

Session 1. Completing the funding escalator for young, small and innovative firms

# Nasdaq Nordic Perspective

*CEPS and ECMI 2nd Taskforce Meeting,  
Brussels, 6 February 2019*

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# Our Vision

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Reimagining the markets of tomorrow

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# Focus areas in the Nordics

Nasdaq operates at the intersection of the **capital markets** and the economy. We work with **market participants**, officials and regulators to ensure **key principles** of well-functioning markets.

## Managing Change



The European regulatory and political reality is constantly transforming. Nasdaq is determined to keep developing solutions and services, help protect investors and continue to **support a favorable financial ecosystem**.

## Sustainability



We **help adjust the capital flows** of Europe in a more sustainable direction thus creating more value for investors, companies and the planet.

## Financial Technology



Nasdaq technology powers more than 100 marketplaces in 50+ countries. The Nordic region is a global Fintech hub, and Stockholm an important global development hub for Nasdaq. With our unique role as technology provider and marketplace operator, we **create better markets**.

## SME Growth



Work for well-functioning capital markets for small and medium sized enterprises to **support the economy and create jobs** by providing fair, secure and transparent stock markets with strong returns.

# Nasdaq Nordic organisation

We operate **7** equity exchanges, **1** commodities exchange, **1** clearing house, **2** CSDs in **4** countries, and **1** investment firm

More than **1 200 employees** in **8 countries**

We support more than **100 market places** in **50+ countries** globally with our leading Market Technology services

## Nasdaq Stockholm

- Our European **HQ**
- Home of Nasdaq's **Global Market Technology** division
- The **largest office** within Nasdaq globally
- Home to more than **600 listed companies**

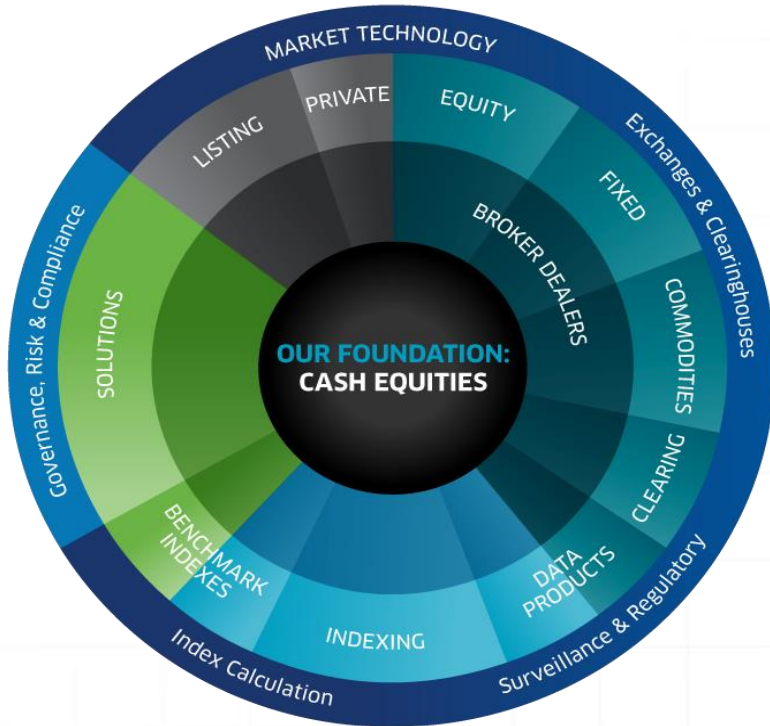
## Employees



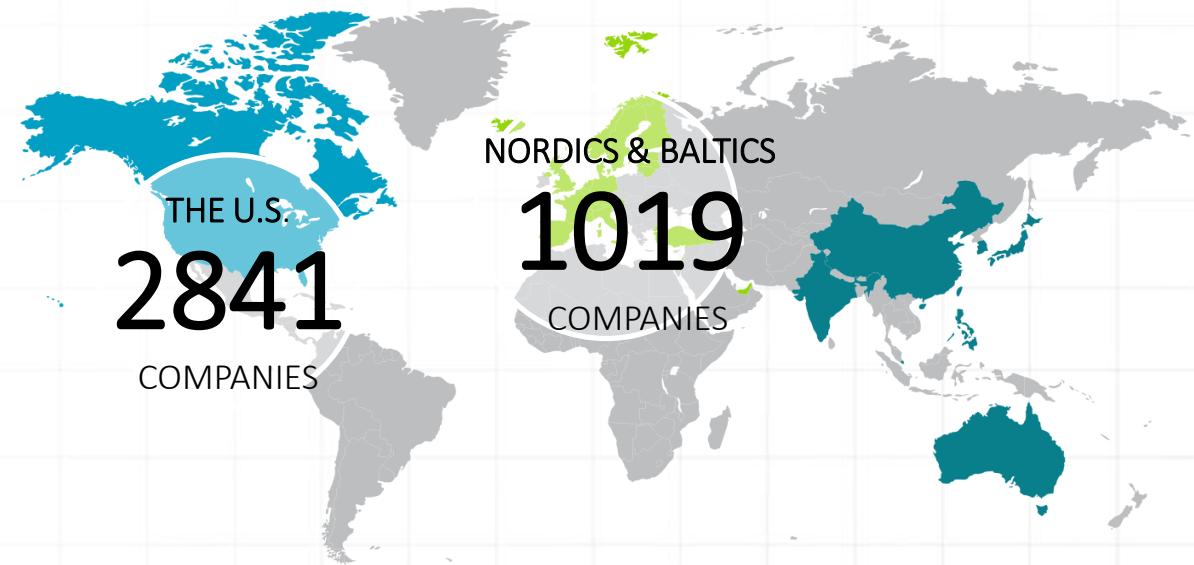
# Nasdaq lists 4,000 companies globally - whereof 1,000 in the Nordics

