

# Sustainability Report 2023 - Sweden

## Introduction

This Sustainability report for the financial year 2023 is published by Nasdaq AB (org.no. 556243-8001). This report is prepared, considering local Swedish sustainability metrics and criteria, according to the requirements stated within the Swedish Annual Accounts Act. Global practices and reporting standards, which were leveraged for the benefit of the Swedish program, were considered. Based on the requirements within the Swedish Annual Accounts Act, the following subsidiaries are in scope of the statutory requirements:

- Cinnober Financial Technology AB (org.no. 556548-9654)
- Nasdaq Technology AB (org.no. 556314-8138)
- Nasdaq Exchange and Clearing Service AB (org.no. 556788-5123)
- Nasdaq Stockholm AB (org.no. 556420-8394)
- Nasdaq Clearing AB (org.no. 556383-9058)

This report comprises information on not only the entities mentioned above, but all Swedish operations collectively referred to as “Nasdaq Sweden” within the following pages of this document unless otherwise stated. The reporting period for the information, unless otherwise noted, is January 1 to December 31, 2023. We have endeavored to include all necessary and meaningful information applicable to Nasdaq Sweden on a stand-alone basis. Where such information is not available on a stand-alone basis, we have provided information pertaining to the Nasdaq Group, which includes all legal entities domiciled in Sweden.

## Sustainable Business Model

At Nasdaq, our purpose is to advance economic progress for all. We strive not only to become the trusted fabric of the world’s financial system, but also to power stronger economies, create more equitable opportunities, build a more inclusive capital markets ecosystem, and contribute to a more sustainable world. Our commitment to leadership in sustainability principles and practices is integrated across our operations, enhancing our competitiveness, resilience, and relationships with our stakeholders. Nasdaq’s approach to Environmental, Social and Governance (ESG) is focused both internally and externally. Internally, we manage our businesses’ ESG-related risks and opportunities and the corresponding impact we have as an organization across our own operations. Externally, we focus on the impact we have on the world through our ESG-related solutions that support our clients’ objectives in their sustainability journey.

For a detailed description of our products and services please refer to the Annual Reports of Nasdaq AB, its Swedish subsidiaries, and the consolidated financial statements of Nasdaq, Inc.

# ESG Materiality Assessment

We are committed to continuously advancing our longer-term ESG strategy, advocacy and oversight. We engage with internal and external stakeholders at all levels on ESG matters on an ongoing basis. During 2023, we continued our corporate and community ESG efforts, furthering our commitment to sustainability and climate change awareness. In addition to providing frequent and robust reporting on our ESG efforts and continuously working to identify emerging ESG trends, we encouraged our employees to participate in our ESG initiatives, engaged with our stakeholders and supported our clients as they pursue their ESG-related opportunities and objectives.

Nasdaq periodically conducts ESG materiality assessments<sup>1</sup> to identify and prioritize ESG topics that are influential on our business and important to our stakeholders. In 2023, facilitated by Nasdaq's ESG Advisory team, we conducted an organization-wide assessment of Nasdaq's priority topics to inform our sustainability strategy and approach to ESG governance and reporting. This assessment weighed the potential relevance of a wider universe of topics identified as potentially impactful by leading ESG reporting frameworks, ratings and assessments, benchmarking exercises, surveys, and interviews with internal and external stakeholders. Twenty-one ESG-related topics were identified by the assessment to be relevant to Nasdaq's business. The assessment determined that the 13 topics below may be Nasdaq's highest priority ESG-related topics:

- Data Privacy & Cybersecurity
- Risk Management
- Board Composition & Governance
- Business Ethics & Integrity
- Human Capital Management
- Anti-Financial Crime & Anti-Money Laundering
- ESG & Sustainable Finance Products
- Transparency & Reporting
- Employee Engagement & Satisfaction
- Diversity, Equity & Inclusion
- Customer Relationship Management
- Decarbonization & Climate Strategy
- Innovation & Technology

While these 13 areas are critical to our sustainability strategy, targets, and resource allocation, additional ESG topics may be important for our reporting to stakeholders, and to Nasdaq's corporate strategy and culture. For further information on Nasdaq Inc.'s ESG materiality assessment relating to sustainability, please refer to Nasdaq's 2023 Sustainability Report available on Nasdaq Inc.'s webpage.

<sup>1</sup> References to materiality and similar terms refer to ESG topics that we have found to be relevant to our business based on our recent ESG materiality assessments. The information included in, and any issues identified as material for purposes of, this document may not be considered material for United States Securities and Exchange Commission ("SEC") reporting purposes. In the context of this disclosure, the term "material" is distinct from and should not be confused with such term as defined for SEC reporting purposes.

