

NASDAQ OMX GROUP, INC.  
Form PRE 14A  
March 17, 2014  
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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**SCHEDULE 14A**

**Proxy Statement Pursuant to Section 14(a) of the Securities**

**Exchange Act of 1934 (Amendment No. )**

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to §240.14a-12

**The NASDAQ OMX Group, Inc.**

**(Name of Registrant as Specified In its Charter)**

**N/A**

**(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)**

Payment of Filing Fee (Check the appropriate box):

- No fee required.
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(1) Title of each class of securities to which transaction applies:

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(4) Date Filed:

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March , 2014

### **Dear Fellow NASDAQ OMX Stockholder:**

We are pleased to enclose this year's proxy statement and to invite you to attend our 2014 annual meeting of stockholders. For your convenience, you may attend the annual meeting in person in Stockholm or New York or via a live webcast on our website at <http://ir.nasdaqomx.com/events.cfm>. While we look forward to sharing information about NASDAQ OMX with you at the annual meeting, below is a brief summary of some of the company's recent significant achievements.

### **Business and Financial Highlights**

The company's 2013 financial results were impressive as we ended the year with several record numbers in the fourth quarter, including net revenues, non-GAAP net income and non-GAAP earnings per share (EPS).<sup>(1)</sup> While our transaction business grew, we continued to diversify our business. Non-transaction based revenues now constitute over 70% of net revenues, and the company saw organic revenue growth in 2013 in the majority of our businesses, including Market Data Products, Index Licensing and Services, Market Technology and Corporate Solutions. In addition, we are pleased that the company is able to deliver record results even after making very significant investments in our future. Recent new initiatives include NLX, a London-based market offering a range of both short-term and long-term interest rate derivative products, NASDAQ Private Market, a marketplace for private growth companies, and significant infrastructure investments that will be critical in realizing the full potential of our Corporate Solutions business.

We also are proud of the company's numerous business accomplishments during 2013. Index Licensing and Services launched the second phase of the NASDAQ Global Index Family, which includes approximately 21,000 indexes, and the company is now one of few providers to have licensed products covering every major asset class. Market Technology announced several very significant new partnerships during the year, including Boerse Stuttgart and Borsa Istanbul, contributing to a record new order intake, and ended the year with a record backlog. Finally, in 2013 we welcomed 126 initial public offerings on The NASDAQ Stock Market and 273 new listings across our global markets, a five-year high.

2013 was also a transformative year for NASDAQ OMX as the company closed the strategic acquisitions of Thomson Reuters' Investor Relations, Public Relations and Multimedia Solutions businesses and eSpeed, an electronic platform for trading U.S. Treasuries. Both acquisitions were accretive to EPS in 2013, and added to the organic earnings growth the company experienced. More importantly the progress continues on delivering the synergy potential of both transactions, and we are excited about the company's broadening of its product suite, customer base and cross-selling opportunities as a result of these acquisitions.

### **Focus on Capital**

As a function of NASDAQ OMX's strong competitive position, focus on results and moderate capital requirements, our businesses generate substantial cash flow. We recognize the importance to stockholders of appropriate allocation of this capital to the best return opportunities, and the board dedicates substantial time and energy to reviewing the alternatives for capital deployment, including reinvestment internally, potential acquisitions and capital return alternatives. The board reviews potential returns on proposed opportunities and monitors actual returns on invested capital by project. The board also strives to determine the best capital structure to support our business and strategies and to optimize stockholder returns. In 2013, the company increased its investment in internal initiatives and made two significant acquisitions that represented attractive return on capital opportunities relative to the cost of capital. We remain committed to effective capital management at NASDAQ OMX.

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### **Continued Emphasis on Technology**

The company has continued to improve its infrastructure, particularly in the technology area. NASDAQ OMX is a leading technology solutions provider that powers more than 70 marketplaces in 50 countries around the world. As a technology leader, the company continuously focuses on improving its technology for its customers and internally with its own systems. Recently, the company has taken a number of concrete steps in the technology area to advance its goal of technological excellence. At the board level, we are proposing to add a new director, Ms. Charlene T. Begley, a highly respected leader who previously served as the chief information officer at General Electric Company. Over the past several years, the board has increased its focus on technology issues, and we believe that Ms. Begley's expertise will enhance the discussions in this area.

Consistent with our pay for performance culture, the management compensation committee and board of directors also are working to expand our executive compensation program's emphasis on systems resiliency in 2014.

### **Commitment to Corporate Sustainability and Compliance**

In 2013 and early 2014, NASDAQ OMX continued its commitment to corporate sustainability and compliance. The board supports these efforts and notes that efficiency and transparency have long been guiding principles at NASDAQ OMX. In particular, the company uses its leadership position to promote best practices in the sustainability area to fellow exchanges, listed companies and other stakeholders. The company is leading a working group of other exchanges under the auspices of the World Federation of Exchanges and hosts regular events for listed companies and others on environmental, social and corporate governance (ESG) topics. Beyond sustainability, in 2013 the company created a global compliance council, under the leadership of the chief regulatory officer, that manages an overarching program relating to regulatory and corporate compliance. NASDAQ OMX also continues its mandatory education for all employees on ethics and compliance issues, with emphasis on anti-bribery statutes, securities trading policies and conflicts of interest.

### **Leadership Role on Corporate Governance and Other Policy Issues**

Over the past year, NASDAQ OMX played a leadership role in the global financial community by advocating on behalf of both public and private companies on wide ranging policy issues. In the corporate governance area, NASDAQ OMX led efforts to increase the transparency of proxy advisory firms on their voting methodologies and potential conflicts of interest. Notably, NASDAQ OMX filed a petition with the U.S. Securities and Exchange Commission (SEC) to seek action on this topic in October 2013. NASDAQ OMX's recent public policy agenda also has focused on immigration reform, job growth, capital formation and other issues that affect a wide variety of companies and their stockholders. In the year ahead, we expect to continue to play a role in these and other important policy matters.

Both the board and management value strong, ongoing communication with our stockholders. In particular, we listen and respond to feedback from our own stockholders on corporate governance issues. With the full support of the board, NASDAQ OMX amended its governance documents in early 2014, following SEC approval, in response to such feedback. The amendments replaced the supermajority voting standards in NASDAQ OMX's governance documents with voting standards requiring the approval of a majority of the outstanding shares of NASDAQ OMX's common stock. In addition, the amendments implemented the ability for stockholders holding at least 15% of NASDAQ OMX's voting power to call a special meeting under certain circumstances. NASDAQ OMX also has adopted a prohibition on hedging and pledging by directors and Section 16 officers.

We continue to be optimistic about NASDAQ OMX's strategy and long-term success. We encourage you to vote your proxy as soon as possible so that your shares will be represented in the voting results.

### **The Board of Directors of The NASDAQ OMX Group, Inc.**

(1) Net revenues represent revenues less transaction rebates, brokerage, clearance and exchange fees.

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THE NASDAQ OMX GROUP, INC.  
NOTICE OF ANNUAL MEETING OF STOCKHOLDERS  
TO BE HELD ON MAY 7, 2014

To the Stockholders of The NASDAQ OMX Group, Inc.:

Please take notice that the annual meeting of stockholders of The NASDAQ OMX Group, Inc., a Delaware corporation, will be held at NASDAQ OMX's offices located at Tullvaktsvägen 15, 115 56 Stockholm, Sweden, on May 7, 2014, at 4:00 p.m. (CEST). Alternately, stockholders may join the meeting by live videoconference from NASDAQ MarketSite, Four Times Square, New York, New York 10036, at 10:00 a.m. (EDT). We also will offer a live webcast of the annual meeting on our website at <http://ir.nasdaqomx.com/events.cfm>.

