



Nasdaq Copenhagen A/S

Nikolaj Plads 6
1067 Copenhagen K
CVR No. 19042677

Annual Report 2023

The Annual General Meeting adopted
the annual report on 10 June 2024

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Rose Marie Wulff
Chairman of the General Meeting

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Management's Statement

The Board of Directors and Management have reviewed and approved the Annual Report of Nasdaq Copenhagen A/S for the financial year 1 January – 31 December 2023.


The Annual Report is submitted in accordance with the Danish Financial Statements Act.

It is our opinion, the Financial Statements give an accurate account of the company's assets, liabilities and financial position as of 31 December 2023 as well as the result of the company's activities for the financial year 1 January – 31 December 2023.

We believe that the Management's Review gives a fair review of the matters and conditions referred to therein. We recommend the Annual Report to be approved at the Annual General Meeting.


Copenhagen, 21 May 2024

Executive Board

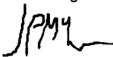
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Nikolaj Kosakewitsch
CEO

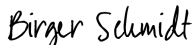
Board of Directors

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Lauri Mikael Rosendahl
Chairman

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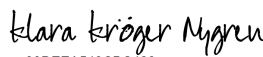
James Peter McKeone

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Birger Henrik Schmidt

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Gunilla Hellqvist

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Klara Kröger Nygren

Independent Auditor's Report

To the shareholders of Nasdaq Copenhagen A/S

Opinion

We have audited the financial statements of Nasdaq Copenhagen A/S for the financial year 1 January – 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the company at 31 December 2023 and of the results of the company's operations for the financial year 1 January – 31 December 2023 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Independent Auditor's Report

As part of an audit conducted in accordance with ISAs and additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Independent Auditor's Report

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 21 May 2024

EY Godkendt Revisionspartnerselskab

CVR no. 30 70 02 28

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State Authorised Public Accountant
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Jonas Milbak
State Authorised Public Accountant
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Company Information

The Company

Nasdaq Copenhagen A/S
Nikolaj Plads 6
1067 Copenhagen K

CVR no. 19042677
Dates of foundation: 10.01.1996
Registered office: Copenhagen
Financial year: 1 January - 31 December 2023

Phone: +45 33933366
Website: www.nasdaqomxnordic.com

Board of Directors

Lauri Mikael Rosendahl, Chairman
James Peter McKeone
Birger Henrik Schmidt
Gunilla Hellqvist
Klara Kröger Nygren

Executive Board

Nikolaj Kosakewitsch, CEO

Auditors

EY Godkendt Revisionspartnerselskab
Dirch Passer Allé 36
2000 Frederiksberg
CVR no: 30 70 02 28

Financial Highlights

DKK'000	2023	2022	2021	2020	2019
Key figures					
Revenue	350,530	362,108	373,023	360,274	329,708
Gross profit/(loss)	334,556	349,472	363,878	355,026	320,059
Operating profit/(loss)	232,362	248,580	265,175	264,609	233,256
Net financial income/(expense)	10,570	1,499	(99)	(113)	(123)
Profit/(loss) for the year	189,900	195,247	207,398	206,659	182,072
Total assets	343,249	362,316	383,628	408,087	344,317
Investment in tangible fixed assets	88	724	275	77	119
Equity	288,947	319,047	330,384	329,986	303,327
Ratios					
Gross profit margin (%)	95	97	98	99	97
Operating profit margin (%)	66	69	71	73	71
Net profit margin (%)	54	54	56	57	55
Return on equity (%)	62	60	63	65	60
Equity ratio (%)	84	88	86	81	88

Gross profit margin (%) :

$$\frac{\text{Gross profit/(loss) for the year} * 100}{\text{Revenue}}$$

Operating profit margin (%) :

$$\frac{\text{Operating profit/(loss) for the year} * 100}{\text{Revenue}}$$

Net profit margin (%) :

$$\frac{\text{Profit/(loss) for the year} * 100}{\text{Revenue}}$$

Return on equity (%) :

$$\frac{\text{Profit/(loss) for the year} * 100}{\text{Average equity}}$$

Equity ratio (%) :

$$\frac{\text{Equity} * 100}{\text{Total assets}}$$

Managements Review

Main activity

The main purpose for Nasdaq Copenhagen is to provide an effective and transparent exchange infrastructure for issuers, members and investors. The company primarily generates income from two main areas: trading services and data & listing services. Nasdaq Copenhagen also provides services to other entities within the Nasdaq Group.

