



Nasdaq Copenhagen A/S

Nikolaj Plads 6
1067 Copenhagen K
CVR No. 19042677

Annual Report 2022

The Annual General Meeting
adopted the annual report on

DocuSigned by:



0E1A2ED702A340C...
Rose Marie Wulff

Chairman of the General Meeting

Table of contents

Management's statement	3
Independent Auditor's Report	4
Company Information	7
Financial Highlights	8
Management's Review	9
Development in activities	9
Statement of social responsibility	13
Statement of gender distribution in management	23
Data ethics and information privacy	23
Risk management	25
Significant events during the financial year	27
Events after the balance sheet date	27
Financial Statements 1 January - 31 December	28
Income Statement 1 January - 31 December	28
Balance Sheet as at 31 December	29
Statement of Changes in Equity	31
Notes to the Financial Statements	32

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 2022.


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 2022 as well as the result of the company's activities for the financial year 1 January – 31 December 2022.


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.

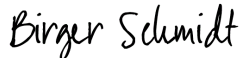
Copenhagen, _____

Executive Board

DocuSigned by:

AB44D1D08927456...
Nikolaj Kosakewitsch
CEO

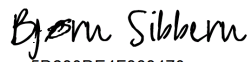
Board of Directors

DocuSigned by:

04FE3684AF6D4AF...
Lauri Mikael Rosendahl
Chairman

DocuSigned by:

11EA582F88B7450...
Birger Schmidt

DocuSigned by:

8CA5753C248E44E...
Klara Kröger Nygren

DocuSigned by:

5D280DE4F968470...
Bjørn Sibbern

DocuSigned by:

38E5D05C6AC54DC...
Gunilla Hellqvist

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 2022, 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 2022 and of the results of the company's operations for the financial year 1 January – 31 December 2022 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, _____

EY Godkendt Revisionspartnerselskab

CVR no. 30 70 02 28

DocuSigned by:

Anders Duedahl-Olesen

F80DB3519A9B4DA...

Anders Duedahl-Olesen

State Authorised Public Accountant

mne24732

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 2022

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

Board of Directors

Lauri Mikael Rosendahl, Chairman
Bjørn Sibbern
Birger 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	2022	2021	2020	2019	2018
Key figures					
Revenue	362,108	373,023	360,274	329,708	339,152
Gross profit/(loss)	349,472	363,878	355,026	320,059	330,993
Operating profit/(loss)	248,580	265,175	264,609	233,256	252,703
Net financial income/(expense)	1,499	(99)	(113)	(123)	(121)
Profit/(loss) for the year	195,247	207,398	206,659	182,072	197,631
Total assets	362,316	383,628	408,087	344,317	355,403
Equity	319,047	330,384	329,986	303,327	311,255
Ratios					
Gross profit margin (%)	97	98	99	97	98
Operating profit margin (%)	69	71	73	71	75
Net profit margin (%)	54	56	57	55	58
Return on equity (%)	60	63	65	59	63
Equity ratio (%)	88	86	81	88	88

Financial highlights are defined and calculated in accordance with the current version of "Recommendations & Ratios" issued by the CFA Society Denmark.

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.

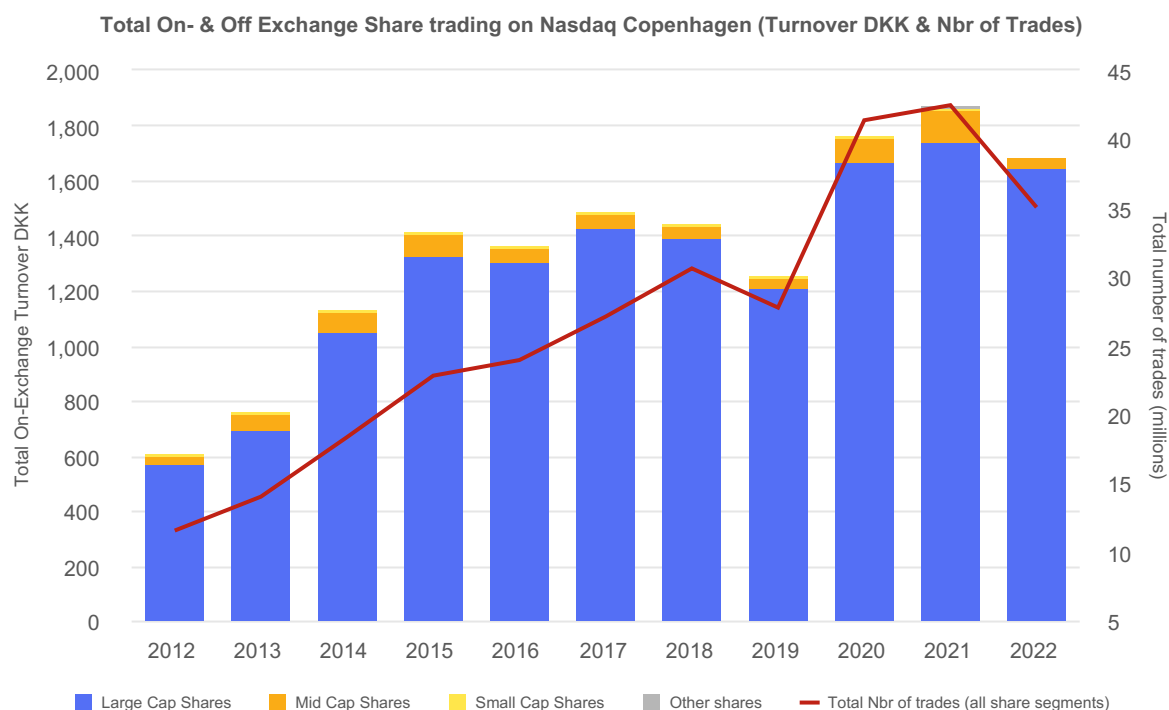
Development in activities

Trading Services:

There were 252 trading days on Nasdaq Copenhagen in 2022, which was one additional trading day compared to 2021.

