

2018 Sustainability Report

GRI Standards (Core)

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Introduction

Exchanges play a critical role in creating jobs and economic growth around the world. Given our central place in the financial ecosystem, Nasdaq has both the ability and responsibility to direct capital flows toward more sustainable use.

In 2018, Nasdaq made significant strides in advancing its environmental, social and governance (ESG) practices. As you can see in the report below, our efforts were successfully reflected both in work with companies listed on Nasdaq's U.S. and Nordic exchanges as well as in our own operations.

The trend towards ESG and sustainable investments is here to stay, and we expect it to have an escalating impact on our industry in the coming years. Nasdaq acknowledges growing client demand for ESG-themed products and services across many parts of our organization, and we look for ways to help lead the shift towards more sustainable capital markets.

Sustainability reporting – otherwise defined as Environmental, Social, and Governance (ESG) reporting – has become a prominent tool for companies to participate in this shift, especially if they seek to communicate the long-term aspirations of corporate performance. Key stakeholder groups, including investors, have demonstrated their interest in understanding and monitoring the risks and opportunities related to ESG performance.

To that end, we are pleased to provide Nasdaq's 2018 Sustainability Report.

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Our Approach to Sustainability

Nasdaq is committed to integrating sustainability into our everyday actions to help create long-term value for our stockholders and the communities where we operate. We aim to operate the company responsibly while managing risks and using our resources wisely. The information below summarizes important developments in this program during 2018.

- Nasdaq was selected as the only stock exchange operator on the prestigious Dow Jones Sustainability North America Index for the third consecutive year
- We launched several new ESG-focused, client-facing initiatives, including:
 - The ESG Data Portal, which mainstreams new performance data in support of more sustainable investments across Nasdaq's Nordic markets;
 - ESG Futures products, based on the OMXS30 ESG Responsible index in Sweden, the first exchange-listed and ESG-compliant index future in the world;
 - The Nasdaq ESG Pilot Reporting Program, which used a European focus group to illuminate similarly productive ways for our global markets to reach better and more practical ESG reporting; and
 - Nasdaq Sustainable Debt Markets, which more than doubled in size during 2018
 - New segments for sustainable commercial papers, structured bonds, and retail corporate bonds

Nasdaq acted as an ESG thought leader by driving content and convening events, such as:

- The Nasdaq ESG Reporting Guide, which serves as a baseline template for listed companies in the Nordics and reinforces the business case for voluntary disclosure (see Appendix C);
- The Intersection of Entrepreneurship & Climate Innovation, a Global Climate Action Summit event at the Nasdaq Entrepreneurial Center that attracted over 400 attendees;
- Creating the inaugural Nasdaq LGBT Leaders Conference, featuring more than 40 corporate executive speakers; and
- Green Voices of Nasdaq Nordic, where investors and issuers talk about leveraging the green bond market to support sustainable development.

We also served as a steward of the communities where our employees live and work:

We aim to operate the company responsibly while managing risks and using our resources wisely.

- 100 employee volunteer events, logging nearly 4,000 service hours with more than 400 Nasdaq participants;
- In 2018, Nasdaq achieved 30% female participation on our board of directors and signed the United Nations' CEO Statement of Support for the Women's Empowerment Principles;
- Empowering diversity, equality and inclusion through the creation of five new internal employee affinity groups;
- Generating more than \$1M in grants and donations to organizations in the U.S. and abroad through our Educational Foundation and Nasdaq Good Works program; and
- Working with MBA students from Bard College on a fresh examination of ESG reporting practices.

Reinforcing a commitment to efficient consumption and reduction of resource use:

- Nasdaq transitioned to 100% carbon neutrality through an offset purchase strategy; and
- Our Helsinki exchange achieved carbon neutral status for the sixth year in a row.

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GRI 101: Foundation

As a conscientious sustainability reporter, Nasdaq voluntarily provides performance data to several key organizations, such as the Global Reporting Initiative (GRI). We use the GRI Standards to report our economic, environmental, and/or social impacts because it provides a full and balanced picture of material topics, related impacts, and the ongoing management of these impacts. It also applies a rigorous and consistent methodology to the production of such a report.

Nasdaq has identified its material topics and applied the Reporting Principles in determining report content. We also

We use the GRI Standards to report our economic, environmental, and/or social impacts because it provides a full and balanced picture of material topics, related impacts, and the ongoing management of these impacts. It also applies a rigorous and consistent methodology to the production of such a report.

consulted the appropriate GRI Sector Disclosures to assist with this process and found no direct guidance for our business. The closest option, Financial Services, does not adequately isolate stock exchanges or even market technology firms to serve this purpose. Therefore, we have used the Core Reporting option as our sole guide in preparing this report. 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.

Our evaluation of material issues includes a review of the topic boundaries for each. Disclosure 102-47 below offers more detail on our materiality assessment process, including a discussion of relevant topic boundaries. For each of the material topics identified by Nasdaq, we have included the following relevant information: our management approach, topic-specific disclosures required by the corresponding GRI Standard, and other related disclosures (if necessary).

