

# The Compact for Responsive and Responsible Leadership

## A Roadmap for Sustainable Long-Term Growth and Opportunity

As of 30 November 2016

**This Compact is sponsored by the International Business Council of the World Economic Forum and will be proposed for signature to all participants of the Annual Meeting 2017.**

Corporations and investors are powerful actors in society. As such, their responsive and responsible leadership can significantly improve the state of the world. There is emerging consensus on the need for a new Compact for corporations, their chief executive officers and boards of directors, as well as leading investors and asset managers to create a corporate governance framework with a focus on the long-term sustainability of corporations and the long-term goals of society.

I, the undersigned, share the conviction that:

1. Society is best served by corporations that have aligned their goals to serve the long-term goals of society. The Sustainable Development Goals offer a useful roadmap for such alignment.
2. Short-term financial gains should not distract from the corporate and societal goals of long-term economic prosperity and social welfare.
3. There is a need for a Compact that recalibrates the relationship between public corporations and their major investors, and conceives of corporate governance as a collaboration among corporations, shareholders and other stakeholders working together to achieve long-term value and resist short-termism.
4. Disagreement between stakeholders is best resolved in a transparent and respectful manner, de-escalating conflictual stances wherever possible.

As a responsive and responsible leader I, the undersigned, commit to acting within the remit of my responsibilities, duties and influence to:

1. Ensure the board oversees the definition and implementation of corporate strategies that pursue sustainable long-term value creation.
2. Encourage periodic review of corporate governance, long-term objectives and strategies at the board level as well as clear communication between corporations, investors and other stakeholders about the outcomes.
3. Promote meaningful engagement between the board, investors and other stakeholders that builds mutual trust and effective stewardship, and promotes the highest possible standards of corporate conduct.
4. Publicly support the adoption of the Compact and implement policies and practices within my organization that drive transformation towards the adherence to long-term strategies and sustainable growth for the benefit of all stakeholders.

Name

Organization

Signature

Place/Date