

AN INTRODUCTION

Tapestry's mission is to advance society's ability to govern and lead. We enable senior leaders to address difficult, sometimes divisive, issues that require the public and private sectors to work together much more effectively than they typically do.

Success depends on the ability and willingness of these leaders to extend their skills beyond the borders of their sectors, geographies, and constituencies.

About 400 men and women in North America and Europe now belong to one of Tapestry's "networks." Typically there are 20 members in each network, but some are larger depending on the scope of the issues and need for expertise.

Some networks are made up of peers who share the same role – board committee chairs, for example. Or the general counsel of private equity firms. Other networks are composed of people who share an interest in the same issue – regulation of financial institutions, for example, or privacy, energy and sustainability, or education.

These are complex and dynamic issues which advocacy, public relations, and lobbying have failed to resolve. When multi-stakeholder forums exist they have been ineffective because they are often one-sided or parochial, lack the right people or candor, and are not committed to change.

Tapestry networks function differently. From the start their objective is to find a higher order goal that creates the possibility of real "wins" for each participant. Sometimes these wins are found by simply uncovering best or next practice. But more often the systems – the regulations, conventions, and rules – that connect industry, government, and society need to be unfrozen and reinvented. The members are often dissatisfied with the status quo and share a conviction that real change is necessary.

The networks weave together meetings, negotiation, syndication, and experiments. They go through cycles and this enables the members to get real traction. They first make sure all salient factors are considered and are not afraid of complexity. They then aggressively but constructively challenge existing and competing causal models to understand where value – both societal and economic – is being destroyed or stifled. They begin to search for new models that break the many compromises that have become accepted. Over time members develop a bias for action.

The establishment of trust and the courage of members to take risks are critical to changing both reality and perception, including the perceptions of the people they represent.

Our role is to design and support the networks, engage their members, and provide analysis and synthesis. All discussions are conducted under the Chatham House Rule. Points of view are captured but not attributed. Tapestry does not lobby or engage in public relations and public affairs.

Progress against intractable and complex issues is never guaranteed, but we have had success. For example:

- **European Healthcare Innovation Leadership Network.** This network, which was formed in 2006, includes the European leaders of major pharmaceutical firms, regulators,



purchasing authorities, and patient organizations. They don't always see things the same way, but they have agreed to an overarching goal for drug development and a valuation framework. That has enabled them to work together to design a new method to ensure new, high value medicines meet European public health needs. And they are succeeding. Pilots for three categories of new drugs are now underway.

- **Bank Governance Leadership Network.** This network operates globally. Its members take very seriously the challenge of restoring trust in their institutions and ensuring that risks are managed. They have become both collaborative and proactive discussion partners with regulators, supervisors, and policy leaders. The Group of Thirty (G-30) asked Tapestry to develop a report – based on a series of conversations with the chairmen, CEOs, and directors of the world's largest financial institutions, and with supervisors – on how to design effective governance systems that support financial stability globally. The G-30 will issue this report in early 2012.
- **Audit Committee Networks.** These networks in North America and Europe now have over 200 members and alumni. Audit committee chairs of public companies meet on a regional basis, but have begun to interact on a global basis. Their focus continues to be on sharing best and next practice in order to improve the performance of their own and others' audit committees, but increasingly their thinking is impacting regulators and policy makers.

Membership in Tapestry's networks is by invitation only.

FOR FURTHER INFORMATION

To learn more about Tapestry Networks, please visit www.tapestrynetworks.com or contact our chairman, George J. Goldsmith, at either of the addresses below.

North America

Tapestry Networks, Inc.
404 Wyman St.
Waltham, MA 02451
United States

Tel: +1 781 290 2270

Europe

Tapestry Networks, Ltd.
Portland House, Floor 16, Stag Place
London SW1E 5RS
United Kingdom

Tel: +44 20 7152 4901