We have endeavored to include all necessary and meaningful information in this public report; in cases where we do not (usually for reasons of space or context), we have tried to provide an alternate, accessible, and public location. The electronic version of this document includes embedded references (such as hyperlinks) and should be treated as the preferred source. In order to conserve materials, Nasdaq has elected not to publish a lengthy paper version. If document accessibility is a concern, please contact us.

A note about reporting periods: Our reporting cycle is annual, so this sustainability report covers the calendar year 2018, from January 1 through December 31. Although it is being published late in 2019, we will not publish 2019 data until 2020.

- In this report we are presenting information for the designated reporting period, but may not always include data from previous periods; we do not currently report on short- or long-term future targets.

- Our report data relies on generally accepted international metrics and standard conversion factors; if not, we make note of the variation.
- If readily available, we have included absolute data and explanatory notes when using ratios or normalized data.

There are valid reasons why Nasdaq cannot—or will not—report some information publicly. In making this determination, we relied upon the guidance from GRI regarding “Reasons for Omission.” In most cases, the information is unavailable or insufficient in quality; in others, there are reasons of legality or confidentiality to consider.

Nasdaq will notify GRI of its use of the Standards in preparing this report, as well as register a copy of the text to www.globalreporting.org/standards.

GRI 102: General Disclosures

Organizational Profile

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.

102-2a. Nasdaq is a leading provider of trading, clearing, marketplace technology, regulatory, securities listing, information and public and private company services. Our global offerings are diverse and include trading and clearing across multiple asset classes, trade management services, data products, financial indexes, capital formation solutions, corporate solutions, and market technology products and services. Our technology powers markets across the globe, supporting equity derivative trading, clearing and settlement, cash equity trading, fixed income trading, trading surveillance and many other functions.

102-2b. 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 (Corporate Solutions and Listing Services), Information Services (Market Data, Indexes, and Investment Data & Analytics) and Market Technology.

Nasdaq owns, manages, and/or operates many specific brands and branded products. None of our products or services are banned in any markets.

102-3. As of December 31, 2018, Nasdaq was headquartered at One Liberty Plaza, 165 Broadway, 50th Floor, New York, NY USA 10006. Note: Nasdaq is now headquartered at 151 W. 42nd Street, New York City, NY, 10036.

102-4. The table below lists locations where Nasdaq had significant operations, offices, or facilities as of February 2019.

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

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.

102-5. Nasdaq is a Delaware-incorporated, publicly traded company, listed on the Nasdaq Stock Market, with approximately 164M shares of common stock outstanding under the ticker symbol "NDAQ." As of February 14, 2019, we had approximately 250 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.

102-6. Nasdaq products and services are present in virtually every market and economy in the world. Our market technology powers more than 115 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, regulators, and so on.

102-7. The table below shows a three-year trended view of Nasdaq employees, gross 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. We are including the gross revenue data here per guidance from GRI; Nasdaq usually focuses on net revenues (revenues less transaction-based expenses) in its investor relations disclosures.

	2016	2017	2018
Employees	4,325	4,734	4,099
Gross Revenues	\$3.70B	\$3.94B	\$4.27B
Total Assets	\$13.41B	\$15.35B	\$15.70B
Market Cap	\$11.09B	\$12.78B	\$13.55B

For information regarding total number of operations and quantity of products or services provided, we refer readers to our annual report (SEC Filing 10-K), which can be found at <https://nasdaqinc.gcs-web.com/financials/annual-reports>.

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 2019 Proxy Statement itself (pages 116-118) for more current data, detail and related footnotes (<http://ir.nasdaq.com/financials/annual-reports>). The information is provided as of the dates noted in the proxy statement.

- **Borse Dubai Limited** [29,780,515 shares, or 18.0%]
- **Investor AB** [19,394,142 shares, or 11.7%]
- **Massachusetts Financial Services Company** [14,022,762 shares, or 8.5%]
- **The Vanguard Group, Inc.** [12,264,474 shares, or 7.4%]
- **Melissa M. Arnoldi** [4,268 shares, or less than 1%]
- **Charlene T. Begley** [7,608 shares, or less than 1%]
- **Steven D. Black** [31,199 shares, or less than 1%]
- **Adena T. Friedman** [434,306 shares, or less than 1%]
- **Essa Kazim** [31,161 shares, or less than 1%]
- **Thomas A. Kloet** [11,631 shares, or less than 1%]
- **John D. Rainey** [2,689 shares, or less than 1%]
- **Michael R. Splinter** [51,848 shares, or less than 1%]
- **Lars R. Wedenborn** [22,500 shares, or less than 1%]
- **Edward S. Knight** [120,818 shares, or less than 1%]
- **Bradley J. Peterson** [21,782 shares, or less than 1%]
- **Michael Ptaszniak** [14,488 shares, or less than 1%]
- **Thomas A. Wittman** [78,679 shares, or less than 1%]

102-8. The following data illustrate a number of key Nasdaq employee demographics. These numbers are current as of the report publication date—not necessarily the GRI-specified reporting period—and thus may not perfectly align with the data in 102-7 above.