Cash equity trading

The Copenhagen all share index and market experienced increased uncertainty and relating price movements in first half of 2022, as a result of the geopolitical crisis in Ukraine and resulting energy crisis and increasing inflation. This resulted in declining index and share prices throughout the first 3 quarters of 2022. Investor interest and volumes remained low during the second half of the year however, a slow recovery was noted during the fourth quarter. With the rebound in prices during the fourth quarter, the Copenhagen all shares index closed with an index price at 1,480.62 at the end of 2022, which is a year-over-year decline of 6%. Nasdaq Copenhagen remains the second largest stock market in the Nordic region following Nasdaq Stockholm.



The increased volatility and market turmoil following COVID-19 and continued uncertainty from the geopolitical crisis in Europe led to continued increased daily average trading activity levels of Danish shares during the first 5 months of the year, thereafter this activity tapered down significantly from June 2022 and throughout the remaining period of 2022, as the energy crisis and relating inflation resulted in increased uncertainty within the markets.

Managements Review (continued)

The total turnover in all Danish listed shares on Nasdaq Copenhagen was DKK 1,689 billion in 2022 vs DKK 1,875 billion in 2021, equivalent to a 10% decline. The total number of trades were 35 million in 2022, which was an decrease of 17% year-over-year in the total number of trades. During 2022, 97.5% of trading in Large-Cap shares was traded on Nasdaq Copenhagen, which was a increase of 5% compared to 2021. The trading in Large-Cap shares declined year-over-year by 6% resulting in a total turnover of DKK 1,647 billion. The Danish Mid-Cap shares turnover declined to DKK 37.2 billion, equivalent to an decline of 68% year-over-year.

As a consequence of continued increased competition, all Nordic and European primary markets noted a decline in both Lit, as well as Lit & Auction market share during 2021 and 2022. Nasdaq Copenhagen's Lit & Auction market share declined by 9% from 75% at the end of 2021 to 66% at the end of 2022, which was due to the declining market share capture of 10% in Lit Market during 2022. Nasdaq Copenhagen total price forming market share was 53% at the end of 2022, which was a slight decline of 4% compared to end of 2021.

Listing and trading in Exchange Traded Funds (ETFs)

Nasdaq Copenhagen has a passive XACT OMXC25 tracker ETF listed and traded. Both the turnover and number of trades have slowly increased month over month since the listing in 2019, and in 2022 the ETF had a total of 53,528 trades and a total turnover of DKK 2.4 billion. The XACT C25 volumes thereby grew year-over-year in terms of total numbers of trades by 50% in 2022, an equivalent growth of 15%. The listed DKK Market Cap (AUM) of XACT C25 declined year-over-year by 12%, in relation with the decline in C25 index price of 14%, i.e. a positive net inflow to the fund.