## A DIVERSIFIED PORTFOLIO FOCUSED ON GROWTH

Creating High Quality Markets Around The World

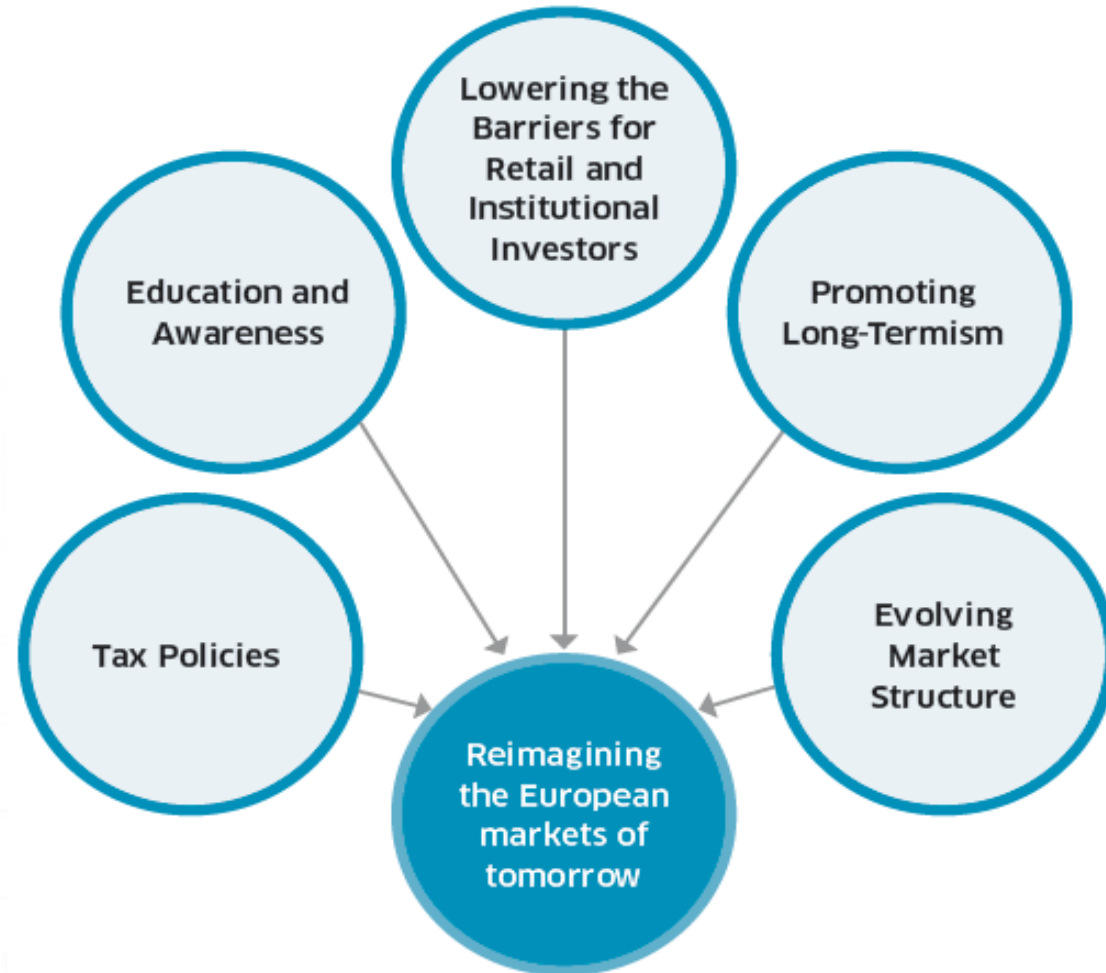


## NASDAQ'S GLOBAL PRESENCE





# Well-functioning ecosystems for SMEs needs transparent, fair and orderly markets



# The Nordics stands out in Innovation and Equity Culture

## An Introduction to Sweden

### Strong economy

- Beneficial environment of stable, affluent and transparent economy

### Equity culture

- Retail interested and exposed to equity market
- Beneficial tax model (ISK) for retail investors
- Pension system allows allocation of portion at own discretion

### Culture of Innovation

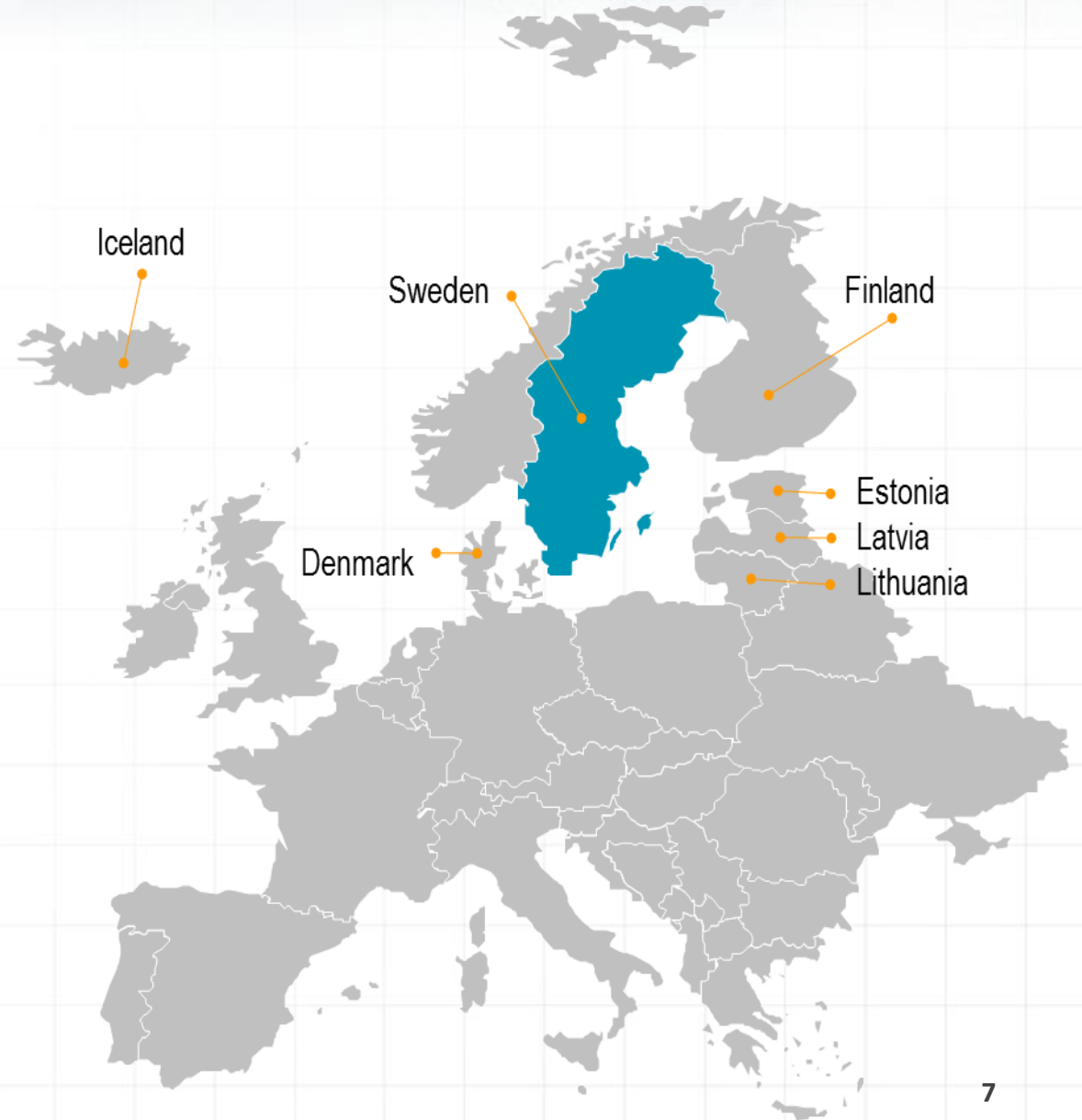
- One of the world's most innovative countries
- Largest number of Unicorns per capita