- **102-8a.** Employment contract (permanent & temporary) by gender:
 - **Temporary employees** (Fixed term, interns, student workers): 52 Female / 88 Male (6 undeclared)
 - **Permanent** (Regular employees): 1,514 Female / 2,823 Male (18 undeclared)
 - **Total:** 146 Temporary / 4,355 Permanent
- **102-8b.** Employment contract (permanent & temporary) by region:
 - **Americas:** 699 Female / 1,309 Male / 4 Undeclared
 - **Asia Pacific** (APAC): 299 Female / 494 Male / 9 Undeclared
 - **Europe, the Middle East and Africa** (EMEA): 568 Female / 1,108 Male / 11 Undeclared
- **102-8c.** Employment type (full-time & part-time) by gender:
 - Female: 1,508 full-time / 58 part-time
 - Male: 2,843 full-time / 68 part-time
 - Undeclared (Not declared, zero data): 22 full-time / 2 part-time

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 3,900 different suppliers during the reporting period; 2,000 of which are based in North America and 1,900 elsewhere.

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

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 decreased to 4,099 employees as of December 31, 2018 from 4,734 as of December 31, 2017 primarily due to the sale of the Public Relations Solutions and Digital Media Services businesses, partially offset by our 2018 acquisitions.
- Professional and contract services expense decreased in 2018 primarily due to the sale of the Public Relations Solutions and Digital Media Services businesses, partially offset by additional expense associated with our 2017 acquisitions and litigation costs.
- Nasdaq acquired Quandl in 2018 and completed the acquisition of Cinnober early in 2019, which may impact resource allocations and other operational imperatives.
- During September 2018, a clearing member of Nasdaq Clearing's commodities market was declared in default. Consistent with our regulatory obligations, we notified all relevant regulators and cooperated fully with information requests, but remain unable to predict the outcome or exact timing of this matter.

102-11. As an active and longstanding UN Global Compact signatory, Nasdaq affirms its support every year 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 demonstrate our use of this principle in the following ways:

- We developed an environmental responsibility policy (available online) that prioritizes our commitment to care for health and the environment.
- Our ESG Committee (co-chaired by the CFO and CMO) oversees the company application of precaution in climate matters that impact enterprise risk management (ERM).

- Active communication with stakeholders creates effective information sharing about related risks and opportunities.
- Nasdaq is a frequent convener and host of large multi-stakeholder meetings and smaller workshop discussions to share knowledge and deal with issues (such as climate change).
- We leverage events, publications, traditional and social media to demonstrate our support for scientific research on related issues.

102-12. This is a list of externally-developed economic, environmental and social charters, principles, or other initiatives to which Nasdaq subscribes or otherwise endorses:

- United Nations Global Compact (UNGC)
- UN Women's Empowerment Principles
- The Parity Pledge
- The 30% Club (as of 12/31/2018)

102-13. This is a list of our memberships in industry or other associations, and national or international advocacy organizations:

- American Securities Association (ASA)
- Business Roundtable (BRT) (Note: This is a CEO-specific membership)
- Equity Markets Association (EMA)
- Federation of European Stock Exchanges (FESE)
- 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 above, we participate significantly in projects related to:

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

Strategy

102-14. A Statement from the President and CEO:

Nasdaq is focused on executing its business responsibly, building an ethical culture, and providing effective governance. In the spirit of measuring what we manage, we are identifying smart ways to measure our capabilities and actions across the company that we undertake to manage Nasdaq's sustainability. Nasdaq tracks our environmental, social, and governance (ESG) actions and outcomes because the data provides a roadmap for continuous improvement; we disclose ESG data because it creates opportunity to attract new clients, employees, and owners. The publication of our ESG Reporting Guide contributes to both goals, while also demonstrating our deeper societal focus on improving the world around us and achieving our core vision as a company: to reimagine markets and realize the potential of tomorrow.

As part of our dedication to broader societal sustainability goals, we have led two global working groups (the UN Sustainable Stock Exchanges Initiative and the WFE Sustainability Working Group) in order to better understand how sustainability influences market value. As the UN Sustainable Development Goals (SDGs) and the work of the Task Force on Climate-Related Financial Disclosures (TCFD) make clear, we have to put a longer lens on this effort; it is critical to examine the trajectory of global sustainable development.

We have also focused on our own carbon footprint as a market operator and significant global employer. Nasdaq has measured its carbon consumption and made conscious choices and investments to become carbon neutral as a company. A couple of areas of focus have been our data centers and offices. For example, our data center in Sweden is now completely fueled by renewable energy; Nasdaq Helsinki has been carbon neutral for many years; and our new office building in Philadelphia is rated LEED Platinum. These are recent accomplishments, but our quest for more sustainable, and more accessible markets is never-ending.

As the world changes, the needs and expectations of the capital markets will change with it, and new opportunities will continue to arise. As we enter 2020 and beyond, our focus turns to further advancements in ESG trends.



Adena Friedman, Nasdaq CEO & President

Nasdaq tracks
environmental, social,
and governance (ESG)
data because it exposes
inefficiency; we disclose
ESG data because it
creates opportunity.

