



UNGC Communication of Progress

10 September 2021

Nasdaq, Inc.

Period covered by this Communication on Progress (COP)

- From 01 January 2020 to 31 December 2020

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Statement of continued support by the Chief Executive

As we reflect on the events of past year, amidst many challenges came enormous resiliency in the capital markets. The impact markets have in catalyzing innovation and facilitating job growth has never been clearer, nor more important. This moment reveals just how vital it is to support a marketplace ecosystem that is resilient, equitable, and sustainable.

With all this in mind, Nasdaq is deeply devoted to being a multiplier of best practices – within our own operations, within our communities, and with our clients who we serve every day.

In 2020, we launched our new Purpose Initiative, which brings together our philanthropic, corporate sustainability, and community outreach programs under one strategy aimed at advancing inclusive growth and prosperity. Even as members of the Nasdaq team dealt with pandemic-driven challenges throughout the past year, we generously donated our time and resources, including more than 2,600 virtual community service hours and a total financial impact of approximately \$20 million.

As an extension of our commitment, we also relaunched the Nasdaq Foundation in September 2020 with two primary goals: to reimagine investor engagement to

help ensure that underrepresented communities can share in the wealth that markets create; and to leverage the Nasdaq Entrepreneurial Center alongside new strategic partnerships to build a deeper, data-driven understanding of where the challenges are greatest and how we can maximize our impact.

We also continued to scale-up our environmental commitment in 2020, extending our carbon neutrality for a third consecutive year. Additionally, understanding our opportunity to catalyze climate-friendly practices outside our own walls, we encouraged our suppliers to adopt sustainability and environmental practices, and to disclose those efforts.

Many events in 2020 focused an intense spotlight on the importance of diversity and inclusion, and we are deeply committed to creating a workplace that fosters equality and individuality alongside common purpose. We have made enhancements to our training, professional advancement, and recruiting teams in the past year, and our Diversity, Inclusion, and Belonging strategy seeks to ensure that we have clear metrics and accountability for our efforts at the senior-most levels.

Here, too, we recognize our unique role as partner and facilitator to help companies listed on our exchanges meet their own diversity and inclusion goals. One prominent example of our work in this regard is a new listing rule that provides a standardized disclosure framework to help companies listed on our U.S. exchange provide greater transparency regarding diversity among their board of directors. Nasdaq is also a champion of strong governance practices, with a framework that focuses on the interests of our shareholders. This past year, we have made significant investments to increase diligence in data privacy and cybersecurity, as well as to help safeguard companies and investors from money laundering and other financial crimes.

I am pleased to confirm that Nasdaq reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labor, Environment and Anti-Corruption. In this annual Communication on Progress, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations. We also commit to sharing this information with our stakeholders using our primary channels of communication.

Adena T. Friedman, President and CEO
September 10, 2021

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.

Nasdaq upholds these Principles by committing its support to fundamental human rights—both inside and outside our company—and demonstrates its commitment by enacting responsible workplace practices across our global enterprise.

We assert the fundamental dignity of every human being and take steps to ensure that individuals can live and work safely and humanely, without fear of oppression or coercion. Our corporate policies emphasize responsibility, integrity, and values-based decision-making in every aspect of our business, and they establish standards for ethical, consistent, and fair behavior. These standards shape our interactions with all stakeholders: employees, shareholders, clients, suppliers, communities, and many others. They are foundational to our company and enable our continued success.

Furthermore, Nasdaq does not participate in any form of forced or bonded labor. We comply with all labor laws and employ only workers who meet applicable minimum age and other requirements in the jurisdiction for the services being performed. Employees and contractors are expected to be compensated appropriately in line with prevailing market conditions and at least at the minimum wage required by applicable laws and regulations and with all required benefits.

As set forth in our [Code of Ethics](#) and our other privacy policies and statements, Nasdaq respects individuals' privacy rights as set forth in applicable law and only uses personal data as permitted for its business purposes.

Nasdaq employees and others working or visiting our facilities are expected to maintain safe and healthful working conditions and to adhere to published operating practices and procedures. Nasdaq also maintains programs to safeguard individuals travelling as part of their work for Nasdaq.

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.

While only 1.9% of our employees are covered by employee-specific Collective Bargaining Agreements (CBAs) – not including non-company specific industry CBAs – Nasdaq strives to foster an environment that values diversity, encourages inclusion, and nurtures a feeling of belonging in the workplace.