The annual meeting will be held for the following purposes, all as described in the attached proxy statement:

1. to elect 11 directors for a one-year term;
2. to ratify the appointment of Ernst & Young LLP as NASDAQ OMX's independent registered public accounting firm for the fiscal year ending December 31, 2014;
3. to approve the company's executive compensation on an advisory basis;
4. to approve the NASDAQ OMX Equity Incentive Plan (Equity Plan), as amended and restated;
5. to approve an amendment of NASDAQ OMX's Amended and Restated Certificate of Incorporation (Charter) to conform a provision to an analogous provision in NASDAQ OMX's By-Laws (By-Laws); and
6. to transact such other business as may properly come before the annual meeting or any adjournment or postponement of the meeting.

We urge you to read carefully the attached proxy statement for additional information concerning the matters to be considered at this meeting.

Our board of directors has fixed the close of business on March 17, 2014 as the record date for the determination of stockholders entitled to vote at the annual meeting. Only holders of record at the close of business on the record date will be entitled to notice of, and to vote at, the annual meeting or any postponement or adjournment of the meeting. A list of these holders will be available at the annual meeting, and for at least 10 days prior to the annual meeting, at our principal executive offices at One Liberty Plaza, 50<sup>th</sup> Floor, New York, New York 10006.

To ensure your representation at the 2014 annual meeting of stockholders, you are urged to vote, whether or not you plan to attend the meeting, by proxy by one of the following methods as promptly as possible:

1. submit a proxy via the Internet or telephone pursuant to the instructions provided in the notice of Internet availability of proxy materials that we will mail no later than March 3, 2014 to stockholders as of the record date; or

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2. request printed copies of the proxy materials by mail pursuant to the instructions provided in the notice of Internet availability of proxy materials and complete, sign, date and return the proxy card that you will receive in response to your request.

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If you wish to attend the meeting in Stockholm or the live videoconference in New York, you will need to request an admission ticket in advance. You can request a ticket by following the instructions set forth on page 7 of the proxy statement under the heading "What do I need to do to attend the annual meeting or live videoconference? ". If you attend the meeting or live videoconference, you may revoke your proxy and vote in person, even if you have previously submitted a proxy for your NASDAQ OMX shares.

By Order of the Board of Directors,

Robert Greifeld

Chief Executive Officer

New York, New York

March , 2014

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This summary highlights information contained elsewhere in this proxy statement. It does not contain all of the information that you should consider, and we invite you to read the entire proxy statement, as well as our annual report on Form 10-K, as filed with the SEC on February 24, 2014 (Form 10-K), carefully before voting.

**ANNUAL MEETING INFORMATION**

<b>Time and Date:</b>	4:00 p.m. (CEST)/10:00 a.m. (EDT) on Wednesday, May 7, 2014			
<b>Place:</b>	In-person:	Live videoconference at:		
	NASDAQ OMX	NASDAQ MarketSite		
	Tullvaktsvägen 15	Four Times Square		
<b>Record Date:</b>	115 56 Stockholm Sweden	New York, New York 10036		
	March 17, 2014			
<b>Voting Methods:</b>	Attending the meeting or live videoconference and voting in person	Submitting your proxy by Internet ( <a href="http://www.proxyvote.com">http://www.proxyvote.com</a> ) or telephone	If you request a printed copy of the proxy materials, completing, signing, dating and returning the proxy card in the envelope provided	Scanning this QR code to access the voting site from your mobile device
<b>Attending the Meeting or Live Videoconference:</b>	If you wish to attend the meeting in Stockholm or the live videoconference in New York, you will need to request an admission ticket in advance. You can request a ticket by following the instructions set forth on page 7 of the proxy statement under the heading "What do I need to do to attend the annual meeting or live videoconference?" .			

**ANNUAL MEETING AGENDA AND VOTING RECOMMENDATIONS**

Proposal	Voting Standard	Effect of Abstentions and Broker Non-Votes	Board Voting Recommendation	Page Reference
Election of 11 directors	Majority of votes cast	Not counted as votes cast and therefore have no effect	FOR EACH NOMINEE	10
Ratification of the appointment of Ernst & Young LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2014	Majority of votes present in person or represented by proxy	Abstentions have the effect of a vote <i>against</i> the proposal; there will not be broker non-votes	FOR	31
Advisory vote to approve the company's executive compensation on an advisory basis	Majority of votes present in person or represented by proxy	Abstentions have the effect of a vote <i>against</i> the proposal; broker non-votes have no effect	FOR	34

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Approval of the Equity Plan, as amended and restated	Majority of votes present in person or represented by proxy	Abstentions have the effect of a vote <i>against</i> the proposal; broker non-votes have no effect	FOR	77
Approval of an amendment of NASDAQ OMX's Charter to conform a provision to an analogous provision in NASDAQ OMX's By-Laws	Majority of the outstanding shares of NASDAQ OMX's common stock	Have the effect of a vote <i>against</i> the proposal	FOR	90

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The following table provides summary information about each director nominee. Each director nominee is elected annually by a majority of votes cast.

Name	Age	Classification	Director Since
Charlene T. Begley	47	Non-Industry; Public	
Steven D. Black	61	Non-Industry; Public	2011
Börje E. Ekholm	51	Non-Industry	2011
Robert Greifeld	56	Staff	2003
Glenn H. Hutchins	58	Industry	2005
Essa Kazim	55	Non-Industry	2008
John D. Markese	68	Non-Industry; Public	1996
Ellyn A. McColgan	60	Non-Industry; Public	2012
Thomas F. O'Neill	67	Non-Industry	2003
Michael R. Splinter	63	Non-Industry; Issuer	2008
Lars R. Wedenborn	55	Non-Industry	2008

**FINANCIAL HIGHLIGHTS**

2013 was a transformative year for NASDAQ OMX as we continued to diversify our revenue stream, achieved many business successes and closed two strategic acquisitions. The chart below summarizes key NASDAQ OMX financial results for the fiscal year ended December 31, 2013 when compared with the same period in 2012. For additional information, see Compensation Discussion and Analysis Executive Summary 2013 Business Highlights on page 35.

	Year Ended December 31,		Percentage Change
	2013	2012	
	(in millions, except per share amounts)		
Revenues less transaction rebates, brokerage, clearance and exchange fees	\$ 1,895	\$ 1,674	13.2%
Diluted EPS	\$ 2.25	\$ 2.04	10.3%
Stock price per share(1)	\$ 39.80	\$ 24.99	59.3%

(1) Represents the closing market price of our common stock on the last trading day of each year.

**Table of Contents****EXECUTIVE COMPENSATION HIGHLIGHTS**

In line with our executive compensation program's emphasis on pay for performance, compensation awarded to the named executive officers generally increased in 2013 as compared to 2012. The following table shows each named executive officer's total cash compensation, including salary and cash incentive awards, for 2013. Total cash compensation does not include all of the elements of compensation that comprise total compensation as reported in the Summary Compensation Table. For additional information, see "Compensation Discussion and Analysis" on page 35 and "Executive Compensation" on page 57.