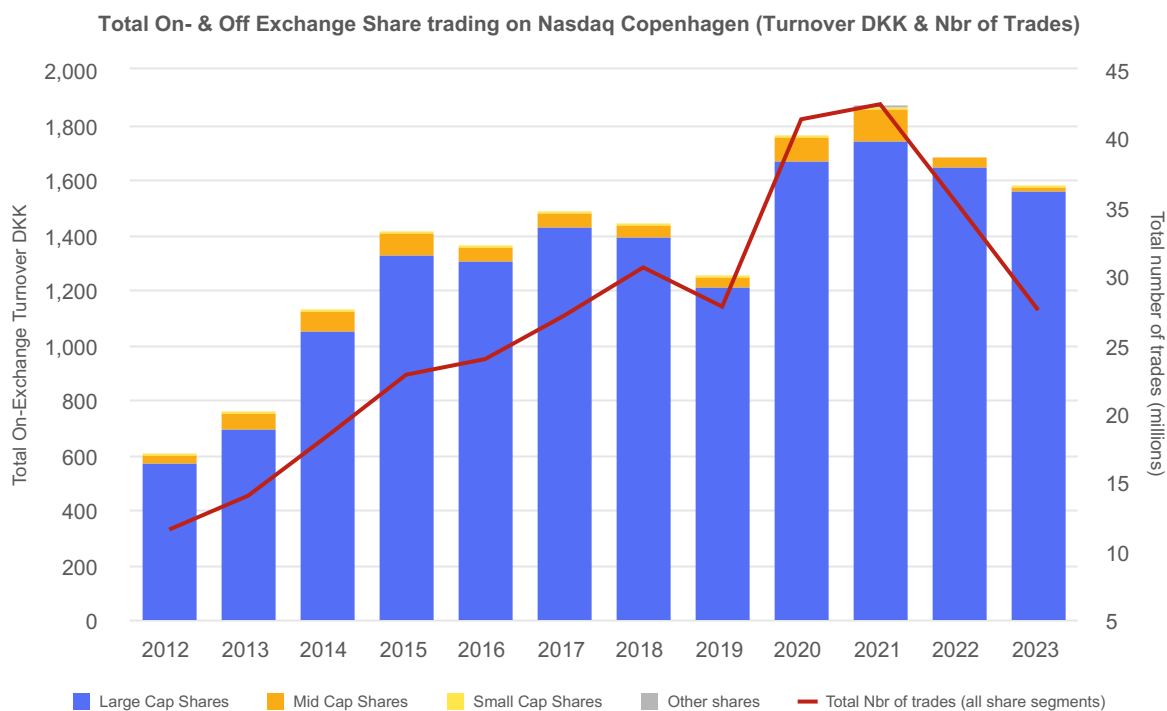
Development in activities

Trading Services:

There were 250 trading days on Nasdaq Copenhagen in 2023, which was two fewer trading days compared to 2022.

Cash equity trading

The Copenhagen all share index and market experienced continued uncertainty from 2022 and throughout 2023, as a result the ongoing market volatility, as well as the elevated level of inflation. Investor interest and volumes remained low throughout the year due to increased interest rate levels during 2023, which decreased both retail and institutional investors' risk appetite on the equity market. A strong rebound in prices was noted during the fourth quarter of 2023 with the Copenhagen All-Shares CAP index closing with an index price of 1,403.40 at the end of 2023, which is a year-over-year increase of 2.3%. The uncapped Copenhagen All-Shares Index grew in comparison by 16.8% in 2023, which can be primarily attributed to Novo Nordisk's share price development and increase in market capitalization during 2023. Nasdaq Copenhagen remains the second largest stock market in the Nordic region following Nasdaq Stockholm.



Managements Review (continued)

The total turnover in all Danish listed shares on Nasdaq Copenhagen was DKK 1,584 billion in 2023 vs DKK 1,689 billion in 2022, equivalent to a 6.2% decline. The total number of trades was 27.5 million in 2023, which was a decrease of 21.5% year-over-year in the total number of trades. During 2023, 98.7% of all listed Large-Cap shares was traded on Nasdaq Copenhagen, which was an increase of 1.2% compared to 2022. The trading in Large-Cap shares declined year-over-year by 5.1% resulting in a total turnover of DKK 1,564 billion. The Danish Mid-Cap shares turnover declined to DKK 16 billion, equivalent to a total decline of 57.1% year-over-year.

As a consequence of different liquidity enhancing initiatives and the general market uncertainty, all Nasdaq Nordic primary markets noted an increase in both Lit, as well as Lit & Auction market share during 2023. Nasdaq Copenhagen's Lit & Auction market share increased year-over-year by 4.0% from 5.5% at the end of 2022 to 9.5% at the end of 2023. Nasdaq Copenhagen's Lit market share grew by 3.5 % to 57.9% at the end of 2023. Nasdaq Copenhagen total price forming market share capture in Danish shares was 48.7% at the end of 2023, which was a slight increase of 3.0% compared to 2022.

Listing and trading in Exchange Traded Funds (ETFs)

Nasdaq Copenhagen has a passive XACT OMXC25 tracker ETF listed and traded. The turnover and number of trades has decreased during 2023, with a total of 38,636 trades and DKK 2.05 billion in total turnover. The XACT C25 volumes declined year-over-year in terms of total numbers of trades by 27.8% in 2023, and with an equivalent decline of 13.6% in traded turnover. The listed DKK Market Cap (AUM) of XACT C25 increased year-over-year by 5.4 million DKK, equivalent to a 10.6% increase.

