such as “expect,” “intends,” “plans,” “targets,” “forecasts,” “believes,” “seeks,” “may,” “could,” “should,” “will,” “goals,” “objectives,” “strategies,” “opportunities,” and similar expressions are intended to identify such forward-looking statements. Nasdaq cautions readers that any forward-looking information is not a guarantee of future performance and that actual results could differ materially from those contained in the forward-looking information. Such forward-looking statements include, but are not limited to (i) statements about our ESG or sustainability policies, programs, products or initiatives, (ii) projections relating to our future financial results, total shareholder returns, growth, trading volumes, products and services, order backlog, taxes and achievement of synergy targets, (iii) statements about the closing or implementation dates and benefits of certain acquisitions or divestitures and other strategic, restructuring, technology, de-leveraging and capital return initiatives, (iv) statements about our integrations of our recent acquisitions, (v) statements relating to any litigation or regulatory or government investigation or action to which we are or could become a party, and (vi) other statements that are not historical facts. Forward-looking statements involve a number of risks, uncertainties or other factors beyond Nasdaq’s control. These factors include, but are not limited to, Nasdaq’s ability to implement its strategic initiatives, economic, political and market conditions and fluctuations, government and industry regulation, interest rate risk, U.S. and global competition, and other factors detailed in Nasdaq’s filings with the U.S. Securities and Exchange Commission, including its most recent Form 10-K and quarterly reports on Form 10-Q, which are available on Nasdaq’s investor relations website at <http://ir.nasdaq.com> and the SEC’s website at [www.sec.gov](http://www.sec.gov). Nasdaq undertakes no obligation to publicly update any forward-looking statement, whether as a result of new information, future events or otherwise.

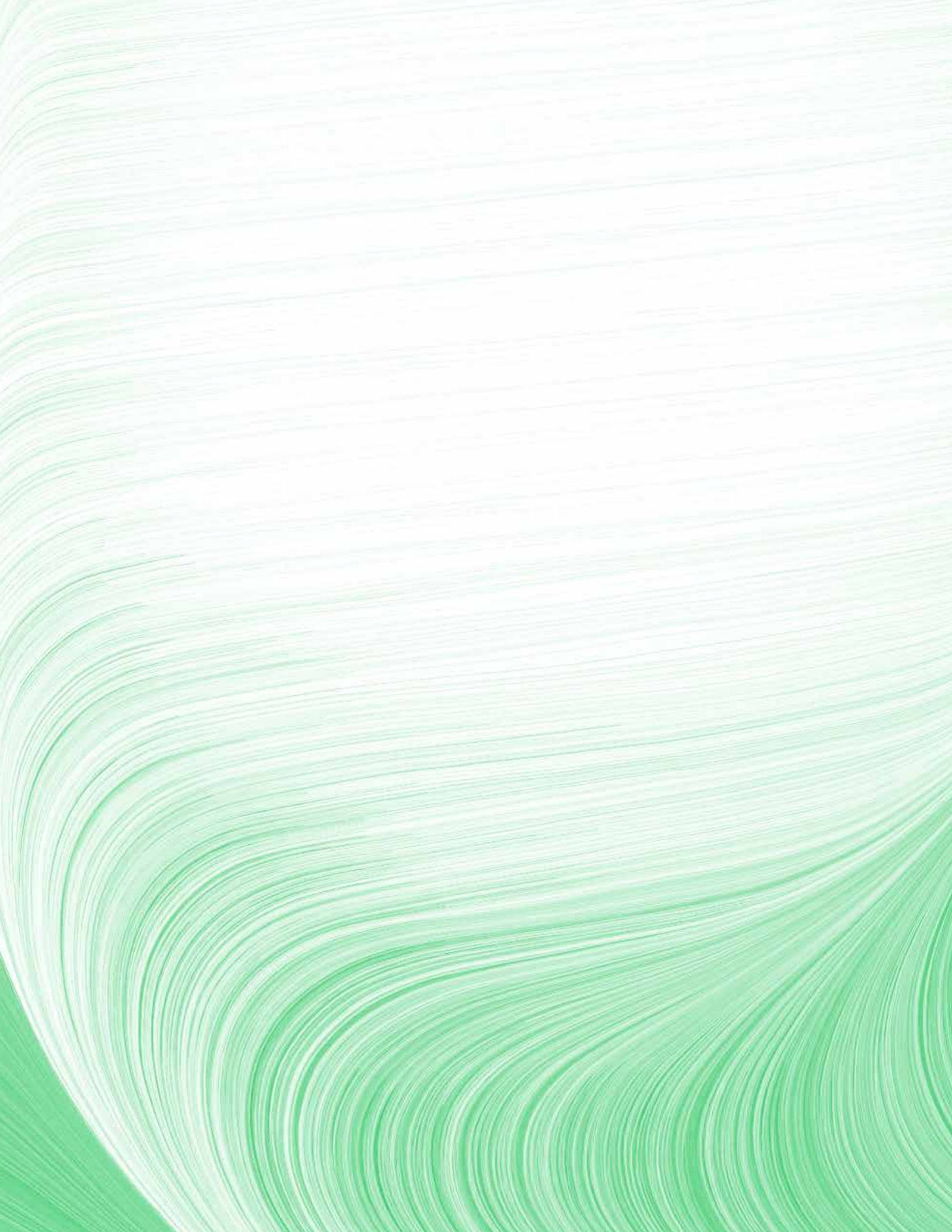
### Website Disclosure

Nasdaq intends to use its website, [ir.nasdaq.com](http://ir.nasdaq.com), as a means for disclosing material non-public information and for complying with SEC Regulation FD and other disclosure obligations.

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