For instance, how should we participate in the emerging impulse to track, manage, and distribute ESG data? Will the booming green bond and climate finance space successfully push capital into more sustainable channels? Can exchanges empower passionate entrepreneurs to bring new technologies to market, delivering investor returns and sustainable remedies in equal measure?

Nasdaq will continue to reimagine markets to create innovative solutions as we all work together for a more sustainable future.

– Adena Friedman, Nasdaq CEO & President

Ethics & Integrity

102-16. 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.

The Nasdaq Ethics and Compliance program is designed to meet or exceed available standards, including guidelines published by U.S. and European regulators. 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 Nasdaq officers, directors, and employees 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 also a separate Nasdaq Code of Conduct for the Board, which contains supplemental provisions specifically applicable to directors.

As part of an annual review and update, the Board authorized certain updates to the Code of Ethics and related policies in 2018, including:

- Enhanced coverage of our commitment to preventing fraud and money laundering
- Prohibitions on insider trading (particularly those related to cybersecurity events)
- Compliance with new privacy laws, including the European General Data Protection Regulation (GDPR)
- Ethical decision-making in gift-giving, gift-receiving, and business courtesies
- Emphasis on the SpeakUp! Program, ensuring our Nasdaq employees know how to raise issues, seek guidance, and report potential violations

The Nasdaq Ethics and Compliance program is designed to meet or exceed available standards, including guidelines published by U.S. and European regulators.

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>.

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.

In 2018, our Board had four standing Committees: Audit Committee, Finance Committee, Management Compensation Committee, and the Nominating & Governance Committee. The Nominating & Governance Committee was renamed "Nominating & ESG Committee" in 2019; it is the committee primarily responsible for decision-making on economic, environmental, and social topics.

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

In 2018, we formed 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. In 2018, the ESG Working Group formalized its mission statement, identified short- and long-term goals aligned with institutional investor and employee input, established its own governance structure, and deployed an employee call to action.

As with the Governance disclosure above (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.

In 2018, we formed an internal ESG Working Group, which is co-chaired by executive leaders. The ESG Working Group serves as the central working body for designing and implementing ESG strategy.

Stakeholder Engagement

102-40. Nasdaq directed a rigorous materiality assessment in 2017 (with the expert assistance of our consultant, BrownFlynn) to determine the scope, impact, and importance of ESG topics to the company. During this process, we were compelled to identify and engage key stakeholder groups.

- The external stakeholders identified in this assessment were listed companies, investors, Intergovernmental Organizations (IGOs), competitors, customers, frameworks/industry associations, regulators/market monitors, suppliers, and NGOs/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, and Procurement Leads, and mainstream employees (represented via a company-wide survey).

102-41. Less than 5% of Nasdaq's workers are covered by employee-specific Collective Bargaining Agreements (CBAs), not including non-company specific industry CBAs.

102-42. As part of the Materiality Assessment described above in 102-40, Nasdaq identified and selected key stakeholders via direct consultation with investors, issuers, employees, and

sustainability reporting experts. Furthermore, we distilled 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).

102-43. 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.

Nasdaq engages with shareholders through quarterly updates, semi-annual investor days, annual shareholder meetings, and meetings between Nasdaq executives, IR/ESG professionals, and stockholder investment stewardship teams. These meetings occur in person, via telephone and videoconference sessions, and include conferences and non-deal roadshows in several countries and continents.

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

102-44. As part of the Materiality Assessment described above in 102-40, Nasdaq was able to identify, analyze, and prioritize key sustainability topics and concerns—primarily through a process of elimination. Nasdaq first consulted 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 sustainability reports published by Nasdaq peers and competitors. BrownFlynn also provided us with a list of potential key topics (see next page).

It became clear that sustainability is a broad concept that covers a wide range of topics. Leading sustainability frameworks and a majority of our peers and customers define sustainability in various ways, none particularly satisfying or germane to our business. We could only broadly categorize key topics into three 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.
- Governance topics, including those that concern management structure and corporate operations.

Environmental

- Materials
- Energy
- Water
- Biodiversity
- Emissions
- Effluents and Waste
- Products and Services
- Environmental Compliance
- Transport
- Supplier Environmental Assessment
- Environmental Grievance Mechanisms

Economic

- Economic Performance
- Philanthropy
- Market Presence
- Indirect Economic Impacts
- Economic Inclusion
- Procurement Practices

Society

- Anti-Corruption
- Public Policy
- Anti-competitive Behavior
- Local Communities
- Supplier Assessment for Impacts on Society
- Grievance Mechanisms for Impacts on Society

Human Rights

- Non-discrimination
- Freedom of Association & Collective Bargaining
- Child Labor
- Forced /Compulsory Labor
- Security Practices
- Indigenous Rights
- Supplier Human Rights Assessment
- Human Rights Grievance Mechanisms

Labor Practices & Decent Work

- Training and Education
- Employment
- Labor/Management Relations
- Occupational Health & Safety
- Diversity & Equal Opportunity
- Equal Remuneration for Men and Women
- Supplier Assessment for Labor Practices
- Labor Practices Grievance Mechanisms

Product Responsibility

- Customer Health & Safety
- Product & Service Labeling
- Marketing Communications
- Customer Privacy
- Product Compliance

Reporting Practices

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. These consolidated financial statements can be found in public filings, including our 2018 SEC Form 10-K, which can be found here: <http://ir.nasdaq.com/financials/annual-reports>.

