

TSX 60 Social Purpose Report Card:

CANADIAN
PURPOSE
ECONOMY
PROJECT

The Social Purpose of Canada's Top Companies

June 30, 2025



Foreword by Helle Bank Jorgenson

The world is changing – faster than our governance frameworks often allow. Geopolitical volatility, economic fragmentation, climate disruption and societal inequities are converging in ways that demand a different kind of boardroom: one that is future-fit, purpose-led and prepared for multiple plausible futures.

This is why the **TSX 60 Social Purpose Report Card** is so timely and important.

It invites us – as directors, chairs and governance professionals – to step back and ask: **What is the purpose of the board? Not just the business, but the board itself.**

Are we here to oversee quarterly performance?
Or are we here to help companies shape the conditions for long-term, sustainable success?

Are we here to minimize risk? Or to enable responsible, courageous decision-making in service of society?

This report reflects a growing recognition: that purpose is not a PR exercise. It is – or should be – the company's North Star. It answers the essential "why" that guides every strategic, financial and cultural decision.

And it reveals an encouraging shift in Canada's largest companies. **With 40% of the TSX 60 now publicly declaring a social purpose**, we see progress. But we also see how much further we must go – not only in defining purpose, but also in **governing it**.

As this report shows, only nine companies assign explicit board oversight to purpose. That matters.

Because without purpose **governance**, purpose will remain fragile. It will stay in the marketing silo. It will be vulnerable to short-termism. It will not shape culture, compensation or capital allocation in the way it must if we are to meet the expectations of our stakeholders – and our consciences.

In my book *The Future Boardroom*, I describe this moment as a crisis of strategic clarity. Board papers are too often backward-looking. Agendas are too often operational. Boardroom culture too often rewards comfort over courage.

But directors cannot afford to operate in "review mode" anymore. They must be sense-makers, signal-spotters and system stewards.

They must ask deeper questions:

- **Does our board understand the societal value our company creates – and the harm it might cause?**
- **Is purpose discussed when we set strategy, approve budgets and oversee risk?**
- **Does our board composition reflect the future we are preparing for – or the past we are clinging to?**
- **Do we challenge management to report not only on profits, but also on progress toward purpose?**

As this report wisely notes, purpose without implementation is “purpose-washing.” But I would go one step further: **Purpose without board ownership is a governance gap.** And in some cases, it may even be a fiduciary risk.

I commend the **Canadian Purpose Economy Project** for this rigorous analysis, and I encourage every board member to use it not only as a benchmark, but also as a mirror.

If your company's purpose is absent, ambiguous or only loosely connected to governance, this is your invitation to change that.

Because what we do in the boardroom doesn't just guide the company. It signals what we value as leaders and what we are willing to be held accountable for.

As one of the contributors to my book said:

“Leadership is not about being right. It's about doing what is right – especially when the path is uncertain.”

In closing, let me return to the question I often ask directors around the world:

Why are you here?

Not just on this board – but in this moment, in this role, in this time.

The answer to that question may just be the most important governance decision you make.

Helle Bank Jorgensen

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Helle Bank Jorgensen is an internationally recognized voice on governance, board effectiveness and sustainability. She leads [Board Intelligence](#)'s Board Development practice globally, empowering boards and leadership teams around the world to enhance their impact through the science of board effectiveness. Helle was previously the founder and CEO of Competent Boards, the world-renowned education platform acquired by Board Intelligence in 2025.

Beyond her work with Competent Boards and Board Intelligence, Helle has initiated several pioneering projects. These include the world's first green account, the first integrated report, the first holistic supply chain program and many other innovative business solutions, including her latest endeavour, the Amazon bestseller *The Future Boardroom: How to Transform in Turbulent Times*.

Helle is a regular contributor to Financial Times' Agenda, Board Agenda and other prominent publications. She has also won numerous awards, including the Corporate Governance Lifetime Achievement Award 2024, the Peter Dey Governance Achievement Award from the Governance Professionals of Canada 2024, and the Globe and Mail's 50 Changemakers for 2023. She was inducted into the Corporate Governance Hall of Fame by IR (Investor Relations) Magazine in 2024.

Introduction

The shift to social purpose business continues to accelerate, with more companies adopting a social purpose as their core reason to exist. The TSX 60 Social Purpose Report Card explores how this shift is playing out in Canada.

It builds on the world's first social purpose rating, conducted by Corporate Knights (CK) in 2022. That landmark study evaluated companies with headquarters or significant operations in Canada, finding that 17% of the initial sample of 197 businesses met the criteria of having a stated purpose that creates value for society rather than solely for shareholders or customers. These 34 companies were further evaluated for their governance and implementation practices, setting a benchmark for social purpose leadership as summarized in CK's seminal report: [The Social Purpose Transition Pathway: Helping Companies Move from "Say" to "Do"](#).

Expanding on this analysis, the TSX 60 Social Purpose Report Card evaluates whether the 60 public companies in this index have a social purpose as their reason for being, a different purpose or no declared purpose. The findings shed light on the state of social purpose in corporate Canada. This evaluation provides insights for stakeholders – investors, policymakers, business leaders and civil society – seeking to understand the emergence of social purpose business in Canada's economic landscape.

