

January 23, 2017

A New Paradigm for Corporate Governance

The Compact for Responsive and Responsible Leadership: A Roadmap for Sustainable Long-Term Growth and Opportunity and *The New Paradigm: A Roadmap for an Implicit Corporate Governance Partnership Between Corporations and Investors to Achieve Sustainable Long-Term Investment and Growth* received significant attention at the 2017 Davos annual meeting of the International Business Council (IBC) of the World Economic Forum (WEF).

The New Paradigm, which sets forth a set of principles recalibrating the relationship between corporations and investors to help them resist short-termism and facilitate long-term value creation, was prepared by the undersigned and approved at the August 2016 meeting of the IBC. The Compact, a one-page document that is in large measure based on The New Paradigm and allows companies and investors to endorse the key tenets of The New Paradigm by signing onto The Compact, has already been endorsed by more than 100 companies worldwide. To facilitate implementation of The Compact, the IBC published a [short summary](#) of the key provisions of The New Paradigm representing best practices for implementation of The Compact. The IBC is continuing to seek endorsement of The Compact.

We believe that The Compact and The New Paradigm will reduce short-termism and promote long-term sustainable investment. We recommend endorsement of, and adherence to, The New Paradigm and The Compact by all companies, institutional investors and asset managers.

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