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

102-46a. As part of our Materiality Assessment process in 2017, Nasdaq sought 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 determined these topics to be Ethics & Regulatory Compliance, Risk Management, Financial Performance, and 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:

- Retaining talent in a constricted job market;
- Encouraging employees to take a more proactive leadership role; and
- Demonstrating our commitment to Diversity & 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. [Note: In 2019, our President & CEO signed a Business Roundtable letter that put forth 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.

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

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.

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.

102-47. Pursuant to the process described above in 102-44, where a large set of key ESG topics was identified, continuation of the Materiality Assessment allowed Nasdaq to trim that set to a more manageable number.

The graph below depicts the current list; detailed definitions of each topic are included in Appendix A. As of the reporting date (2019), this is the list of topics that Nasdaq uses to structure and strategize its approach to sustainability.



Environmental (E)

- Innovation & Climate Resilience
- Waste Reduction
- Water Consumption & Pollution
- Energy Consumption



Social (S)

- Community Investment & Philanthropy
- Human Rights & Labor Practices
- Cybersecurity & Client Privacy
- Employee Engagement & Development
- Access to Technology & Financial Inclusion
- Diversity & Inclusion
- Recruiting & Talent Attraction
- Health, Safety & Wellness



Corporate Governance (G)

- Corporate Governance
- Ethics & Compliance
- Anti-Corruption
- Efficient & Transparent Markets
- Compensation Practices
- Advocacy & Collaboration
- ESG Products & Services
- Responsible Supply Chain & Sourcing
- Managing Conflicts of Interest
- Managing Business Continuity and Technology Risks
- Disclosure Practices
- Public Policy & Political Contributionc

Material ESG Topics (Nasdaq, 2017)

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—enabled us to isolate and prioritize key issues. As part of a mapping exercise, we used data from stakeholder interviews to make topical determinations of both importance and priority

along two axes: internal impacts (“Importance to Nasdaq”) and external impacts (“Importance to External Stakeholders”).

Note: This map illustrates the results of our materiality exercise and is not intended to convey any other organizational or strategic position, policy, or imperative.

Relative Priority of Sustainability Topics

Material Assessment Map (Nasdaq, 2017)



Nine (9) topics clearly rose to the top in this exercise, listed alphabetically below:

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

As a result, Nasdaq determined that its material sustainability topics for 2018 (and the basis of our disclosure selections in the GRI Standards-compliant report) are the following:

Topic	Disclosure Detail
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.

- 102-48.** Nasdaq cannot report any negative impacts resulting from restatements of information given in previous sustainability reports.
- 102-49.** Nasdaq cannot report any significant changes from previous sustainability reports in the list of material topics and topic boundaries.
- 102-50.** The reporting period for the information in this report, unless otherwise noted, is from January 1, 2018 to December 31, 2018.

- 102-51.** Nasdaq's most recent Sustainability Report covered the reporting period from January 1, 2017 to December 31, 2017.
- 102-52.** Nasdaq fully intends to report its sustainability performance on an annual basis. The current report (2018) represents a commitment to normalize our 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.
- 102-53.** The contact point for questions regarding this report or its content is the Global Head of Sustainability, available at sustainability@nasdaq.com
- 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. We have included the GRI Content Index as

- Appendix B to this report, and expect to periodically update it if this information is eventually published elsewhere.
- Because this report has been prepared in accordance with the Core option, there are certain disclosures from that we are not 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.
- 102-55.** The GRI Content index may be found as Appendix B to this document.
- 102-56.** This Sustainability Report has not been externally validated or assured.

GRI 200: Economic Topics

GRI 201: Economic Performance

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.

For more information, please read our 2018 Annual Report (Form 10-K).

GRI 202: Market Presence

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, 2018, a total of 3,058 companies listed securities on The Nasdaq Stock Market, with 1,418 listings on The Nasdaq Global Select Market, 852 on The Nasdaq Global Market and 788 on The Nasdaq Capital Market.

For more information, please read our 2018 Annual Report (Form 10-K).

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

GRI 203: Indirect Economic Impacts

103-1: Boundaries

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.

103-2: Management

See disclosure specifics below.

103-3: Evaluation

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

203-1: Infrastructure Investments & Services Supported

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 firms 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.

Our products are used in the creation of new asset classes, and in 2018, Nasdaq partnered with non-capital markets customers, including those in insurance liabilities securitization and digital advertising futures trading.

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 flexible 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.

203-2: Significant Indirect Economic Impacts

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.

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.

GRI 204: Procurement Practices

Nasdaq brings together ingenuity, integrity, and insights to deliver markets 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 even 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 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 complying with 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 in supporting the procurement process, and meet all reporting expectations in our Supplier Code.

Compliance with the Supplier Code 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 Conduct at nasdaq.com/sustainability.

