



UN Global Compact

Communication of Progress
2017

NASDAQ.
MORE SUSTAINABLE MARKETS.



Statement of Support from the Chief Executive

I am pleased to reaffirm Nasdaq's support for the United Nations Global Compact (UNGC) and the 10 Principles with respect to human rights, labor, environment, and anti-corruption. Since joining the UNGC in 2012—and well before—Nasdaq has been focused on executing its business responsibly, building an ethical culture, and providing effective governance.

If performance must be measured before it can be managed, then companies have to find smart ways to measure sustainability. We start this process with data, which drives awareness, insight, and action. Nasdaq tracks environmental, social, and governance (ESG) data because it exposes inefficiency; we disclose ESG data because it creates opportunity. The recent publication of our ESG Reporting Guide makes a compelling business case for both, but there are larger implications.

We led two global working groups (UN Sustainable Stock Exchanges Initiative and the WFE Sustainability Working Group) in order to better understand how sustainability impacts 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; we must examine the trajectory of global sustainable development.

Companies and investors are already doing so, collaborating on the indicators of long-term value creation. Because Nasdaq technology powers so many markets, serving so many different clients, we have to ensure the long-term stability of our operation. 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 safer, faster, 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 arise. How can we capture this 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 create markets and innovate solutions as we all work together for a more sustainable future.

ADENA T. FRIEDMAN
PRESIDENT & CHIEF EXECUTIVE OFFICER



United Nations Global Compact

The United Nations Global Compact (UNGC) is a voluntary business initiative designed to promote universal sustainability principles and support progress on global development goals. It provides a global forum for all companies to collaborate, regardless of revenue, size, or location.

Nasdaq supports the UNGC assertion that responsible business practices positively impact markets and societies, and that principles and profits can go hand in hand. Nasdaq and many other Nasdaq-listed companies are Global Compact signatories, and our Head of Sustainability serves on the UNGC Network USA board.

All signatories are required to provide an annual Communication of Progress (COP), documenting continued commitment to 10 key principles and detailing related progress made during the previous year.

Nasdaq's Communication of Progress on these principles can be found in the remainder of this report.

Human Rights

Principle 1

Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2

Make sure that they are not complicit in human rights abuses.

Labor

Principle 3

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4

The elimination of all forms of forced and compulsory labor;

Principle 5

The effective abolition of child labor; and

Principle 6

The elimination of discrimination in respect of employment and occupation.

Environment

Principle 7

Businesses should support a precautionary approach to environmental challenges;

Principle 8

undertake initiatives to promote greater environmental responsibility; and Principle 9: encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption

Principle 10

Businesses should work against corruption in all its forms, including extortion and bribery.

External Engagement

Listed Companies

SUSTAINABILITY WEBINAR SERIES

Nasdaq has been collaborating with BrownFlynn since 2014 to produce and distribute web-based, educational programming to support our listed companies in their sustainability efforts. The series focuses on expert perspectives from various stakeholder groups. Recent episodes include:

- Big Data & Corporate Sustainability Performance: How the World is Using ESG Data (with Nasdaq, EcoVadis, Datamart, and RepRisk)
- Celebrating World Water Day: Management Practices from Leading Environmental Stewards (with Nasdaq and Ceres)
- Business & Human Rights: How Companies are Managing Human Rights Risks Around the Globe (with Nasdaq, Labor Affairs, USCIB and General Electric)
- What the Reg S-K Concept Paper Really Means for Business (with Nasdaq, UN PRI, Baker & McKenzie, and Domini)
- Proxy Season and ESG Activism: What Issuers Should Know (with Nasdaq, US SIF, Global ProxyWatch, and AMD)

NASDAQ MARKETSITE EVENTS

Nasdaq frequently leverages the prominence and impact of its MarketSite studio and event space in Times Square (New York City) to focus attention on our listed companies, as well as related sustainability causes and projects. Recent highlights include:

- Nasdaq commemorated Gender Equality International Women's Day with Women in ETFs and five partner organizations at Nasdaq MarketSite in Times Square. Lise Kingo, Executive Director, United Nations Global Compact, rang the Closing Bell.
- Walgreens came to the Nasdaq MarketSite in celebration of Red Nose Day. The event raised awareness and money for the Red Nose Day Fund, which benefits numerous charity organizations that have programs supporting the safety, education and health of children in need in the U.S. and around the world. Red Nose Day has raised over \$1 billion globally in the last 25 years.
- RobecoSAM, an investment specialist focused exclusively on Sustainability Investing, came to

Nasdaq MarketSite to help us celebrate companies included in the Dow Jones Sustainability Index for 2016. Nasdaq itself was one of the selected companies, along with CA Technologies, Cisco Systems, and many others.

- GMHC, the world's first and leading provider of HIV and AIDS prevention, care and advocacy, visited MarketSite in celebration of LGBT Pride Month.

VIDEO BROADCASTS

The Nasdaq Corporate Responsibility team uses the reach of our social media platform to engage and inform the public on key issues. A series of brief videos on the Facebook Live platform attracted significant interest during the past year. Recent highlights include:

- World CSR Day Roundtable, moderated by Nasdaq, featuring participants from Wyndham, Nielsen, Deloitte, and Futerra
- National Volunteering Week interview, a conversation between Nasdaq and Rehana Farrell, executive director of Youth INC
- Sustainability as a Brand Multiplier, a discussion with Ben Boyd, President, Edelman
- Three Steps Boards Should Take to Monitor Sustainability, a conversation between Nasdaq's Evan Harvey and TK Kerstetter of Inside America's Boardrooms

Sustainability Frameworks

Nasdaq is a longtime supporter of the Global Reporting Initiative (GRI), an independent and global organization designed to create dialogue and reporting standards on critical sustainability issues, such as climate change, human rights, corruption and many others.

- Nasdaq is currently a GRI Gold Community member
- Nasdaq's Global Head of Sustainability, Evan Harvey, serves on the Global Sustainability Standards Board (GSSB). The GSSB creates globally accepted standards for sustainability reporting, working in the public interest and according to the vision and mission of GRI.

Nasdaq is a United Nations Global Compact (UNGC) signatory.

- Nasdaq is a member of UNGC Network USA
- Nasdaq's Global Head of Sustainability, Evan Harvey, currently serves on the UNGC Network USA Board of Directors

Internal Engagement

Volunteerism

As a global exchange, Nasdaq engages in vital relationships with—and exerts a profound impact upon—the communities in which we live and work. We believe corporate citizenship enables us to sustain our communities by creating shared value for our employees and our shareholders. Nasdaq's commitment to our communities encompasses our businesses, philanthropy activities and employee engagement programs. Giving back is an action that can be carried out in countless ways. For some, it means volunteering in their community. For others, it means donating money or goods to those who need it most.

Under the Nasdaq Global Corporate Volunteer Program, all Nasdaq employees with a minimum of 12 months of continuous service are eligible for 2 paid days off per calendar year to volunteer. Our volunteer events enrich the lives of the communities where we live and work. Our employees are encouraged and rewarded for their personal philanthropy and volunteerism.

Year	2016	2015	2014
Volunteering Events	46	39	32
Volunteering Hours	1,803	735	350
Employee Participants	186	83	60
Percentage of US FTEs	9.3%	4.1%	3%

A robust and inclusive corporate volunteering program helps both companies and employees. Employee volunteerism fosters greater buy-in to the company's corporate culture, while enhancing awareness and understanding of business goals and strategies. The company gets better productivity and retention. Employees can engage emotionally / intellectually, and gain professional development, better health and leadership skills.