Named Executive Officer	Salary (\$)	Cash Incentive Award (\$)	2013 Total Cash Compensation (\$)
Robert Greifeld Chief Executive Officer	\$ 1,000,000	\$ 2,794,050	\$ 3,794,050
Lee Shavel Chief Financial Officer and Executive Vice President, Corporate Strategy	\$ 500,000	\$ 1,135,500	\$1,635,500
Hans-Ole Jochumsen(1) Executive Vice President, Transaction Services Nordic	\$ 516,096	\$ 1,383,168	\$1,899,264
Edward S. Knight Executive Vice President, General Counsel and Chief Regulatory Officer	\$ 500,000	\$ 1,106,625	\$1,606,625
Bradley J. Peterson Executive Vice President and Chief Information Officer	\$ 412,885	\$ 915,300	\$1,728,185(2)

- (1) For Mr. Jochumsen, certain amounts reported in this proxy statement were paid in Swedish krona. These amounts are converted to U.S. dollars from krona at an exchange rate of \$0.1536 per krona, which was the average exchange rate for 2013.
- (2) Mr. Peterson's 2013 total cash compensation also includes a one-time cash payment of \$400,000 in connection with his hiring in February 2013.

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**Table of Contents****EXECUTIVE COMPENSATION AND CORPORATE GOVERNANCE BEST PRACTICES**

We regularly engage with our stockholders to discuss executive compensation, corporate governance and other issues. As detailed further in this proxy statement, the following executive compensation and corporate governance best practices are key aspects of our programs.

<b>Executive Compensation Best Practices</b>	<b>Corporate Governance Best Practices</b>
Pay for Performance Philosophy	Replacement of Supermajority Voting Requirements
Prohibition on Hedging and Pledging	Stockholder Ability to Call a Special Meeting
Stock Ownership Guidelines	Majority Voting for Directors in Uncontested Elections
Stock Holding Requirement	Annual Election of Directors
Limited Share Recycling Provision	Separation of Board Chairman and CEO
Frozen Pension Plan, Frozen SERP and Discontinued Supplemental Employer Retirement Contributions (ERCs)	Board Meets Regularly in Executive Session
Limited Severance Arrangements	No Director Attended Fewer Than 75% of Board and Committee Meetings
Double Trigger Change in Control Agreements	Annual Board and Committee Evaluations
Elimination of Tax Gross-Up Payments on Severance Arrangements	Corporate Governance Guidelines
Limited Perquisites	Global Ethics and Compliance Program and Confidential Whistleblower Process
Incentive Recoupment Policy	No Poison Pill
Limited Employment Agreements	Comprehensive Succession Planning Program
Engagement of Independent Compensation Consultant	Strong Risk Management Program
Extensive Risk Assessment of Compensation Program	Corporate Sustainability Program

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THE NASDAQ OMX GROUP, INC.

PROXY STATEMENT

FOR THE ANNUAL MEETING OF STOCKHOLDERS

TO BE HELD ON MAY 7, 2014

We are furnishing this proxy statement to the stockholders of The NASDAQ OMX Group, Inc., a Delaware corporation, in connection with the solicitation of proxies by our board of directors for use in voting at the annual meeting of stockholders to be held at the time and place and for the purposes set forth in the accompanying notice of annual meeting, and at any and all adjournments or postponements of this meeting.

**In accordance with rules of the SEC, instead of mailing printed copies of our proxy materials to each stockholder of record, we are furnishing the proxy materials for the 2014 annual meeting by providing access to these documents on the Internet. A notice of Internet availability of proxy materials is being mailed to our stockholders. We first mailed or delivered this notice on or about March 10, 2014. The notice of Internet availability contains instructions for accessing and reviewing our proxy materials and submitting a proxy over the Internet. Our proxy materials were made available at [www.proxyvote.com](http://www.proxyvote.com) on the date that we first mailed or delivered the notice of Internet availability. The notice also will tell you how to request our proxy materials in printed form or by e-mail, at no charge. The notice contains a control number that you will need to submit a proxy for your shares.**

**THE ANNUAL MEETING**

***When and where is the meeting?*** The annual meeting is scheduled to be held at NASDAQ OMX's offices located at Tullvaktsvägen 15, 115 56 Stockholm, Sweden, on May 7, 2014, at 4:00 p.m. (CEST). Alternately, stockholders may join the meeting by live videoconference from NASDAQ MarketSite, Four Times Square, New York, New York 10036, at 10:00 a.m. (EDT). We also will offer a live webcast of the annual meeting on our website at <http://ir.nasdaqomx.com/events.cfm>.

***Why is the meeting being held in Stockholm?*** NASDAQ OMX is a global company with stockholders, customers and employees all over the world. Many of our European businesses are located in Stockholm, which is the site of our largest office in terms of headcount. We are pleased to announce that on this basis our 2014 annual meeting will take place in Stockholm. If it is more convenient, stockholders may join the meeting by live videoconference from NASDAQ MarketSite, Four Times Square, New York, New York 10036. Stockholders joining the meeting by live videoconference will have the same opportunity to ask questions as stockholders joining in person in Stockholm. Additionally, stockholders are invited to join the meeting via live webcast.

***What is the purpose of the meeting?*** At the annual meeting, NASDAQ OMX's stockholders will be asked to consider and vote upon each of the following matters:

1. to elect 11 directors for a one-year term;
2. to ratify the appointment of Ernst & Young LLP as NASDAQ OMX's independent registered public accounting firm for the fiscal year ending December 31, 2014;
3. to approve the company's executive compensation on an advisory basis;
4. to approve the Equity Plan, as amended and restated;

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5. to approve an amendment of NASDAQ OMX's Charter to conform a provision to an analogous provision in NASDAQ OMX's By-Laws; and
6. to transact such other business as may properly come before the annual meeting or any adjournment or postponement of the meeting.

**Who is entitled to vote?** Only holders of record listed on the books of NASDAQ OMX at the close of business on March 17, 2014 (record date) of NASDAQ OMX's common stock, par value \$0.01 per share, will be entitled to notice of, and to vote at, the annual meeting. As of the record date, there were outstanding shares of common stock.

A list of holders entitled to vote at the annual meeting will be available at the annual meeting and for at least 10 days prior to the annual meeting, between the hours of 9:00 a.m. and 5:00 p.m. (EDT), at our principal executive offices, One Liberty Plaza, 50<sup>th</sup> Floor, New York, New York 10006. You may arrange to review this list by contacting NASDAQ OMX's corporate secretary, Joan C. Conley (corporatesecretary@nasdaqomx.com).

**How many votes do I have?** Each share of common stock has one vote, subject to the voting limitation in our Charter that generally prohibits a stockholder from voting in excess of 5% of the total voting power of NASDAQ OMX.

**Is my vote confidential?** Your individual vote is confidential and will not be disclosed to third parties. Proxies, ballots and voting tabulations are handled on a confidential basis to protect your voting privacy. This information will not be displayed except as required by law.

**What constitutes a quorum?** The presence of the holders of a majority (greater than 50%) of the votes entitled to be cast at the meeting constitutes a quorum. Presence may be in person or by proxy. You will be considered part of the quorum if you submit a proxy by Internet, by telephone or by returning a signed and dated proxy card (if proxy materials are requested in printed form) or if you vote in person at the annual meeting or live videoconference. Abstentions and broker non-votes are counted as present and entitled to vote at the meeting for purposes of determining a quorum.