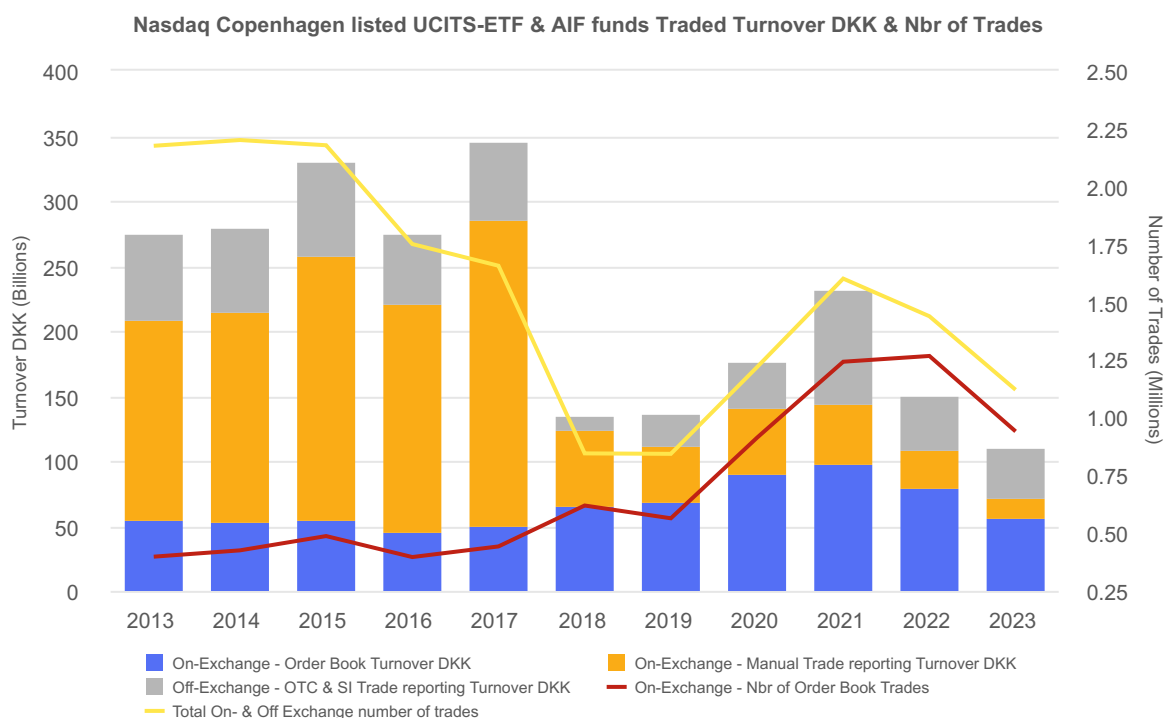
The Danish Investment funds market

The total Danish UCITS-ETF and AIF market on Nasdaq Copenhagen is continuously developing, with new issuers of active and passive managed funds entering the market. In 2023 a new issuer listed 4 new Investment Funds, with several other issuers listing, consolidating and delisting several funds resulting in a net inflow of one additional fund in 2023, compared to the end of 2022. At the end of 2023, Nasdaq Copenhagen had a total of 479 listed funds, with a total AUM of 513.4 DKK billion, equivalent to an increase of total listed AUM of 7.2% year-over-year.

On-Exchange Order Book turnover declined in 2023 to DKK 57.1 billion, equivalent to a 28.9% decline compared to 2022. The total number of Order Book trades in 2023 was 944,433, equal to a 22.3% decline from 2022.

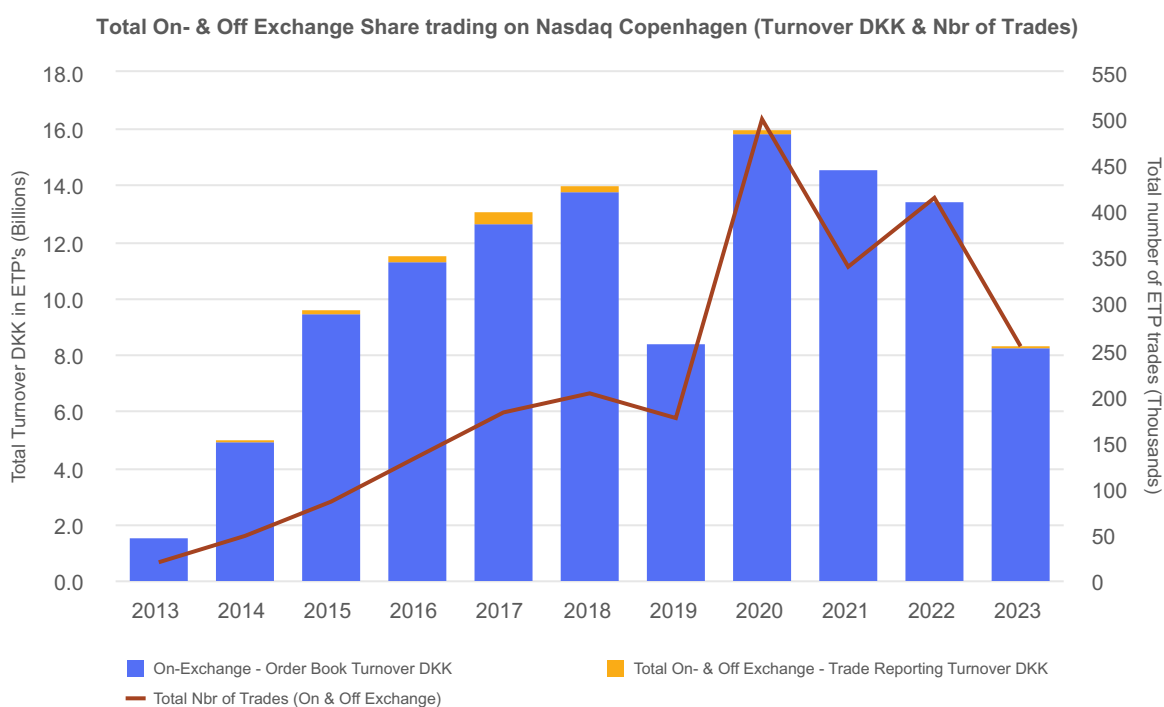
The total Nasdaq Copenhagen On- & Off-Exchange trading activity (Order Book, as well as On- & Off-Exchange Reporting) was in total DKK 111.4 billion during 2023, equivalent to 1,117,744 trades. The Total Turnover on Nasdaq Copenhagen declined by 25.4% year-over-year and a decline of 22.3% in terms of total number of trades.

Managements Review (continued)



The development in Danish Exchange Traded Products (ETPs)

The total turnover in listed ETPs on Nasdaq Copenhagen was DKK 8.3 billion in 2023, which was a decline of 38.4% from the trading activity during 2022. The total number of trades in 2023 was 253,322, compared to 413,971 in 2022, a decline of 38.8%. The trend of declining trading activity in ETPs during 2023, was also noted outside of Denmark, due to the general decrease in retail investors' risk appetite for trading both equities, as well as leveraged exchange-traded products.



Managements Review (continued)

Fixed Income Trading

The total Fixed Income cash bond trading during 2023 amounted to DKK 4,193 billion which translates to a decrease of more than 18.8% compared to 2022. In 2022 the conversion activity in the Mortgage Bond market drove activities to an elevated level however, this activity decreased significantly in 2023 resulting in a decrease in turnover figures. At the end of 2023, a total number of 1,495 bonds are listed on Nasdaq Copenhagen.