As the purpose economy continues to gain momentum, the TSX 60 Social Purpose Report Card serves as a critical benchmark for understanding corporate Canada's shift to social purpose – and away from a business model focused solely on profit.

Methodology

This report focuses on the 60 large public companies listed on the Toronto Stock Exchange (TSX) as of December 2024. The TSX 60 index was chosen for this benchmark because it spans a range of industries including finance, energy, consumer goods, telecommunications, mining and materials. It represents large and influential Canadian companies and serves as a barometer for corporate performance and market dynamics in Canada, making it a key reference for investors, policymakers and the public.

The social purpose scan was conducted from July to December 2024 and involved reviewing corporate disclosures, including annual and environmental, social and governance (ESG) reports, as well as company websites. This evaluation did not assess the effectiveness or quality of the social purpose statements but instead determined whether they met the criteria of having a stated social purpose and whether its implementation is explicitly governed by the Board.

The Canadian Purpose Economy Project (CPEP) used the following definition of social purpose in conducting its review:

Definition of a Social Purpose Business

A social purpose business is a business whose reason for being is to create a better world. Its purpose is to profitably solve the problems of people and planet and not profit from causing problems. It is the company's strategic optimal contribution to long-term well-being for all.

The purpose statements were analyzed to determine whether they expressed value *for society*, beyond simply benefiting customers or shareholders. CPEP assessed whether the company had a public social purpose statement that speaks to its ambition to contribute to a better world.

We applied a broad interpretation of what qualifies as a social purpose. If societal value could be discerned in terms of benefits for stakeholders beyond customers and shareholders, it was classified as a social purpose. In cases where a company did not have a distinct purpose statement but included a mission or vision statement implying a purpose, it was included in the review. Where terms like "provide" or "deliver" were used, they were classified as conventional mission statements that describe what a company does or how it operates, rather than why it exists. If these terms were used in a way that indicated a broader societal benefit beyond the product or service itself, they were classified as a social purpose.

A final criterion is that the purpose statement must include a verb, answering "we exist to...". Phrases such as "making," "helping" or "advancing" are considered to meet this criterion when "to" can be placed before the verb (e.g., "to make") and the statement conveys an aspirational societal aim.

The absence of a purpose statement on a company's website or in its disclosures does not necessarily mean the company lacks a purpose; however, it suggests that the purpose has not been explicitly defined. This review is based solely on publicly available corporate disclosures and does not include internal documents or initiatives that have not been made public. Companies were not engaged or consulted in the course of this review.

It is important to note that some companies rated as having a social purpose statement may be seen as controversial – particularly energy companies whose products are responsible for climate change and financial institutions that finance them. These companies were included because the focus of this report is on whether they have a public social purpose statement that speaks to creating a better world. Properly governed and authentically implemented, such a purpose should put a company on a path toward shifting away from fossil fuels and toward making a meaningful contribution to societal well-being. However, we did not assess the extent to which this transition is occurring.

In assessing the social purpose statements of TSX 60 companies, four observations emerged:

1. Self-referential purposes

Statements that focused solely on the company's interests, without linking to a societal benefit, were not classified as social purpose.

2. Lack of clear societal outcomes

Some statements were excluded because they did not clearly articulate a societal outcome or contribution to the common good.

3. Vagueness in purpose statements

A number of companies presented purpose statements that were too vague or general to determine if they met the threshold of social purpose.

4. Element of subjectivity

While every effort was made to ensure consistency, the assessment process involved some degree of subjectivity, especially in evaluating statements that were open to interpretation.

These points highlight the challenges in identifying and categorizing social purpose statements, underscoring the complexity and nuance of this analysis.

This study did not evaluate whether a company is a "social purpose business." It does not assess whether the social purpose is being authentically implemented, whether it received formal board approval or whether it has led to meaningful changes in the company's business practices or impact.

To assess whether the board of directors played a role with respect to the social purpose, enhancing the likelihood of its implementation, we reviewed the publicly disclosed board terms of reference available on each company's website and published between August and December 2024.

For this review, we applied our [Purpose Governance Guidelines](#) to evaluate how the board's responsibilities and oversight supported the company's stated social purpose.

Additionally, our analysis extended beyond Canadian companies to include purpose statements from selected U.S. and emerging market firms, offering a comparative lens on how social purpose is articulated globally. We also analyzed the sectoral breakdown in Canada and globally.

Key Findings: Social Purpose

Canadian Companies

Out of the 60 companies analyzed in the TSX 60, 24 were classified as having a social purpose. This represents a notable 40% of the count and 48% of the TSX 60's total market capitalization (\$1.5 trillion of \$3.3 trillion) of the top publicly traded companies in Canada, highlighting a growing trend toward major corporations adopting a social purpose as their reason to exist.

While these figures are promising, it also underscores that most TSX 60 companies (60%) have yet to define or communicate a clear social purpose aimed at contributing to a better world. Nearly half (28) had no discernible purpose, and eight had a public purpose statement that did not qualify as a social purpose.