**Who counts the votes?** Broadridge Financial Solutions, Inc. tabulates the votes and acts as inspector of elections.

**How do I vote?** You can ensure that your NASDAQ OMX shares are voted at the meeting by:

attending the meeting or live videoconference and voting in person, as discussed below;

submitting your proxy by Internet ([www.proxyvote.com](http://www.proxyvote.com)) or telephone; or

if you request a printed copy of proxy materials, completing, signing, dating and returning the proxy card in the envelope provided.

**Proxy Submission by Internet.** You have the option to submit a proxy for your shares through the Internet. The notice of Internet availability of proxy materials contains the website address ([www.proxyvote.com](http://www.proxyvote.com)) for Internet proxy submission. Internet proxy submission is available 24 hours a day until 11:59 p.m. (EDT) on May 6, 2014. You must enter your control number, which is printed in the lower right hand corner of the notice of Internet availability, and you will be given the opportunity to confirm that your instructions have been properly recorded.

**Proxy Submission by Telephone.** You have the option to submit a proxy for your shares by telephone. The notice of Internet availability of proxy materials will have information about Internet proxy submission, but is not permitted to include a telephone number for submitting a proxy by phone because that would enable a stockholder to submit a proxy without first accessing the proxy materials.

The instructions for telephonic proxy submission are provided on the website where the proxy materials can be viewed. You will be provided with a telephone number for submitting your proxy at this site.





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Alternatively, if you request paper copies of the proxy materials, your proxy card will list a toll-free telephone number that you may use to submit a proxy for your shares. Telephone proxy submission is available 24 hours a day until 11:59 p.m. (EDT) on May 6, 2014. When you submit a proxy by telephone, you will be required to enter your control number. You will then receive easy-to-follow voice prompts allowing you to instruct the proxy holders how to vote your shares and to confirm that your instructions have been properly recorded. If you are located outside the United States or Canada, you should instruct the proxy holders how to vote your shares by Internet or by mail.

**Proxy Submission by Mail.** If you choose to submit a proxy by mail after requesting and receiving printed proxy materials, simply complete, sign and date your proxy card and return it in the postage-paid envelope provided.

***How do I complete the proxy?*** The proxy provides that each stockholder may vote his or her NASDAQ OMX shares For or Against or Abstain for individual nominees and for each of the other proposals. Whichever method you select to transmit your instructions, the proxy holders will vote your shares as provided by those instructions. **IF YOU PROVIDE A PROXY WITHOUT SPECIFIC VOTING INSTRUCTIONS, YOUR NASDAQ OMX SHARES WILL BE VOTED BY THE PROXY HOLDERS FOR THE ELECTION OF THE DIRECTORS NAMED IN THIS PROXY STATEMENT AND FOR PROPOSALS II, III, IV and V.**

If your NASDAQ OMX shares are held by a broker, bank or other nominee that does not have express authority to vote on a particular matter, you will receive instructions from your nominee, which you must follow to have your NASDAQ OMX shares voted. The broker, bank or other nominee may vote only the NASDAQ OMX shares that it holds for you as provided by your instructions, subject to certain exceptions described below.

***What do I need to do to attend the annual meeting or live videoconference?*** If you wish to attend the annual meeting or live videoconference, you must be a stockholder on the record date and request an admission ticket in advance by visiting [www.proxyvote.com](http://www.proxyvote.com) and following the instructions provided (you will need the 12 digit number included on your proxy card, voter instruction form or notice). Tickets will be issued to registered and beneficial owners and to one guest accompanying each registered or beneficial owner. Requests for admission tickets will be processed in the order in which they are received and must be requested no later than 11:59 p.m. (EDT) on May 6, 2014. Please note that seating is limited and requests for tickets will be accepted on a first-come, first-served basis.

At the meeting and live videoconference, each stockholder will be required to present a valid picture identification such as a driver's license or passport with their admission ticket. If you are a beneficial owner of NASDAQ OMX shares held by a bank, broker or other nominee, you also will need proof of ownership to be admitted to the meeting or live videoconference. A recent brokerage statement or letter from the bank, broker or other nominee is an example of proof of ownership. If you want to vote in person and your NASDAQ OMX shares are held by a bank, broker or other nominee, you will have to obtain a proxy, executed in your favor, from the holder of record.

Directions to the annual meeting and live videoconference are available at <http://ir.nasdaqomx.com/annuals.cfm>. Cameras (including cell phones with photographic capabilities), recording devices and other electronic devices will not be permitted at the meeting or live videoconference. You may be required to enter through a security check point before being granted access to the meeting or live videoconference.

***How is the meeting conducted?*** We intend to conduct the meeting in an orderly and timely manner. Rules of conduct for stockholders who wish to address the meeting will be distributed at the meeting. We cannot assure that every stockholder who wishes to speak on an item of business will have the opportunity to do so. The chair of the meeting may rely upon the rules of conduct, applicable law and his best judgment regarding disruptions or disorderly conduct to ensure that the meeting is conducted in an orderly manner.

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This year, stockholders will have the opportunity to submit questions in advance of the meeting. Please visit our stockholder forum located at [www.proxyvote.com](http://www.proxyvote.com) to provide your questions in advance of the meeting.

***What are the board's recommendations? The NASDAQ OMX board recommends that you vote FOR each of the nominees for director named in Proposal I and FOR Proposals II, III, IV and V.***

***What vote is required to elect each director?*** Our directors are elected by the holders of a majority of votes cast at any meeting for the election of directors at which a quorum is present and there is an uncontested election. Each of the 11 nominees must receive the affirmative vote of the holders of a majority of the votes cast for the election of directors to be duly elected to the board of directors in an uncontested election. Any shares not voted, for example by abstention or, if applicable, broker non-vote, will not impact the vote. Our By-Laws and corporate governance guidelines require that, in an uncontested election, an incumbent director must submit an irrevocable resignation as a condition to his or her nomination for election. If an incumbent director fails to receive the requisite number of votes in an uncontested election, the irrevocable resignation becomes effective and such resignation will be considered by the nominating & governance committee. This committee will recommend to the full board whether or not to accept the resignation. The board is required to act on the recommendation and to disclose publicly its decision-making process with respect to the resignation. See Proposal I: Election of Directors and NASDAQ OMX's Corporate Governance for full details of this policy. The 2014 election of directors is an uncontested election.

***What vote is required to approve the other proposals?*** The following proposals require an affirmative vote of the holders of a majority of the votes present in person or represented by proxy at the meeting and entitled to vote on the matter. Abstentions have the effect of a vote against these proposals. Broker non-votes, if applicable, have no effect on these proposals:

ratification of appointment of Ernst & Young LLP;

approval of the company's executive compensation on an advisory basis; and

approval of the Equity Plan, as amended and restated.

The stockholder vote to approve executive compensation is an advisory vote only and, therefore, the result of that vote will not be binding on our board of directors or management compensation committee. Our board and management compensation committee will, however, consider the outcome of the vote when evaluating our executive compensation program in the future.

The proposed amendment to NASDAQ OMX's Charter requires the affirmative vote of a majority of NASDAQ OMX's outstanding shares of common stock entitled to vote generally in the election of directors, voting together as a single class. Abstentions and broker non-votes have the effect of a vote against this proposal. The proposed amendment to NASDAQ OMX's Charter will not become effective until it is filed and effective with the SEC and the state of Delaware.

