CANADIAN PURPOSE ECONOMY PROJECT

Shareholder Action on Corporate Purpose

MÉDAC (Mouvement d'éducation et de défense des actionnaires) is a Quebec-based shareholder advocacy organization with a long history of filing shareholder proposals and engaging Canadian public companies on governance, sustainability and shareholder issues.

In 2021–22, MÉDAC conducted a coordinated shareholder campaign with Canada's major banks focused on corporate purpose and its governance. The campaign called on banks to articulate their organizational purpose and establish clear board-level responsibility for overseeing its implementation.

This brief reviews the campaign and its outcomes as a potential model for shareholder action on purpose adoption and governance in other sectors. It concludes with two sample shareholder proposals: one for companies without a meaningful organizational purpose and one for companies that have a purpose but lack clear governance of its implementation.

MÉDAC Canadian Bank Purpose Campaign: Bank-by-Bank Outcomes

Bank	Starting point	Outcome of MÉDAC engagement
BMO	Had adopted its purpose in 2019.	BMO committed to amend its Board and Governance and Nominating Committee mandates to explicitly address purpose and its oversight.
CIBC	Had adopted its purpose in 2019.	CIBC committed to give its Governance Committee responsibility for overseeing alignment with its purpose and related initiatives.
Scotiabank	Had articulated its purpose in 2019.	Scotiabank committed to update its Governance Committee mandate to reflect responsibility for purpose.
RBC	Had an established purpose.	The 2021 proposal received 11.15% support. MÉDAC returned in 2022 seeking stronger integration into committee mandates. RBC subsequently assigned purpose oversight to its Governance Committee.
TD	Already had an articulated purpose.	TD demonstrated that its Governance Committee oversaw alignment with purpose and explained connections to strategy, risk appetite, culture and policies.
National Bank	Had adopted a purpose/mission in 2018.	Following discussions, the proposal was not put to a vote. The bank demonstrated how purpose was incorporated into strategy, executive performance and governance.
Laurentian Bank	Did not have the same developed purpose framework as the other banks.	The 2021 proposal received 11.95% support. During 2021, management and the Board developed a new purpose and values and incorporated them into a Board-approved strategic plan. MÉDAC returned in 2022 seeking stronger governance integration.

Evidence of enduring purpose governance. A subsequent 2025 review by the Canadian Purpose Economy Project of Canada's five largest banks (Bank Purpose Governance 2025) found that all five had purpose incorporated into their governance architecture, with four assigning a purpose-related role to their governance committee. The review also found an unfinished agenda: governance tended to emphasize alignment with purpose more than its execution, delivery and performance.

Potential Application to Other Sectors

The MÉDAC campaign provides a potential model for a coordinated shareholder campaign in other sectors, with the resolution tailored to whether a company has already adopted an organizational purpose.

For a company without a meaningful organizational purpose:

RESOLVED: Shareholders request that the Board and management articulate and disclose a meaningful organizational purpose that sets out the Company's reason to exist and the value it seeks to create for society and establish appropriate Board oversight of the implementation of that purpose.

For a company that already has an organizational purpose:

RESOLVED: Shareholders request that the Board establish and disclose appropriate governance mechanisms for overseeing the implementation of the Company's organizational purpose, including how purpose informs strategy, incentives, and significant corporate decision-making.

Sources

- MÉDAC, 2021 shareholder proposals to Canadian banks: https://medac.qc.ca/documentspdf/actionnariat/2021_repertoire_banques.pdf
- MÉDAC, 2022 shareholder proposals to Canadian banks: https://medac.qc.ca/documentspdf/actionnariat/2022_repertoire_banques.pdf
- Canadian Purpose Economy Project, Bank Purpose Governance (2025 information; published 2026): https://purposeeconomy.ca/wp-content/uploads/2026/02/Bank-Purpose-Governance.pdf

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 enable social purpose businesses to start, transition, thrive, and grow. The Project convenes, connects, and collaborates to advance social purpose business in Canada and support an economy where purpose is embedded in strategy, decision-making, and long-term value creation.

The Canadian Purpose Economy Project is a project of the Canadian Business for Social Responsibility Education Foundation. Coast Capital is the Founding Purpose Champion. Sign up for our newsletters at: purposeeconomy.ca.