It is worth highlighting that about half of the companies (31) use the language of "our purpose," "purpose" or "social purpose" on their websites or in their annual reports to describe their company, reflecting the growing normalization of the terms "purpose" and "social purpose" in corporate discourse.

Sectoral analysis reveals that 50% of energy companies (7 of 14) and financial institutions (6 of 12) in the index had a social purpose, both sectors being heavily represented in the index. While smaller in number, all three telecommunications companies in the index had a social purpose. The mining sector, which includes six companies on the index, appears to be lagging, with none of its companies having a public social purpose. However, Teck's purpose statement shows promising signs, although it is primarily focused on delivering its products rather than explicitly contributing to a better world.

The table below provides a detailed breakdown of the TSX 60 companies analyzed, highlighting their purpose statements and whether they meet the criteria for a social purpose (blue, bolded statements for those that do).

TSX 60 Purpose Statements

Company	Term Used	Purpose Statement	Exclusion Rationale (if applicable)
Agnico Eagle Mines Ltd.	N/A	None	
Algonquin Power and Utilities Corp.	Our Purpose	Our purpose is sustaining energy and water for life.	
Alimentation Couche-Tard Inc.	N/A	None	
Bank of Montreal	Our Purpose	Boldly Grow the Good in business and life.	
Bank of Nova Scotia	Our Purpose	For every future.	This phrase lacks a verb and does not communicate an actionable reason for being.
Barrick Mining Corp.	Our Purpose	We are building the world's most valued gold and copper company by owning the best assets, managed by the best people to deliver the best returns and benefits to all our stakeholders.	This statement does not describe why the company exists.
BCE Inc.	Our Purpose	Advancing how Canadians connect with each other and the world.	
Brookfield Asset Management Ltd.	N/A	None	
Brookfield Corporation	N/A	None	

Company	Term Used	Purpose Statement	Exclusion Rationale (if applicable)
Brookfield Infra Partners LP Units	N/A	None	
CAE Inc.	N/A	None	
Cameco Corp.	N/A	None	
Canadian Apartment Properties REIT	N/A	None	
Canadian Imperial Bank of Commerce	Our Purpose	Our purpose is to help make your ambition a reality.¹	
Canadian National Railway Co.	Our Purpose	To power the economy by enabling global supply chains and moving goods sustainably and efficiently, working together with our customers, our people, and the communities in which we operate.	
Canadian Natural Resources Ltd.	N/A	None	
Canadian Pacific Kansas City Ltd.	N/A	None	
Canadian Tire Corp.	Our Purpose	We Are Here to Make Life in Canada Better.	
CCL Industries Inc.	N/A	None	
Cenovus Energy Inc.	Our Purpose	We energize the world to make people's lives better.	
CGI Inc.	N/A	None	
Constellation Software Inc.	N/A	None	
Dollarama Inc.	N/A	None	
Emera Inc.	Our Purpose	Energizing modern life and delivering a cleaner energy future for all.	
Enbridge Inc.	Our Purpose	To fuel people's quality of life.	

¹ This phrase is classified as a purpose because "your" could be interpreted to extend beyond clients

Company	Term Used	Purpose Statement	Exclusion Rationale (if applicable)
First Quantum Minerals Ltd.	N/A	None	
FirstService Corp.	Our Social Purpose	Our Social Purpose is caring for Our People, Our Community, & Our Environment.	This statement is a description of the company's approach to corporate social responsibility and does not describe why it exists.
Fortis Inc.	Our Purpose	Delivering a cleaner energy future.	
Franco-Nevada Corp.	N/A	None	
George Weston Ltd.	N/A	None	
Gildan Activewear Inc.	N/A	None	
Hydro One Ltd.	Our Purpose	Energize life with reliable and sustainable solutions for a brighter future.	
Imperial Oil	N/A	None	
Intact Financial Corp.	Our Purpose	We are here to help people, businesses and society prosper in good times and be resilient in bad times.	
Kinross Gold Corp.	N/A	None	
Loblaw Companies Ltd.	Our Purpose	Helping Canadians Live Life Well®	
Magna International Inc.	Our Purpose	Advancing mobility for everyone and everything, responsibly.	
Manulife Financial	N/A	None	
Metro Inc.	Purpose	Nourish the health and well-being of our communities.	
National Bank of Canada	N/A	None	
Nutrien Ltd.	Our Purpose	Feeding the Future.	