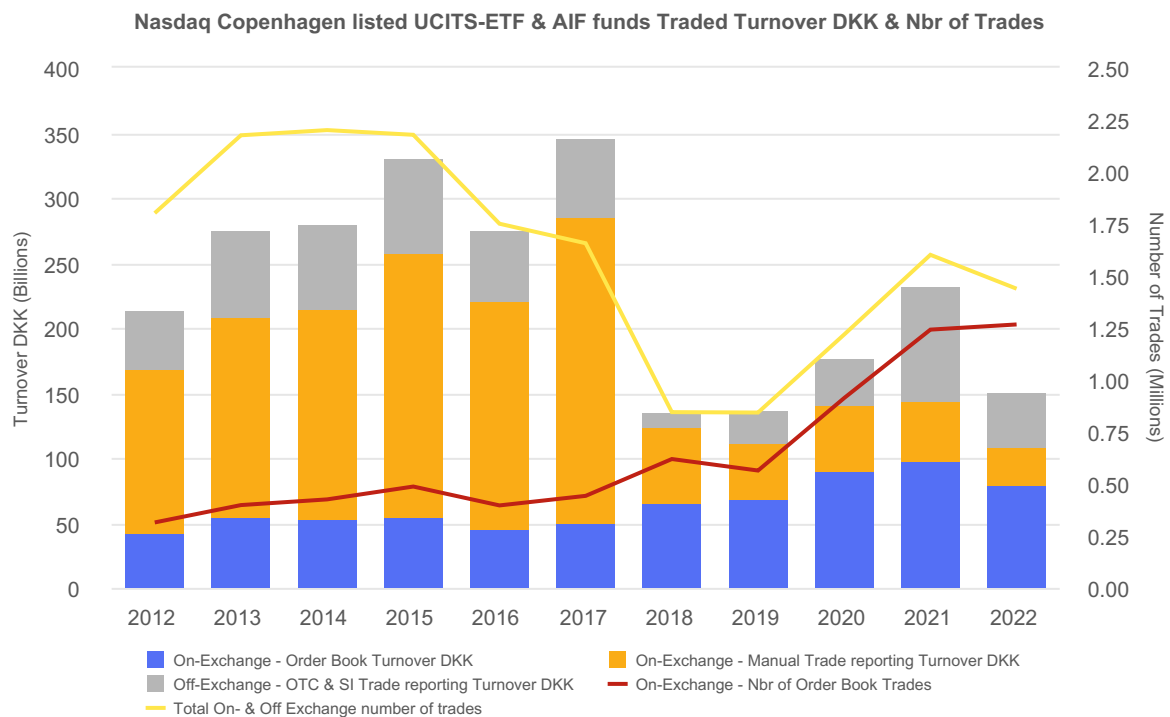
The Danish Investment funds market

The total Danish UCITS-ETF and AIF market on Nasdaq Copenhagen is continuously developing, with new issuers of active and passive managed funds coming to the market every year. In 2022 two new issuers listed a number of Investment & AIF Funds, however overall during 2022, issuers are consolidating listed funds. At the end of 2022 Nasdaq Copenhagen had in totaling 470 listed funds of a total AUM of 467.9 DKK billion, equivalent to a decline in listed AUM of 19% year-over-year. A clear trend during 2022 for both new and existing funds, was the move towards more sustainable and ESG strategies.

On-Exchange Order Book turnover declined in 2022 to DKK 80 billion, equivalent to a 19% decline compared to 2021. The total number of Order Book trades in 2022 was 1,266,226 equal to a 2% increase from the 2021 previous record.

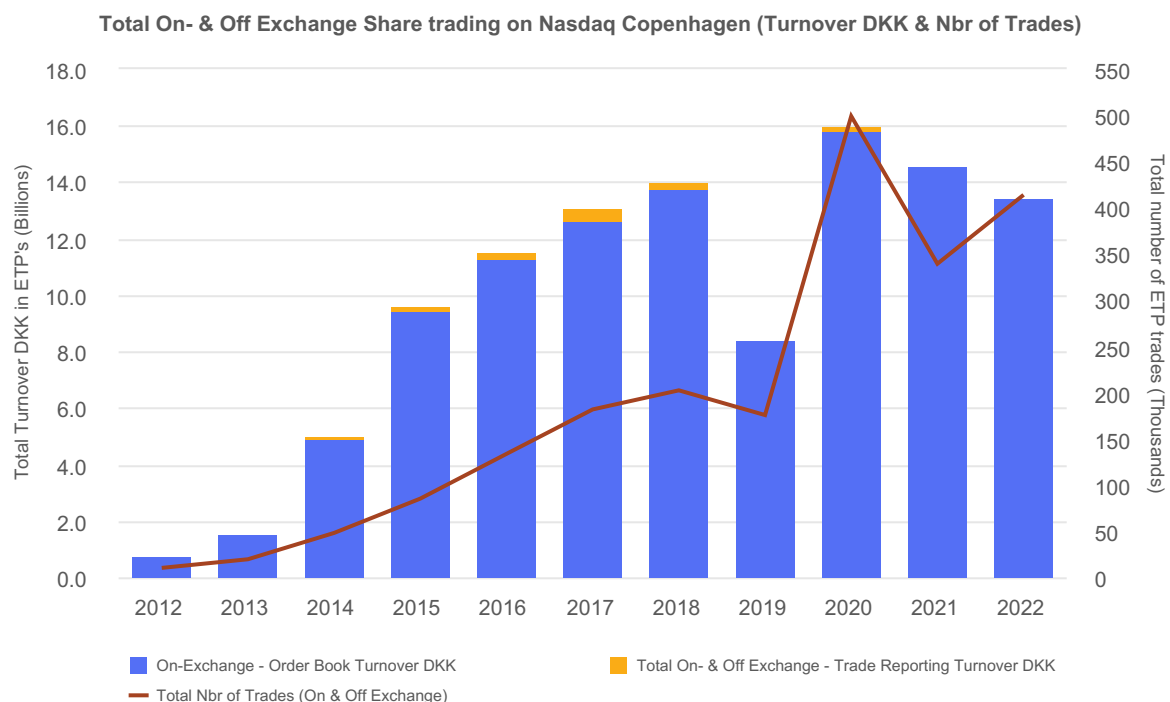
The total Nasdaq Copenhagen On- & Off Exchange trading activity (Order Book & On & OFF Exchange Reporting) was DKK 151 billion during 2022, equivalent to 1,437,970 trades. The Total Turnover on Nasdaq Copenhagen declined by 35% year-over-year and in terms of total number of trades, a decline of 10% as a consequence of OTC and SI activity being redirected outside of Nasdaq Copenhagen.

Managements Review (continued)



The development in Danish Exchange Traded Products (ETPs)

The total turnover in listed ETPs on Nasdaq Copenhagen was DKK 14 billion in 2022, which was a decline of 8% from the activity noted during 2021. The total number of trades in 2022 was 413,971, an equivalent to a increase of 22%. The declining 2022 turnover activity in ETP's was due to decreased interest and activity the trading of leveraged Danish listed Exchange Traded Products.



Managements Review (continued)

Fixed Income Trading

The total Fixed Income cash bond trading during 2022 amounted to DKK 5161 billion which translates to an increase of more than 10% compared to 2021 as a result of the increased uncertainty within the international capital markets during 2022. At the end of 2022, a total number of 1,512 bonds is listed on Nasdaq Copenhagen. A key element in our Fixed Income offering in 2022 was the continuous improvement of Nasdaq Sustainable Bond Network, both in terms of functionalities and data coverage. Nasdaq DKK Repo clearing business has experienced a solid uptick from 2021 (1,292,068 contracts) to 2022 (1,744,583 contracts).

By the end of 2022 Nasdaq entered into a collaboration with the french FinTech company, Onbrance and as a result Nasdaq Primary was launched. Nasdaq Primary is a software as a service (SaaS) solution, providing all debt market participants with a comprehensive platform to negotiate and issue debt in a standardized format. The platform covers every step of the debt issuance process, from collaborative framework creation, documentation management, bilateral negotiation to debt origination and distribution.