Our Supplier Code 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 complying with this document.

GRI 205: Anti-Corruption

103-1: Boundaries

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.

103-2 Management

Nasdaq ensures compliance with the Foreign Corrupt Practices Act (FCPA), UK Bribery Act, and other anti-bribery and anti-corruption laws including “red flags” for corruption and situations where extra diligence must be exercised.

103-3: Evaluation

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

205-1: Operations assessed for risks related to corruption

Many aspects of our business potentially involve substantial liability risks. Although under current law we are immune from private suits arising from conduct within our regulatory authority and from acts and forbearances incident to the exercise of our regulatory authority, this immunity only covers certain of our activities in the U.S., and we could be exposed to liability under national and local laws, court decisions and rules and regulations promulgated by regulatory agencies.

Some of our other liability risks arise under the laws and regulations relating to the tax, employment, intellectual property, anti-money laundering, technology export, foreign asset controls, foreign corrupt practices areas, employee labor and employment areas, including anti-discrimination and fair-pay laws and regulations.

Liability could also result from disputes over the terms of a trade, claims that a system failure or delay cost a customer money, claims we entered into an unauthorized transaction or claims that we provided materially false or misleading statements in connection with a securities transaction.

Although under current law we are immune from private suits arising from conduct within our regulatory authority and from acts and forbearances incident to the exercise of our regulatory authority, this immunity only covers certain of our activities in the U.S., and we could be exposed to liability under national and local laws, court decisions and rules and regulations promulgated by regulatory agencies.

205-2: Communication & Training about anti-corruption policies & procedures

205-3: Confirmed incidents of corruption& actions taken
For the reporting year 2018, there is no performance data to disclose.

GRI 206: Anti-Competitive Behavior

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 2018 Annual Report (Form 10-K).

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.

GRI 300: Environmental Topics

GRI 301: Materials

Reason for omission: Not applicable.

Nasdaq does not identify this topic to be of significant business or stakeholder impact; our facilities, operations, products and services are not directly relevant to the aims of this disclosure. We reserve the right to modify this analysis—and perhaps disclose more data—if new information comes to light.

GRI 302: Energy

The 2018 Electricity (MWh) consumption table below incorporates data for both office spaces and data centers – but does not take into account subsequent offsets from landlords or Nasdaq.

Region	Country	2018 Electricity Usage (MWh)
Americas	Canada	1,240
	USA	38,226
APAC	Australia	982
	China	7
	Hong Kong	48
	India	461
	Japan	19
	Philippines	245
	Singapore	88
	South Korea	1
EMEA	Belgium	14
	Denmark	134
	Finland	187
	France	43
	Germany	308
	Iceland	53
	Italy	7
	Latvia	49
	Lithuania	344
	Netherlands	457
	Norway	72
	Spain	3
	Sweden	5,886
	UAE	9
	UK	1,196
	Ukraine	15
	TOTAL	50,094

2018 Renewable energy sources (by percentage of total renewable usage):

- **Biomass:** 0.04%
- **Geothermal:** 0.49%
- **Hydro:** 9.34%
- **Solar:** 0.75%
- **Undisclosed:** 12.28%
- **Wind:** 77.09%

GRI 303: Water & Effluents & GRI 306: Effluents & Waste

Nasdaq operates most often as a tenant, in facilities that it does not own or directly control, thus our ability to track and/or remedy water, waste, and effluent issues is limited. Data was not tracked in 2018, nor was it publicly reported. Accordingly, there was no formal performance policy regarding water and effluents for 2018, but Nasdaq has established a baseline for general office efficiency & waste management. In addition, our tenancy in LEED-certified (and other environmentally efficient facilities) connotes a certain measure of water and effluent efficiency.

GRI 304: Biodiversity

Reason for omission: Not applicable.

Nasdaq does not identify biodiversity as a significant environmental impact; our facilities, operations, products and services do not have a significant impact on biodiversity. We reserve the right to modify this analysis—and perhaps disclose more data—if new information comes to light.

GRI 305: Emissions

This table includes – to the best of our ability – global data for Nasdaq’s office space, data centers, business travel, employee commuting, and goods and services consumption for the reporting period January 1, 2018 through December 31, 2018. Emissions are reported in metric tons of CO2 equivalence.

GRI 307: Environmental Compliance

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.

We understand the importance of taking efforts to reduce our carbon footprint and actively promoting sustainable business operations.

	Scope 1	Scope 2	Scope 3	Total
Gross Emissions (MT CO2e)	0	35,305	28,054	63,359
Net Emissions*				
(MT CO2e)	0	0	0	0
Total	0	0	0	0

*Emissions after carbon offset (REC) purchases

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

GRI 308: Supplier Environmental Assessment

Nasdaq did not screen its suppliers for environmental practices during the reporting period. For more information on other aspects of our supplier oversight, please see GRI 414 below.

GRI 400: Social Topics

GRI 401: Employment

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

GRI 402: Labor/Management Relations

It is Nasdaq's policy to comply with the provisions of the Fair Labor Standards Act and 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.

GRI 403: Occupational Health & Safety

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.