Nasdaq DKK Repo clearing business has experienced a decrease in the number of contracts, as a consequence of the above-mentioned drop in conversion activities in the mortgage market. By the end of 2023, there were 1,422,368 contracts compared to 1,744,583 contracts in 2022, resulting in a decrease of 18.5%. As a result of the increased interest rate levels during 2023, Nasdaq Copenhagen has experienced increased activity in the pricing and trading of bonds within our main market, compared to the insignificant activity during 2022.

Data & Listing Services:

Listing services

During 2023, Nasdaq Copenhagen had 5 initial public offerings (IPO) which were listed on Nasdaq's Main Market. On the Main Market we listed Gubra, whose IPO raised EUR 67m, Asetek, Pharma Equity Group and Better Collective. Shape Robotics was transferred from Nasdaq First North to the Main Market. This is compared to 3 listings during 2022, of which 1 listing was on Nasdaq's First North Growth Market and 2 listings on the Main Market.

As a result of the increased number of listings in 2023, capital raised to support newly listed companies' growth, raised from DKK 215 million in 2022 to DKK 500 million in 2023. During 2023 DKK 21.7 billion in capital was raised on Nasdaq Copenhagen Main Market, compared with 2.7 billion in 2022. During 2023 15 companies were delisted, 5 on Main Market and 10 on First North, compared to 5 companies that delisted during 2022.

Market data

The Nasdaq European Data Products business produces a wide variety of reliable, high-quality data products. These offerings include data from several asset classes including equities, bonds, derivatives, commodities for the Nordic & Baltic markets, precious metal information for the London and Zurich market, and ESG tools covering global equity and Fixed Income. Nasdaq offers its innovative market data products to professional and private investors worldwide to enable investors to have the essential tools to identify trends in the market and make qualified investment decisions. During 2023, we maintained, and continued to expand, our portfolio of ESG services and solutions for our clients and stakeholders, including: the Nasdaq Sustainable Bond Network, which connects issuers of sustainable bonds with investors, empowering them to evaluate potential impacts and make informed investment decisions. In addition, we launched a new pricing model for customers that choose to count subscribers by natural user, and launched a data product that delivers customer carbon removal index data from Puro.Earth.

Surveillance:

The overarching mission of the Surveillance function is to protect the integrity of Nasdaq marketplaces. Safeguarding the integrity of our markets is not only a regulatory requirement for Nasdaq, but also a necessity for fair and efficient trading and to support our business model. Surveillance work has involved training and education of new issuers and stakeholders. Surveillance has high focus on proactively having dialogue with market participants, including listed companies, advisors, trading members and other customers and clients. In 2023, Surveillance hosted 22 educational seminars and presentations with more than 600 participants. During 2023 a total of 10 disciplinary rulings were decided by the Copenhagen Disciplinary Committee.

Managements Review (continued)

Statement of Social Responsibility cf. §99a

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.

Nasdaq conducts periodic ESG materiality assessments 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 ESG topics to inform our sustainability strategy and approach to ESG governance and reporting. This assessment weighed the potential relevance of a wide 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.

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 Copenhagen 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:

Managements Review (continued)

- 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.

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 Copenhagen conserves natural resources by leveraging innovation, technology, education, and a culture of continuous improvement.

In 2023, Nasdaq, Inc., including Nasdaq Copenhagen, 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. The table below indicates our electricity consumption for 2023.

	Total Energy Consumption MWh/Year	Total Electricity Consumption MWh/Year	Renewable Electricity MWh/Year	% Renewable Electricity	Total Scope 2 Location-Based Emissions¹ (MT CO2e)	Total Scope 2 Market-Based Emissions² (MT CO2e)
Denmark	221	40	40	100%	36	33
Total	221	40	40	100%	36	33

¹ 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.

² 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.

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.

ESG Products & 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.

Managements Review (continued)

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.

	<u>31 December, 2023</u>	<u>31 December, 2022</u>
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.

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

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.

Managements Review (continued)

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 and Employee Conditions

Diversity, Equity and Inclusion

The company's most valuable asset is its people, and Nasdaq Copenhagen has made deliberate investments to ensure that it remains an employer of choice to attract, retain and develop top talent. A critical operational risk for Nasdaq Copenhagen relates to the inability of employees to perform tasks or processes due to a suboptimal work environment. Nasdaq Copenhagen strives to create a work environment in which individuals are empowered to establish their own work objectives, aligned with Nasdaq Copenhagen'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.

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.

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 Copenhagen 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.

Managements Review (continued)

Workforce Attrition (Denmark)

- 2022: 7% ^{1,2}
- 2023: 7% ^{1,2}

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

² This number combines 5% (7%) voluntary attrition and 2% (0%) involuntary attrition.

Growth and Advancement

Nasdaq Copenhagen's Performance Management program was 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 Copenhagen 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.

Managements Review (continued)

Human Rights

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

A risk for human rights relates to supply chains which are complex, continually evolving and global human rights conditions change which requires continued vigilant human rights due diligence. 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.

Business Ethics and Compliance

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

Managements Review (continued)

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 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 Nasdaq Copenhagen seeks to comply with Foreign Corrupt Practices Act (FCPA), UK Bribery Act, and other anti-bribery and anti-corruption laws, including reviewing "red flags" for corruption and situations where extra diligence must be exercised. Nasdaq Copenhagen 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 Denmark staff are prohibited from giving gifts in exchange for favorable treatment, that 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 Denmark employee may authorize any third party to engage in conduct that the Nasdaq Denmark employee could not do his/herself. To protect against this risk, all Nasdaq Denmark 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.