### International mindset and Language Skills

- Exports 45% of GDP

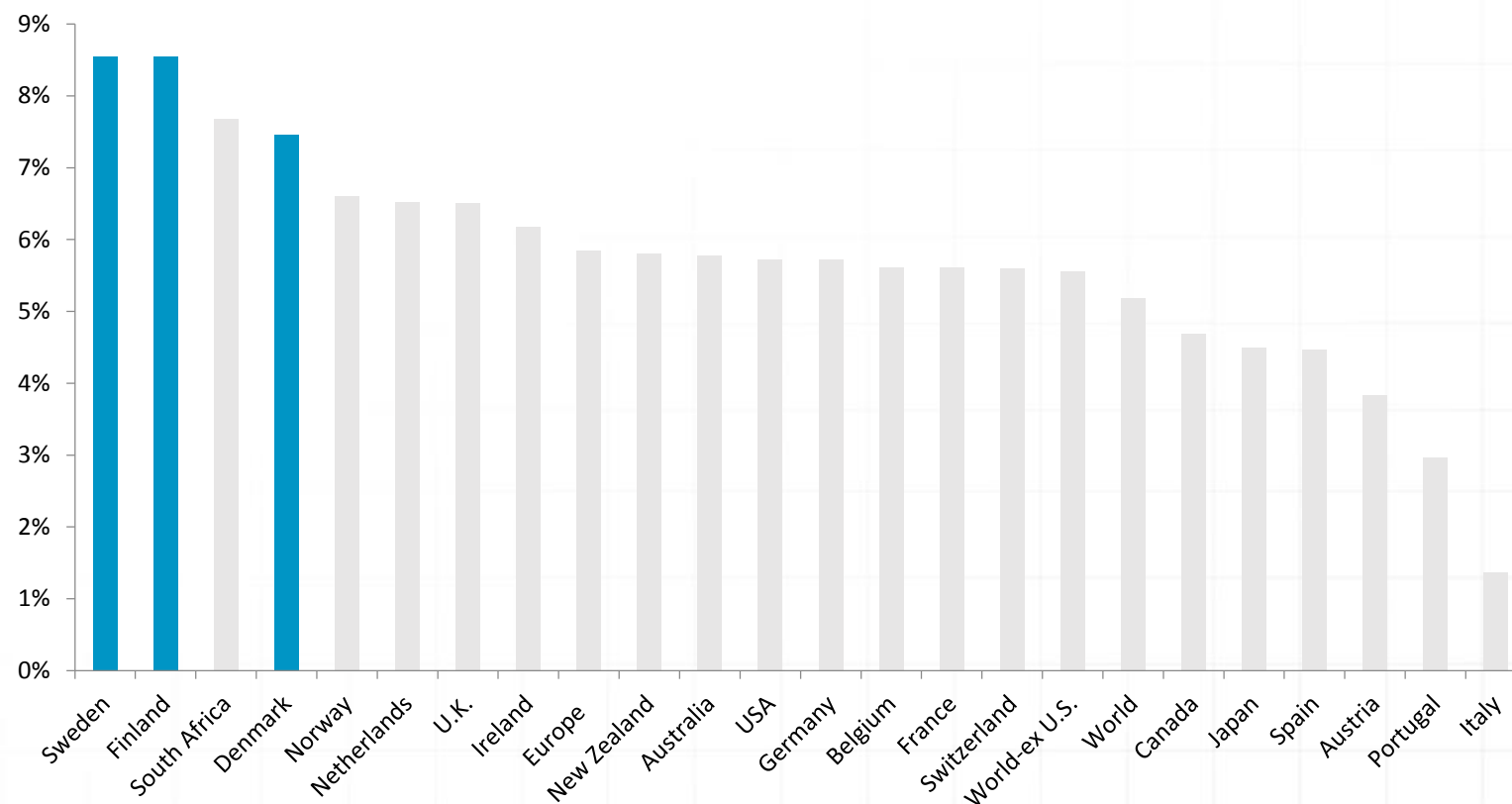
### Ecosystem

- Advisors, investors, financing providers supporting SMEs



# Nordic equity markets have over-performed

Annual real rates of return, excl. dividends, 1966-2017

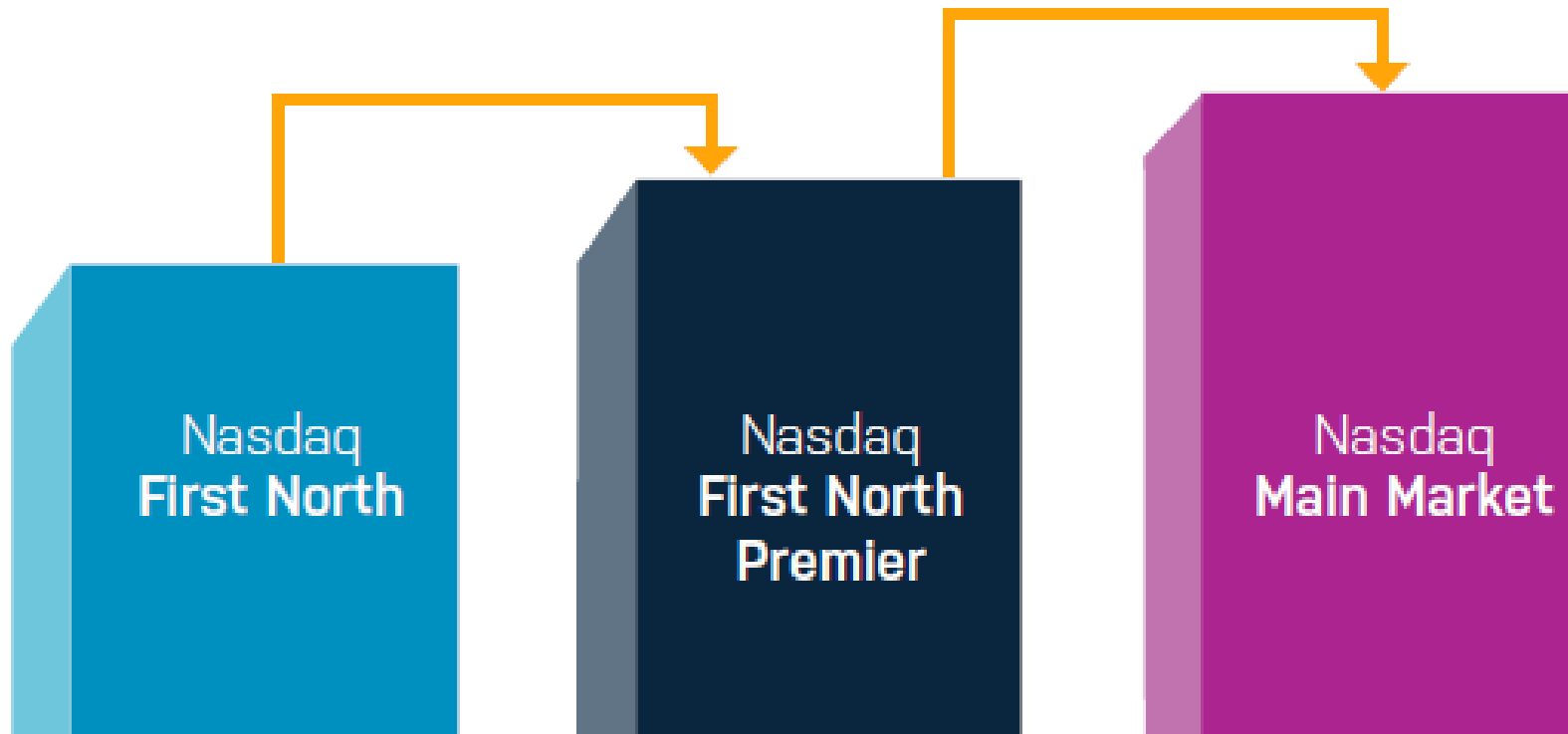


Top 20		
Rank	Country	Annual return
1	Sweden	8.55 %
2	Finland	8.55 %
3	South Africa	7.68 %
4	Denmark	7.46 %
5	Norway	6.61 %
6	Netherlands	6.53 %
7	U.K.	6.50 %
8	Ireland	6.18 %
9	Europe	5.84 %
10	New Zealand	5.81 %
11	Australia	5.77 %
12	USA	5.72 %
13	Germany	5.72 %
14	Belgium	5.61 %
15	France	5.61 %
16	Switzerland	5.60 %
17	World-ex U.S.	5.56 %
18	World	5.18 %
19	Canada	4.69 %
20	Japan	4.49 %



# Nasdaq offers markets tailored to suit SMEs of all maturity levels

74 companies have matured and transitioned from Nasdaq First North and Nasdaq First North Premier to the Main Market, since launch of the growth market in 2007



# Nasdaq Nordic is Listing Leading Brands of the World

2018\*  
83  
New Listings 2018\*

2.6  
Capital Raised 2018  
EUR Billion

2017\*  
115  
New Listings 2017

3.8  
Capital Raised 2017  
EUR Billion

2016\*  
94  
New Listings 2016

7.9  
Capital Raised 2016  
EUR Billion

\*in the Nordics



*railcare*

IMMUNICUM  
INNOVATION IN IMMUNO-ONCOLOGY



ALTIA



*ahlsell*

nets



N NEXT GAMES

ROVIO

Resurs  
Holding



paradox  
INTERACTIVE

## Selection of Members of the Nasdaq Family

VOLVO

H&M

AstraZeneca

NETFLIX



NOKIA

PayPal™

Google

amazon.com



Dropbox



ERICSSON



# Nasdaq Nordic 2018 Listings

	Main Market	Nasdaq First North
Total New Listings (incl. switches)***	33	50
Initial Public Offerings	14	37
Switches from Nasdaq First North****	13	---
Switches from non-Nasdaq markets	1	7
Company spin-offs	3	---
Listing, no offering	2	6
Capital Raised (Million EUR)	1 881	683
Largest IPOs (capital raised, million EUR)	Kojamo Oyj (483) Netcompany Group A/S (416) Cibus Nordic Real Estate AB (311)	
Sectors with most listings****	Health Care (19) Industrials (15) Financials (14)	

# Trading in our Nordic Markets

The Main Market and Nasdaq First North use same trading system (INET) with exposure to over 170 Trading members.

MAIN MARKET 2018	TURNOVER	TRADES
GLOBAL INVESTMENT BANKS	53.2%	54.0%
NORDIC BANKS	24.5%	24.5%
OTHER BROKERS	22.3%	20.8%

NASDAQ FIRST NORTH 2018	TURNOVER	TRADES
GLOBAL INVESTMENT BANKS	16.1%	15.7%
NORDIC BANKS	75.0%	79.8%
OTHER BROKERS	8.9%	4.5%

