

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.

If you have any questions regarding the matters covered in this publication, please reach out to any of the lawyers listed below or your usual Davis Polk contact.

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