Managements Review (continued)

Anti-Financial Crime and Money Laundering

Nasdaq Copenhagen 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. 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 Copenhagen has not identified any transactions that violate applicable corruption laws during 2023 and 2022.

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;

Managements Review (continued)

- 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.

Managements Review (continued)

Statement of gender distribution in management cf. §99b

Nasdaq Copenhagen recognizes and embraces the benefits of having diversity in management and sees increasing diversity, including gender diversity at the exchange's other management levels as an essential element in maintaining a competitive advantage.

5-year overview:		2023	2024	2025	2026	2027
Top managerial positions (Board of Directors)	Total number of members	5				
	Underrepresented gender (%)	40%				
	Target figure (%)	40%				
	Year for fulfillment of target figure	2023				
Other managerial positions (Level 1 and 2)	Total number of members	3				
	Underrepresented gender (%)	33%				
	Target figure (%)	33%				
	Year for fulfillment of target figure	2023				

The Board of Directors

The elected board of directors of Nasdaq Copenhagen consists of 3 men and 2 women, thus 40% female representation as of 31 December 2023. According to the guidance of the Danish Companies Act and the Danish Business Authority's (Erhvervsstyrelsens), an equal gender balance is understood as a distribution of 40%/60% of women and men, respectively. Thus, an equal gender distribution has been achieved.

Other management levels

Other management levels of the Exchange are to be understood as two management levels below the Board of Directors of the Exchange. The first management level below the Board of Directors is the President of the Exchange. The second management level below the Board of Directors encompasses persons with management responsibility, who refer directly to the first management level below the Board of Directors, i.e. to the President.

The second management level for the Exchange is defined in accordance with the Exchange's governance structure and encompasses first level of defense functions with the reporting responsibility towards the President, i.e. Surveillance, Finance, Treasury, Business Units, Legal & Communications, in so far as these functions have management responsibilities.

The first and second management level consists of 2 men and 1 woman, thus 33% female representation as of 31 December 2023. As per the guidance of the Danish Companies Act and the Danish Business Authority's (Erhvervsstyrelsens), an equal gender distribution has been achieved.

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.

Managements Review (continued)

Data Ethics and Information Privacy cf. §99d

As a global exchange operator, Nasdaq Copenhagen views data as its lifeblood. Accordingly, our commitment to data ethics is reflected in our culture of security, our policies and procedures for data systems and processing activities, our mechanisms for monitoring our information systems and data use and the role-based training that we provide to staff on ethics and protection. Nasdaq Copenhagen's data ethics is encompassed within the Nasdaq Code of Ethics and relevant company policies, procedures and standards. Its continued implementation, reinforcement and assessment by the Executive Board on annual basis, provides that good governance is embraced and the highest ethical standards are upheld. Our work with data ethics is further supported by our team of skilled information security and technology professionals who design, protect, and maintain our information systems.

Nasdaq Copenhagen is committed to respecting and complying with laws and regulations that apply to the collection, use, distribution, destruction, and other processing of personal data (i.e., any data about an identified or identifiable individual). Nasdaq Copenhagen utilizes master data in the performance of our services, which consists of both internally generated data through our business operations and data provided to us by third parties, including customers, vendors, business partners, employees, and other stakeholders. Nasdaq Copenhagen is also committed to appropriately secure the above nonpublic data generated through its operations and received from the above stakeholders.

Nasdaq Copenhagen expects that its suppliers share our commitment to data ethics and integrity 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.

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.

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

Managements Review (continued)

operate). Nasdaq Copenhagen 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.

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.

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.

Managements Review (continued)

Risk management

The risks that arise due to the nature of the company's stock market-related operations are limited and mainly compromise operational risks and normal credit risk and counterparty risks. Nasdaq Copenhagen has established a comprehensive Enterprise Risk Management (ERM) framework, that enables all types of risks (Financial Risk, Operational Risk, Legal & Regulatory Risk, Strategic & Business Risk and Environmental, Social and Governance Risk) to be identified and assessed based on both their probability and potential impacts, as well as identifying mitigating activities to reduce these risks.

Strategic and Business risks

Nasdaq Copenhagen remains the preferred choice for listing of companies domiciled in Denmark. Continued globalization has increased competition for trading of shares. In the bond market, the competitive landscape is evolving as well. Electronic trading is becoming a bigger focus for Banks and Investors, in their search for liquidity.

Earnings on trading are generally affected by the development of equity and bond turnover and are therefore largely outside the company's control. The increased competition on trading with Danish shares causes a greater pressure on trading revenue. Nasdaq Copenhagen had an average market share of 68% of the trading in shares listed on Nasdaq Copenhagen in 2023 compared to 69% in 2022.

Information revenue continues to be based primarily on sale of real-time information. This is due to the basic structure of the international financial information environment and therefore also applies to Nasdaq Copenhagen.

Legal & regulatory risk

As a regulated entity, Nasdaq Copenhagen is inherently exposed to risks relating to civil and criminal consequences, including regulatory penalties, fines, forfeiture, and litigation, while conducting business operations as an Exchange and additionally as a BMR Benchmark Administrator. Given its role in capital markets as a reliable partner to the investing public, shareholders, supervisory authorities and customers, Nasdaq Copenhagen maintains the highest ethical norms in all interactions.

Management of legal and regulatory risks is achieved through the compliance programs.

Nasdaq Copenhagen continuously engages in proactive monitoring and dialog with supervisory authorities and other industry forums to stay abreast of any new or amended legislation.

Operational risks

An important element in the operation of Nasdaq Copenhagen is IT and operational resilience. The primary IT partner is Nasdaq Technology AB through its outsourcing arrangements with Nasdaq Stockholm AB. The company's core trading system (INET) had an uptime of 100% in 2023.

