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The Business Roundtable Statement on Corporate Purpose

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The Business Roundtable has set out a path toward so-called stakeholder capitalism in its highly publicized Statement on the Purpose of a Corporation. There has been a great deal of media attention on the political impact of the Statement of Purpose – which maintains a company has obligations to customers, employees, suppliers and communities in addition to shareholders – but little legal analysis. We make two observations in our memorandum, the first, relating to potential effects on fiduciary duties of directors and the second, on corporate ESG disclosures.

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