# Environmental

## Environmental and Climate Strategy

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 Sweden 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. Nasdaq's climate strategy aims to reduce our energy consumption, energy demand and corresponding greenhouse gas (GHG) emissions throughout our business operations and supply chain, as well as mitigate our corporate climate and biodiversity risk exposure. Our climate strategy is driven by two environmental programs:

- Carbon net-zero program: By driving initiatives that are designed to optimize and reduce GHG emissions across Nasdaq's business operations and supply chain, we aim to achieve our short-term and long-term net-zero science-based targets, which have been verified and approved by the Science Based Targets initiative (SBTi).
- Carbon neutrality program: By calculating our annual carbon footprint, procuring 100% renewable electricity and investing in high-quality carbon offsets, Nasdaq strives to achieve carbon neutrality on our reported GHG emissions on an annual basis.

The program aims to reduce and offset the carbon footprint of our global office and data center portfolio, corporate travel, waste and water use, employee commuting and goods and services consumption, among other areas, through the purchase of renewable energy credits and carbon offsets focused on carbon removal. Our continued ambition of investing in high quality carbon removal projects and our commitment to reducing our emissions to meet our verified Science Based targets drives our environmental programs and priorities.

Internally, the Global Green team brings together Nasdaq employees who are passionate about the environment, publishes internal knowledge-based resources, and works to drive sustainable initiatives through our local offices and communities. Nasdaq supports the Green Team's commitment to creating positive change throughout the Company as we drive to achieve our longer-term net-zero goals.

With respect to our business functions, we have a relatively small, manageable environmental impact due to the minimal 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 Sweden conserves natural resources by leveraging innovation, technology, education, and a culture of continuous improvement.

Nasdaq also encourages its suppliers to adopt sustainability and environmental practices in line with our Environmental Practices Statement and our Supplier Code of Ethics ("Supplier Code"). Suppliers must attest to our Supplier Code, confirming they have policies and practices consistent with our Environmental Practices Statement and to the extent they do not, will adhere to the applicable standards in our Supplier Code of Ethics. To the extent practical and feasible, suppliers provide us with information to support our reporting and transparency commitments related to sustainability and environmental impacts. Nasdaq is a CDP Supply Chain corporate member and requests that our top suppliers disclose their environmental data through CDP's

Climate Change survey. We set a target to request even more suppliers to respond to the survey, including our top 150 suppliers in 2023 and top 200 suppliers in 2024.

As part of our near-term science-based emissions reduction targets, we aim to have 70% of our suppliers by spend, covering purchased goods and services and capital goods, set or commit to set their own science-based targets by 2027. As we request suppliers to respond the CDP Climate Change survey, we encourage them to set science-based targets of their own.

**Water**

Nasdaq Sweden consumes water in two main categories, office space that we lease from within commercial buildings and data center space that we lease rack space and operate out of. We therefore do not have a significant impact on water systems. Water conservation initiatives are pursued to align to Nasdaq Sweden’s ESG goals with the aim to reduce consumption of all resource categories. Nasdaq Sweden plans to make a net positive impact on water demand by:

- Continuing our sustainable leasing strategy of consolidating offices in the same city and selecting office buildings with Green/Energy Certifications and water conserving infrastructure.
- Prioritizing Data Center operators with ISO Certifications, renewable energy offerings, and sustainability policies, including closed loop cooling systems that greatly reduce wastewater volumes.
- Reduced water consumption being incorporated into building infrastructure and operations.

Water consumption data relating to Nasdaq Group obtained directly from utility providers and/or from landlords or datacenter operators is presented per region for comparative purposes. Nasdaq Sweden forms part of the EMEA region:

2023	Water Consumption	Water emissions
Region	Water (Kiloliters)	Emissions (MTeCO2e)
Americas	25,503	31
APAC	7,675	9
EMEA	14,188	18
<b>Total</b>	<b>47,366</b>	<b>58</b>

2022	Water Consumption	Water emissions
Region	Water (Kiloliters)	Emissions (MTeCO2e)
Americas	20,857	23
APAC	4,213	4
EMEA	14,105	16
<b>Total</b>	<b>39,175</b>	<b>43</b>

## Waste

Waste reduction, recycling and compost diversion are key priorities for Nasdaq Sweden in the operation and management of its facilities. Our sustainable leasing strategy ensures efficient waste disposal and diversion of recyclable and compostable materials. We also implemented several automated tools to help reduce paper waste and other inefficiencies.

The below table represents the disposal and treatment of waste generated in Nasdaq Group's operations in 2023 and covers facilities not owned or controlled by the company. Waste and recycling are presented per region for comparative purposes. Nasdaq Sweden forms part of the EMEA region:

2023	Waste and Recycling (Weight) (MT)			Waste and Recycling Emissions (MT eCO2)		
	Incinerated	Landfilled	Recycled/ Composted	Incinerated	Landfilled	Recycled/ Composted
Americas	3	90	85	1	52	10
APAC	0	32	29	0	18	4
EMEA	6	18	36	3	11	4
<b>TOTAL</b>	<b>9</b>	<b>140</b>	<b>150</b>	<b>4</b>	<b>81</b>	<b>18</b>