Nasdaq Copenhagen continues to monitor the geopolitical crisis in Ukraine and the potential spill-over risks and has taken proactive steps to provide robust operational resilience related to potential cyber-attacks, power/utility outage and sanctions. The high level of global and complex cyberattacks including phishing attempts, and supply chain attacks have continued during 2023. Nasdaq is continuously monitoring this development and the information security control environment is assessed to be robust and sufficient to resist attacks as well as to identify and isolate threats and system vulnerabilities.

Managements Review (continued)

Environmental, Social and Governance Risk

Nasdaq Copenhagen recognizes the importance of ESG in driving greater inclusivity, diversity, enhanced governance, and ultimately supporting a marketplace ecosystem that is resilient, equitable, and sustainable. As such, Nasdaq Copenhagen will carefully weigh the impact of its actions and practices on its ESG profile. Standing with stakeholders and ratings by sustainability organizations, we recognize that standards, rating methodologies and best practices in this area continue to evolve rapidly and may not always be tailored to the nature of Nasdaq Copenhagen's business.

Credit risk

The credit risk arising from interest-bearing investments are managed by an investment policy established by the Board of Directors. The policy stipulates that cash can be invested either in debt securities issued by external issuers with a good credit rating, or with credit-worthy banks. Nasdaq Copenhagen can also manage investments by retaining cash and cash equivalents in the Group's cash pool structure and short-term internal interest-bearing investments.

The credit risk that arises from accounts receivable is minimized at Nasdaq Copenhagen through the requirement that any company that will be listed on the stock exchange must meet the criteria in the listing agreement. One of these requirements is that the company provides documentary evidence that it possesses the profitability and financial resources to conduct its business. Other services and products are invoiced in advance on a fixed fee basis and larger variable fees are invoiced monthly in arrears thus minimizing the risk of losses in accounts receivable.

Liquidity risk/financing risk

Nasdaq Copenhagen maintains no interest-bearing liabilities and thus assumes no refinancing risks. In addition, the cash flow generated by operations is positive and exceeds investments by a healthy margin. Nasdaq Copenhagen has favorable liquidity resources since its regulatory capital is exclusively placed in highly liquid interest-bearing investments that can immediately be converted into cash.

Currency risk

The company's currency exposure primarily arises from payments for the development and operation of the company's trading and information transmission systems, settled in Swedish kronor. These services are received from Nasdaq Technology AB, a Nasdaq group company. The assessment is that the total currency-transaction exposure in the aforementioned flows is relatively limited and manageable, which is why it is decided not to hedge this particular risk.

Interest rate risk

Interest rate risk arises in connection with interest bearing assets and relates primarily to the Nasdaq Copenhagen's liquidity surplus. Liquidity surpluses are invested internally in the Nasdaq Group through short-term internal interest-bearing loans to Nasdaq Treasury AB.

Managements Review (continued)

Significant events during the financial year

No significant events on the company's operations have been identified during the financial year.

The company's expected future development

Nasdaq Copenhagen will during 2024 continue to strive to be the driving force in developing the capital market ecosystem in Denmark together with all market stakeholders. Mission is to create the best possible environment for new listed companies to raise capital and to work for growth and for efficient trading and clearing in equities, bonds, derivatives, exchange traded products, and other securities. The goal is also to continue to support the transformation into more sustainable and inclusive financial markets. For the 2024 period we expect our result after tax for the year to be in line with our prior period and within the range of DKK 170 million - DKK 200 million.

Development in economic conditions

Result

The result after tax was DKK 189.9 million in 2023, against DKK 195.2 million in 2022. The result is in line with the expected development.

Net sales

Net sales decreased DKK 11.6 million (3)% to DKK 350.5 million, against DKK 362.1 million in 2022.

Operating costs

The company's operating expenses amounted to DKK 132.3 million in 2023 compared to DKK 127.9 million in 2022.

Balance

At the end of 2023, the company's assets amounted to DKK 343.2 million against DKK 362.3 million at the end of 2022. The assets consist mainly of current assets amounting to DKK 341.4 million, against DKK 360.1 million at the end of 2022.

Total equity, including the restricted reserve, amounts to DKK 288.9 million at the end of 2023, against DKK 319.0 million at the end of 2022. The restricted reserve amounts to DKK 54.1 million at the end of 2023, compared to DKK 53.7 million the end of 2022.

Income Statement 1 January - 31 December

(DKK thousand)

	Notes	2023	2022
Revenue	2	350,530	362,108
Other operating income		14,132	14,392
Other external expenses	3	(30,106)	(27,028)
Gross profit/(loss)		334,556	349,472
Staff costs	4	(60,817)	(55,108)
Other operating expenses		(40,964)	(45,386)
Depreciation, amortization and impairment losses	9	(413)	(398)
Operating profit/(loss)		232,362	248,580
Other financial income	5	10,615	1,681
Other financial expenses	6	(45)	(182)
Profit before tax		242,932	250,079
Tax on profit for the year	7	(53,032)	(54,832)
Profit for the year	8	189,900	195,247

Distribution of Profit

DKK'000	2023	2022
Dividend for the financial year	190,000	220,000
Retained earnings	(100)	(24,753)
Proposed distribution of profit	189,900	195,247

Balance Sheet as at 31 December

(DKK thousand)

	Notes	2023	2022
Assets			
Non-Current Assets			
Other fixtures and fittings, tools and equipment	9	685	964
Leasehold improvements	9	205	251
Total tangible assets		890	1,215
Deposits	10	967	965
Total other financial assets		967	965
Total non-current assets		1,857	2,180
Current assets			
Trade receivables		16,868	16,797
Receivables from group companies		267,962	290,000
Deferred tax	11	6,148	5,947
Other receivables		9	25
Prepayments	12	2,568	2,681
Cash and cash equivalents		47,837	44,686
Total current assets		341,392	360,136
Total assets		343,249	362,316

Balance Sheet as at 31 December (continued)

(DKK thousand)