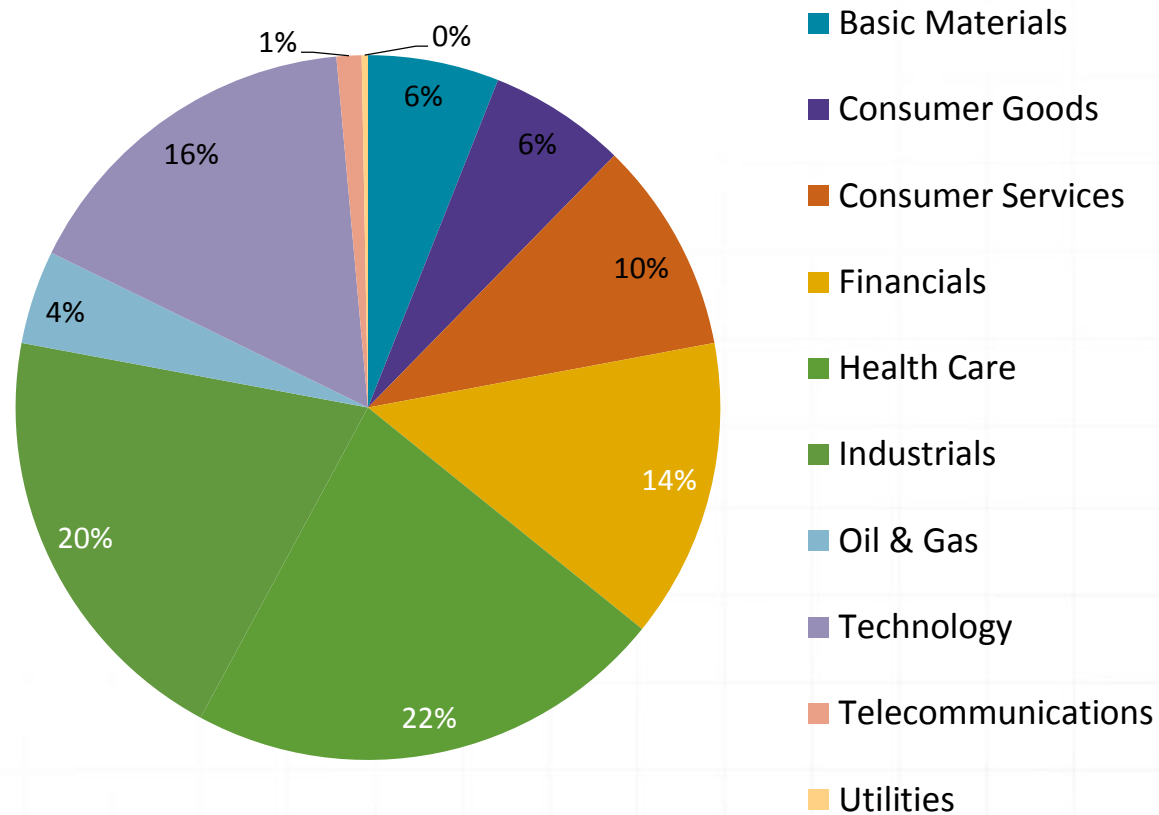
# SME Growth

## Supported by an Active Retail Community

Nasdaq First North, 2018	Turnover	Trades
Global investment banks	16.1%	15.7%
Internet brokers	43.8%	62.6%
Nordic banks	31.2%	17.2%
Other brokers	8.9%	4.5%