Data & Listing Services:

Listing services

During 2022, Nasdaq Copenhagen had 3 initial public offerings (IPO), of which 1 listing was on Nasdaq's First North Growth Market and 2 new listings on the Main Market. On the Main Market we listed Penneo and Noble Corporation Plc. This is compared to 24 IPOs during 2021, of which 21 listings was on Nasdaq's First North Growth Market and 3 listings on the Main Market.

As a result of the decreased number of IPOs in 2022, capital raised to support newly listed companies' growth, declined from DKK 4.7 billion in 2021 to DKK 215 million in 2022. During 2022 DKK 2.7 billion in capital was raised on Nasdaq Copenhagen Main Market, compared with 55 billion in 2021. During 2022 five companies were delisted, two on Main Market and three on First North, compared to six companies which delisted during 2021.

Market data

The Nasdaq European Data Products business produces a wide variety of reliable, high quality data products. These offerings include data from a number of 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. 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 2022, 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 impact and make informed investment. In addition we launched the Investor Activity Indicator product, providing investors with the different drivers affecting market activity on the Nordic markets.

Surveillance:

The overarching mission of the Surveillance function is to protect the integrity of Nasdaq Nordic and Commodities 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 2022, Surveillance hosted 25 educational seminars for more than 600 participants. During 2022 a total of 11 disciplinary rulings were decided by the Copenhagen Disciplinary Committee.

Managements Review (continued)

Statement of Social Responsibility cf. §99a

As a global exchange and technology leader, we recognize the unique role we can play in creating a more sustainable and prosperous future for all. By democratizing financial knowledge, we strive to equip all market participants, including under-represented communities with the tools and knowledge to access wealth creation opportunities and participate in the capital markets.

We can power stronger economies, create more equitable opportunities, and facilitate the efficient flow of capital. Our sustainability strategy is intrinsically linked to advancing Environmental, Social and Governance (ESG) best practices in an ethical and efficient manner within our organization and helping our clients to advance their own ESG strategies.

Nasdaq is fully committed to continuing our ESG efforts and leading the shift towards more sustainable and inclusive capital markets. Guided by our purpose to advance economic prosperity for all, our company's impact extends well beyond our own operations by empowering markets and communities with strategic solutions that have measurable and lasting impact. At the epicenter of the capital markets and technology, we play a key role by engaging and educating our clients on climate risks and providing ESG-focused marketplace solutions that help clients achieve their own ESG objectives. Our corporate sustainability strategy seeks to maximize the impact of our own organization towards our overarching commitment to power stronger economies, create more equitable opportunities and contribute to a more sustainable world.

Nasdaq periodically conducts ESG materiality assessments to identify and prioritize ESG topics that are influential on our business and important to our stakeholders. In 2022, facilitated by Nasdaq's ESG Advisory team, we commenced 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, are 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 are important for our reporting to stakeholders, and to Nasdaq's corporate strategy and culture. For further information on Nasdaq Group's materiality assessment relating to sustainability, please refer to the "Nasdaq 2022 Sustainability Report" available on the Nasdaq Group webpage.

Managements Review (continued)

Environmental and Climate Change 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 endeavors to reduce our greenhouse gas (GHG) emissions, mitigate our corporate climate and biodiversity risk exposure and promote awareness throughout our entire value chain. This strategy is driven by our two separate but linked environmental programs:

- Carbon neutrality program: By calculating our annual carbon footprint, procuring renewable power and investing in high-quality carbon offsets.
- Carbon net-zero program: By driving initiatives that are designed to optimize and reduce emissions across Nasdaq's entire business operations and value 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).

The program aims to reduce and offset the Nasdaq 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.

Internally, the Global Green team brings together Nasdaq employees who are passionate about the environment, publishes regular knowledge-based resources, and works to drive sustainable initiatives through our local offices and communities. The Green Team aims to instill a culture of environmental advocacy and action through educational sessions that focus on sustainable practices, informative webinars and community outreach. Nasdaq supports the Green Team's commitment to creating positive change throughout the Company and our neighboring communities as we drive to achieve our longer-term net-zero goals.

With respect to our business functions, we account for a relatively small, manageable environmental impact due to the use of natural resources in our global operations. We focus our environmental efforts on a few key areas, including the way we use resources, manage our workspaces, and conduct business travel. These efforts seek to lessen the environmental impact of our organization by reducing atmospheric carbon emissions, and managing water and waste associated with our business. Nasdaq Copenhagen conserves natural resources by leveraging innovation, technology, education, and a culture of continuous improvement.

Nasdaq Copenhagen achieved carbon neutrality in 2022 for a fifth consecutive year through sourcing renewable electricity, the purchase of certified Renewable Energy Certificates and carbon offsets. The table below indicates our electricity consumption for 2022.

	Total Energy Consumption MWh/Year	Total Electricity Consumption MWh/Year	Renewable Electricity MWh/Year	% Renewable Electricity	Total Scope 2 Location-Based Emissions ¹ (MT CO2e)	Total Scope 2 Market-Based Emissions ² (MT CO2e)
2022						
Denmark	351	160	160	100 %	51	33
Total	351	160	160	100%	51	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.