	Notes	2023	2022
Equity and liabilities			
Equity			
Contributed capital	13	40,000	40,000
Statutory Reserve		54,076	53,657
Retained earnings		4,871	5,390
Proposed dividend		190,000	220,000
Total equity		288,947	319,047
Deferred income	14	17,814	17,622
Total non-current liabilities		17,814	17,622
Trade payables		6,652	960
Payables to group companies		744	6
Joint taxation contribution payable		1,480	873
Other payables		17,927	14,881
Deferred income		9,685	8,927
Total current liabilities		36,488	25,647
Total liabilities		54,302	43,269
Equity and liabilities		343,249	362,316
Unrecognized rental and lease commitments	15		
Contingent liabilities	16		
Related parties with controlling interest	17		
Non–arm’s length related party transactions	18		
Related parties	19		
Events after the balance sheet date	20		

Statement of Changes in Equity

(DKK thousand)

	Contributed capital	Reserves according to the Danish regulations for capital markets	Retained earnings	Proposed dividend	Total
Equity at the beginning of the year	40,000	53,657	5,390	220,000	319,047
Ordinary dividend paid	0	0	0	(220,000)	(220,000)
Reclassifications		419	(419)	0	0
Profit for the year	0	0	(100)	190,000	189,900
Equity at the end of the year	40,000	54,076	4,871	190,000	288,947

Notes to the Financial Statements

1 Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (large).

The accounting policies applied to these financial statements are consistent with those applied last year.

Presentation currency

The annual report is presented in Danish Kroner (DKK'000), unless stated otherwise.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Recognition and measurement

Assets are recognized in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognized in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognized in the income statement when earned, whereas costs are recognized by the amounts attributable to this financial year.

Income statement

Revenue

Revenue is recognized in accordance with the principles of IFRS 15 within the income statement when delivery is made and risk has passed to the buyer. Revenue mainly includes listing and issue income, transaction income and income from the sale of information.

- Trading Services revenues relate to transaction income which consists of income from the trading of shares, investment units and bonds.
- Data Services revenues consists of income from the sale of electronic real time information about price formation regarding securities listed on Nasdaq Copenhagen.

- Listing Services revenues consist of the annual fee paid by companies, investment funds and bond issuers for being listed on Nasdaq Copenhagen and income from new listings made during the year and issues carried through by companies that are already listed.

Revenue is recognized net of VAT, duties and sales discounts and is measured at fair value of the consideration.

Other operating income

Other operating income comprises of intercompany income which is of a secondary nature as viewed in relation to the entity's primary activities.

Other external expenses

Other external expenses include expenses relating to the entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes write downs of receivables recognized in current assets.

Other operating expenses

Other operating expenses comprises of intercompany expenses which is of a secondary nature as viewed in relation to the entity's primary activities.

Staff costs

Staff costs comprise salaries and wages, and social security contributions, pension contributions, etc. for entity staff.

Depreciation, amortization and impairment losses

Depreciation, amortization and impairment losses for the financial year relating to property, plant and equipment and intangible assets is calculated on the basis of the residual values and useful lives of the individual assets and impairment testing, as well as gains and losses from the sale of intangible assets and property, plant and equipment.

Other financial income

Other financial income comprises interest income, including interest income on receivables from group companies, net capital or exchange gains on securities, payables and transactions in foreign currencies, amortization of financial assets as well as tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group companies, net capital or exchange losses on securities, payables and transactions in foreign currencies, amortization of financial liabilities as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognized in the income statement by the portion attributable to the profit for the year and recognized directly in equity by the portion attributable to entries directly in equity.

The entity is jointly taxed with all Danish group companies. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet

Property, plant and equipment

Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on basis of the following estimated useful lives of the assets:

Other fixtures and fittings, tools and equipment	3 – 5 years
Leasehold improvements	3 – 5 years

For leasehold improvements and assets subject to finance leases, the depreciation period cannot exceed the contract period.

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Receivables

Receivables are measured at amortized cost, usually equaling nominal value less write downs for bad and doubtful debts. The company has elected the principles of IFRS 9 as interpretation for impairment/write-down of receivables. Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received.

Deferred tax

Deferred tax is recognized on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset.

Deferred tax assets, which mainly arises from deferred income, including the tax base of tax loss carryforwards, are recognized in the balance sheet at their estimated realizable value, either as a set-off against deferred tax liabilities or as net tax assets.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises cash in hand and bank deposits.

Dividend

Dividend is recognized as a liability at the time of adoption at the general meeting. Proposed dividend for the financial year is disclosed as a separate item in equity. Extraordinary dividend adopted in the financial year is recognized directly in equity when distributed and disclosed as a separate item in Management's proposal for distribution of profit.

Treasury shares

Acquisition and selling prices and dividends for treasury shares are classified directly as equity under retained earnings. Gains and losses on sale are not recognized in the income statement. Capital reduction by cancellation of treasury shares reduces the contributed capital by an amount corresponding to the nominal value.

Other financial liabilities

Other financial liabilities are measured at amortized cost, which usually corresponds to nominal value.

Joint taxation contributions payable or receivable

Current joint taxation contributions receivable or joint taxation contributions payable are recognized in the balance sheet, calculated as tax computed on the taxable income of the year, which has been adjusted for prepaid tax.

For tax losses, joint taxation contributions receivable are only recognized if such losses are expected to be used under the joint taxation arrangement.

Deferred income

Deferred income comprises initial listing income received for recognition in subsequent financial years. Deferred income is measured at cost and recognised over a 6 year period.

Cash flow statement

The company forms part of the consolidated financial statement of Nasdaq Group Inc. With reference to section 86(4) of the Danish Financial Statements Act, no cash flow statement for the company is prepared.