Company	Term Used	Purpose Statement	Exclusion Rationale (if applicable)
Open Text Corp.	N/A	None	
Pembina Pipeline Corp.	Our Purpose	We deliver extraordinary energy solutions so the world can thrive.	
Power Corporation of Canada	N/A	None	
Restaurant Brands International Inc.	N/A	None	
Rogers Communications Inc.	Our Purpose	Connect Canadians when and where they want.	
Royal Bank of Canada	Our Purpose	Helping clients thrive and communities prosper.	
Saputo Inc.	N/A	None	
Shopify Inc.	Our Mission ¹	Making commerce better for everyone.	
Suncor Energy Inc.	N/A	None	
Sun Life Financial Inc.	Our Purpose	To help our clients achieve lifetime financial security and live healthier lives.	This statement focuses on client outcomes rather than on a wider societal aim.
TC Energy Corp.	Our Purpose	To connect the world to the energy it needs.	This statement focuses on its product rather than on a wider societal aim.
Teck Resources Ltd.	Our Purpose	To provide essential resources the world is counting on to make life better while caring for the people, communities and land that we love.	This statement focuses on its products rather than on a wider societal aim.
TELUS Corp.	Our Social Purpose	Our social purpose is to leverage our global-leading technology and compassion to drive social change and enable remarkable human outcomes.	
Thomson Reuters Corp.	Our Purpose	Inform the way forward.	

¹ Where mission statements articulate an enduring reason for being that benefits society (e.g., "we exist to..."), we classify them as social purpose statements.

Company	Term Used	Purpose Statement	Exclusion Rationale (if applicable)
Toronto-Dominion Bank	Our Purpose	Enrich the lives of our customers, communities and colleagues.	
Tourmaline Oil Corp.	N/A	None	
Waste Connections	Purpose	Honoring our commitments provides our stakeholders peace of mind and establishes us as the premier waste services company in the markets we serve. This creates a safe and rewarding environment for our employees while protecting the health and welfare of the communities we serve, thereby increasing value for our shareholders.	These sentences describe the company's approach to corporate social responsibility, product offerings and shareholder value creation, and they do not communicate why the company exists.
Wheaton Precious Metals Corp.	Our Purpose	To create value for all of our stakeholders through responsible business practices.	This statement does not define the company's wider societal aim.
WSP Global Inc.	Our Purpose	We exist to shape communities to advance humanity.	

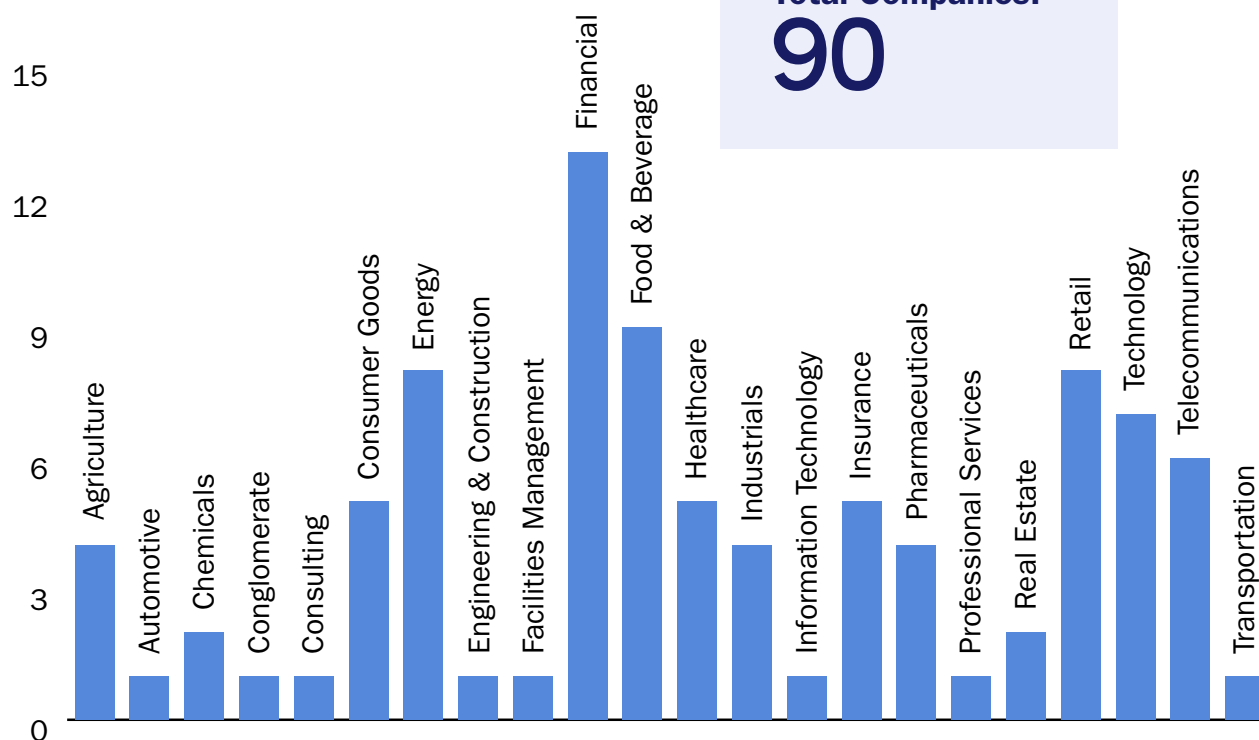
Other Markets

An analysis of companies across different market regions reveals a common pattern, with the U.S. as an outlier. An unpublished analysis by the author found that 13% of the S&P 500¹ and 40% of emerging market companies have an explicit social purpose. A 2023 review of the Purpose Statements of the FTSE 350 (U.K. stock market index) found that 44% (154) had a statement that connects “to the core business and the problems the world faces.”² A similar review of the purpose statements of the ASX 100 (Australia stock market index) found that 40% (40) had purpose statements connected to the core business of the company and the problems the world faces.³ With Canada at 40%, this suggests that a 40% social purpose adoption rate is common across several markets worldwide.

