

## Leading From the Front

An Interview with **Duncan L. Niederauer**,  
Chief Executive Officer, NYSE Euronext



**EDITORS' NOTE** Prior to assuming his current position, Duncan Niederauer was the head of U.S. cash equities for NYSE Euronext. Before joining the exchange in April 2007, he was Managing Director and Co-Head of the Equities Division Execution Services for Goldman Sachs. Niederauer earned a B.A. from Colgate University, where he currently serves on the board of trustees, and an M.B.A. from Emory University.



Duncan L. Niederauer

**COMPANY BRIEF** NYSE Euronext ([www.nyseeuronext.com](http://www.nyseeuronext.com)) operates the world's leading and most liquid exchange group. Its family of exchanges, located in six countries, includes the New York Stock Exchange, the world's largest cash equities market; Euronext, the euro-zone's largest cash equities market; NYSE Liffe, Europe's leading derivatives exchange by value of trading; and NYSE Arca Options, one of the fastest-growing U.S. options trading platforms. NYSE Euronext offers a diverse array of financial products and services for issuers, investors, and financial institutions in cash equities, options and derivatives, exchange traded funds, bonds, market data, and commercial technology solutions. NYSE Euronext's more than 4,900 listed issuers represent a combined \$16.3/€12.3 trillion in total global market capitalization (as of December 31, 2008), larger than the combined total of the next five exchange groups.

### How critical has community engagement been to the culture of NYSE Euronext, and how do you drive that through the organization?

Historically, I'm not sure it has been viewed as being as critical as it should have been. So we're focusing on creating a culture where we're not only accountable to each other, but also to the world in which we live and the society in which we operate. This is a time when companies and leaders should be stepping up and making sure that all the efforts to support corporate social responsibility [CSR] don't fall by the wayside. Now is the time for businesses to demonstrate how they can help address world problems.

Because we operate in a diverse environment, we're exploring ways to make a positive difference including partnering with local customers,

vendors, or philanthropic organizations. We recently joined a partnership with other enterprises to fight AIDS and malaria in the emerging world. In addition to providing funding, we are leveraging our position at the center of a network of companies to create visibility for the importance of this work.

### With all the need today, how do you choose where to focus your efforts so they will have the most impact?

We focus on a number of different efforts. We have a corporate giving program, The NYSE Foundation, where we tend to do a large part of our giving. However, we did not think it was focused enough, so we are reassessing our approach to ensure maximum impact. We have installed a volunteer initiative that creates opportunities to perform volunteer work in the communities in which we operate. In just the past few years, we have deployed more than 1,000 individual volunteers to work alongside community partners to help build homes, prepare and distribute food to the needy, and provide thousands of winter coats to people of all ages. Our goal is to try to apply our available resources, both funds and people, to generate more of an impact in areas that we, as a company, decide are meaningful to us.

### Is there a benefit to working programs that align with your business?

Yes, but there are different alignments. Financial literacy is easy for us to line up with. Working with some of the local college programs is another great place for us to be involved, because you can do more than just give financially. For instance, you can also contribute executives' time to teach, mentor or lecture.

As the company has become more global, we are broadening our outreach beyond the United States. We've just asked one of our European Management Committee members to head up a firm-wide CSR initiative. Its goal is to make sure all our employees understand that there are a lot of ways to contribute to our respective communities and that this is not just a U.S. effort.

### Your time is pulled in many different directions. From a leadership point of view, must the direction of CSR come from the top?

You have to set the tone from the top on this, otherwise you can't expect the company to think you're serious and you won't have any

hope of creating meaningful results. It's akin to company values. It doesn't really matter if you have them; everyone has them. It matters how they're articulated, and whether you live by them, and whether you get your team to live by them. If people don't internalize the values, then they're just words on a piece of paper. It's the same thing with CSR. If you don't lead from the front, then the employees may do some volunteer work on their own, but they're never going to believe that it's a focus of the company.

### Public perception of corporate leaders is not always that favorable. Is it frustrating that a more positive message does not get out?

The media isn't going to write feel-good stories for the most part. Anyone who is doing social responsibility programs because they hope someone is going to write a story about what a good corporate citizen they are, quite frankly, is doing it for the wrong reason. We all should be doing it and taking comfort in the fact that we're doing the right thing.

### What direction do you try to share with young leaders who have an interest in your company and your position?

My job is to focus on the company; it's not about me. I just happen to be the one in the seat right now. Every week during the summer, we have 40 or 50 teachers pass through here for a one-week internship. All of our senior people spend time with them, including me, and we share thoughts about what's going on in the markets.

We try to demystify some of what's going on, we talk to them about basic financial concepts, and we hope that when they return to the classroom, the teachers go back and touch a lot of students. When I meet with them, I hold up my business card, and say, "This business card is like an all-access pass. It can get you in to meet with almost anyone in the world: heads of state, leading government officials, and CEOs of companies around the world. But there is only one thing you have to remember: there are two words on this card that don't matter; my first name, and my last name. It's an all-access card not because of me; it's an all-access card because it says NYSE Euronext Chief Executive Officer. I don't get the meeting because of who I am; I get the meeting because I have that title. The minute you forget that, you've lost your compass." ●

Duncan Niederauer (left) with Habitat for Humanity-NYC Executive Director Josh Lockwood (right) and new homeowner Miguel Jimenez (center)