Nasdaq is committed to upholding not only the Principles above, but also those found in leading international standards, including the United Nations (UN) Declaration of Human Rights; the International Labor Organization Declaration on Fundamental Principles and Rights at Work; the UN Women’s Empowerment Principles; and, the UN Lesbian, Gay, Bi, Trans, & Intersex People Standards. All employees and contractors are expected to conduct their work for Nasdaq consistent with these standards and principles.

In addition to our commitment in upholding the labor principles we follow a set of labor standards and have established global best practices.

Labor Standards

Nasdaq is committed to operating a fair, inclusive, and supportive workplace. This commitment includes our efforts to be compliant 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.

Establishing Global Best Practices

As a global company with operations in more than 22 countries, Nasdaq endeavors to model our principles wherever we operate serving as a role model where we do business. This includes, but is not limited to, ensuring basic human rights related to child labor, forced labor, exploitive labor, discrimination policy, pay equality, and other basic workers' rights.

In 2020, Nasdaq continued its commitment to diversity and inclusion by filing a proposal with the U.S. Securities and Exchange Commission (SEC) to adopt new listing rules related to board diversity and disclosure. The Board advised on and unanimously approved the proposal, which requires companies listed on our U.S. exchange to provide greater transparency regarding diversity among their board of directors through a standardized disclosure framework . The SEC approved this proposal on Friday, August 6, 2021.

Nasdaq also signed on as a Charter Pledge Partner to The Board Challenge, an initiative seeking to enhance representation in the boardroom by asking companies to retain or add a black director. In collaboration with the Allbright Foundation, Nasdaq also promotes diversity and gender equality work among listed and non-listed companies in the Nordic region.

Our own Directors represent a wide range of diverse backgrounds, experiences, leadership and skills that, together, embody the knowledge relevant to Nasdaq's strategic long-term vision and global operations. Nasdaq believes that advancing Board diversity creates a competitive advantage that differentiates and elevates everything we do—and that commitment starts with our leadership team.

Nasdaq increased investment in its internal diversity, inclusion and belonging programs, including initiatives relating to professional advancement, talent acquisition and raising awareness of racial justice issues. For the first time, Nasdaq published comprehensive diversity statistics in its [2020 Sustainability Report](#). Nasdaq was recognized as a "Best Place to Work for LGBTQ Equality" by the Human Rights Campaign's Corporate Equality Index for the second consecutive year in 2020, scoring a perfect 100 ranking.

Below are examples of measures that Nasdaq has taken to foster the elimination of discrimination in respect of employment and occupation:

- 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.
- Anti-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.
- Diversity, Inclusion, and Equity. Nasdaq is committed to advancing equality in the workplace by striving to attract and retain a diverse workforce. With a wide range of backgrounds and experiences, our employees help us create a competitive advantage that differentiates and elevates everything we do. We are focused on attracting, retaining, and promoting a diverse workforce. An affirmation of these principles manifests itself in a sense of belonging, which in turn enhances team cohesiveness and a commitment to the vision and principles driving Nasdaq. Employees are expected to respect each other, customers, suppliers, and others doing business with us regardless of their human differences and across dimensions of differences.

Certain of our Nasdaq employee demographics, including aspects of diversity across organizational levels, can be found below. For more detailed information, visit the [Nasdaq 2020 Corporate Sustainability Report](#).

Note: The following data is presented as of December of each calendar year. Data uses the traditional gender categories of male and female as required in our reports to the U.S. government. Nasdaq's reporting in this manner does not represent our position on the issue, and we deeply respect that gender is not binary. Please note that totals may not add up to 100 percent due to rounding to the closest tenth decimal point. The U.S. reporting on Race and Ethnicity follows the U.S. Department of Labor's EEO-1 reporting standards.

Global Workforce by Gender

The table below represents our global workforce.

Global Workforce	2020	2019	2018
Male %	64.9%	65.0%	65.5%
Female %	34.9%	34.7%	34.3%
Undisclosed	0.2%	0.3%	0.2%
Total Employees	4,830	4,361	4,134
Number of full-time male employees	3,116	2,816	2,679
Number of full-time female employees	1,652	1,487	1,375
Total number of full-time employees	4,768	4,303	4,054
Number of part-time male employees	20	21	30
Number of part-time female employees	31	30	42
Total number of part-time employees	51	51	72
Number of permanent contract male employees	3,136	2,837	2,709
Number of permanent contract female employees	1,683	1,517	1,417
Number of permanent contract undisclosed employees	11	7	8
Total Number of Permanent Contract employees	4,830	4,361	4,134
Number of Fixed Term or temporary contract male employees	81	91	69
Number of fixed term or temporary contract female employees	49	50	40
Total number of fixed-term or temporary employees	130	141	109
Regional Breakdown of workforce	2020	2019	2018
Americas – Male	1,459	1,293	1,284
Americas – Female	776	685	653
Total number of Americas employees	2,235	1,978	1,937
EMEA – Male	1,129	1,067	961
EMEA – Female	573	539	511
Total number of EMEA employees	1,702	1,606	1,472
Asia – Male	548	477	463
Asia - Female	334	293	254
Total number of Asia employees	882	770	717
Total number of undisclosed employees	11	7	8
Total	4,830	4,361	4,134