# Snapshot Nasdaq First North 2018



**50**

New listings 2018

**€687m**

Capital Raised 2018

**€18,6m**

Average Capital Raised  
2018

**22**

International Companies  
excl Swedish topco issuers

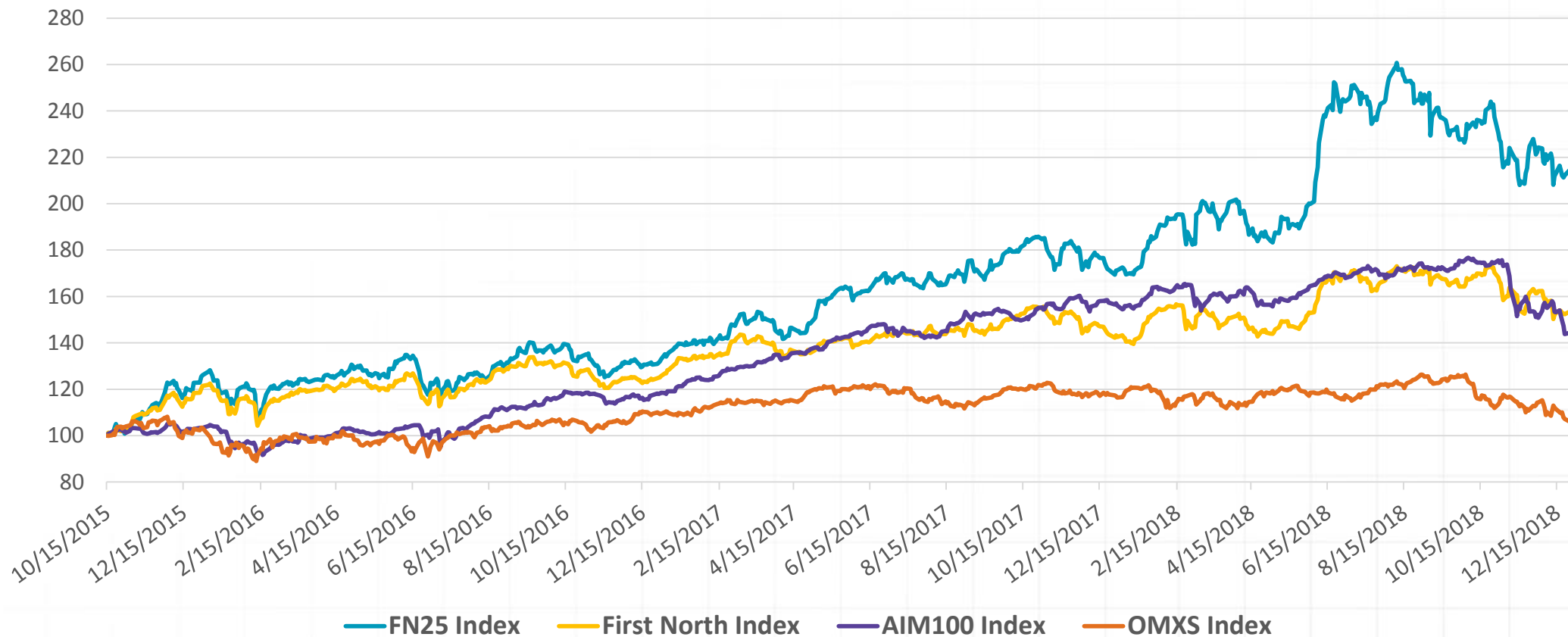
**348**

Number of Listed  
Companies

**€17bn**

Market Value of Listed  
Companies

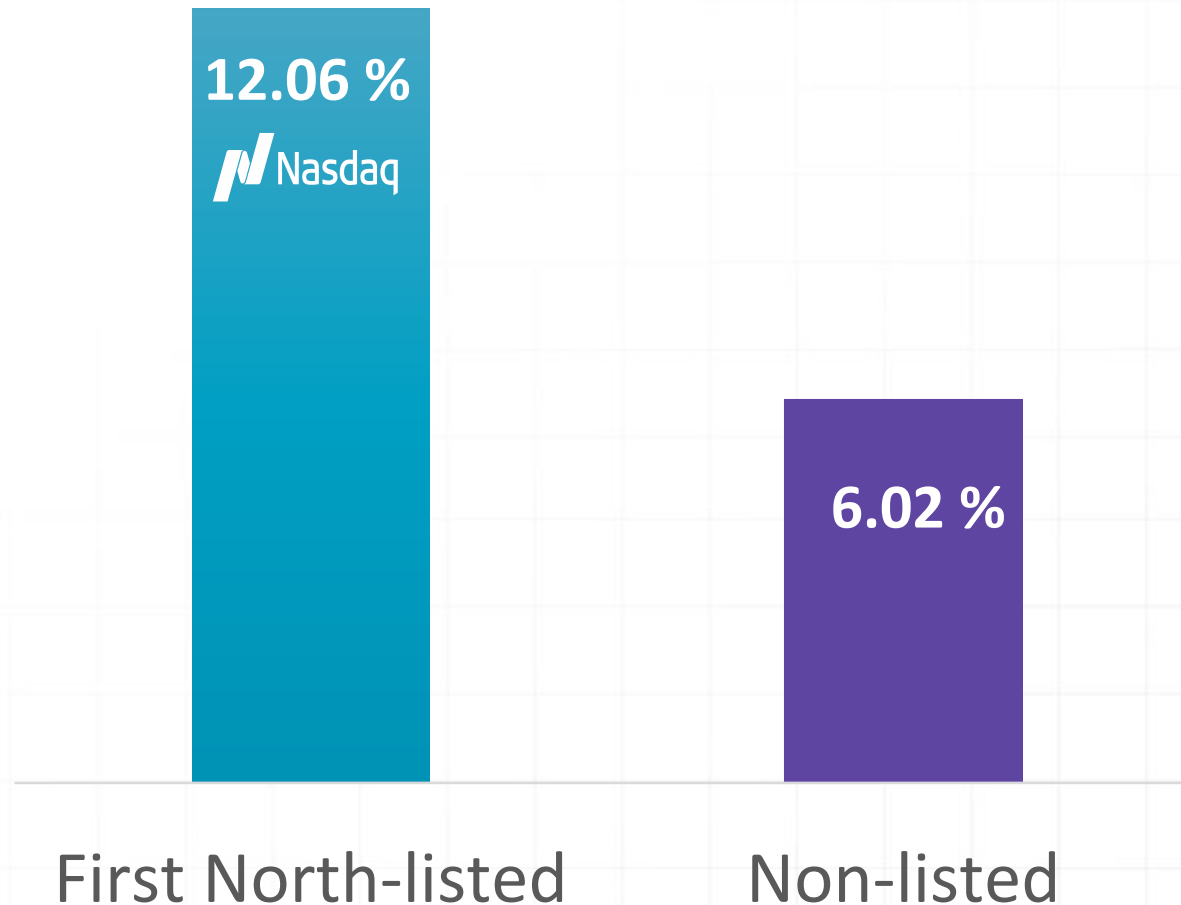
# First North 25 Index Leading Development Since Start



Source: Economic & Statistical Research

# Listed Companies Contribute More to Jobs Growth

Nasdaq research, based on data of 5,653 Swedish companies with turnover of SEK 10-500m in the reported statistics 2015-2016 to UC Alla Bolag AB.



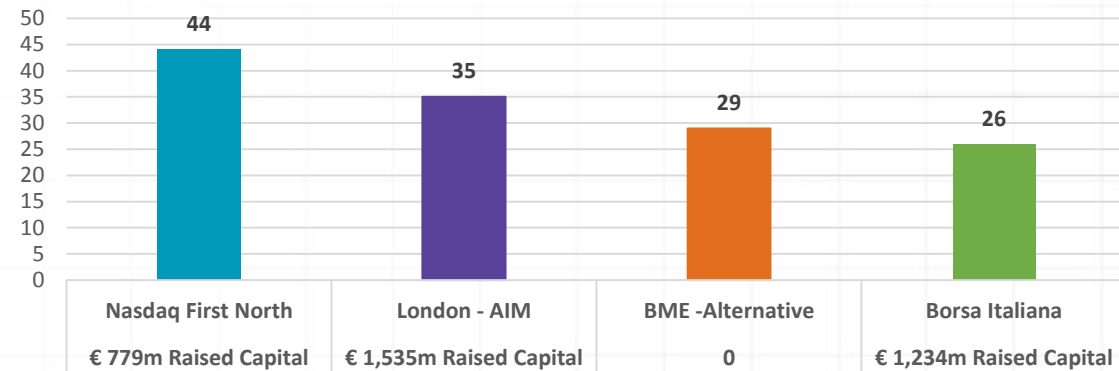