2022	Waste and Recycling (Weight) (MT)			Waste and Recycling Emissions (MT eCO2)		
	Incinerated	Landfilled	Recycled/ Composted	Incinerated	Landfilled	Recycled/ Composted
Americas	48	114	108	21	59	9
APAC	0	10	8	0	6	1
EMEA	1	71	106	0	37	8
<b>TOTAL</b>	<b>49</b>	<b>195</b>	<b>222</b>	<b>21</b>	<b>102</b>	<b>18</b>

## Energy

Energy consumption, the reduction of energy demand and its corresponding Greenhouse Gas emissions is a high priority for Nasdaq Sweden. Greenhouse gas emissions related to energy consumption throughout the organization globally is the main source of Nasdaq Groups' operational emissions and is an area that Nasdaq can control and impact through changes in operations, strategy and policies. Our key focuses are:

- Reduce energy requirements, corresponding greenhouse gas emissions and waste generation of our global operations through thoughtful sustainable initiatives and strategies. Purchase high-quality, engineered and nature-based Carbon Offsets from projects that focus on carbon removal or biodiversity to neutralize the associated GHG emissions related to our Scope 1 and Scope 3 categories to achieve carbon neutrality.
- Purchase Renewable Energy Certificates (RECs) from projects that are less than five years old and feed power into the same energy distribution network as our operations to replace any fossil fuel electricity power consumed. The 2023 and 2022 electricity (MWh) consumption tables below incorporate data for Swedish office space and data centers.

2023 Country	Total Energy Consumption MWh/Year	Total Electricity Consumption MWh/Year	Renewable Electricity MWh/Year	% Renewable Electricity	Total Scope 2 Location-Based Emissions <sup>1</sup> (MT CO2e)	Total Scope 2 Market-Based Emissions <sup>2</sup> (MT CO2e)
Sweden	10,147	9,950	9,950	100%	345	23
Total	10,147	9,950	9,950	100%	345	23

2022 Country	Total Energy Consumption MWh/Year	Total Electricity Consumption MWh/Year	Renewable Electricity MWh/Year	% Renewable Electricity	Total Scope 2 Location-Based Emissions <sup>1</sup> (MT CO2e)	Total Scope 2 Market-Based Emissions <sup>2</sup> (MT CO2e)
Sweden	10,310	10,310	10,310	100%	148	0
Total	10,310	10,310	10,310	100%	148	0

## Emissions

CO2 emissions are tracked on an enterprise level and include global data for Nasdaq's office space, data centers, business travel, employee commuting, and goods and services consumption.

In 2023, Nasdaq, Inc., including Nasdaq Sweden, continued its carbon neutrality program for the sixth consecutive year and expects to retire its remaining carbon offsets for its 2023 GHG emissions by the end of the third quarter of 2024.

<sup>1</sup> According to GHG Protocol Scope 2 Guidance, location-based method quantifies Scope 2 GHG emissions based on average energy generation emission factors for defined locations, including local, subnational, or national boundaries.

<sup>2</sup> According to GHG Protocol Scope 2 Guidance, market-based method quantifies Scope 2 GHG emissions based on GHG emissions emitted by the generators from which the reporter contractually purchases electricity bundled with instruments, or unbundled instruments on their own.

# ESG Products and Services

Nasdaq’s position at the intersection of markets and technology provides us with a unique perspective on the evolution of the ESG ecosystem. Our role offers compelling opportunities to support our clients as they navigate their own sustainability journeys through a suite of ESG-related solutions designed to minimize complexity and reduce friction. Our ESG-focused capabilities suite encompasses a wide range of marketplace, technology, data & analytics products, and solutions that clients leverage as they develop, execute, and advance their own ESG strategies and platforms.

## ESG Solutions for the Investor Community

### Sustainable Debt Markets

The Nasdaq Sustainable Debt Market lists green, social, sustainability and sustainability-linked bonds, structured products and commercial papers and is designed to highlight sustainable investment opportunities to investors with a green, social, or sustainable investment focus. Nasdaq Sustainable Debt Market is open to all types of issuers that seek to issue securities that meet our listing criteria, which are based on the Green and Social Bond Principles as well as the Sustainability-Linked Bond Principles, for which the International Capital Markets Association (ICMA) acts as a secretariat. The number of sustainable debt instruments listed on Nasdaq grew by 12% during 2023 as compared to 2022 and the total listed outstanding sustainable debt volume grew by 28% as compared to 2022.

	December 31, 2023	December 31, 2022
Listings on the Sustainable Debt Market	529	471
Issuers on the Sustainable Debt Market	145	129

### Sustainable Bond Network

The Nasdaq Sustainable Bond Network connects issuers of sustainable bonds with investors, empowering them to evaluate impact and make informed investment decisions on sustainable bonds. The platform allows issuers of sustainable bonds to make their sustainable bond data more accessible to investors and other stakeholders. Investors can use the platform to evaluate, track and create impact reports based on issuers’ ESG bond reporting.