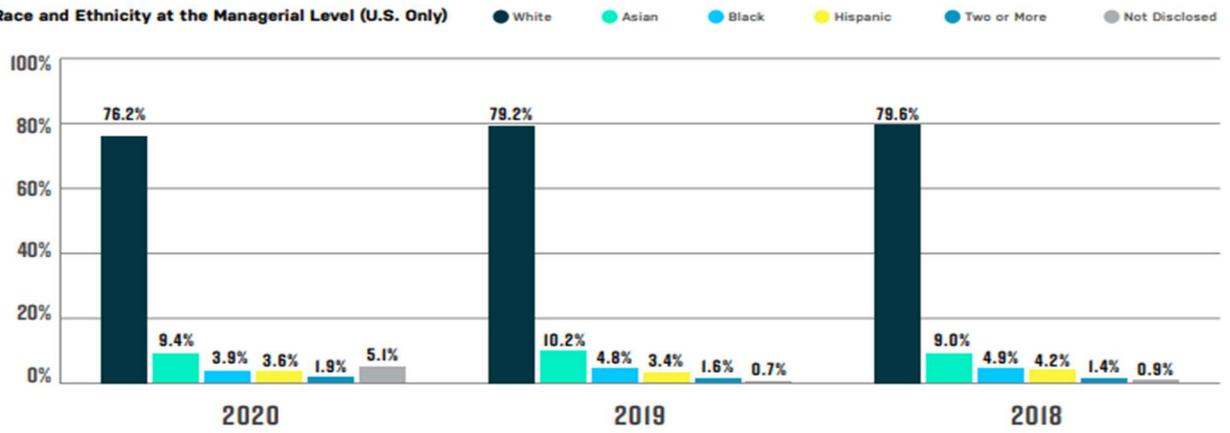
The table below only includes demographics for the United States.

Racial Ethnicity Breakdown	2020	2019	2018
White	66.6%	67.9%	68.7%
Asian	16.2%	16.0%	16.2%
Black	7.4%	7.4%	6.7%
Hispanic	5.1%	4.9%	5.1%
Two or More	2.0%	1.9%	1.7%
Pacific Islander	0.1%	0.1%	0.2%
Native American	0.1%	0.1%	0.1%
Not disclosed	2.3%	1.8%	1.4%

Seniority by Race (U.S. Only)

Race & Ethnicity (US Only)	2020				2019				2018			
	Executive	Senior	Mid	Entry	Executive	Senior	Mid	Entry	Executive	Senior	Mid	Entry
White	88.9%	72.8%	66.3%	57.6%	89.5%	73.3%	67.4%	55.1%	90.0%	74.6%	68.5%	55.6%
Asian	5.2%	14.9%	17.6%	19.0%	6.0%	13.9%	16.7%	22.3%	5.4%	12.9%	17.7%	20.9%
Black	2.2%	3.7%	6.7%	11.6%	1.5%	4.1%	7.7%	10.9%	1.5%	4.0%	6.8%	9.4%
Hispanic	1.5%	4.0%	5.4%	5.3%	1.5%	3.4%	5.1%	5.5%	1.5%	4.8%	4.1%	8.7%
Two or More	0.7%	2.2%	1.5%	3.4%	0.8%	2.3%	1.6%	4.0%	0.8%	1.6%	1.7%	2.9%
Pacific Islander	0.7%	-	0.3%	-	-	-	0.2%	-	-	-	0.3%	-
Native American	-	-	0.1%	0.2%	-	-	-	0.4%	-	-	-	0.4%
Not disclosed	0.7%	2.5%	2.1%	3.0%	0.8%	2.6%	1.1%	1.8%	0.8%	2.0%	0.8%	2.2%

Race and Ethnicity at the Managerial Level (U.S. Only)



The U.S. reporting on Race and Ethnicity follows the U.S. Department of Labor's EEO-1 reporting standards. The races and ethnicities reported are American Indian or Alaska Native, Asian, Black or African American, Hispanic or Latino, Native Hawaiian or Other Pacific Islander, Two or More Races and White. Please note that totals may not add up to 100 percent due to rounding to the closest tenth decimal point.