Managements Review (continued)

Nasdaq also encourage its suppliers to adopt sustainability and environmental practices in line with our published Environmental Practices Statement and our Supplier Code of Ethics ("Supplier Code"). In 2022, Nasdaq asked new suppliers and existing top suppliers to attest to our Supplier Code, confirming they have policies and practices consistent with the Supplier Code or, to the extent they do not, will adhere to the applicable standards in the Supplier Code. To the extent practical and feasible, we expect suppliers to 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 how the ESG ecosystem is evolving. It also 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 is comprised of dedicated segments for listing green, social, sustainability and sustainability-linked bonds, structured products and commercial papers. Our sustainable debt markets are designed to highlight sustainable investment opportunities to investors with a green, social or sustainable investment agenda. Nasdaq Sustainable Debt Market is open to all types of issuers that are looking 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 11% during 2022 and the volume of listed bonds grew by 27%.

	31 December, 2022	31 December, 2021
Listings on the Sustainable Debt Market	471	424
Issuers on the Sustainable Debt Market	129	108

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 in turn 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. In 2022, we launched functionalities that reports on the EU taxonomy alignment of projects financed by issuers' green and sustainable bonds.

	31 December, 2022	31 December, 2021
Issuers on the Nasdaq Sustainable Bond Network	1,550	1,012
Bonds on the Nasdaq Sustainable Bond Network	14,222	8,928

Managements Review (continued)

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 Green Equity Designations, Nasdaq can support 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 is getting ready for upcoming sustainability and climate-related regulations, Nasdaq sees increasing interest in green equity classification from companies and investors outside the Nasdaq Nordic exchanges.

Nasdaq ESG Data Hub was launched as a data solution, which offers 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) and encourages investors to consider the ESG impacts of their investments. Data sets within the product are wide ranging – they assist our customers with their own projects and the impact is at the customer level. In 2022 we added several new data sets to the product from third party providers. We also added our Sustainable Bond Network data to the platform. For 2023, we continue to look for unique data partners to add to the solution, based on feedback and the needs of customers. We plan to integrate ESG data into our broader data marketplace, Nasdaq DataLink.

Nasdaq ESG Footprint is an easy-to-implement platform that measures the global sustainability effect of a portfolio and individual securities. Through an intuitive dashboard, investors and managers have access to the real-life effects of each investment, along with alternatives that may better suit an individual's sustainability goals. Within ESG Footprint, there are multiple datasets that provide insight into the core impact of business and investment opportunities on SDGs. These datasets (SDG Signals, SDG Fundamentals, SDG CAPX) allow investors to evaluate companies' alignment against the SDG framework. In 2022, we added functionality that helps customers meet their SFDR requirements. In addition, we launched the product with a group of 20 banks in Denmark that are providing SFDR overlays for all their retail customers. In 2023, we continue to invest in the product and are looking to add an EU Taxonomy overlay to the product as well as continually improving data quality.

ESG Solutions for Corporates

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's broader Corporate Platforms businesses support a range of ESG outcomes including identifying and engaging with investors on ESG topics, investor relations workflow platform, ESG stakeholder sentiment and secure Board collaboration tools.

Nasdaq OneReport is an ESG data management, reporting, audit trail and disclosure software that allows companies to simplify ESG reporting. It optimizes workflows, facilitates reporting to frameworks, research and ratings organizations and helps disclose ESG progress against a variety of metrics to multiple stakeholders. Nasdaq OneReport's continued advancement and evolution is driven by our customers' demands for a tool which is the industry leader in the number of Frameworks, and Research & Ratings Organizations provided.

In 2022, Nasdaq OneReport became the first Global Reporting Initiative (GRI) software provider to receive GRI certification for the revised Universal and Topic Standards, released in Fall 2021, through GRI's Certified Software and Tools Provider program. The platform also added new frameworks and ratings organizations such as the Just Capital and Bloomberg Gender Equality Index. In preparation for

Managements Review (continued)

upcoming regulations, Nasdaq OneReport created an EU ESG Reporting Readiness Module to help support clients with EU Taxonomy, Corporate Sustainability Reporting Directive (CSRD) and Sustainable Finance Disclosure Regulation (SFDR) for organizations to easily access, share and document key organizational stakeholders. In 2023, with the ever-evolving ESG landscape, Nasdaq OneReport will continue to update its platform with the latest regulatory frameworks, helping clients mitigate risks and accelerate their ESG efforts.

Social and Employee Conditions

Diversity, Equity and Culture

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. In concert with a compensation program that includes annual grants of equity shares in the company for every employee, this encourages our employees to "act like an owner," reinforcing a shared sense of belonging and commitment to our collective success.

Nasdaq Copenhagen has extended its commitment to attracting, retaining, developing, and motivating its employees throughout 2022, by adding new professional development opportunities, as well as new platforms leveraging artificial intelligence (AI), to bring internal job opportunities and short-term developmental projects directly to employees. During 2022, we focused on educating our employees on diversity topics, including optional diversity training for all employees and required inclusive leadership training for all managers. This includes our "Conscious Inclusion" training, a training focused on learned best practices and tactics to create a more inclusive environment.

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 2022, 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 diverse talent in across all markets in which we operate. To continue strengthening our employer brand, we launched our newly designed career website during September 2022, to provide a much better candidate experience. As a result of this initiative, we experienced an increase in the number of website visitors applying to a role at Nasdaq. 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 2022 and 2021 new hire and turnover data for all global operations, age groups, and employee categories.

Workforce Attrition (Denmark)

- 2021: 7% ^{1,2}
- 2022: 7% ^{1,2}

¹ The Nasdaq Group enterprise average rate was 12% for 2021 and 11% for 2022.

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

Managements Review (continued)

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 2022, 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.