2 Revenue

(DKK thousand)	2023	2022
Denmark	118,922	113,981
Other EU-Countries	224,055	238,706
Other European countries	6,548	7,374
U.S.	801	1,791
Asia	204	256
Total revenue by geographical market	350,530	362,108

(DKK thousand)	2023	2022
Trading Services	144,739	160,962
Data & Listing Services	201,961	195,610
Index revenues	3,830	5,536
Total revenues by business segment	350,530	362,108

3 Auditors' fee

(DKK thousand)	2023	2022
<i>EY Godkendt Revisionspartnerselskab</i>		
Fee for statutory audit	701	660
	701	660

4 Staff costs

(DKK thousand)	2023	2022
Wages and salaries	51,349	46,404
Pension costs	3,763	3,692
Other social securities costs	5,029	4,550
Other staff costs	676	462
	60,817	55,108
Average number of full-time employees	46	45

Remuneration to the Board of Directors and Executive Board

	2023	2022
Board of Directors and CEO	5,257	5,374

Incentive program for members of the Executive Board

The long-term incentive program for members of the Executive Board and key employees is unchanged from last year. This program consists of share-based instruments linked to the Nasdaq common stock, which is listed on the Nasdaq Stock Market in the US.

- "Performance Share Units (PSUs) with 3-Year performance", 100% transferred after three years. The number of shares transferred is linked to the "Total Shareholder Return" (TSR) and to "S&P 500 result". The number of shares transferred can be lower or higher.

Nasdaq uses the fair value method of accounting for share-based awards. Share-based awards, or equity awards, include restricted stock, PSUs, and stock options. The fair value of restricted stock awards and PSUs, other than PSUs granted with market conditions, is determined based on the grant date closing stock price less the present value of future cash dividends. We estimate the fair value of PSUs granted with market conditions using a Monte Carlo simulation model at the date of grant. The fair value of stock options are estimated using the Black-Scholes option-pricing model. Nasdaq Copenhagen A/S is obligated to settle the program to the ultimate parent company thus, the incentive program is considered cash-settled.

5 Other financial income

(DKK thousand)	2023	2022
Financial income from group companies	9,406	1,579
Exchange rate adjustments	—	16
Other interest and similar income	1,209	86
	10,615	1,681

6 Other financial expenses

(DKK thousand)	2023	2022
Other interest expenses	45	182
	45	182

7 Tax on profit for the year

(DKK thousand)	2023	2022
Current tax	53,233	53,748
Tax adjustment related to prior years	—	404
Change in deferred tax	(201)	679
	53,032	54,832

8 Distribution of profit

(DKK thousand)	2023	2022
Dividend for the financial year	190,000	220,000
Retained earnings	(100)	(24,753)
Proposed distribution of profit	189,900	195,247

9 Property, plant and equipment

(DKK thousand)	Other fixtures and fittings, tools and equipment	Leasehold improvements	Total
Cost beginning of year	5,347	3,099	8,446
Additions	88	—	88
Adjustments/Transfers	—	—	—
Cost end of year	5,435	3,099	8,534
Depreciation and impairment losses beginning of year	(4,383)	(2,848)	(7,231)
Depreciation for the year	(367)	(46)	(413)
Adjustments/Transfers	—	—	—
Depreciation and impairment losses end of year	(4,750)	(2,894)	(7,644)
Carrying amount end of year	685	205	890

10 Deposits

(DKK thousand)	2023	2022
Cost beginning of year	965	961
Additions	2	4
Cost at the end of year	967	965
Carrying amount end of year	967	965

11 Deferred tax

(DKK thousand)	2023	2022
Property, plant and equipment	98	106
Liabilities other than provisions	6,050	5,841
Deferred tax	6,148	5,947

(DKK thousand)	2023	2022
Changes during the year		
Beginning of year	5,947	6,626
Recognized in the income statement	201	(679)
End of year	6,148	5,947

12 Prepayments

Prepayments relates to prepaid staff wages and salaries.

13 Share capital

Owner:	Number of shares	Par value	Nominal value DKK'000
Nasdaq Holding Denmark A/S	394,355	100	39,435
Nasdaq Copenhagen A/S	5,645	100	565
	400,000	100	40,000

Treasury shares account for 1,4% of the share capital. No treasury shares were acquired or sold during the financial year.

14 Long-term deferred income

Long-term deferred income relates to listing services revenue which are recognized over time.

(DKK thousand)	2023	2022
Long-term deferred income	17,814	17,622
	17,814	17,622

The long-term deferred income will be recognized within 5 years.

15 Unrecognized rental and lease commitments

(DKK thousand)	2023	2022
Liabilities under rental or lease agreements until maturity within 2 years	5,947	5,936
	5,947	5,936

16 Contingent liabilities

The Entity participates in a Danish joint taxation arrangement where Nasdaq Holding Denmark A/S serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc. for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in Nasdaq Holding Denmark A/S's financial statements.

17 Related parties with controlling interest

Nasdaq Holding Denmark A/S, Copenhagen, Denmark is the sole shareholder and, therefore, have a direct controlling interest.

18 Non-arm's length related party transactions

Only related party transactions not conducted on an arm's length basis are disclosed in the annual report in accordance with section 98 (C) (7) of the Danish Financial Statements Act. No such transactions have been conducted in the financial year.

19 Related parties

Name and registered office of the ultimate parent company: Nasdaq, Inc., Delaware.

Name and registered office of the Parent preparing consolidated financial statements for the largest group: Nasdaq, Inc., Delaware.

Name and registered office of the Parent preparing consolidated financial statements for the smallest group: Nasdaq, Inc., Delaware.

Copies of the consolidated financial statements of Nasdaq Inc. may be ordered at the following address: <https://ir.nasdaq.com/financials/annual-reports> or Nasdaq, Inc. 151 W. 42nd Street, New York, USA.

20 Events after the balance sheet date

There have been no significant events to report since the date of the balance sheet.