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.

As an active and longstanding UN Global Compact participant, we reaffirm our support for these Principles. In fact, Nasdaq leverages the precautionary approach in risk management generally, and particularly when it comes to climate action and awareness. 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 efficient 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 is committed to understanding its company-wide climate-related risks and opportunities. Through this process, we aim to enhance our understanding of the climate crisis, empower our company to withstand risks, and position ourselves to drive the transition to a low-carbon economy. Nasdaq has enacted robust, transparent governance and management structures that address ESG and climate-related issues, which we view as critical to our long-term success. Additional information is in our Task Force on Climate-Related Financial Disclosures ([TCFD Report](#)).

Nasdaq's operational climate-related management is led by the Corporate ESG Steering Committee (the "Committee"), which is co-chaired by the Chief Financial Officer. The Committee covers all ESG matters, including assessing and managing ESG risks and their potential impacts on the company strategy; setting and

tracking short-, medium- and long-term ESG targets; evaluating climate-related M&A opportunities; monitoring progress against climate related goals and targets, including those related to emissions reductions and renewable energy procurement; and reviewing of Nasdaq's sustainability reporting.

The Nominating & ESG Committee of the Nasdaq Board of Directors oversees longer-term strategy and the execution of these responsibilities. In fact, 60 percent of our Board members have experience with environmental and social matters, strengthening our ability to oversee and strategize sustainability initiatives. Compensation plans for certain employees include payouts for the achievement of ESG goals, including climate-related targets.

In addition to striving for compliance with applicable environmental and regulatory policies, we have committed to tactical environmental objectives, including:

- Responsible and transparent stewardship of key resources, such as water
- Promoting recycling, upcycling, and creative re-use efforts for all physical goods
- Integration of energy efficient designs, products, and strategies in our workplaces
- Prioritizing materials, parts, and products with lower environmental impacts
- Active reduction of office-based waste products, particularly e-waste
- Leveraging electronic communication and collaboration tools to reduce travel impacts

Nasdaq navigated the COVID-19 pandemic while maintaining focus on its sustainability strategy and enhancing environmental performance. We consolidated the cost and operation of our environmental reporting to better address key issue areas, and expanded leadership oversight and strategy. Our updated materiality assessment in 2021 identified trends and priorities that better reflect stakeholder expectations.¹ Nasdaq also published its first TCFD

¹ Such references to materiality are different and separate from how materiality is used and understood in the context of securities and other laws of the United States or as used in the context of financial statements and financial reporting. ESG topics and issues described as material in this report, and our other reports referenced herein, may not be considered material for other reporting purposes.

Report in 2021, addressing systemic risks and opportunities related to climate change.

Nasdaq has been carbon neutral across the enterprise for a third straight year. We aim to further improve performance by supporting the additionality of renewable energy sources and seeking offsets that focus on carbon removal. To that end, Nasdaq recently announced its acquisition of a majority stake in Puro.earth, an innovative carbon-capture and trading market.

Other 2020 environmental highlights include:

- Signed Science-Based Targets (SBT) Commitment Letter
- Obtained LEED Platinum Certification for New York City Headquarters
- Obtained BREEAM Excellent & Well Certification for London Office
- Achieved green certification for 21 offices from agencies such as BREEAM, LEED and Energy Star

To the best of our knowledge, Nasdaq received no fines and/or monetary sanctions for non-compliance with any environmental laws and/or regulations in 2020. We have also not been subject to any non-monetary sanctions; no cases related to environmental compliance have been brought to our attention through dispute resolution mechanisms.

The tables below illustrate two aspects of our environmental measurement, impact, and remediation.

Energy	2020	2019	2018
Renewable Energy (MWh)	49,272	47,543	41,833
Non-Renewable Energy (MWh)	10,628	10,630	9,111
Total Consumption (MWh)	59,900	58,173	50,944

	Gross Emissions (MT CO2e)*		REC and Offset purchases (MT CO2e)		Net Emissions **	
	2020	2019	2020	2019	2020	2019
Scope 1	514	306	(514)	(306)	0	0
Scope 2 (market-based)	3,997	5,171	(3,997)	(5,171)	0	0
Scope 3	55,423	28,310	(55,423)	(28,310)	0	0
TOTAL	59,934	33,787	(59,934)	(33,787)	0	0

Regarding the Nasdaq supply chain, we extend sustainable performance goals to our suppliers and vendors. Nasdaq suppliers are subject to our Supplier Risk and Onboarding analysis program. Although specific environmental criteria are not used, our vendors are periodically screened for negative news, which tends to capture environmental controversies.