During 2022, we launched the Career Hub (part of our enterprise Human Resources technology platform) to provide AI-enabled, customized career development recommendations and planning resources for every employee. The Career Hub 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 in writing during the mid-year period and complete a formal year-end performance review by the end of each calendar year. In 2022, we introduced a five-point manager assessment regarding each employee's behavior relative to our Core Values as part of the year-end review to reinforce the importance of our culture. Both parties meet to discuss the written assessment, which is recorded internally.

These performance evaluations become part of the employee's formal personnel record and serve as factors for consideration in internal job transfers, and advancement decisions. The goal and purpose of the performance review program is to:

- Ensure that each employee has a clear understanding of what is expected by his or her manager;
- Align the activities of each employee to their respective Business Unit's goals and to Nasdaq's annual goals;
- Discuss the employee's job performance with respect to personal objectives and skills development; and
- Inform each employee of the knowledge and skills he or she must acquire or improve to grow in the present job, move into another 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. Under the 70/20/10 Learning Principle, where 70% of development happens on the job, 20% through exposure, coaching & mentoring and 10% by formal training, the company offers a variety of professional development experiences via many channels that support diverse learning styles.

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 more than 26,000 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.

Recognizing the critical role our people managers play in developing and retaining our talent, in 2022 Nasdaq offered over a dozen leadership and management development programs for every level of leader in the firm. Performance objectives were created for each of our managers that measured them

Managements Review (continued)

in terms of their managerial effectiveness, with the outcomes included in each manager's year-end performance evaluation. In 2023, we launched our flagship High Potential program, LEAD, which will focus on preparing mid-level managers for future leadership roles through a curriculum based on building business acumen, leadership skills, peer networking and senior leader job shadowing opportunities.

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 critical risk for human rights relates to operations of listed companies that operate in areas where the enforcement of national legislation and international conventions might be limited. 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 Copenhagen 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

Human rights are reinforced through training and effective employee communication, including town halls and topic specific webinars.

In 2021, Nasdaq collaborated with an independent third-party to initiate a formal human rights assessment consistent with the UN Guiding Principles on Business and Human Rights (UNGP). The assessment focused on:

- Outlining current expectations of financial institutions with regards to human rights
- Building an internal understanding on human rights
- Undertaking an initial, high-level gap analysis of Nasdaq's current policies and practices against the UNGP's, with recommendation on best practices.

Following the completion of this assessment, in 2022 we evaluated our level of potential human rights risk exposure in the high-priority areas identified by the third-party assessment and confirmed that our risk exposure is low. However, we understand that supply chains are complex and continually evolving and global human rights conditions change, and we will continue our vigilant human rights due diligence. We are evaluating processes and technologies that could enable us to enhance our current risk-monitoring capabilities in the future.

Nasdaq views human rights due diligence as a continuous process, which we constantly adapt and improve. We acknowledge the responsibility to respect human rights as outlined in the UNGP. In 2022 and 2021, no direct adverse impacts on human rights were identified/detected.

Managements Review (continued)

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 2022, 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.

The program is based on industry-leading practices and led by our Chief Risk Officer, and is supported by a cross functional, geographically diverse team, with oversight by our Audit and Risk Committee. External compliance experts are also regularly consulted. The Nasdaq Ethics Program provides values-based guidance, heightens compliance risk awareness, strengthens decision-making, and drives sound business performance through its five pillars: Executive and Board Leadership; Policies 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, in conjunction with other policies, procedures, standards and handbooks, outlines the responsibilities expected of Nasdaq officers, directors, and employees in conducting business in accordance with the highest standards of ethics and compliance. The Code is applicable to the Board, all of our employees, contract workers and others who conduct work on behalf of Nasdaq. Ethical values are reinforced through training and effective employee communication, including town halls and topic specific webinars. 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 2022 and 2021 no breaches to our ethical values were reported/identified.

Anti-corruption, anti-financial crime and money laundering

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, exposure and punishment by market forces, as well as potential prosecution and imprisonment for the individuals involved.

Some of our other liability risks arise under the laws and regulations relating to the tax, employment, intellectual property, anti-money laundering, technology export, foreign asset controls, foreign corrupt practices areas, employee labor and employment areas, including anti-discrimination and fair pay laws and regulations. Liability could also result from disputes over the terms of a trade, claims that a system failure or delay cost a customer money, claims we entered into an unauthorized transaction or claims that we provided materially false or misleading statements in connection with a securities transaction.

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.

Managements Review (continued)

- **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 physical mail. During 2022 and 2021, no potential violations were reported/identified.

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 requires compliance with all anti-money laundering (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. In addition to legal requirements related to AML, Nasdaq is implementing a risk-based anti-financial crime framework in key business segments to augment its compliance programs.

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 its Board of Directors. In 2022, Nasdaq delivered mandatory high-level sanctions and AML compliance training to all of its employees and, in 2023, is planning to provide targeted in-depth training for employees in the Sales and Accounting functions.

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. Securities and Exchange Commission, 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 2022 and 2021.

Managements Review (continued)

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 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. A Cybersecurity Dashboard is presented each quarter, which contains information on cybersecurity controls; incidents and threats to the Company's information security; and ongoing prevention and mitigation efforts for such threats.

Additionally, during 2022, the Information Security team continued to execute on the Cybersecurity Strategic Plan, which outlines the strategic vision and associated goals for the cybersecurity of Nasdaq's global operations for the three-year period from 2020 through the end of 2022. We completed the projects tied to the 2020-2022 Strategic Plan and Nasdaq Information Security is in the process of creating the 2023-2025 Strategic Plan, which will be presented to the Audit & Risk Committee.

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.

Managements Review (continued)

Statement of gender distribution in management cf. §99b

The elected board of directors of Nasdaq Copenhagen consists of 3 men and 2 women, thus 40% female representation as of 31 December 2022. The following table illustrates Nasdaq Copenhagen employees gender distribution by career level.

