

# NASDAQ, INC.

## MANAGEMENT COMPENSATION COMMITTEE CHARTER APPROVED July 29, 2018

### Purpose

The Nasdaq Management Compensation Committee ("the Committee") hereby amends and sets forth its powers and responsibilities to determine the development plans and compensation of senior management of Nasdaq.

Without limiting the generality of the foregoing, the Committee shall have the following powers and responsibilities:

- Review and approve the executive compensation philosophy and strategy. The Committee shall review its compensation philosophy at least annually to ensure that it supports the Company's objectives and shareholders' interests, and that executives are being rewarded in a manner that is consistent with the Company's philosophy.
- Assess the results of the most recent proxy advisory vote on executive compensation and any other feedback garnered through the Company's ongoing shareholder outreach that may be in effect from time-to-time.
- Review annually all Company executive compensation and executive benefit programs and approve material changes for Section 16 officers of Nasdaq.
  - Compensation and benefit programs include: base pay structure, annual incentives, long-term incentives, pension and retirement plans, deferred compensation, health & welfare benefits, change-in-control and severance compensation, perquisites, or any employment or other agreements relating to the foregoing.
  - The Committee's role is one of oversight and, except as the Committee otherwise expressly determines or applicable law otherwise expressly requires, the Committee shall not act as a fiduciary with respect to any benefit plans or programs under ERISA or otherwise.
  - Any program changes applicable to the President and Chief Executive Officer and Chief Financial Officer will be referred to the Board for final approval.
- Review and approve annually the corporate goals and objectives relevant to the compensation of the Company's Section 16 officers.
  - For the President and Chief Executive Officer and Chief Financial Officer these items will be referred to the Board for final approval.
- Evaluate the performance of the President and Chief Executive Officer, together with the Nominating & Governance Committee, in light of the performance objectives set by the Committee and the Board of Directors in connection with the other independent Directors, and recommend to the independent Directors of the Board the compensation to be paid to the President and Chief Executive Officer.
- Review and approve individual compensation recommendations for Section 16 officers, including (i) salary paid to the Section 16 officer, (ii) the extent to which any performance-based annual incentives were earned, (iii) the annual incentive opportunity for Section 16 officers for the next fiscal year, (iv) long-term incentive opportunities for Section 16 officers for upcoming periods, and (v) any other matter relating to the compensation of Section 16 officers that the Committee considers appropriate.
  - No officer may be present during voting or deliberations on his or her compensation.
  - For the President and Chief Executive Officer and Chief Financial Officer these items will be referred to the Board for final approval.
- Review and approve the individual compensation recommendations for non-Section 16 officers whose target total cash compensation (base salary plus target bonus) is in excess of \$1,000,000.
- Administer in accordance with its terms the Nasdaq Equity Incentive Plan, the Nasdaq Employee Stock Purchase Plan and any similarly established equity plan or arrangement for the benefit of the employees. The Committee will review and approve equity awards for non-Section 16 officers in excess of \$600,000. The Committee hereby delegates authority to the President and Chief Executive Officer and Chief Financial Officer of Nasdaq, acting together, to approve all non-Section 16 officer (i) equity awards and (ii) accelerations of equity awards as part of an employee's separation from service (including, without limitation, retirement, disability, death, and involuntary termination without cause),

provided, in each case, that the value of such awards shall not exceed \$600,000 and that such awards shall satisfy the parameters of the Nasdaq Equity Incentive Plan and applicable law, particularly with respect to the maximum number of shares that may be issued, the minimum consideration and the time frame for issuance. The Committee will review quarterly reports on the distribution of equity awards.