***What is a broker non-vote?*** If you are a beneficial owner whose shares are held of record by a broker, you must instruct the broker how to vote your shares. If you do not provide voting instructions, your shares will not be voted on any proposal on which the broker does not have discretionary authority to vote. This is called a broker non-vote. The ratification of the appointment of Ernst & Young LLP as our registered independent public accounting firm is considered a routine matter. Accordingly, brokers may vote shares on this proposal without your instructions, and there will be no broker non-votes with respect to this proposal. The other proposals are considered non-routine, and brokers cannot vote shares on these proposals without your instructions.

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**If you hold your shares through a broker, it is important that you cast your vote if you want it to count on all of the matters to be considered at the annual meeting other than the ratification of the appointment of our independent registered public accounting firm. Thus, if you hold your shares in street name and you do not instruct your broker how to vote on these matters, no votes will be cast on your behalf.**

***What if other items come up at the annual meeting and I am not there to vote?*** We are not now aware of any matters to be presented at the annual meeting other than those described in this proxy statement. When you provide your voting instructions by Internet or telephone, or return a signed and dated proxy card, you give the proxy holders the discretionary authority to vote on your behalf on any other matter that is properly brought before the annual meeting. If the meeting is adjourned or postponed, your NASDAQ OMX shares may be voted by the proxy holders on the new meeting date, unless you have revoked your proxy instructions before that date.

***Can I change my vote?*** You can change your vote by revoking your proxy at any time before it is exercised in one of three ways:

submit a later dated proxy (including a proxy submitted through the Internet, by telephone or by proxy card);

notify NASDAQ OMX's corporate secretary, Joan C. Conley (corporatesecretary@nasdaqomx.com), that you are revoking your proxy; or

vote in person at the annual meeting or live videoconference.

If you are a beneficial owner of NASDAQ OMX shares held by a bank, broker or other nominee, you will need to contact the bank, broker or other nominee to revoke your proxy.

***When will the results of the voting be available?*** Votes will be tabulated by Broadridge Financial Solutions, Inc., the independent inspector of elections appointed for the meeting. Preliminary results will be announced at the meeting and, thereafter, final results will be reported in a current report on Form 8-K, which is expected to be filed with the SEC within four business days after the meeting.

***Who is paying the costs of this proxy solicitation?*** We will pay the cost of soliciting proxies. Proxies may be solicited on our behalf by directors, officers or employees (who will not receive any additional compensation for these solicitations), in person or by telephone, electronic transmission and facsimile transmission. NASDAQ OMX will, upon request, reimburse brokers, banks and other nominees for their reasonable expenses in sending proxy materials to their beneficial owners/customers and obtaining their proxies. We have hired AST Phoenix Advisors to assist in soliciting proxies at a fee of \$7,500 plus costs and expenses for these services. Your cooperation in promptly submitting your proxy through the Internet or by telephone, or, if proxy materials are requested by mail, by completing, signing, dating and returning the enclosed proxy card will help to avoid additional expense.

***Does NASDAQ OMX have a practice of householding?*** In a further effort to reduce printing and postage fees for the meeting notice, NASDAQ OMX has adopted a practice approved by the SEC known as householding. Under our practice, stockholders who have the same last name and address will receive one notice of Internet availability of proxy materials, unless one or more of these stockholders notifies us that he or she desires to continue to receive a separate copy of the notice. Beneficial owners can request information about householding from their bank, broker or other nominee of record. If you would like to receive a separate copy of the notice or, if you are a stockholder at a shared address to which we delivered multiple copies of the notice and you desire to receive one copy of the notice in the future, please contact the NASDAQ OMX Investor Relations Department in writing (Attention: Edward Ditmire, One Liberty Plaza, 49<sup>th</sup> Floor, New York, New York 10006), by email (investor.relations@nasdaqomx.com) or by telephone (+1 212 401 8737).

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**PROPOSAL I**

**ELECTION OF DIRECTORS**

The business and affairs of NASDAQ OMX are managed under the direction of our board of directors. Our directors have diverse backgrounds and experience and represent a broad spectrum of viewpoints.

Pursuant to our Charter and By-Laws and based on our governance needs, the board may determine the total number of directors. Currently, the board is authorized to have 11 directors.

Each of the 11 nominees identified in this proxy statement has been nominated by our nominating & governance committee and board of directors for election to a one-year term. All nominees have consented to be named in this proxy statement and to serve on the NASDAQ OMX board, if elected.

In an uncontested election, our directors are elected by a majority of votes cast at any meeting for the election of directors at which a quorum is present. This election is an uncontested election, and therefore, each of the 11 nominees must receive the affirmative vote of a majority of the votes cast to be duly elected to the board of directors. Any shares not voted by abstention and broker non-votes will not impact the vote.

Our corporate governance guidelines require that, in an uncontested election, an incumbent director must submit an irrevocable resignation as a condition to his or her nomination for election. If an incumbent director fails to receive the requisite number of votes in an uncontested election, the irrevocable resignation becomes effective and such resignation will be considered by the nominating & governance committee. This committee will recommend to the full board whether or not to accept the resignation. The board is required to act on the recommendation and to disclose publicly its decision-making process with respect to the resignation. All the incumbent directors have submitted the irrevocable resignation.

**BOARD RESPONSIBILITIES**

In addition to its general oversight of management, the board also performs a number of specific functions, including:

reviewing, approving and overseeing our corporate strategies and corporate actions including long-term strategic plans and evaluating the results;

reviewing, approving and overseeing fundamental financial information and reporting;

assessing major risks and reviewing options for their mitigation;

overseeing management's efforts to establish and maintain the highest legal, regulatory and ethical conduct of all businesses, including conformity with applicable global laws and regulations;

selecting, evaluating and approving the compensation of the Chief Executive Officer and other senior officers and overseeing succession planning for these executives;

evaluating the overall structure and effectiveness of the board, board members and committees and overseeing effective corporate governance;

providing advice and counsel to senior management; and

evaluating, selecting and recommending an appropriate slate of candidates to stockholders for election as directors.

**SEPARATION OF ROLES OF CHAIRMAN AND CHIEF EXECUTIVE OFFICER**

NASDAQ OMX separates the roles of chairman of the board and Chief Executive Officer. NASDAQ OMX believes that this separation of roles promotes more effective communication channels for the board to express its views on management. NASDAQ OMX's Chief Executive Officer, Robert Greifeld,

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who has over twenty years' experience in the securities industry, is responsible for the strategic direction, day-to-day leadership and performance of NASDAQ OMX. The chairman of NASDAQ OMX's board, Börje E. Ekholm, who brings to the board the perspective of a large stockholder, provides guidance to the Chief Executive Officer, presides over meetings and executive sessions of the board of directors and serves as the primary liaison between the Chief Executive Officer and the other directors. We believe that this separation of roles and allocation of distinct responsibilities to each role facilitates communication between senior management and the full board of directors about issues such as corporate governance, management development, succession planning, executive compensation and company performance.

### **DIRECTOR CLASSIFICATIONS**

In accordance with SEC requirements to ensure that balanced viewpoints are represented on our board of directors, NASDAQ OMX's By-Laws require that all directors be classified as:

Industry Directors;

Non-Industry Directors, which are further classified as either Issuer Directors or Public Directors; or

Staff Directors.

The number of Non-Industry Directors shall equal or exceed the number of Industry Directors. The board shall include at least two Public Directors and at least one, but no more than two, Issuer Directors. The board shall include no more than one Staff Director, unless the board consists of ten or more directors. In that case, the board shall include no more than two Staff Directors.