Denmark	2022	2022
	Female	Male
Career level		
Executive	0%	100%
Senior	36%	64%
Mid	45%	55%
Entry	57%	43%

Employees from the Executive career level and with direct reporting responsibilities to the Board of Directors are considered as other management positions and consists of 1 man.

We have also adopted new initiatives to increase a culture of inclusion in the workplace, including broadening our mentoring programs and introducing a renewed focus on sponsorship. In 2022, we examined key people processes (e.g., hiring, development, performance management, advancement) to ensure they are equitable and allow all Nasdaq employees similar access to develop professionally and advance in their careers. In response to this examination, we launched our new Accelerate(Her) program, specifically designed to develop high-potential female talent at Nasdaq by matching small cohorts of participants to Nasdaq's most senior executive women for career coaching and sponsorship.

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

Managements Review (continued)

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. Our most recent "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, education and training of 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 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 its posted 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 the "Nasdaq 2022 Sustainability Report" and Nasdaq's 2023 Proxy Statement available on the Nasdaq Group webpage.

Managements Review (continued)

Risk management

Nasdaq Copenhagen manages risks attributable to its operating activities. The risks that arise due to the nature of the company's stock market-related operations are managed through the Nasdaq Nordic Exchange's Enterprise Risk Management 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 or eliminate the impacts or probability of risk materialization.

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 large cap shares causes a greater pressure on trading revenue. Nasdaq Copenhagen had an average market share of 66% of the trading in shares listed on Nasdaq Copenhagen in 2022 compared to 75% in 2021.

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 2022.

Nasdaq Copenhagen continues to monitor the geopolitical crisis in Ukraine and the potential spill-over risks including the emerging energy crisis 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 DDOs activities, phishing attempts, and supply chain attacks have continued during 2022. 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 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

We continue to monitor the effects of the geopolitical crisis in Ukraine following the invasion by Russia on February 24, 2022. While we do not expect the conflict itself to be material to Nasdaq, geopolitical instability arising from such conflict, the imposition of sanctions, taxes and/or tariffs against Russia and Russia's response to such sanctions (including retaliatory acts) could adversely affect the global economic markets, which could impact our business. Nasdaq is also closely monitoring any other potential spill-over risks including the emerging energy crisis, and has taken proactive steps to ensure robust operational resilience related to potential cyber-attacks, power/utility outage as well as sanctions mentioned above.

Events after the balance sheet date

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

Expected development

Nasdaq Copenhagen expects a lower profit in 2023 compared to 2022 as the trading activity in previous years was extraordinarily high due to historical market volatility.

Development in economic conditions

Result

The result after tax was DKK 195.2 million in 2022, against DKK 207.4 million in 2021. The result is in line with the expected development.

Net sales

Net sales decreased DKK 10.9 million (3)% to DKK 362.1 million, against DKK 373.0 million in 2021.

Operating costs

The company's operating expenses amounted to DKK 127.9 million in 2022 compared to DKK 120.2 million in 2021.

Balance

At the end of 2022, the company's assets amounted to DKK 362.3 million against DKK 383.6 million at the end of 2021. The assets consist mainly of current assets amounting to DKK 360.1 million, against DKK 381.8 million at the end of 2021.

Total equity, including the restricted reserve, amounts to DKK 319.0 million at the end of 2022, against DKK 330.4 million at the end of 2021. The restricted reserve amounts to DKK 53.7 million at the end of 2022, which is unchanged from the end of 2021.

Uncertainty regarding recognition and measurement

No special considerations for recognition and measurement in connection with the 2022 annual report.

Income Statement 1 January - 31 December

(DKK thousand)

	Notes	2022	2021
Revenue	2	362,108	373,023
Other operating income		14,392	12,327
Other external expenses		(27,028)	(21,472)
Gross profit/(loss)		349,472	363,878
Staff costs	4	(55,108)	(54,841)
Other operating expenses		(45,386)	(43,580)
Depreciation, amortization and impairment losses	9	(398)	(282)
Operating profit/(loss)		248,580	265,175
Other financial income	5	1,681	170
Other financial expenses	6	(182)	(269)
Profit before tax		250,079	265,076
Tax on profit for the year	7	(54,832)	(57,678)
Profit for the year	8	195,247	207,398

Distribution of Profit

DKK'000	2022	2021
Dividend for the financial year	220,000	206,584
Retained earnings	(24,753)	814
Proposed distribution of profit	195,247	207,398

Balance Sheet as at 31 December

(DKK thousand)

	Notes	2022	2021
Assets			
Non-Current Assets			
Other fixtures and fittings, tools and equipment	9	964	597
Leasehold improvements	9	251	293
Total tangible assets		1,215	890
Deposits	10	965	965
Total other financial assets		965	965
Total non-current assets		2,180	1,855
Current assets			
Trade receivables		16,797	6,745
Receivables from group companies		290,000	311,028
Deferred tax	11	5,947	6,626
Other receivables		25	13,187
Prepayments	12	2,681	2,006
Cash and cash equivalents		44,686	42,181
Total current assets		360,136	381,773
Total assets		362,316	383,628

Balance Sheet as at 31 December (continued)
 (DKK thousand)