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.

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.

GRI 404: Training & Education

Nasdaq provides a full range of online and classroom programs, including: interpersonal skills development, management training, sales training, technology training (programming, etc.). On an annual basis, all permanent employees receive an annual performance review from their immediate manager and that review includes: performance rating, year in review feedback and development planning for the year to come. Reviews have previously included discussion of optional development goals. In 2019, reviews will include discussion of behaviors supporting our company Culture Values; for 2020, the goal setting and performance process will include required development goals for all employees.

GRI 405: Diversity & Equal Opportunity

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.

GRI 406: Non-Discrimination

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://www.nasdaq.com/sustainability).

GRI 407: Freedom of Association & Collective Bargaining

- 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.

GRI 408: Child Labor & GRI 409: Forced or Compulsory Labor

- 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, and our vendor diligence and risk management program. 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).

- 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 at <https://www.nasdaq.com/docs/UK-Modern-Slavery-Act-Statement-2017.pdf>

GRI 418: Customer Privacy

103-1: Boundaries

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.

103-2: Management

Our systems and operations are vulnerable to damage or interruption from security breaches. Some of these threats include attacks from foreign governments, hackers, insiders and criminal organizations. Foreign governments may seek to obtain a foothold in U.S. critical infrastructure, hackers may seek to deploy denial of service attacks to bring attention to their cause, insiders may pose a risk by human error or malicious activity and criminal organizations may seek to profit from stolen data. Computer viruses and worms also continue to be a threat with ransomware increasingly being used by criminals to extort money.

Given our position in the global securities industry, we may be more likely than other companies to be a direct target, or an indirect casualty, of such events. While we continue

to employ resources to monitor our systems and protect our infrastructure, these measures may prove insufficient depending upon the attack or threat posed. Any system issue, whether as a result of an intentional breach, collateral damage from a new virus or a non-malicious act, could damage our reputation and cause us to lose customers, experience lower trading volumes or values, incur significant liabilities or otherwise have a negative impact on our business, financial condition and operating results. Any system breach may go undetected for an extended period of time. We also could incur significant expense in addressing any of these problems and in addressing related data security and privacy concerns.

For more information, please read our 2018 Annual Report (Form 10-K).

103-3: Evaluation

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

418-1: Substantiated complaints concerning breaches of customer privacy and losses of customer data

For the reporting year 2018, there is no performance data to disclose.

GRI 411: Rights of Indigenous Peoples

Reason for omission: Not applicable.

Nasdaq does not identify this topic to be of significant social impact; our facilities, operations, products and services do not directly impact the population, freedom, or rights of indigenous peoples. We reserve the right to modify this analysis—and perhaps disclose more data—if new information comes to light.

GRI 412: Human Rights Assessment

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. Reflecting 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.

GRI 413: Local Communities

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, 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.

In April 2018, Nasdaq activated its disaster recovery and business continuity plans when its primary data center site in Vasby, Sweden became unavailable due to an errant fire suppression system. Any interruption in our critical business functions or systems could negatively impact our financial condition and operating results. For example, some co-location customers 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 2018 Annual Report (Form 10-K).

GRI 414: Social Supplier Assessment

All Nasdaq suppliers are initially evaluated using due diligence screening tools, and we monitor their ongoing performance via a daily re-screening process. Nasdaq's due diligence screening tools identify suppliers that have been subject to any legal or regulatory enforcement actions and/or are on any economic sanctions or other prohibited lists. In addition, suppliers are screened for negative news, bankruptcies, liens/judgments, lawsuits, and any negative information concerning known executives or officers (e.g., sanctions, arrests/criminal proceedings, bankruptcies).

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

GRI 415: Public Policy

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 the least of these should be unnecessary regulatory burden. 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—The Promise of Market Reform—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.

GRI 416: Customer Health & Safety / GRI 417: Marketing & Labeling

Reason for omission: Not applicable.

Nasdaq does not identify these topics to be of significant business or stakeholder impact; our facilities, operations, products and services are not directly relevant to the aims of this disclosure. We reserve the right to modify this analysis—and perhaps disclose more data—if new information comes to light.

GRI 418: Customer Privacy

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.

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. 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).

As set forth in the Nasdaq Code of Ethics, 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, 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.

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.

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

GRI 419: Socioeconomic Compliance

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 all appropriate international declarations, conventions, and treaties, as well as national, sub-national, regional, and local regulations.

Appendix A: Material Topic Definitions

As part of the Nasdaq materiality assessment process, we identified a number of relevant topics for consideration. The definitions below were provided to all participants as they sought to interpret and integrate business impacts both inside and outside of the organization.