The database simplifies sustainable investing with an intuitive, easy-to-use solution that allows investors to discover, compile and compare sustainable bonds as well as generate impact reports. The platform also provides issuer-level information on UN Sustainable Development Goals allocation as well as EU Taxonomy.

	December 31, 2023	December 31, 2022
Issuers on the Nasdaq Sustainable Bond Network	1 721	1 550
Bonds on the Nasdaq Sustainable Bond Network	16 295	14 222

## **ESG Indexes**

The OMX Stockholm 30 ESG Responsible Index (OMXS30ESG), introduced worldwide in June 2018, was the first ESG version of an established exchange benchmark. It was followed by the listing of ESG index futures contracts in November 2018. The OMXS30ESG is an ESG responsible version of the OMX Stockholm 30 Index, which is the leading share index on Nasdaq Stockholm. Nasdaq develops and licenses a variety of indexes that encompass global, regional and thematic objectives with added ESG selection criteria. ESG criteria include screens for risk-based exclusions such as product involvement, positive alignment to sustainability goals, and normative alignment to good governance principles such as UN Global Compact compliance.

The Nasdaq-100 ESG Index (NDXESG) introduced in June 2021, measures the performance of the companies in the Nasdaq-100 Index that meet specific ESG criteria. Companies are evaluated and weighted on the basis of their business activities, controversies and ESG Risk Ratings.

## **Green Equity Designations**

Nasdaq launched Green Equity Designations on the Nordic markets in 2021 in response to increased demand for sustainable investments and extensive growth in Nasdaq Sustainable Bond Markets. With issuers and investors searching for more green performance indicators on the equity market, Green Equity Designations aim to enable visibility and transparency for investors with two voluntary designations, Nasdaq Green Equity Designation and Nasdaq Green Equity Transition Designation. Through these designations, Nasdaq can highlight environmentally sustainable companies or companies committed to transition to increase their visibility, transparency and credibility towards investors, business and other stakeholders.

The Nasdaq Green Equity Designation is currently available for companies on the Nasdaq Nordic stock exchanges. As the financial ecosystem prepares for upcoming sustainability and climate-related regulations, Nasdaq sees increasing interest in green equity classification from companies and investors outside the Nasdaq Nordic exchanges. In March 2023, the World Federation of Exchanges (WFE) launched its classification standard for Green Equity with reference to the existing model from Nasdaq's Green Equity Designation, highlighting Green Equity Designation's importance in helping investors assess companies that are generating revenue from products and services that contribute to positive environmental outcomes.

**Nasdaq ESG Data Hub** is a data solution offering investors and other stakeholders' easy access to a wide range of unique and comprehensive ESG data sets, accompanied by detailed product descriptions, unique selling points and use cases. The platform enables users to find data sets relevant to specific UN Sustainable Development Goals (SDGs) as well as diversity and inclusion, sustainability and climate. This broad array of data provides investors with visibility on the ESG impacts of their investments.

**Nasdaq ESG Footprint** offers a suite of data solutions which measure ESG performance at portfolio, fund and individual security level. This data enables investors and managers to better understand the real-world effects of their investments, report on sustainable finance regulations, align with leading international frameworks including the SDGs and build pioneering sustainability solutions. The data, provided by Matter, a sustainability analysis and reporting provider, is available via datasets, or using the intuitive portfolio analysis platform, allowing the user to generate ESG reports.



### ESG Solutions for the Corporate Community

ESG Advisory is a service solution that pairs companies with consultative ESG expertise to help analyze, assess and action best-practice ESG programs with the goals of attracting long-term capital and enhancing value. Services include ESG strategy development, Board engagement strategies, ESG investor engagement advice, and ESG reporting guidance for companies.

Nasdaq Metrio is a SaaS-based, end-to-end sustainability reporting platform. It enables corporates to collect, measure, disclose and communicate investor-grade, audited ESG data efficiently across dozens of raters, rankers and framework organizations to drive strategic outcomes and attract investors. The platform also features a new Carbon Accounting and Management product for companies looking to focus on their scope 1, 2 and 3 emissions.

## Social

### Human Capital Management

The company’s most valuable asset is its people, and Nasdaq Sweden has made deliberate investments to ensure that it remains an employer of choice to attract, retain and develop top talent. Nasdaq Sweden strives to create a work environment in which individuals are empowered to establish their own work objectives, aligned with Nasdaq Sweden’s overall business strategy and within the context of their area of discipline. Our compensation program includes annual grants of equity in Nasdaq for every employee to encourage our employees to “act like an owner,” reinforcing a shared sense of belonging and commitment to our collective success.

#### Employee Demographics

The following table illustrates Nasdaq Sweden employees gender distribution by career level.