We establish the classification of each director based on a questionnaire with specific questions relating to the classifications. NASDAQ OMX's corporate secretary annually certifies to the nominating & governance committee the classification of each director. The following is a general description of NASDAQ OMX's director classifications, which are detailed in our By-Laws:

*Industry Director* means a director who is not a Staff Director and who (i) is, or within the last year was, or has an immediate family member who is, or within the last year was, a member of any of NASDAQ OMX's self-regulatory subsidiaries; (ii) is, or within the last year was, employed by a member or a member organization of any of NASDAQ OMX's self-regulatory subsidiaries; (iii) has an immediate family member who is, or within the last year was, an executive officer of a member or a member organization of any of NASDAQ OMX's self-regulatory subsidiaries; (iv) has within the last year received from any member or member organization of any of NASDAQ OMX's self-regulatory subsidiaries more than \$100,000 per year in direct compensation, or received from such members or member organizations in the aggregate an amount of direct compensation that in any one year is more than 10% of the director's annual gross compensation for such year, excluding in each case director and committee fees and pension or other forms of deferred compensation for prior service (provided such compensation is not contingent in any way on continued service); or (v) is affiliated, directly or indirectly, with a member or member organization of any of NASDAQ OMX's self-regulatory subsidiaries;

*Non-Industry Director* means a director who is not a Staff Director and who is (i) a Public Director; (ii) an Issuer Director; or (iii) any other individual who would not be an Industry Director;

*Issuer Director* means a director who is not a Staff Director and who is an officer or employee of an issuer of securities listed on a national securities exchange operated by any of NASDAQ OMX's self-regulatory subsidiaries, excluding any director who is a director of an issuer but is not also an officer or employee of the issuer;

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*Public Director* means a director who (i) is not an Industry Director; (ii) is not an Issuer Director; and (iii) has no material business relationship with a member or member organization of any of NASDAQ OMX's self-regulatory subsidiaries, NASDAQ OMX or its affiliates or FINRA; and

*Staff Director* means an officer of NASDAQ OMX that is serving as a director.

**DIRECTOR INDEPENDENCE**

NASDAQ OMX's common stock is currently listed on The NASDAQ Stock Market and NASDAQ Dubai Limited (NASDAQ Dubai). The rules of The NASDAQ Stock Market require that a majority of the members of our board of directors be independent. In order to qualify as independent under the listing rules of The NASDAQ Stock Market, a director must satisfy a two-part test. First, the director must not fall into any of several categories that would automatically disqualify the director from being deemed independent. These categories prohibit the finding of independence for:

a director who is, or at any time during the past three years was, employed by the company or by any parent or subsidiary of the company;

a director who accepted, or who has a family member who accepted, certain compensation from the company in excess of \$120,000 during any period of 12 consecutive months within the three years preceding the determination of independence;

a director who is a family member of an individual who is, or at any time during the past three years was, employed by the company as an executive officer;

a director who is, or has a family member who is, a partner in, or a controlling stockholder or an executive officer of, any organization to which the company made, or from which the company received, certain payments for property or services in the current or any of the past three fiscal years that exceed 5% of the recipient's consolidated gross revenues for that year, or \$200,000, whichever is more;

a director who is, or has a family member who is, employed as an executive officer of another entity where at any time during the past three years any of the company's executive officers serve on the compensation committee of such other entity; or

a director who is, or has a family member who is, a current partner of the company's outside auditor, or was a partner or employee of the company's outside auditor who worked on the company's audit at any time during any of the past three years.

Second, no director qualifies as independent unless the board affirmatively determines that the director has no direct or indirect relationship with the company that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. In assessing the independence of its members, the board examined the commercial, industrial, banking, consulting, legal, accounting, charitable and familial relationships of each member. The board's inquiry extended to both direct and indirect relationships with the company.

NASDAQ OMX also is listed on NASDAQ Dubai and, as a result, is subject to the NASDAQ Dubai listing rules and the Markets Rules of the Dubai Financial Services Authority. Under these rules, at least two directors must be independent. A director is considered independent if the board determines the director to be independent in character and judgment and to have no relationship or circumstances that are likely to affect, or could appear to affect, the director's judgment in a manner other than in the best interests of the company.

Based upon detailed written submissions by each individual, the board has determined that all of our current directors are independent, other than Messrs. Greifeld and Kazim. Mr. Greifeld is deemed not to be independent because he is the Chief Executive Officer of NASDAQ OMX. Mr. Kazim is deemed not to be independent because of his affiliations with Borse Dubai Limited (Borse Dubai), Dubai Financial Market PJSC (Dubai Financial Market) and NASDAQ Dubai.





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In evaluating candidates for nomination to the board, the nominating & governance committee reviews the skills, qualifications, characteristics and experience desired for the board as a whole and for its individual members, with the objective of having a board that reflects diverse backgrounds and senior level experience in the areas of global business, finance, legal and regulatory, technology and marketing. Characteristics of all directors include integrity and values, high personal and professional ethics, sound business judgment, the ability and willingness to commit sufficient time to fulfill their board responsibilities and a commitment to representing the long-term interests of our stockholders and fulfilling their responsibilities related to affiliated self-regulatory organizations.

In evaluating the suitability of individual board nominees, the nominating & governance committee takes into account many factors, including general and diverse understanding of the global economy, capital markets, finance and other disciplines relevant to the success of a large publicly-traded financial services company; a general understanding of NASDAQ OMX's business and technology; the individual's educational and professional background and personal accomplishments; and factors such as geographic, gender, age and ethnic diversity. The committee evaluates each individual candidate in the context of the board as a whole, with the objective of maintaining a group of directors that can further the success of NASDAQ OMX's business, while representing the interests of stockholders, employees and the communities in which the company operates. In determining whether to recommend a board member for re-election, the nominating & governance committee also considers the director's past attendance at meetings, participation in and contributions to the activities of the board and the most recent board self-assessment. The nominating & governance committee reviews all candidates in the same manner, regardless of the source of the recommendation.

We are obligated by the terms of a stockholders' agreement dated February 27, 2008 between NASDAQ OMX and Borse Dubai, as amended, to nominate and generally use best efforts to cause the election to the NASDAQ OMX board of one individual designated by Borse Dubai, subject to certain conditions. Mr. Kazim is the individual designated by Borse Dubai as its nominee.

Finally, we also are obligated by the terms of a stockholders' agreement dated December 16, 2010 between NASDAQ OMX and Investor AB to nominate and generally use best efforts to cause the election to the NASDAQ OMX board of one individual designated by Investor AB, subject to certain conditions. Mr. Ekholm is the individual designated by Investor AB as its nominee.

Listed below are the nominees for directors. The information for each nominee includes the nominee's principal occupation, business experience, certain directorships in the past five years, age as of the date of this proxy statement and the year the nominee was first elected a director. Each nominee, if elected, will serve for a one-year term expiring at the 2015 annual meeting and until the election and qualification of his or her successor.