- **Access to Technology & Financial Inclusion.** Providing underserved individuals and groups access to affordable financial and technological products and services
- **Advocacy & Collaboration.** Collaborating with listed companies, industry association, and other peers to promote responsible and sustainable business practices
- **Anti-Corruption.** Enacting management practices and policies to prevent corruption and bribery at Nasdaq
- **Community Investment & Philanthropy.** Donating time, talent, and charitable contributions to benefit communities, society, and/or the environment
- **Compensation Practices.** Maintaining ethical and market-appropriate executive compensation practices; providing employees equal pay for equal work regardless of gender, race, sexual orientation, or disability
- **Corporate Governance.** Implementing mechanisms and processes that promote responsible and effective governance at Nasdaq, including board diversity, accountability, and governance structures for corporate responsibility
- **Cybersecurity & Client Privacy.** Monitoring and reducing risks to privacy, including the protection of client data, the use of data for its intended purpose, and the obligation to observe confidentiality
- **Disclosure Practices.** Disclosing material information about Nasdaq's business, governance, management, and financial results
- **Diversity & Inclusion.** Promoting diversity in Nasdaq's leadership, employee population, and suppliers through fostering an inclusive culture
- **Efficient & Transparent Markets.** Supporting the development of efficient, effective, and transparent financial markets
- **Employee Engagement & Development.** Strengthening employee engagement at Nasdaq, which translates to increased involvement, effort, and productivity; providing training and development opportunities for employees
- **Energy Consumption.** Measuring and decreasing direct and indirect energy usage in Nasdaq's operations, improving energy efficiency, and sourcing renewable energy
- **ESG Products & Services.** Offering and supporting the provision of products and services that enable the integration of environmental, social, and governance factors into business practices
- **Ethics & Compliance.** Ensuring training and policies are in place to promote ethical behavior at Nasdaq, including compliance with all relevant laws and regulations
- **Health, Safety & Wellness.** Maintaining a safe working environment; providing resources to promote employees' health and well-being
- **Human Rights & Labor Practices.** Ensuring workers throughout Nasdaq's value chain meet all legal criteria for employment and are provided basic human rights and decent working conditions
- **Innovation & Climate Resilience. Supporting and advocating** for renewable energy, a sustainable economy, and cost reduction for innovation and resilience
- **Managing Business Continuity & Technology Risks.** Identifying and mitigating risks in operational and business functions, which can include market, operational, regulatory, credit, strategic, legal, and systemic risk
- **Managing Conflicts of Interest.** Developing and utilizing frameworks, policies, and tools for preventing, detecting, and managing conflicts of interest within Nasdaq's operations
- **Public Policy & Political Contributions.** Participating in public policy debate, development, and advocacy
- **Recruiting & Talent Attraction.** Developing strategies for attracting and retaining highly-skilled employees to work at Nasdaq
- **Responsible Supply Chain & Sourcing.** Providing policies for and evaluating ethical and sustainable practices in Nasdaq's supply chain; collaborating with suppliers to improve performance
- **Waste Reduction.** Measuring and reducing the amount of waste to landfill generated by Nasdaq, through initiatives including recycling and responsible waste disposal
- **Water Consumption & Pollution.** Measuring and reducing total water withdrawn by Nasdaq, reusing water when possible, and being responsible about the business impact on water sources.

Appendix B: GRI Content Index

Required criteria	Core option	Report location/reference
Use the correct claim (statement of use) in any published materials with disclosures based on the GRI Standards	Include the following statement: 'This report has been prepared in accordance with the GRI Standards: Core option'	Page 16 (102-54)
Use GRI 101: Foundation to follow the basic process for preparing a sustainability report	Comply with all requirements in Section 2 of GRI 101: Foundation ('Using the GRI Standards for sustainability reporting')	Page 4 (GRI 101)
Use GRI 102: General Disclosures to report contextual information about the organization	Comply with all reporting requirements for the following disclosures from GRI 102: General Disclosures: - Disclosures 102-1 to 102-13 (Organizational profile) - Disclosure 102-14 (Strategy) - Disclosure 102-16 (Ethics and integrity) - Disclosure 102-18 (Governance) - Disclosures 102-40 to 102-44 (Stakeholder engagement) - Disclosures 102-45 to 102-56 (Reporting practice)	Pages 5-16
Use GRI 103: Management Approach to report the management approach and the topic Boundary for all material topics⁵	For each material topic, comply with all reporting requirements from GRI 103: Management Approach Reasons for omission are only permitted for Disclosures 103-2 and 103-3 (see clause 3.2)	Multiple locations, beginning on page 17
Use the topic-specific GRI Standards (series 200, 300, 400) to report on material topics	For each material topic covered by a topic-specific GRI Standard: - comply with all reporting requirements in the 'Management approach disclosures' section - comply with all reporting requirements for at least one topic-specific disclosure For each material topic not covered by a GRI Standard, it is recommended to report other appropriate disclosures for that topic (see clause 2.5.3) Reasons for omission are permitted for all topic-specific disclosures (see clause 3.2)	Page 17 (GRI 203) Page 18 (GRI 205) Page 24 (GRI 418)
Ensure that reasons for omission are used correctly, if applicable	Comply with all requirements in clause 3.2 (Reasons for omission)	References throughout, as indicated
Notify GRI of the use of the Standards	Comply with all requirements in clause 3.4 (Notifying GRI of the use of the Standards)	

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. 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 annual reports on 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. 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, as a means for disclosing material non-public information and for complying with SEC Regulation FD and other disclosure obligations.