Sector Results

Our analysis of companies from the TSX 60, S&P 500 and emerging markets identified 90 firms that have adopted a social purpose. These companies span a wide range of industries, highlighting the diversity of sectors represented, as shown in the chart below. Financial services leads at 13 firms, followed by food & beverage (nine), and both energy and retail (eight each). Technology accounts for seven firms, while telecommunications follows closely with six. Consumer goods, insurance and healthcare each include five companies, while pharmaceuticals, agriculture and industrials have four each. Sectors such as automotive, chemicals, real estate, and professional services show fewer examples, reflecting an uneven distribution of social purpose adoption across industries.

Number of Social Purpose Statements by Sector



¹ Purpose Brand, a U.S.-based brand and marketing agency, reviewed the S&P 500 in 2024 and identified [170 companies with a corporate purpose](#). Upon verification, we found that 65 of these met our criteria for a social purpose statement.

² BrandPie, Griffith University and Future Normal, [Purpose Matters: A Review of the Purpose Statements of the FTSE350](#), March 2024.

³ BrandPie, Griffith University and Future Normal, [ASX100 Purpose Matters: A Review of the Purpose Statements of the ASX100](#), February 2024.

Key Findings: Purpose Governance

Among the 24 TSX 60 companies that have a declared “social purpose,” nine (38%) assign the board of directors an oversight role. All the banks with a declared social purpose include board oversight in their governance mandate. Similarly, Canadian Tire Corp., Metro Inc., Pembina Pipeline Corp., TELUS Corp. and WSP Global Inc. specify a purpose governance role for the board of directors. This represents a promising trend toward recognizing purpose oversight as a governance responsibility.

Companies with Board Oversight of Social Purpose

The following chart lists the TSX 60 companies that explicitly define a purpose oversight role for the board of directors, as reflected in their publicly disclosed board terms of reference. The Purpose Reference column cites the relevant excerpt, while the Assessment column summarizes the company’s approach to purpose governance and highlights any gaps or limitations.

Please note: This analysis is based solely on board terms of reference publicly available on company websites as of August to December 2024. Additional board practices or responsibilities related to social purpose may exist but were not captured if not disclosed in these documents.

The Bank of Nova Scotia (Scotiabank) is included despite its purpose statement not qualifying as a social purpose, as its board terms of reference explicitly assign a board purpose oversight role.

Board Oversight of Social Purpose

Company	Purpose Reference	Assessment
Bank of Montreal	<p>Board of Directors provides stewardship, sets general direction and alignment with Purpose, and oversees management.</p> <p>BMO's Code of Conduct is grounded in our Purpose.</p>	<p>The board sets purpose <i>alignment</i>.</p> <p>The board's role in setting purpose alignment suggests a state of agreement rather than actively advancing the purpose.</p>
Bank of Nova Scotia	<p>Oversee the Bank's Purpose</p> <p>The Bank's purpose guides all that it does and considers its many stakeholders, including employees, clients, communities and shareholders. The Board oversees the Bank's purpose and reviews and reports on how the Bank executes, and acts in accordance with, its purpose. The Corporate Governance Committee supports the Board in its oversight of the Bank's purpose and the implementation of the Bank's purpose within the Bank's strategies and priorities.</p> <p>Corporate Governance Committee Terms of Reference:</p> <p>Mandate</p> <p>2. To act in an advisory capacity to the Board of Directors (the "Board") to enhance the Bank's corporate governance through a continuing assessment of the Bank's approach to corporate governance and making policy recommendations in support of the Bank's purpose, culture and strategy, including its environmental, social and governance (ESG) strategy.</p> <p>Duties</p> <p>Purpose and Environmental, Social and Governance (ESG) Matters</p> <p>34. Support the Board in its oversight of the Bank's purpose and review the Bank's disclosure on, execution of, and alignment with, its purpose.</p>	<p>The bank's corporate governance policies state that the board is responsible for overseeing the bank's purpose. This is outlined on page 12 and is the first of the "oversee" responsibilities listed in the corporate governance policies document. It is followed by oversight of strategy, risk, liquidity and funding, capital management, technology, finance and audit, among other responsibilities.</p> <p>The board has delegated to its Corporate Governance Committee the responsibility to make policy recommendations in support of the bank's purpose, and to review the bank's disclosure on, execution of, and alignment with, its purpose.</p> <p>That oversight of purpose is the first of the listed oversight roles suggests a clear understanding of the importance of board governance over purpose.</p>