Sweden		
Career level	2023	
	Female	Male
Executive	25%	75%
Senior	27%	73%
Mid	27%	73%
Entry	31%	69%
Not Disclosed	N/A	

Sweden		
Career level	2022	
	Female	Male
Executive	17%	83%
Senior	28%	72%
Mid	25%	75%
Entry	32%	68%
Not Disclosed	0,1%	

Employment contract for Nasdaq Sweden (permanent & temporary) by gender	
– Temporary employees for Nasdaq Sweden (Fixed term, interns, student workers)	15 Female / 24 Male (0 undeclared)
– Permanent (Regular employees)	237 Female / 634 Male (7 undeclared)
– Total:	39 Temporary / 878 Permanent
Employment type for Nasdaq Sweden (full-time & part-time) by gender:	
– Female	239 full-time / 13 part-time
– Male	623 full-time / 35 part-time
– Undeclared (Not declared, zero data)	7 full-time / 0 part-time

## Attracting and Retaining Employees

Our people are the primary driver of our success. Nasdaq is committed to attracting top talent and retaining, developing and motivating our employees. In 2023, Nasdaq maintained our historical levels of employee retention.

We are actively working to establish Nasdaq Sweden as a destination employer, having created a dedicated Talent Attraction team and establishing key partnerships to attract talent across all markets in which we operate. We seek to hire locally wherever possible, for all levels of individual contributor, manager and executive. Additionally, we introduced new hire and employee exit surveys to better understand why employees join, and leave, Nasdaq. The table below summarizes our 2023 and 2022 new hire and turnover data for all global operations, age groups, and employee categories.

### Workforce Attrition (Sweden)

- 2022: 11%<sup>1,2</sup>
- 2023: 9%<sup>1,2</sup>

<sup>1</sup>The Nasdaq Group enterprise average rate was 11% for 2022 and 7% for 2023.

<sup>2</sup>This number combines 7% (9%) voluntary attrition and 2% (2%) involuntary attrition.

## Growth and Advancement

Nasdaq's Performance Management program has been established to enhance the job performance and professional growth of each employee. Under this program, every employee is asked to create a professional development plan for themselves each year, in concert with their manager, and record this plan in our HR software.

In 2023, we continued to assess the current state of our talent, define the skills needed to achieve our strategic goals, set performance objectives to measure individual growth, provide opportunities for skills development and utilize the process to advance talent equitably. In order to identify our talent needs, Nasdaq makes extensive use of people analytics data in the following areas: measuring employee performance, strategic workforce planning, identifying flight risks and critical roles, and uncovering individual as well as organizational skills gaps.

The Career Hub (part of our enterprise Human Resources technology platform) provides AI-enabled, customized career development recommendations and planning resources for every employee. It also provides recommendations for training programs, mentors, informal networking and short-term gigs via the Talent Marketplace where employees can find project opportunities outside of their day-to-day roles to develop their skills directly and encourage mobility through visibility of internal open job requisitions.

In addition to providing mechanisms for ongoing feedback throughout the year, managers informally assess his or her employees during the mid-year period and complete a formal year-end performance review by the end of each calendar year. Managers incorporate a multi-dimensional review process of getting feedback on an employee's performance from peers, direct reports, or others who interact with them regularly.

The employee's performance review aims to ensure that they clearly understand what is expected by their manager and that their activities align to their respective business division goals. The review also helps inform each employee what knowledge and skills they must acquire or improve to grow in the present job, move into a lateral role or advance at Nasdaq.

## **Training and Education**

Nasdaq Sweden supports the development of its employees through each important transition in their careers – as new entrants to the organization, as developing professionals, as managers of teams and people and as leaders who lead the global organization. We have invested heavily in professional development for our employees, creating a dedicated Career Development internal website that serves as a central point for dozens of career resources. These Nasdaq resources include offering access to professional in-person and online employee development programs and job-specific training, providing tuition assistance to employees enrolled in degree-granting academic programs, holding internal career fairs and career networking programs, providing one-on-one mentoring, and access to professional coaching opportunities.

In 2023, we continued developmental programs for employees, including executive mentoring. We also continued our key leadership development programs to enhance accelerated growth and career advancement opportunities. We launched our flagship High Potential program, LEAD (Lead, Enrich, Access & Develop), which focuses on preparing mid-level managers for future leadership roles through a curriculum based on building business acumen, leadership skills, peer networking, senior leader mentorship and job shadowing opportunities. Over the six-month period, we had 56 full-time employees participate in LEAD out of over 200 nominees. We surveyed LEAD participants pre- and post-program to understand their strengths and areas of opportunity. We also expanded our Emerging Leaders Program, which provides early to mid-level employees access to executive coaching and individual professional development.

## **Wellness and Financial Security**

At Nasdaq, we understand the impact health and wellbeing has on productivity and employee engagement. Comprehensive health, wellness, vision and injury and accident coverage, health and wellness advice and preventive medicine are included in our Nasdaq Sweden benefits program. In addition, disability insurance, life insurance, and enhanced voluntary group life insurance are available. Nasdaq Sweden also supplements our employees' pensions through the Sweden Pension Plan.

## **Diversity, Equity and Inclusion**

Nasdaq's People Team is responsible for ensuring equitable employment and career development practices across the Company, as well as fostering a culture of inclusion and belonging for all. Some of these efforts include formal mentoring programs and employee training programs, as well as enhanced programming in partnership with our various Employee Network groups around the globe.