	Notes	2022	2021
Equity and liabilities			
Equity			
Contributed capital	13	40,000	40,000
Statutory Reserve		53,657	53,657
Retained earnings		5,390	30,143
Proposed dividend		220,000	206,584
Total equity		319,047	330,384
Deferred income - Long term	14	17,622	21,416
Total non-current liabilities		17,622	21,416
Trade payables		960	1,913
Payables to group companies		6	0
Joint taxation contribution payable		873	4,902
Other payables		14,881	16,915
Deferred income - Short term	15	8,927	8,098
Total current liabilities		25,647	31,828
Total liabilities		43,269	53,244
Equity and liabilities		362,316	383,628
Unrecognized rental and lease commitments	16		
Contingent liabilities	17		
Related parties with controlling interest	18		
Non-arm's length related party transactions	19		
Related parties	20		

Statement of Changes in Equity

(DKK thousand)

	Contributed capital	Reserves according to the articles of association	Retained earnings	Proposed dividend	Total
Equity at the beginning of the year	40,000	53,657	30,143	206,584	330,384
Ordinary dividend paid	0	0	0	(206,584)	(206,584)
Profit for the year	0	0	(24,753)	220,000	195,247
Equity at the end of the year	40,000	53,657	5,390	220,000	319,047

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 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.

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

- Transaction income consists of income from the trading of shares, investment units, bonds and derivatives.
- Income from the sale of information mainly consists of income from the sale of electronic real time information about price formation regarding the securities etc. listed on Nasdaq Copenhagen, which is communicated through information providers.

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 income 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 expenses 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 relating to property, plant and equipment and intangible assets comprise depreciation, amortization and impairment losses for the financial year, 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 as well as 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 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, 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 income received for recognition in subsequent financial years. Deferred income is measured at cost.

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)	2022	2021
Denmark	113,981	121,662
Other EU-Countries	238,706	239,994
Other European countries	7,374	11,146
U.S.	1,791	—
Asia	256	220
Total revenue by geographical market	362,108	373,023

(DKK thousand)	2022	2021
Trading Services	160,962	176,949
Data & Listing Services	195,610	190,677
Index revenues	5,536	5,397
Total revenues by business segment	362,108	373,023

The 2022 and 2021 disclosures of revenue and other external expenses has been updated with reclassifications of intercompany income and expenses being grouped within 'other operating income' and 'other operating expenses' respectively, for enhanced comparability.

3 Auditors' fee

(DKK thousand)	2022	2021
<i>Ernst & Young</i>		
Fee for statutory audit	660	637
	660	637

4 Staff costs

(DKK thousand)	2022	2021
Wages and salaries	46,404	46,611
Pension costs	3,692	3,340
Other social securities costs	4,550	4,444
Other staff costs	462	446
	55,108	54,841
Average number of full-time employees	45	44

Pursuant to Section 98(b) (3) of the Danish Financial Statements Act, remuneration of the Executive Board has not been disclosed.

Incentive program for members of the Executive Board

The long-term incentive program for members of the Executive Board 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 1-Year performance", one-third transferred to employees per year. The number of shares transferred is linked to Nasdaq's corporate operating income with a payment interval of 0-150%, meaning that the number of shares transferred can be lower or higher.

- "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.

5 Other financial income

(DKK thousand)	2022	2021
Financial income from group companies	1,579	164
Exchange rate adjustments	16	6
Other interest and similar income	86	—
	1,681	170

6 Other financial expenses

(DKK thousand)	2022	2021
Other interest expenses	182	269
	182	269

7 Tax on profit for the year

(DKK thousand)	2022	2021
Current tax	53,748	59,211
Tax adjustment related to prior years	404	—
Change in deferred tax	679	(1,533)
	54,832	57,678

8 Distribution of profit

(DKK thousand)	2022	2021
Dividend for the financial year	220,000	206,584
Retained earnings	(24,753)	814
Proposed distribution of profit	195,247	207,398

9 Property, plant and equipment

(DKK thousand)	Other fixtures and fittings, tools and equipment	Leasehold improvements	Total
Cost beginning of year	4,363	3,359	7,722
Additions	724	—	724
Adjustments/Transfers	260	(260)	—
Cost end of year	5,347	3,099	8,446
Depreciation and impairment losses beginning of year	(3,766)	(3,067)	(6,833)
Depreciation for the year	(352)	(46)	(398)
Adjustments/Transfers	(265)	265	—
Depreciation and impairment losses end of year	(4,383)	(2,848)	(7,231)
Carrying amount end of year	964	251	1,215

10 Deposits

(DKK thousand)	2022	2021
Cost beginning of year	965	961
Additions	—	4
Cost at the end of year	965	965
Carrying amount end of year	965	965

11 Deferred tax

(DKK thousand)	2022	2021
Property, plant and equipment	106	133
Liabilities other than provisions	5,841	6,493
Deferred tax	5,947	6,626

(DKK thousand)	2022	2021
Changes during the year		
Beginning of year	6,626	5,093
Recognized in the income statement	(679)	1,533
End of year	5,947	6,626

12 Prepayments

Prepayments relates to prepaid expenses.

13 Share capital

(DKK thousand)	Number	Par value	Nominal value
Shares	400,000	100	40,000
	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 Deferred income - Long term

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

(DKK thousand)	2022	2021
Deferred income	17,622	21,416
	17,622	21,416

The deferred income will be recognized within 5 years.

15 Deferred income - Short term

Deferred income relates to prepaid income.

(DKK thousand)	2022	2021
Deferred income	8,927	8,098
	8,927	8,098

16 Unrecognized rental and lease commitments

(DKK thousand)	2022	2021
Liabilities under rental or lease agreements until maturity in total	5,936	5,787
	5,936	5,787

17 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 the administration company's financial statements.

18 Related parties with controlling interest

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

19 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.

20 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:	Nasdaq, Inc. 151 W. 42nd Street, New York, USA.