Company	Purpose Reference	Assessment
<u>Canadian Imperial Bank of Commerce</u>	Strategic planning – The Board reviews and approves CIBC's strategic, financial and capital plans, and monitors their effectiveness. In carrying out these responsibilities, the Board considers CIBC's purpose, Environmental, Social and Governance (ESG) strategy, risk appetite, risk profile, capital and liquidity levels, emerging trends and the competitive environment.	<p>The board <i>considers</i> purpose in the company's strategy.</p> <p>Purpose is more than a factor among many; it should be the central driver of an organization's strategy. When a board limits its engagement with purpose to "considering it," it risks treating purpose as a secondary concern.</p>
<u>Canadian Tire Corp.</u>	<p>Corporate Governance Overview: We believe in strong corporate governance standards, as reflected in our policies and practices, and look to the Company's Brand Purpose and Core Values, regulatory requirements and best practices to shape our policies and practices, in order to ensure that they are comprehensive, relevant, effective and transparent.</p> <p>Our Brand Purpose, <i>We Are Here to Make Life in Canada Better</i>, guides all decisions the Company makes, including with respect to its approach to corporate governance.</p> <p>CTC's Brand Purpose, <i>We Are Here to Make Life in Canada Better</i>, guides all actions related to the Company's business strategy, including CTC's position and strategies in relation to ESG topics most relevant to CTC and its stakeholders. CTC has integrated ESG directly into its enterprise strategy as it is critical to fulfilling the Company's Brand Purpose and improving environmental and social outcomes for Canadians.</p> <p>Brand and Corporate Responsibility Committee has responsibility for: Brand Purpose and Brand Trust.</p>	<p>The board <i>looks</i> to the purpose to shape policies and practices. The purpose <i>guides</i> the company's governance and actions related to the company's strategy. The board appears to equate purpose with ESG but acknowledges that the enterprise strategy should <i>fulfill</i> the company's purpose. Purpose responsibility has been assigned to one of the board committees.</p> <p>While purpose is used as a guardrail for decisions and actions and there is reference to the strategy fulfilling the purpose, the board mandate lacks specificity around the board's active role in purpose oversight. Use of the term "brand purpose" may not refer to the company's fundamental reason for existence, but the role the brand plays in the marketplace, and thus would be a marketing strategy.</p>

Company	Purpose Reference	Assessment
<u>Metro Inc.</u>	<p>Board assumes the responsibility for the following matters, either directly or through one of its committees:</p> <p>Corporate Responsibility 4.4.1 the oversight of the Company's activities with respect to the Company's corporate purpose and corporate responsibility, which includes environmental, social and governance matters (ESG), and the approval of the Company's Corporate Responsibility Plan and related disclosure.</p>	<p>Corporate purpose is referenced under the board's <i>corporate responsibility</i> duties, positioned last after strategy planning and risk oversight, human resources and audit matters.</p> <p>Corporate purpose is the company's fundamental reason to exist, not a corporate responsibility function.</p>
<u>Pembina Pipeline Corp.</u>	<p>The Board carries out its responsibilities with a view to the purpose of Pembina. Its role is to support Pembina's commitment to achieving its strategy, including its four strategic priorities.</p>	<p>This is referenced under the general statement in the Board Charter. This is the only reference to the company's purpose.</p>
<u>Royal Bank of Canada</u>	<p>The company's Corporate Governance Framework includes purpose: It is mentioned in the company's "approach to governance": We believe that good governance [...] involves [...] setting robust standards and principles that will guide RBC in delivering on its Purpose of helping clients thrive and communities prosper while enhancing value for our shareholders. The ESG section of The Corporate Governance Framework references the Purpose Framework which aims to create clarity and structure around three societal ambitions where RBC can have a meaningful impact.</p> <p>All director nominees are required to have experience in ESG matters "to best support the bank in achieving its Purpose" including through their professional experience or their educational background.</p>	<p>The company's Corporate Governance Framework defines good governance as <i>setting standards and principles to guide it</i> in fulfilling its purpose. To support the company in achieving its purpose, all director nominees are required to have ESG experience. The Purpose Framework is housed within the company's ESG program.</p> <p>The governance framework acknowledges the role for principles to guide purpose delivery and the importance of directors having skills and experience to support purpose achievement. There is no reference to the board having oversight of purpose execution. It seems that the primary vehicle for advancing purpose is through the company's ESG strategy, which could limit the broader integration of purpose across the company.</p>