Our long-term goals for this program are ambitious, but achievable:

- Increased FTE volunteerism rate
- Increased FTE participation in PTO benefit
- Average at least one local volunteerism target for every Nasdaq office
- Partner with issuers on joint volunteering effort
- Continued inclusion in DJSI or similar ranking

Volunteerism Highlights

Fresh Air Fund. Fishkill, NY

Wall Street Walk (American Heart Association). New York, NY

Colleen's BA 5K. Rockville, MD

PS 120. Brooklyn, NY

Habitat for Humanity. More than a dozen Nasdaq San Francisco staff members helped to build Habitat Terrance in the Ocean View neighborhood. Ocean View is one of the most ethnically and economically diverse neighborhoods in the city, with almost no affordable housing. This new block of 28 single-family homes features three stories, multiple bedrooms, and attached garages. The green construction even includes solar panels and smart utility metering. Teams helped with priming and painting the exterior siding, drywall taping, plumbing and washer / dryer installation. Because the homes back up to a major interstate, Nasdaq workers also installed soundproofing materials.

Rosie's Place. Boston, MA

Philabundance Relief Center. Philadelphia, PA

Red Cross Louisiana Flood Relief. In response to the devastating flooding in Louisiana—the worst natural disaster to hit the United States since Superstorm Sandy in 2012—Nasdaq partnered with the American Red Cross to send relief to those in need. Nasdaq double-matched all employee donations up to \$500.

Scandinavian Fest. Budd Lake, NJ

Prevent Cancer Foundation. Washington, DC

Manna Food Center. Rockville, MD

PS 138. Brooklyn, NY

Barkann Family Healing Hearts Foundation. Nasdaq PHLX assisted families across the Delaware Valley affected by sudden illness or the loss of a loved one. Our group volunteered alongside social workers and families with children who are receiving various treatments from the Children's Hospital of Pennsylvania and/or have profound physical disabilities.

GOOD+ Foundation. New York, NY & Los Angeles, CA

Central Texas Food Bank. Austin, TX

Sanctuary for Families. Sanctuary for Families is a New York-based non-profit dedicated to the safety, healing and self-determination of victims of domestic violence and related forms of gender violence. Members of the Nasdaq Marketing & Communications team joined Nasdaq GoodWorks to volunteer and help the

organization sort clothing, stock their provisions room, and clean out the supply room.

VA Hospital Fisher House. Chicago, IL

Junior Achievement. Nasdaq CEO Adena Friedman and other volunteers partnered with Junior Achievement to teach financial literacy, work readiness and entrepreneurship to 6th graders at Parkland Middle School in Rockville, MD.

The Home of Little Wanderers. Boston, MA



Philanthropy

The Nasdaq Matching Gifts Program is an important way to enhance the Company's commitment to help the communities in which we work and live. Through Nasdaq GoodWorks, this program effectively doubles the impact of all Nasdaq employee and contractors cash contributions to charitable organizations, which enables our families, fellow citizens, communities and resources to thrive. Nasdaq is proud to partner with our engaged employees to make the world a better place.

For 2017, this program is open to the following:

- All Nasdaq regular, full and part-time employees as well as Nasdaq contractors
- Employee cash donations are matched by Nasdaq, dollar-for-dollar (1:1)
- Minimum donation: \$25
- Per-employee annual matching limit: \$1,000
- Employees may donate to multiple organizations
- Nasdaq will only match up to the first \$1,000 total per year
- Employees retain the tax-deductible benefit of their original donation

To be eligible, all chosen organizations must be recognized by the Internal Revenue Service (IRS) as tax-exempt and designated as a public charity under section 501(c)(3) of the IRS Code, or as an instrumentality of a federal, state or local government as provided by Section 170(c)(1) of the Code. The organization must have no political affiliation and must be open to full non-discriminatory participation.

These organizational types are generally eligible for corporate donation matching:

- Educational institutions
- Civic, arts and cultural groups
- Health and human service advocates
- Environmental organizations

Year	2016	2015	2014
Total Impact (USD)	\$289,753	\$128,321	\$0
Employee Donations	919	359	0
Program Participants	740	310	0

- On one single day—Giving Tuesday, 11/29/2016—Nasdaq employees made 122 separate donations, generating more than \$92k in charitable impact.

Employee Empowerment

Nasdaq currently has two influential employee-led working groups, both focused on the needs and expectations of specific audiences within the company.