The Diversity, Equity and Inclusion team continued Nasdaq's training curriculum in 2023, offering courses such as Inclusive Leadership and Clifton Strengths Finder Training for Teams, which guide employees through common areas of interest, including enhancing emotional intelligence and effective utilization of talent.

To support managers, Nasdaq offers Conscious Inclusion for Managers training and the Inclusive Leadership course, designed to drive awareness around opportunities for inclusion. Managers are also offered Empowering Inclusive Teams training focused on practical tips to drive a culture of engagement.

In 2023, we graduated our first class of Accelerate(HER), which is our high-potential leadership program for our female employees to enhance their skills. Beginning in 2024, the Accelerate program is open to all employees.

## **Data and Information Privacy**

Data privacy is vital to our business, and we are committed to the protection of the personal data that we process as part of our business and on behalf of our customers. This includes information that Nasdaq Sweden generates in the performance of its services, and data provided to us by third parties, including customers, vendors, business partners, employees and other stakeholders.

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). Nasdaq Sweden appreciates the special obligations that apply to processing personal data and individuals' rights to privacy and personal data protection. Nasdaq's privacy compliance program is designed to enable adherence to laws and regulations applicable to personal data that it processes, including, as applicable, the European General Data Protection Regulation (GDPR) as well as our Privacy Policy and contractual commitments to customers, vendors and other counter-parties.

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

- Acceptable Use Policy
- Data Classification Policy
- Information Security Policy
- Mobile Device Policy

The Nasdaq Data Classification Policy identifies how to classify data, assets, and documentation. Nasdaq classifies data into four major categories: Public, Internal Use Only, Confidential, and Highly Confidential. We provide training on overall information security to all our employees on a regular basis. In 2023, we hosted an “Ethics in Action” webinar focused on privacy, the ethical handling of data and overall data protection and was available to all employees. We also provide tailored Information security training session to multiple audiences. Therefore, the company works continuously to educate and train all employees, which ensures that employees are well informed about data security and ethical handling of personal data and other data.

Nasdaq Sweden expects that its suppliers share our commitment to data and information privacy by complying with the Nasdaq Supplier Code. As stated in the Supplier Code, Nasdaq expects suppliers to comply with applicable laws and regulations and contract terms relating to personal data and privacy including laws and regulations of the jurisdiction where personal data originated. Suppliers must disclose all jurisdictions in which they intend to process data on behalf of Nasdaq and provide all information requested by Nasdaq to assess the transfer of personal data to such locations.

To support these principles, Nasdaq maintains a comprehensive and consistent set of information security documentation and requirements intended to protect 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 (full-time and part-time employees, and contractors) working for Nasdaq Sweden. In 2023 and 2022, no breaches to our information systems were reported/identified.

## **Human Rights**

Nasdaq Sweden 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.

We understand that supply chains are complex and continually evolving and global human rights conditions change. 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. Nasdaq, Inc. has incorporated within its Code of Ethics, corporate policies, or programs specific requirements to put the following principles into practice:

- Equal Employment Opportunity and Discrimination
- Harassment
- Non-Retaliation
- Diversity and Inclusion

- Data Privacy
- Health and Safety
- Labor Standards

We provide training and promote effective employee communication related to these topics, including through town halls and topic specific webinars. We plan to continuously evaluate processes and technologies that could enable us to enhance our current risk-monitoring capabilities in the future. We acknowledge the responsibility to respect human rights as outlined in the UNGP. In 2023 and 2022, no direct adverse impacts on human rights were identified/detected.

## Governance

### Business Ethics

The Nasdaq Ethics and Compliance program is designed to meet or exceed available standards, including guidelines by European regulators. Nasdaq Sweden 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. In 2023, we furthered the use of automation and analytics in supporting compliance programs to drive effectiveness and reduce risk. Additionally, we aim to enhance employee training programs through additional focus on targeted topics.

Our Global Employee Ethics Program is based on industry-leading practices and led by our Chief Legal, Regulatory & Risk Officer and is supported by a cross-functional, geographically diverse team, with oversight by Nasdaq's Audit & Risk Committee of the Board of Directors (the "Audit & Risk Committee"). External compliance experts are also regularly consulted. This Program provides values-based guidance, heightens compliance risk awareness, strengthens decision-making and drives sound business performance through five pillars: Executive and Board Leadership; Policies, Procedures and Controls; Risk Assessment; Outreach and Training; and Monitoring, Audit and Response.

Nasdaq leaders strive to create an ethical culture in which employees understand our commitment to integrity as foundational to our Purpose, Vision, Mission and Values, and feel comfortable raising issues or concerns without fear of retaliation. Managers encourage ethical conduct and compliance with the law by modeling integrity and personally leading ethics and compliance efforts; including cyber and information security, when evaluating and rewarding employees; and ensuring employees understand that business results are never more important than ethical conduct and compliance with Nasdaq policies and the law.