Company	Purpose Reference	Assessment
<u>TELUS Corp.</u>	<p>Terms of Reference for the Board of Directors: Strategy Determination and Social Purpose The Board will:</p> <ul style="list-style-type: none"> a) approve the Company's social purpose; b) annually consider and approve the Company's objectives and goals, its strategic plan to achieve those objectives and goals and the accomplishment of its social purpose and approve any material changes thereto. 	<p>The company's Board Terms of Reference specify that the board is responsible for approving the company's social purpose, and, on an annual basis, considering and approving its goals to achieve the accomplishment of its social purpose.</p> <p>This responsibility is listed ahead of others such as approving material transactions, approving financial reporting, addressing risk oversight and management, and other responsibilities.</p> <p>The fact that purpose oversight tops this list reflects an understanding of its significance within the board's responsibilities.</p>
<u>Toronto Dominion Bank</u>	<p>Specific Duties and Responsibilities: Strategic Planning: Approving the strategy and business objectives of the Bank and overseeing their execution. This oversight includes reviewing and approving all major strategy and policy recommendations including the Bank's annual strategic plan and annual financial plan which include the capital, liquidity and funding plans, as well as specific requests for major capital expenditures and the monitoring of adequate levels of capital and liquidity. The Board assesses the Bank's major opportunities and the risk impact of such strategic decisions being contemplated, including considering whether they are aligned with the Bank's purpose and within the Board-approved Risk Appetite Statement established for the Bank and its individual business and corporate segments. The Board also oversees the strategic planning process, implementation of strategic plans, and monitoring of performance against such plans.</p>	<p>Purpose is included within the board's strategic planning responsibility where the board is tasked with assessing whether <i>strategic decisions align</i> with the company's purpose.</p> <p>By focusing primarily on alignment with purpose rather than proactively integrating it into every aspect of strategic planning and decision-making, the board risks treating purpose as a secondary consideration rather than as a core driver. This narrow approach may not fully leverage purpose as an overarching framework for the bank's long-term strategy, governance, and risk management. Instead, purpose should ideally be at the heart of the strategic planning process, influencing decisions on capital allocation, risk management and overall business objectives.</p>

Company	Purpose Reference	Assessment
<u>WSP Global Inc.</u>	<p>The board shall assume the following duties and responsibilities:</p> <p>1) PURPOSE AND STRATEGY</p> <p>1. Articulate a shared understanding with management of the Corporation's purpose that, among other things, addresses corporate value generation for society;</p> <p>2. Ensure that a strategic planning process is in place and approve, at least on an annual basis, a strategic plan which supports the Corporation's purpose and takes into account, among other things, the longer term opportunities and risks of the business.</p> <p>3) HUMAN CAPITAL MANAGEMENT AND COMPENSATION</p> <p>18. Encourage a culture that equitably and sustainably supports the Corporation's purpose.</p>	<p>The board's responsibilities include articulating a shared understanding of the company's purpose, which encompasses generating value for society. The board is also responsible for approving an annual strategic plan that supports the company's purpose and for encouraging a culture that supports the company's purpose.</p> <p>Purpose and strategy occupy a prominent position in the Board's Charter, being the first section among six. Of the 42 responsibilities listed, purpose is highlighted in the first two, emphasizing the board's role in ensuring that the strategy supports achievement of the purpose. Additionally, the board's responsibility for human capital management includes fostering a culture that supports the company's purpose, reinforcing the centrality of purpose in both strategy and organizational culture.</p>

This review reveals a range of purpose governance approaches, reflecting varying degrees of commitment and integration into board mandates and the nascent nature of purpose governance. While some companies demonstrate promising practices, others show room for growth in fully embedding purpose into their governance frameworks.

In several cases, purpose is treated as a guiding principle or alignment tool for strategy and decisions. However, it is often seen as one of many factors, rather than the central driver of strategy and decision-making. Boards that limit their engagement with purpose to a consideration or alignment role risk reducing purpose to a secondary concern. In other instances, purpose is equated with ESG or brand positioning, potentially narrowing its scope and impact.

Three companies stand out as benchmarks for purpose governance: WSP, TELUS and Scotiabank. WSP places purpose and strategy prominently within its board charter, assigning board responsibilities for articulating a shared understanding of purpose, ensuring it is executed through the strategic plan, and fostering a purpose culture. These practices demonstrate a proactive approach to integrating purpose into governance, strategy and culture.

TELUS also connects purpose to strategy through a specific board responsibility: "Strategy Determination and Social Purpose." The board's terms of reference state that it is responsible for approving the company's social purpose and ensuring the strategic plan includes objectives and goals to advance it.

Scotiabank, like the others, places purpose oversight as the first listed oversight responsibility in its corporate governance policies. The board delegates key responsibilities to its Corporate Governance Committee, including reviewing the bank's purpose alignment, execution and disclosure.

This highlights the importance placed on purpose oversight, reinforcing its central role within the bank's governance framework.

All three companies are valuable models for others, showcasing how purpose can be effectively integrated into corporate governance.

Overall, the inclusion of purpose in board mandates is a positive sign, but its full potential as a central driver of governance and strategy remains underutilized. The 15 companies whose boards do not explicitly oversee the company's purpose, along with those who address it in a limited manner, face a number of risks:

- **Failure to execute the purpose**
inability to effectively integrate and act on the company's stated purpose
- **Perception of "purpose-washing"**
damaged brand reputation and credibility
- **Insufficient accountability**
disconnect between the stated purpose and actual behaviour, weakening corporate culture and business practices
- **Stakeholder disengagement**
loss of engagement from customers, employees and other key stakeholders
- **Erosion of trust**
reduced trust from both internal and external stakeholders
- **Lack of long-term vision**
short-term focus and missed potential for long-term value creation
- **Financial performance impact**
lack of purpose oversight could result in missed opportunities for purpose-led growth and innovation, potentially affecting the company's financial performance

Moreover, the 28 companies without a declared purpose likely have boards that are unaware of their organization's core reason for being. This could limit the board's ability to act in the best interests of the company – posing a potential fiduciary risk.