- The Women's Initiative at Nasdaq (WIN) is an organization made up of Nasdaq employees dedicated to promoting the professional growth of women at Nasdaq. WIN's primary focus is to engage, educate and empower professionals across all divisions within Nasdaq and to champion the firm's guiding principles. Many Nasdaq offices have dedicated WIN Ambassadors, responsible for awareness, coordination, networking, and local events. Members meet regularly to host influential speakers for interactive discussions on relevant topics.
- Nasdaq OPEN (Out and Proud Employees of Nasdaq) represents LGBT employees, families, and allies at work. OPEN seeks to foster an inclusive community focused on the diverse needs of Nasdaq's LGBT community by establishing supportive programs, hosting events, and advocating for new policies.

ON ONE SINGLE DAY (#GIVINGTUESDAY) NASDAQ
EMPLOYEES GENERATED MORE THAN \$92K IN
CHARITABLE IMPACT.

Nasdaq: Environmental Update

- Our Philadelphia office project was awarded the LEED Platinum level LEED ID+C certification in sustainability for both the construction process and interior design. This is the highest rating and a great achievement for the project team. In addition to the positive environmental benefits, it improves community relations and helps us attract and retain talent.
- Nasdaq partnered with DigiPlex on one of the most sustainable data centers currently in operation. The Swedish facility features:
 - 100% renewable energy sourcing
 - Evaporative air cooling
 - Low- or no-wastewater generation, compared to conventional data centers
- The Nasdaq Helsinki exchange has achieved carbon neutrality for 5 straight years
 - In addition, the Helsinki office has earned a difficult WWF Green Office distinction
- In 2016, the Finnish Innovation Fund Sitra found that "the calculated carbon intensity of the listed companies on Nasdaq Helsinki has decreased by 20% since last year."
- To meet increasing interest in sustainable bonds from both investors and issuers, Nasdaq Stockholm launched a new list for sustainable corporate bonds.
 - The main focus has been green bonds so far, but there is a growing progression towards sustainable bonds with a broad focus on environmental and/or social positive impact.
- Women & Negotiation: Challenges and Potential
- The Nasdaq OPEN (Out and Proud Employees of Nasdaq) affinity group, representing LGBT employees, families, and allies, was established in 2017.
- Nasdaq was proud to earn a Corporate Equality Index (CEI) rating of 85 from the Human Rights Campaign (HRC). The CEI is the most prominent national benchmarking tool for corporate policies and practices regarding lesbian, gay, bisexual and transgender (LGBT) employees.
- Nasdaq announced the hiring of its first-ever diversity and inclusion lead, focused on recruiting and employee engagement, in 2017.
- Through a combination of M&A activity and business growth, Nasdaq was able to post a third consecutive year of positive staff turnover.
- Nasdaq has, through its longtime membership in the UN Global Compact, previously affirmed its commitment to vital human rights standards.
- In 2017, Nasdaq CEO Adena Friedman was honored by the Markets Media Choice Awards with its "Outstanding Contribution - Women in Finance" distinction
- Nasdaq welcomed nearly 150 summer interns to offices across the Americas, APAC and EMEA in 2017. Our intern program features a diverse group of talented individuals, and our business has benefited from their unique contributions.
- To commemorate Gender Equality International Women's Day in March, 2017, Nasdaq and its partner organizations hosted a celebration at Nasdaq MarketSite in Times Square.

NASDAQ HELSINKI HAS OPERATED AS A CARBON NEUTRAL EXCHANGE FOR FIVE YEARS.

Nasdaq: Social Update

- The Women's Initiative at Nasdaq (WIN), a longstanding internal affinity group, has grown to include more than 600 members. WIN speaking and education programs in 2016-2017 covered these topics:
 - FemTech: Supporting and Developing Female Leadership in Technology (featuring Nasdaq SVP Ann Dennison, SVP Heather Abbott, and EVP Stacie Swanstrom)
 - Educating Women in FinTech