We have also adopted a [Supplier Code of Ethics](#). The purpose of this code is to establish expectations for suppliers regarding adherence with ethics and compliance standards. It enumerates ethical and responsible business practices, such as sustainability and environmental programs, among other expectations.

While Nasdaq's access to (and usage of) environmentally dangerous materials is minimal due to the nature of our business and operations, we minimize their use whenever possible. The safe handling and storage of chemicals and other dangerous substances is required. We also maintain our work facilities to ensure they operate in a safe and responsible manner. Adequate emergency procedures are in place to prevent and address any accidents that may affect environmental and human health.

Nasdaq conserves natural resources by leveraging innovation, technology, education, and a culture of continuous improvement. We are in the process of installing technology to monitor power and water consumption and water discharge in all of our significant office facilities and data center locations. Once implemented, this will enable Nasdaq to set thoughtful goals and targets for reduction.

For more information on our environmental performance, please refer to the [Nasdaq 2020 Corporate Sustainability Report](#) and/or the [Nasdaq 2020 TCFD Report](#).

Anti-Corruption

- Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

As a self-regulatory organization (SRO) and operator of regulated financial systems such as exchanges, a clearinghouse and central securities depositories, Nasdaq is deeply committed to ensuring that markets operate fairly and do not facilitate financial crime including money laundering and terrorism financing.

Nasdaq's [Code of Ethics](#) requires compliance with all anti-money laundering (AML) laws and regulations that apply to our business. This includes conducting any required know-your-customer (KYC) diligence, monitoring transactions and reporting suspicious activities. Members of Nasdaq's exchanges are required to have in place AML and other diligence programs to screen their clients and market participants in accordance with the applicable U.S. and EU laws and regulations. In addition to legal requirements related to AML, Nasdaq is implementing a risk-based anti-financial crime framework in key business segments to augment its compliance programs.

Nasdaq has robust policies in place to address giving or receiving work-related gifts or business courtesies, as well as a "zero tolerance" commitment regarding violations of the anti-corruption laws and standards in the countries in which we operate, including the US Foreign Corrupt Practices Act (FCPA), the UK Bribery Act, and the Organisation for Economic Cooperation and Development (OECD) Guidelines/International Chamber of Commerce's Rules of Conduct and Recommendations to Combat Extortion and Bribery.

The practice of extending "business courtesies" in some contexts or global jurisdictions does not equate to accepting a gift in exchange for some action, or even just to influence someone to act. In fact, it may violate anti-corruption laws which can result in criminal prosecution, regulatory action and/or civil fines. In addition, even where there is no improper intent, giving or accepting business courtesies/gifts can generate a sense of personal obligation on the part of the recipient—or the impression that Nasdaq's business dealings may be influenced by personal favors. Accordingly, Nasdaq expects our suppliers to comply with our Code of Ethics policies on gifts, as well as applicable corruption and bribery laws

in all work related to their services to Nasdaq. A supplier may not offer or accept a gift or other item of value involving Nasdaq personnel, customers or other suppliers in exchange for some action or other favorable treatment under any circumstances.

Any form of bribery in connection with Nasdaq business by our suppliers is unacceptable. We expect suppliers and/or their personnel to report any requests for unpermitted gifts, any attempts at bribery, gifts or other improper payments related to supplier's work for Nasdaq.

We also continue to extend our anti-financial crime strategy. Our Nasdaq Trade Surveillance solution is a managed service designed for brokers and other market participants to assist them in complying with market rules, regulations and internal market surveillance policies. In 2020, we added an anti-money laundering offering with a new automated investigator tool for retail banks, the Nasdaq Automated Investigator. This product expands Nasdaq's global efforts in combatting financial crime and promoting market integrity in the capital markets. Additionally, in February 2021, we completed the acquisition of Verafin, a provider of anti-financial crime management solutions that provides a cloud-based platform to help detect, investigate, and report money laundering, financial fraud and human trafficking to more than 2,000 financial institutions in North America. We also offer our clients Nasdaq Risk, which is a suite of products that offer a real-time, multi-tiered risk solution that integrates pre-, at- and on-trade risk management, including margining.