Conclusion

The findings in this report indicate that social purpose is gaining traction in corporate Canada, providing a strong foundation for the future. Yet there remains considerable room for improvement, especially in the area of purpose governance. To truly lead in this space, companies must not only define a clear social purpose, adopted by the board, but also integrate it effectively and accountably into their governance frameworks. This will be essential for driving long-term success, building stakeholder trust and realizing the full potential of social purpose in business.

Encouragingly, nearly half of the TSX 60 by market cap now publicly state a social purpose – an emerging signal of shifting corporate norms and the growing relevance of purpose in business.

Appendix A

Resources: Tools for Defining, Governing and Disclosing Your Social Purpose

Explore these practical tools to help guide your business in defining, governing and disclosing its social purpose.

Defining Your Purpose

[Introduction to Social Purpose and the Social Purpose Business Case](#) (recording)

[Defining a Social Purpose for Your Business: Step 1](#) (recording)

[Defining a Social Purpose for Your Business: Step 2](#) (recording)

[Social Purpose Statement Criteria](#)

Governing Your Purpose

[Purpose Governance Guidelines for Boards](#)

Disclosing Your Purpose

[Purpose Disclosure Guidelines](#)

Appendix B

Purpose Statements of Selected U.S. Companies

We extended our study to 22 U.S. companies to explore their approach to social purpose. Below is the chart summarizing the purpose statements of these U.S. companies, offering insights into how purpose is communicated in one of the world's largest markets. Only four had no disclosed purpose. Fifteen had a social purpose and three had another type of purpose.

Company	Purpose Statement
Alphabet Inc. (Google)	To organize the world's information and make it universally accessible and useful.
Carrier Global Corp.	Creating solutions that matter for people and our planet.
Elanco Animal Health Inc.	To advance the well-being of animals, people, the planet and our enterprise, enabling us to realize our vision of Food and Companionship Enriching Life.
Electronic Arts Inc.	We Exist to Inspire the World to Play.
Eli Lilly and Company	We unite caring with discovery to create medicines that make life better for people around the world.
Intuit Inc.	Powering prosperity around the world.
Intercontinental Exchange, Inc.	To design, build and operate digital networks to connect people to opportunity.
J.P. Morgan	Make dreams possible for everyone, everywhere, every day.
Johnson & Johnson	To profoundly change the trajectory of health for humanity.
Microsoft Corp.	To empower every person and every organization on the planet to achieve more.
Mondelez International Inc.	We empower people to snack right.
S&P Global, Inc.	Our purpose is to accelerate progress.
Visa Inc. Class A	To uplift everyone, everywhere by being the best way to pay and be paid.
Walmart	We aim to build a better world – helping people live better and renew the planet while building thriving, resilient communities.
Willis Towers Watson Public Limited Company	We create clarity and confidence today for a more sustainable tomorrow.
Amazon.com, Inc.	To be Earth's most customer-centric company, Earth's best employer, and Earth's safest place to work.

Company	Purpose Statement
Dollar Tree, Inc.	To provide amazing value and a great shopping experience to our customers in every store, every day.
News Corp.	To contribute meaningfully to society by minimizing our environmental impact, growing our businesses sustainably and inspiring others to take action.
Analog Devices, Inc.	None
Interpublic Group of Companies Inc.	None
Ross Stores, Inc.	None
Verisk Analytics, Inc.	None

Purpose Statements of Emerging Market Companies

To provide a global perspective, we examined purpose statements from a selection of emerging market companies. The chart below highlights their approaches to social purpose, showcasing how companies in these regions articulate – or in some cases, omit – a purpose. Among the 10 companies studied, four disclosed a social purpose (40%), while five had no disclosed purpose. This shows that social purpose business is truly a global phenomenon.

Company	Purpose Statement
Baidu Inc. (ADR)	To make the complicated world simpler through technology.
FEMSA	To enhance people's lives, transforming the everyday into well-being and growth.
HDFC Bank Ltd.	To help every Indian make better money choices, today and tomorrow.
Tencent Holdings Limited	Value for Users, Tech for Good.
Becle S.A.B. de C.V.	To satisfy the needs of our clients and consumers worldwide.
Taiwan Semiconductor Manufacturing Co.	None
Inner Mongolia Yili Industrial Group Co., Ltd. Class A	None
NetEase, Inc.	None
Aramex PJSC	None
Want Want China Holdings Ltd.	None

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About the Canadian Purpose Economy Project

The Canadian Purpose Economy Project exists to accelerate the transition to the purpose economy. It engages national ecosystem actors to create an enabling environment for social purpose businesses to start, transition, thrive and grow. We are grateful to Coast Capital, our Founding Purpose Champion, for its support. The Canadian Purpose Economy Project is a project of the Canadian Business for Social Responsibility Education Foundation.

Subscribe to our updates at purposeeconomy.ca and sign our [Call to Purpose](#) to help us advance social purpose in business.

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