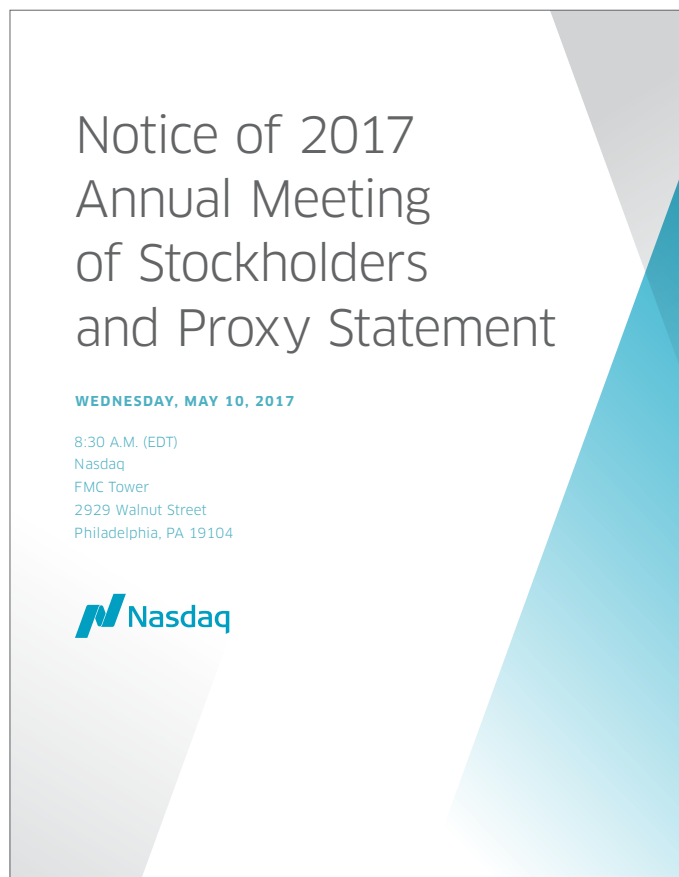


Nasdaq: Governance Update

Ethics program

- In 2016, more than 2,300 employees were trained in person, online and through “Ethics in Action” webinars; case studies also used to strengthen ethics training
- Ethics training was incorporated into HR onboarding and new hire orientations, covering more than 1,500 new hires in 2016

The 2017 Nasdaq Proxy is fully interactive, assisting the user in quickly finding key data. This model is one that very few corporate proxies have thus far adopted.



BWise

- In 2017, Nasdaq BWise won both the “Operational Risk and GRC Category Winner” award and the “Category Leader” award from Chartis
- In 2016, Operational Risk named Nasdaq BWise the Best Operational Risk Product, Best GRC Product, and Best Overall Provider of the Year

Board Demographic Changes

- The current Nasdaq Board of Directors is made up of 9 individuals
 - 3 Women, 6 Men
 - 8 Independents, 1 Non-Independent

2017 Shareholder Voting

- In addition to electing all nominated Board members, Nasdaq stockholders also approved the following proposals:
 - The company's executive compensation on an advisory basis;
 - An advisory vote to conduct future advisory votes on the company's executive compensation every year; and
 - Ratification of the appointment of Ernst & Young LLP as Nasdaq's independent registered public accounting firm for the fiscal year ending December 31, 2017.
- The stockholders did not approve a stockholder proposal relating to the right to act by written consent.
- The 2017 Nasdaq proposal for a comprehensive revision of our capital markets system (The Promise of Market Reform: Reigniting America's Economic Engine) helped to create a national debate on a broad range of corporate governance issues and practices.
- Nasdaq EVP and Chief Counsel Ed Knight contributed a lengthy public comment letter to the SEC regarding the recent Regulation S-K concept release.
- In the last year, Nasdaq senior executives have testified before various government institutions on the following issues:
 - U.S. Equity Market Structure
 - The JOBS Act & Capital Formation
 - The RAISE Act (Note: This refers to the “Reforming Access for Investments in Startup Enterprises Act” of 2016, not the immigration reform measure put forward in 2017)

THE PROMISE OF MARKET REFORM" HELPED TO
CREATE A NATIONAL DEBATE ON GOVERNANCE
ISSUES AND PRACTICES.