# The European IPO Market, 2018

Nasdaq Nordic:

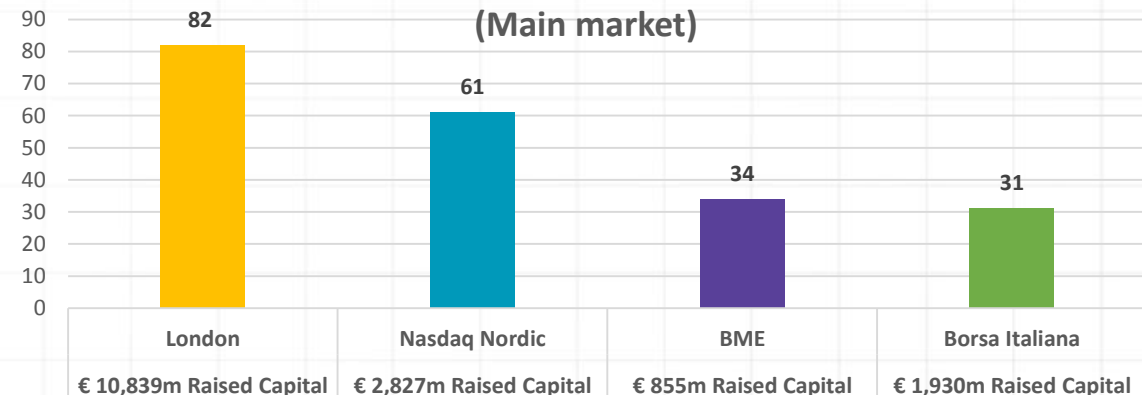
**Largest European IPO market  
on Exchange regulated market  
with 44 IPOs  
(First North)**

**Second largest European IPO  
market in total, with 61 IPOs  
(Main Market and First North)**

No. Of IPO:s, Exchange regulated market (First North)



No. Of IPO:s, EU and Exchange regulated market  
(Main market)



# Nasdaq Nordic ESG Initiatives for Better Markets





# Towards More Sustainable Markets

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Through our **role** in the financial market, Nasdaq Nordic has **the responsibility and ability** to direct flows of capital **towards more sustainable** use.