- Review at least annually the talent review and succession plan for development, retention, and replacement of Section 16 officers and selected executives of Nasdaq.
- Review annually the peer group(s) used for benchmarking performance and compensation levels, and the criteria for selection.
- Assess annually compensation policies and programs for executive officers and other employees to monitor risk management and risk-taking incentives, and determine at least annually whether any such policies or programs are reasonably likely to have a material adverse effect on the Company.
- Review annually the Director and Executive Stock Ownership Guidelines and review compliance there under.
- Review and discuss with management Nasdaq's Compensation Discussion and Analysis and related disclosures that the Securities and Exchange Commission (SEC) rules require be included in the proxy statement and included in, or incorporated by reference into, the annual report on the Form 10-K. Based on this
- Based on this review and discussion, recommend to the Board of Directors whether the Compensation Discussion and Analysis should be included in Nasdaq's annual report on Form 10-K, proxy statement on Schedule 14A or information statement on Schedule 14C. Review and approve the Compensation Committee Report to be included in the Nasdaq proxy statement for the annual stockholders' meeting.
- At least annually, review the service provided to the Committee by any compensation consultant to determine whether the provision of such services has given rise to an actual conflict of interest taking into account such factors as required by the Securities and Exchange Commission and applicable law and such other factors as the Committee determines are relevant.
- Review and reassess the adequacy of its charter on an annual basis.
- Annually conduct self-evaluation of the Committee's performance and report its findings to the Board of Directors.
- Review every two years, or when requested, and recommend compensation plans for Board and Committee members of Nasdaq.
- Discharge any additional responsibilities as may be specified from time to time by the Board.

### **Committee Composition**

The Committee shall consist of at least two members of the Board, each of whom meets the independence and other eligibility standards contained in the Listing Rules of The NASDAQ Stock Market. As provided for in Article IV. Section 4.13(f) of the Nasdaq By-Laws, the number of Non-Industry Directors on the Committee shall equal or exceed the number of Industry Directors on the Committee. The Board shall determine in its discretion whether each member of the Committee shall be a "Non-Employee Director" and an "Outside Director" within the meaning of Section 16 of the Securities Exchange Act of 1934 and Section 162(m) of the Internal Revenue Code of 1986, respectively, to the extent applicable and as amended from time-to-time. Any action taken by the Committee during a period in which one or more of the members subsequently is determined to have failed to meet the membership qualifications shall nevertheless constitute duly authorized actions of the Committee and shall be valid and effective for all purposes, except to the extent required by law or determined appropriate by the Committee to satisfy regulatory standards.

### **Compensation Consultants, Legal Counsel and Other Advisers**

The Committee may, in its sole discretion, retain or obtain the advice of a compensation consultant, legal counsel or other adviser. The Committee shall be directly responsible for the appointment, compensation and oversight of the work of any compensation consultant, legal counsel or other adviser retained by the Committee. Nasdaq will provide for appropriate funding, as determined by the Committee, for payment of reasonable compensation to a compensation consultant, legal counsel or other adviser retained by the Committee. The Committee may select, or receive advice from, a compensation consultant, legal counsel or other adviser to the Committee, other than in-house legal counsel, only after taking into consideration the factors listed in Nasdaq Listing Rule 5605(d)(3)(D) and any other factors deemed relevant by the Committee.

## **Committee Meetings and Operations**

The Committee shall meet as often as it determines is appropriate to carry out its responsibilities under this charter, including in periodic executive sessions without management participation. The Chair of the Committee, in consultation with the other Committee members, shall determine the frequency and length of the committee meetings and shall set meeting agendas consistent with this charter in advance of each meeting.

A majority of the members present at a meeting of the Committee shall constitute a quorum for the transaction of business. The action of a majority of those present at the meeting, at which a quorum is present, shall be the action of the Compensation Committee. The Committee may take action by unanimous written consent.

The Committee shall keep minutes, report its activities to the full Board on a regular basis and make recommendations with respect to matters covered by this Charter and other matters as the Committee may deem necessary or appropriate. The Corporate Secretary of Nasdaq shall retain the minutes.

## **Delegation to Subcommittee**

The Committee may, as appropriate, in the best interests of Nasdaq and consistent with applicable regulations, laws and listing standards, delegate all or a portion of its duties and responsibilities to the Committee Chair or a subcommittee of the Committee.

## **Term of Office**

A Management Compensation Committee member shall hold office for a term of one year.