Name	Age	Classification	Director Since
Charlene T. Begley	47	Non-Industry; Public	
Steven D. Black	61	Non-Industry; Public	2011
Börje E. Ekholm	51	Non-Industry	2011
Robert Greifeld	56	Staff	2003
Glenn H. Hutchins	58	Industry	2005
Essa Kazim	55	Non-Industry	2008
John D. Markese	68	Non-Industry; Public	1996
Ellyn A. McColgan	60	Non-Industry; Public	2012
Thomas F. O'Neill	67	Non-Industry	2003
Michael R. Splinter	63	Non-Industry; Issuer	2008
Lars R. Wedenborn	55	Non-Industry	2008

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**NOMINEES**

**Charlene T. Begley** is a new nominee to NASDAQ OMX's board of directors. Ms. Begley served in various capacities for the General Electric Company, a diversified infrastructure and financial services company, from 1988 through December 2013. Most recently, Ms. Begley served in a dual role as GE's Senior Vice President and Chief Information Officer, as well as the President and Chief Executive Officer of GE's Home and Business Solutions business from January 2010 through December 2013. Previously, Ms. Begley served as President and Chief Executive Officer of GE Enterprise Solutions from August 2007 through December 2009. Over her career at GE, Ms. Begley also served as President and Chief Executive Officer of GE Plastics and GE Transportation. She also led GE's Corporate Audit staff and served as the Chief Financial Officer for GE Transportation and GE Plastics Europe and India. Ms. Begley is a director and member of the audit committee of WPP plc.

*Skills and Qualifications*

Ms. Begley is a highly respected technology leader who served as Chief Information Officer for GE, leading information technology across a highly-complex, global company. In this role, she managed a multi-billion dollar budget and provided direction to an international team of information technology employees and contractors. Ms. Begley has experience with cybersecurity, business process improvement and operational excellence in the technology area. In addition, Ms. Begley has extensive senior operational experience spanning diverse products and countries.

**Steven D. Black** was elected to NASDAQ OMX's board of directors in December 2011. Since September 2012, Mr. Black has been the Co-CEO of Bregal Investments, a private equity firm. He was the Vice Chairman of J.P. Morgan Chase & Co. from March 2010 through February 2011 and a member of the firm's Operating and Executive committees. Prior to that position, Mr. Black was the Executive Chairman of J.P. Morgan Investment Bank from October 2009 through March 2010. Mr. Black served as a Co-Chief Executive Officer of J.P. Morgan Investment Bank from 2004 through 2009. Mr. Black was the Deputy Co-Chief Executive Officer of J.P. Morgan Investment Bank since 2003. He also served as head of J.P. Morgan Investment Bank's Global Equities business since 2000 following a career with Citigroup and its predecessor firms.

*Skills and Qualifications*

Mr. Black served in various financial and strategic roles at J.P. Morgan throughout his career and prior to that at Citigroup. Under his leadership, J.P. Morgan Chase achieved a number one ranking in top global capital raising league tables. Mr. Black's depth of knowledge and experience in the global financial services industry brings a wealth of knowledge to the board.



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**Börje E. Ekholm** was elected to NASDAQ OMX's board of directors effective February 17, 2011. Mr. Ekholm is the President and Chief Executive Officer, as well as a member of the board of directors, of Investor AB, which is an industrial holding company that invests in other companies in the ordinary course of business. Prior to becoming the President and Chief Executive Officer in 2005, Mr. Ekholm was a Member of the Management Group of Investor AB, where he had oversight of the new investments business. Mr. Ekholm previously served as the President of Novare Kapital AB, an early-stage venture capital company. He also served in various positions at McKinsey & Co Inc. Mr. Ekholm is a member of the board and the remuneration committee of Telefonaktiebolaget LM Ericsson.

*Skills and Qualifications*

Mr. Ekholm serves in a senior leadership role at Investor AB as President and Chief Executive Officer where he has gained invaluable experience in the financial sector. Mr. Ekholm brings an accounting background to the board from his current role at Investor AB. Mr. Ekholm has broad knowledge of international markets and experience in the areas of corporate strategy, finance and technology. As a nominee designated by Investor AB, Mr. Ekholm also brings to the NASDAQ OMX board the perspective of a large stockholder.

**Robert Greifeld** was elected to the board of directors and appointed Chief Executive Officer of NASDAQ OMX in May 2003. Prior to joining NASDAQ OMX, Mr. Greifeld was an Executive Vice President at SunGard Data Systems, Inc., a global provider of integrated software and processing solutions for financial services and a provider of information availability services. Mr. Greifeld joined SunGard in 1999 through SunGard's acquisition of Automated Securities Clearance, Inc., where from 1991 through 1999, Mr. Greifeld was the President and Chief Operating Officer.

*Skills and Qualifications*

Mr. Greifeld has led NASDAQ OMX through a series of complex, innovative acquisitions that have extended its global footprint and broadened its portfolio of businesses, which span trading, exchange technology, information and public company services. Mr. Greifeld also has broad experience in the areas of technology, finance, risk management, human resources and corporate strategy.

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**Glenn H. Hutchins** was elected to NASDAQ OMX's board of directors in May 2005. Mr. Hutchins is a Co-Founder of Silver Lake, a technology investment firm that was established in January 1999. Mr. Hutchins is the Chairman of the board of SunGard Capital Corp.

*Skills and Qualifications*

Mr. Hutchins has extensive transactional experience as a private equity investor, particularly in the area of evaluating, negotiating and structuring mergers and acquisitions. Mr. Hutchins also holds a law degree and has extensive experience in the financial, technology and public policy sectors.

**Essa Kazim** was elected to NASDAQ OMX's board of directors effective March 1, 2008. Since January 2014, Mr. Kazim has been the Governor of the Dubai International Financial Center. He also continues to serve as the Chairman of Borse Dubai and Chairman of the Dubai Financial Market, roles he has held since 2006. Mr. Kazim began his career as a Senior Analyst in the Research and Statistics Department of the UAE Central Bank in 1988 and then moved to the Dubai Department of Economic Development as Director of Planning and Development in 1993. He was then appointed Director General of the Dubai Financial Market from 1999 through 2006.

*Skills and Qualifications*

Through his roles at Dubai Financial Market and Borse Dubai, Mr. Kazim has experience in all aspects of the operation of stock exchanges, including regulatory compliance. He brings global experience to the board through his experience with financial markets in the Middle East. As a nominee designated by Borse Dubai, Mr. Kazim also brings to the NASDAQ OMX board the perspective of a large stockholder.

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**John D. Markese** was elected to NASDAQ OMX's board of directors in May 1996. Dr. Markese served on FINRA's board of governors from 1998 to 2002. Since his retirement in October 2010, Dr. Markese has been the Vice Chairman of the American Association of Individual Investors, a not-for-profit organization providing investment education to individual investors founded in 1978. Previously, Dr. Markese was the President and Chief Executive Officer of the American Association of Individual Investors.

*Skills and Qualifications*

As a result of over 40 years of work in finance, Dr. Markese meets the criteria of an audit committee financial expert and serves as the chairman of the audit committee of NASDAQ OMX's board. Dr. Markese has a doctoral degree in Finance and has taught business school classes in the areas of Corporate Finance, Financial Case Analysis, Portfolio Management and Investment Analysis. Dr. Markese also brings to the NASDAQ OMX board the perspective of the individual investor community.

**Ellyn A. McColgan** was elected to NASDAQ OMX's board of directors in May 2012. Since September 2010, she has been an Executive Advisor at Aquiline Capital Partners, LLC, a private equity firm that invests in the financial services sector. Ms. McColgan worked as a private consultant from February 2009 through September 2010. From April 2008 through January 2009, Ms. McColgan was the President and Chief Operating Officer of the Global Wealth Management Group of Morgan Stanley. Prior to that, Ms. McColgan served in various senior management positions at Fidelity Investments from 1990 through 2007. Ms. McColgan was a director and member of the audit committee of Primerica from 2010 through 2011.