... 4 key initiatives among several

One of the largest  
markets in the world for  
**Sustainable Bonds**

**ESG Reporting Guide**  
and pilot program for  
listed companies

**ESG Data Portal** for  
Investors and Issuers

**OMXS30 ESG compatible**  
indices and futures

# Nasdaq Sustainable Bond Market

In 2015, Nasdaq Stockholm launched the first market for sustainable corporate bonds in the world.

- Main development driven by “Green Bonds”
- Growing progression towards sustainable bonds with a wider focus on a positive **environmental or social impact**
- All markets are believed to grow substantially during 2019.

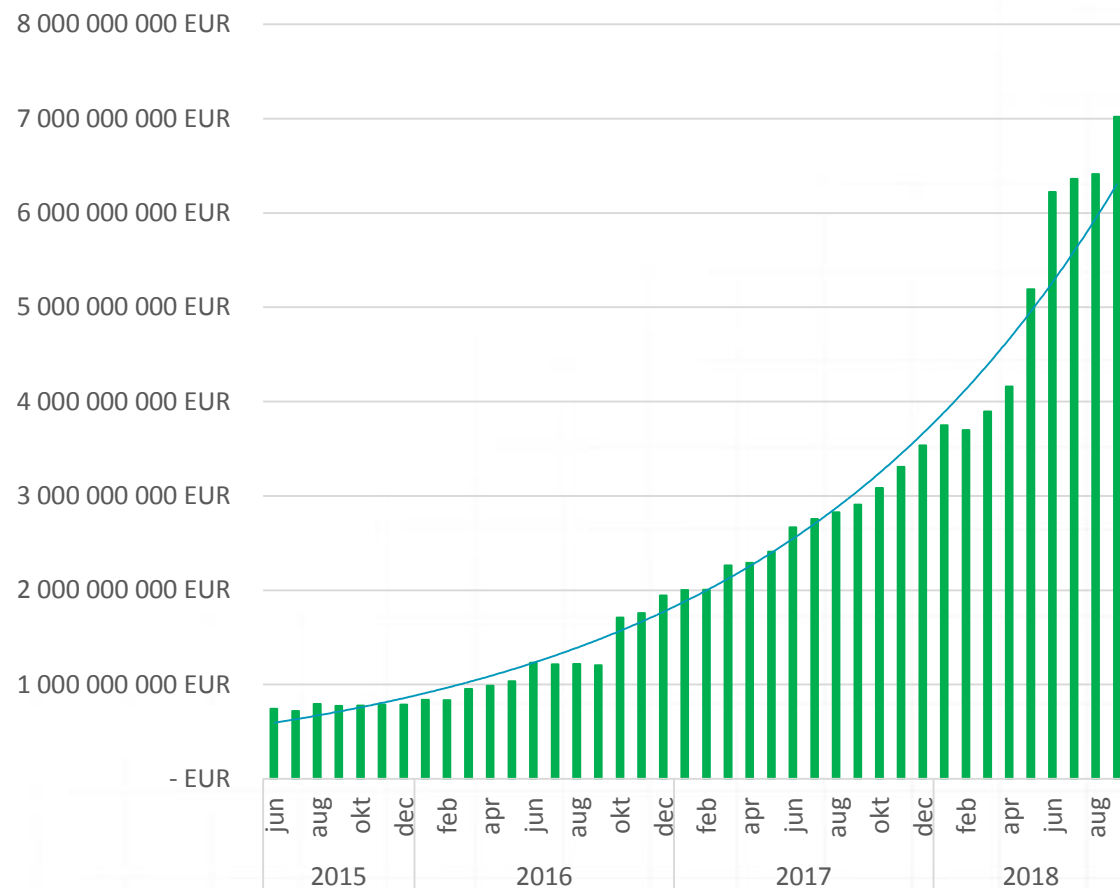
Nasdaq’s focus is to encourage development and innovation going forward.

- First North Sustainable Bonds. Nasdaq listed one of the world’s first Retail-Oriented Green Bonds.
- Launch of two new sustainable debt segments for Commercial Papers and Structured Products
- Partnership with Climate Bonds Initiative, to further position Nasdaq’s dedication to sustainable finance.