The Nasdaq Code of Ethics and related policies are applicable to all of Nasdaq's officers, directors, employees and other associates in conducting business in accordance with the highest standards of ethics and compliance. Our Code of Ethics and related policies outline requirements related to our ethical standards, conflicts of interest, employee trading activities, personal securities trading activities, self-regulatory organization responsibilities, regulatory transparency, whistleblowing responsibilities and protections, antitrust laws, anti-bribery and corruption controls, privacy, data security, sanctions, and trade control laws. Nasdaq also embeds its commitment to governance transparency, integrity and ethical values business practices in a series of robust policy documents, all freely available for download on our ESG Resource Center at <https://www.nasdaq.com/esg/resource-center>. During 2023 and 2022 no breaches to our ethical values were reported/identified.

## Anti-Corruption

There are corporate risks related to violations of rules and laws governing corruption, bribery and similar unlawful activities. Companies risk losing their license to operate, could face exposure and punishment by market forces, and be subject to potential prosecution and imprisonment for the individuals involved. We face risks related to compliance with economic sanctions, export controls, corruption and money laundering. Liability could also result from disputes over the terms of a trade, claims that a system failure or delay cost a customer money, claims that we entered into an unauthorized transaction or claims that we provided materially false or misleading statements in connection with a securities transaction.

Nasdaq Group and Sweden seeks to comply with Foreign Corrupt Practices Act (FCPA), UK Bribery Act, and other anti-bribery and anticorruption laws, including reviewing “red flags” for corruption and situations where extra diligence must be exercised. Nasdaq Sweden regularly evaluates the efficacy of its operation, impact, products and services in order to increase positive outcomes and decrease negative outcomes. Nasdaq's Supplier Code outlines our expectations for Business Partners including those expectations related to bribery and corruption. The following three main risks and mitigating actions have been defined:

- **Unlawful Gifts or Inducements to Government Officials:** Under Nasdaq's Code of Ethics and its Gifts, Business-Related Events & Anti-Bribery and Corruption Policy, the company has a zero-tolerance policy towards corruption.
- **Improper Gifts or Inducements to Commercial Counterparties:** Nasdaq Sweden staff are prohibited from giving gifts in exchange for favorable treatment, which violate contractual agreements with counterparties or that are contrary to corporate policies applicable to the recipient.
- **Engagement of Suppliers and Third-Party Representatives:** No Nasdaq Sweden employee may authorize any third party to engage in conduct that the Nasdaq Sweden employee could not do his/herself. To protect against this risk, all Nasdaq Sweden vendors are screened for corruption risk prior to engagement and continuously monitored for corruption issues during the period of their work for the company.

Raising concerns about potential violations of these Codes or other policies is critical to protecting individual and company interests and upholding our commitment to act with integrity. All Nasdaq employees, contractors and third parties doing business with Nasdaq have multiple channels for raising ethics and compliance concerns or allegations of misconduct. These channels include directly contacting our Global Ethics Team through dedicated communications channels and reporting through our SpeakUp! Line. The SpeakUp! Line is operated by a third-party hotline provider that enables Nasdaq to communicate with an individual reporting an issue on an anonymous basis. In addition to the SpeakUp! Program, individuals can directly and confidentially contact our Audit & Risk Committee Chair via email or mail. During 2023 and 2022, no potential violations were reported/identified.

## Anti-Financial Crime and Money Laundering

As a self-regulatory organization (SRO) and operator of regulated financial systems such as exchanges, a clearinghouse and central securities depositories, Nasdaq Sweden 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, Trade Controls and Sanctions Compliance Policy and Global Anti-Money Laundering

(AML) Policy, as well as applicable regional policies require compliance with all AML laws and regulations that apply to our business. For covered operations, 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 US and EU laws and regulations. Nasdaq is committed to detecting and deterring money laundering and terrorism financing at the onset of a business relationship, as well as throughout its duration.

Across our global enterprise, Nasdaq has implemented comprehensive policies and screening programs to enable compliance with economic sanctions that apply to its business. This includes screening all customers, vendors and other business partners against applicable sanctions lists such as those published by the United Nations, US Department of Treasury, Office of Foreign Assets Control, the European Union and the United Kingdom along with other jurisdictions where Nasdaq operates. Nasdaq has appointed senior level employees to oversee its sanctions compliance program and reviews its sanction compliance policy annually with the Board of Directors. In 2023, Nasdaq delivered mandatory high-level sanctions and AML compliance training to all of its employees.

In operating our markets, Nasdaq maintains robust surveillance teams that monitor our markets for potential suspicious trading activity and compliance with our market rules. Our surveillance teams use sophisticated software that leverages models and analytics to identify suspected risks, which are then escalated and reviewed. Nasdaq cooperates with the U.S. SEC, financial supervisory authorities, Financial Industry Regulatory Authority, The European Securities and Markets Authority and other exchanges to address suspected violations, to deter, identify and prosecute unlawful activity affecting the securities market. Nasdaq also licenses its technology to regulators and financial firms to help them monitor their markets and activity.