*Skills and Qualifications*

Ms. McColgan has been a senior executive in the financial services industry for over 25 years. She is a transformational leader who built the Fidelity Brokerage Company to be the largest brokerage company in the United States as measured by client assets and client accounts, growing the business to \$1.9 trillion in assets. She also has substantial experience with managing large enterprises and service delivery.

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**Thomas F. O Neill** was elected to NASDAQ OMX's board of directors in May 2003. Mr. O Neill is a founding member of the Kimberlite Group and has been the co-chief executive officer of Kimberlite Advisors since September 2013. Kimberlite acquired the business of Ranieri Partners Financial Service Group in September 2013. From December 2010 through August 2013, Mr. O Neill was the chairman of Ranieri Partners Financial Service Group, which acquired and managed financial services companies. In November 2010, Mr. O Neill retired as a principal of Sandler O Neill + Partners L.P., an investment bank that he co-founded in 1988. Mr. O Neill is also a director of BankFinancial Corporation, Misonix, Inc. and Archer-Daniels-Midland Company. Mr. O Neill is a member of the compensation/succession committee of Archer-Daniels-Midland and serves on the audit and compensation committees of Misonix.

*Skills and Qualifications*

Mr. O Neill has worked on Wall Street since 1972, and as a founding principal of a nationally-recognized investment bank, he has broad experience in the areas of finance, mergers and acquisitions and business development. Mr. O Neill specializes in working with financial institutions and has substantial experience in the finance sector.

**Michael R. Splinter** was elected to NASDAQ OMX's board of directors effective March 1, 2008. Mr. Splinter has served as the Executive Chairman of the board of directors of Applied Materials, Inc., the global leader in nanomanufacturing technology solutions for the electronics industry, since September 2013. At Applied Materials, he served as the Chairman of the board of directors from March 2009 to September 2013, Chief Executive Officer from April 2003 until September 2013 and President from April 2003 to June 2012. An engineer and technologist, Mr. Splinter is a 30-year veteran of the semiconductor industry. Prior to joining Applied Materials, Mr. Splinter was an executive at Intel Corporation.

*Skills and Qualifications*

As the Executive Chairman of Applied Materials, Mr. Splinter brings to the NASDAQ OMX board the perspective of a company listed on The NASDAQ Stock Market. Mr. Splinter also has significant experience in information technology, finance, risk management and corporate strategy.

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**Lars R. Wedenborn** was elected to NASDAQ OMX's board of directors effective March 1, 2008. Mr. Wedenborn was elected Chairman of the NASDAQ OMX Nordic Ltd. board in October 2009. Previously, he was a member of the OMX board since 2007. Mr. Wedenborn has been CEO of FAM (Foundation Asset Management), which is fully owned by Wallenberg Foundations, since September 2007. Mr. Wedenborn started his career as an auditor. During 1991 through 2000, he was Deputy Managing Director and CFO at Alfred Berg, a Scandinavian investment bank. He served with Investor AB, a Swedish holding company, as Executive Vice President and CFO from 2000 through 2007.

*Skills and Qualifications*

Mr. Wedenborn gained senior leadership experience through his work at FAM, Investor AB and Alfred Berg. He also possesses significant regulatory, finance and technology experience, and adds a global perspective to the NASDAQ OMX board.

**RECOMMENDATION OF THE BOARD OF DIRECTORS**

**THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE FOR EACH OF THE NOMINEES NAMED HEREIN FOR ELECTION AS DIRECTORS.**

THE NASDAQ OMX GROUP, INC. 19



**Table of Contents****DIRECTOR COMPENSATION****OVERVIEW OF DIRECTOR COMPENSATION**

Annual non-employee director compensation is based upon a compensation year beginning and ending in May. Staff directors do not receive compensation for serving on the board of directors. The following table shows the compensation policy for non-employee directors that is in effect from May 2013 through May 2014.

Item	May 2013	May 2014(1)
Annual retainer for board members (other than the chairman)	\$	80,000
Annual retainer for board chairman	\$	180,000
Annual equity award for all board members (grant date market value)	\$	115,000
Annual audit committee chair compensation	\$	25,000
Annual audit committee member compensation	\$	5,000
Annual management compensation committee chair compensation	\$	25,000
Annual management compensation committee member compensation	\$	5,000
Annual nominating & governance committee chair compensation	\$	15,000
Board meeting attendance fee (per meeting)	\$	1,500
Committee meeting attendance fee (per meeting)	\$	1,500

(1) The amounts in this table remained unchanged as compared to the prior compensation year, except the annual retainer for the board chairman increased to \$180,000 from \$155,000.

Each non-employee director may elect to receive the annual retainer in cash (payable in equal semi-annual installments), equity or a combination of cash and equity. The annual equity award and any equity elected as part of the annual retainer are awarded automatically on the date of the annual meeting of stockholders immediately following election and appointment to the board. These equity awards vest in full one year from the date of grant.

Each non-employee director also may elect to receive committee chair, committee member and/or meeting fees in cash or equity. Cash payments for committee service are made in a lump sum near the beginning of the compensation year. If a director elects to receive equity for committee service in lieu of cash, the equity will be awarded on the date of the annual meeting of stockholders and will vest in full one year from the date of grant. Cash payments for board and committee meeting fees are made in arrears on a semi-annual basis. If a director elects to receive equity for board and committee meeting fees in lieu of cash, the equity will be awarded on the date of the next annual meeting of stockholders and will vest in full immediately.

All equity paid to board members consists of restricted stock. The amount of equity to be awarded is calculated based on the closing market price of our common stock on the date of grant. Unvested equity is forfeited in certain circumstances upon termination of the director's service on the board of directors.

Directors are reimbursed for business expenses and reasonable travel expenses for attending NASDAQ OMX board and committee meetings. Non-employee directors do not receive retirement, health or life insurance benefits. NASDAQ OMX provides each non-employee director with director and officer liability insurance coverage, as well as accidental death and dismemberment and travel insurance for and only when traveling on behalf of NASDAQ OMX.

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**STOCK OWNERSHIP GUIDELINES**

Under our stock ownership guidelines, non-employee directors must maintain a minimum ownership level in NASDAQ OMX common stock. In 2013, the board approved an increase in the minimum ownership level from three times the annual cash retainer to five times the annual cash retainer. Shares owned outright, through shared ownership and in the form of vested and unvested restricted stock, are taken into consideration in determining compliance with these stock ownership guidelines. Exceptions to this policy may be necessary or appropriate in individual situations, and the chairman of the board of directors may approve such exceptions from time to time. New directors have until four years after their initial election to the board to obtain the minimum ownership level. All of the directors who were required to be in compliance with the guidelines on December 31, 2013 were in compliance with the guidelines as of that date.

**DIRECTOR COMPENSATION TABLE**

The table below summarizes the compensation paid by NASDAQ OMX to our non-employee directors for services rendered during the fiscal year ended December 31, 2013.

**2013 Director Compensation Table**

Name(1)	Fees Earned or Paid in Cash	Stock Awards	Option Awards (\$)	Non-Equity Incentive Plan Compensation (\$)	Change in Pension Value and Nonqualified Deferred Compensation Earnings (\$)	All Other Compensation (\$)