# Nasdaq Sustainable Bond Market

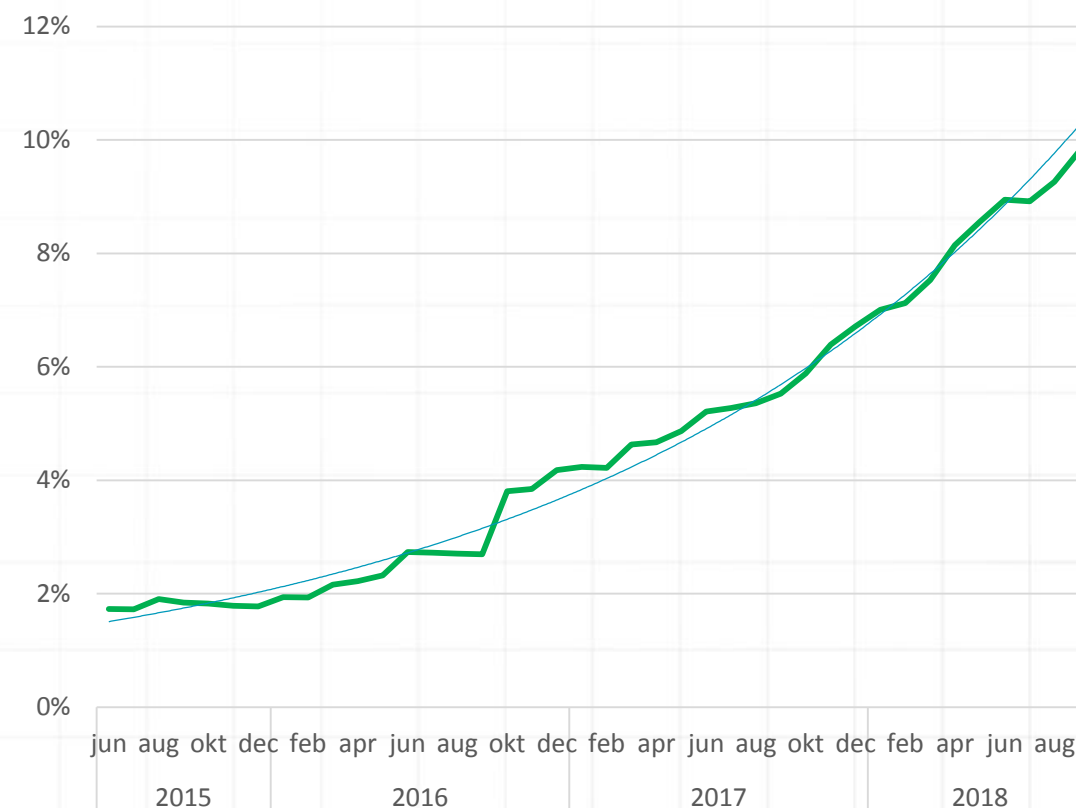
## Listed Green Volume

- All Nasdaq Sustainable debt segments



## Green Bond's Share of Total Market

- Main Market Corporate & Municipality Bonds (Nasdaq Stockholm)



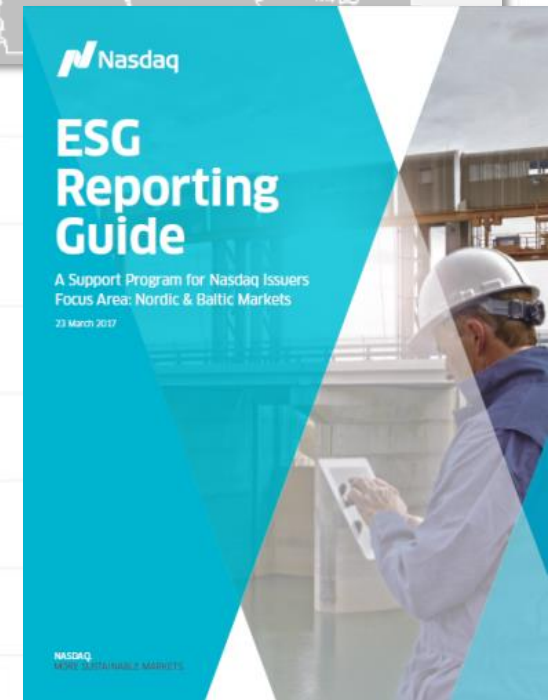
# ESG Reporting Guide

## Voluntary, flexible and effective approach

- Support tool for listed companies to assist them with ESG reporting
- Used especially for SME's planning to initiate ESG reporting
- Not a new framework: The guide does not add, set aside, replace or substitute any reporting obligations or standards.

## Pilot Program for ESG Reporting

- Used to test the guide and develop ESG reporting practices
- More than 30 companies from all markets
- Generate feedback to Nasdaq for next generation of the guide to be launched 2019.



# Nasdaq ESG Data Portal, launched 2019

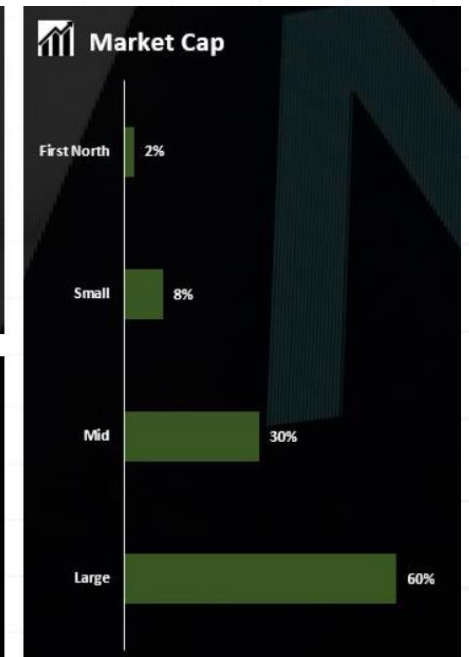
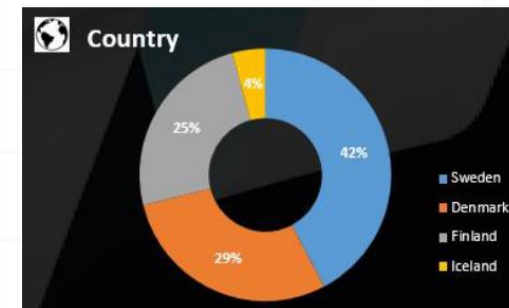
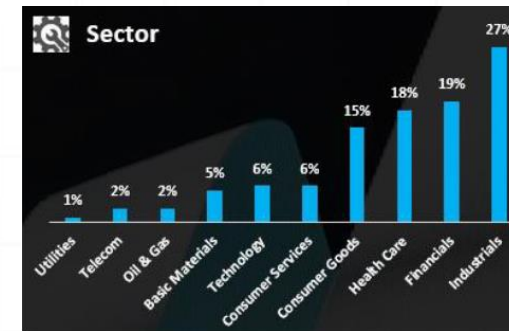
The ESG Data Portal is a centralized distribution point that **offers investors access to standardized ESG data** from companies listed at Nasdaq Nordic.

Issuers are offered a platform to showcase their ESG data to the investor community.

The Nasdaq ESG Data Portal is built upon the Nasdaq ESG Reporting Guide.

It aims to **serve as a bridge between issuers and investors and support more sustainable investments** across the Nordic market.

Currently, more than **160 issuers have uploaded data** in the portal, representing a combined market cap of more than 213 billion EUR.





# Nasdaq launched a new ESG Index and ESG Future

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Newly launched **OMX Stockholm 30 ESG Responsible Index** was constructed with the objective of creating **an ESG compliant version** of the elite index OMX Stockholm 30 index

Our OMXS30 index future contract is among the most traded in Europe. There is strong interest in the recently launched **ESG future contract on the OMX Stockholm 30 ESG Responsible Index**

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# Thank you!

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