Nasdaq believes it is important for our employees to stay informed regarding the latest developments in anti-financial crime and money laundering and provides regular updates and training sessions on this topic. As a KPI in this area, Nasdaq Sweden refers to its corruption testing and auditing program. Under this global program, vendor payments and employee expense reimbursements are reviewed on a monthly basis with a risk-based sample audited. As validated by this testing, Nasdaq Sweden has not identified any transactions that violate applicable corruption laws during 2023 and 2022.

## **Risk Management**

Nasdaq's Group Risk Management (GRM) function has established an Enterprise Risk Management (ERM) framework to identify, assess, monitor, measure, and treat risks, including information-security risks. GRM facilitates ERM Framework execution within Nasdaq's business units and expert functions, coordinates risk management activities across the Company, and aggregates and reports risk information on a regular basis. For a detailed description of our risk framework, please refer to the Annual Report.



## Information and Cyber Security

The Information Security Department is responsible for coordinating the protection of the Nasdaq Group's core business operations and information against real-world cyber threats, by employing technology, policy, processes, education programs, and sound design techniques across the organization. Nasdaq's Chief Information Security Officer (CISO), who reports directly to Nasdaq's Chief Information Officer within Nasdaq's centralized Global Technology organization, manages the Information Security Department (ISD).

The ISD team is responsible for:

- Performing and coordinating security assessments and vulnerability scans of Nasdaq's internal, external and third-party applications;
- Implementing and maintaining Nasdaq's various information security-related policies and standards;
- Middleware and vulnerability management in addition to special projects as designated by the CISO;
- Nasdaq's compliance efforts for European and UK General Data Privacy Regulation (GDPR) and all supporting data privacy and protection efforts;
- Configuring Nasdaq Group infrastructure and the applications running thereon in accordance with Nasdaq's configurations policies, processes and standards;
- Development of internal tools and solutions to drive efficiency and enhance monitoring and visibility through operational metrics and compliance;
- Operating Nasdaq's Global Security Operations Center (GSOC), which monitors security event logs, 24/7/365, from Nasdaq networks, systems, applications and databases and creates log files of known and unknown events; and
- Monitoring threats against Nasdaq, its technology stack and its peer organizations, and providing recommendations for securing potentially vulnerable populations at Nasdaq in the context of emerging threats.

On an annual basis, the Information Security team reviews and updates its governance documents, such as the Information Security Charter, the Information Security Policy and the Information Security Program Plan, and then presents the revised documents to the Audit & Risk Committee for review and/or approval.

Our Audit & Risk Committee receives quarterly reports, as well as additional reports as needed, on cybersecurity and information security matters from our Chief Information Security Officer. This regular reporting to the Audit & Risk Committee includes a cybersecurity dashboard that contains information on cybersecurity controls and from time to time also includes information on projects to strengthen internal cybersecurity, ongoing prevention and mitigation efforts, security features of the products and services we provide our customers, or security events during the period. The 2023-2025 Cybersecurity Strategic Plan, was reviewed and approved by the Audit & Risk Committee in June 2023. The team has established specific projects with assigned owners associated with each goal outlined in the Cybersecurity Strategic Plan. Projects will be executed from 2023 through 2025.

The Nasdaq Information Security Management System (ISMS) that governs the global enterprise infrastructure and supports key global information security processes and includes technology, personnel, locations and data centers, conforms to ISO 27001 requirements and is ISO 27001 certified. The processes in scope for the Nasdaq ISO 27001 certification include: Access Management, Human Resources, Product Development Lifecycle (PDLC), Change Management, Supplier Risk Management, Configuration/Build Management, Asset Management, Incident Management, Physical Security, Security Operations, Risk

Assessment, Internal Audit, Disaster Recovery, Scanning, Backup/Restore and Application Security. Nasdaq personnel corporate equipment and connectivity to the production infrastructure are also in scope. Additionally, certain Nasdaq products undergo an annual SOC 2 Type II audit. The final reports are made available to customers under non-disclosure agreements.

Nasdaq and its affiliates require employees to annually take Security Awareness Training annually. Nasdaq's Security Awareness Training is created in-house by the Information Security Department. New employees are provided an Information Security training as part of their onboarding and complete a quiz to validate their understanding of Nasdaq's security protocols. New employees must review Nasdaq's Information Security Policies and assert compliance with such Policies by signing the Information Services Agreement form.

Additional training activities carried out during the year include monthly simulated spear-phishing (email) attacks. Role-based security training is provided for Nasdaq and its affiliates developers and Information Security staff in line with industry best practices via our secure coding training program. Nasdaq hosts various cybersecurity awareness events throughout the month of October to celebrate Cybersecurity Awareness Month.

## Other sources

For further information on Nasdaq Group's efforts relating to sustainability, please refer to Nasdaq's 2023 Sustainability Report and Nasdaq's 2024 Proxy Statement available on Nasdaq Inc.'s webpage.