



# Should the Quebec government consider the social enterprise model in order to achieve a renewed capitalism?

by **Christiane Brizard, Danielle Ferron, Rémi-Pier Fournier and Guillaume François Larouche**

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## 1. Introduction

In a [previous article](#), we discussed the concept of ethical awareness and the opportunity to consider a new business model whose core purpose would be the promotion of social values.

In particular, we highlighted certain legislative efforts to allow for the creation of companies that blend financial objectives with societal benefits. This type of corporate structure, combining profitability with the promotion of social values, takes various forms depending on the jurisdiction.

In our opinion, an analysis of the various types of so-called “hybrid” companies is essential to pave the way for a Quebec model for businesses with a strong social conscience. With this in mind, we will present some of the European, American and Canadian initiatives associated with the development of this new corporate model.

## 2. Various models of socially responsible companies

### A. United States

In the United States, the *Benefit Corporation* model was introduced in 2010. Since then, 36 states have adopted legislation allowing companies to benefit from this certification.<sup>1</sup> The model was put forward to expand the role of for-profit corporations by allowing them to include social or environmental values in their decision-making processes. These are hybrid companies that aim to make a profit while at the same time advancing non-financial interests.<sup>2</sup>

In order to adopt the legal form of the Benefit Corporation, American companies must meet the following three conditions:<sup>3</sup>

- Create a “general public benefit,” which is defined as *a material positive impact on society and the environment, taken as a whole, from the business and operations of a benefit corporation assessed taking into account the impacts of the benefit corporation as reported against a third-party standard*,<sup>4</sup>
- Take into account the impact of decisions made by the company’s governing bodies on stakeholders;<sup>5</sup>
- Publish an annual report on its social and

environmental performance.

With respect to creating a general public benefit, the possibilities are manifold and differ somewhat from one state to another. Examples include providing products or services to low-income people, fighting poverty, protecting the environment, improving human health, and promoting the arts or sciences.<sup>6</sup>

Furthermore, the need to take into account the interests of various stakeholders in the decision-making process relieves the directors of a Benefit Corporation from liability for financial damages resulting from decisions made in good faith in these stakeholders’ interests.<sup>7</sup> However, we must keep in mind that shareholders remain stakeholders, and their interests should be considered by management in a balanced decision-making process.

Finally, the production and publication of an annual report outlining performance in relation to the company’s social or environmental goals are fundamental obligations of the directors of Benefit Corporations. Indeed, in this way, a certain amount of control is exercised over these companies to ensure that they honour their commitment to creating a general public benefit. To this end, most laws require that the report be evaluated by an independent third-party organization to provide shareholders and the public with reliable information on the company’s compliance with its chosen non-financial objectives.<sup>8</sup> The choice of this independent evaluator is up to the Benefit Corporation, which may use entities such as B Lab, Global Reporting Initiative, Green Seal, Underwriters Laboratories, Green America or any other entity responsible for developing standards and certifications related to corporate social responsibility.<sup>9</sup>

In addition, the Model Benefit Corporation Legislation (hereafter “**MBCL**”), which serves as a guide for states in the development of various legislative tools to govern Benefit Corporations, suggests that an annual report be published.<sup>10</sup> Several states have incorporated this suggestion, more or less explicitly, into their legislation.<sup>11</sup> This is a fundamental pillar in enforcing sanctions when a company fails to comply with its stated social objectives. Since the primary penalty for non-compliance with reporting requirements is a claim for damages by shareholders,<sup>12</sup> the importance of publishing an annual report becomes all the more clear.

In addition to these penalties, a Benefit Corporation’s failure to fulfil its social obligations may result in significant collateral damage to the company. Indeed, such failure could lead to a loss of interest by consumers and



investors, as well as a deterioration of relations with certain suppliers or other business partners.<sup>13</sup> Likewise, if news of such failure is shared on social media, the resulting damage to a company's reputation would not be insignificant.

It should also be noted that only a minority of states provide for the revocation of Benefit Corporation status in the event of an organization's failure to publish an annual report.<sup>14</sup> The effectiveness of the system of sanctions, put in place to encourage Benefit Corporations to fulfill their obligations concerning the publication of an annual report, is a matter of controversy; several authors have raised the need to review the way things are done in this regard.<sup>15</sup>

## B. United Kingdom

On the other side of the ocean, in the United Kingdom, the British have adopted a business model called the Community Interest Company (hereafter "**CIC**") following the 2005 amendments to the Companies Act<sup>16</sup> and the entry into force of the Community Interest Company Regulations 2005.<sup>17</sup>

Like the U.S. Benefit Corporation, the CIC is a hybrid company that seeks to profit from its operations while promoting non-financial community interests. To be designated as a CIC, a company must not be a corporation specifically excluded by law<sup>18</sup> and must meet the "*community interest test*" described below:

*"A company satisfies the community interest test if a reasonable person might consider that its activities are being carried on for the benefit of the community,*

*and 'community' for these purposes includes a section of the community."*<sup>19</sup>

It should be noted here that the notion of community is understood in a broad sense and includes part of the community. Therefore, the benefits do not have to accrue to the community as a whole for the company to meet the conditions of the test. Furthermore, this community may be in the United Kingdom or another country without this impacting the company's eligibility.<sup>20</sup>

However, the CIC model differs from the U.S. Benefit Corporation model in the allocation of dividends to shareholders. Although in both cases it is permissible to declare dividends,<sup>21</sup> the amounts distributed by a CIC are limited since 65% of profits must be reinvested to benefit the community objective set out by the company.<sup>22</sup> CICs are also subject to restrictions on the distribution of their assets following dissolution.<sup>23</sup>

In addition, CICs must publish an annual financial report filed with Companies House and sent to the CIC Regulator. Among other things, this report must explain clearly and precisely how the company's activities have benefited the community.<sup>24</sup> The CIC Regulator's role is to determine whether a company may become or remain a CIC, investigate complaints made about a CIC and, where appropriate, take action to address such complaints.<sup>25</sup> In this respect, if the company fails to meet the "community interest test," the CIC Regulator may investigate, order an external audit, institute civil proceedings, suspend a director or appoint a "manager" to perform management functions instead of the directors.<sup>26</sup>





With respect to the incentives offered to entrepreneurs who would like to set up a CIC, some authors lament the lack of tax benefits related to this business model. In their view, implementing such incentives would make the CIC a more attractive model and contribute to its growth.<sup>27</sup>

### C. France

Still on the European continent, France has also developed a hybrid business model that combines profitability and social responsibility: the *société à mission* (mission-driven company).<sup>28</sup> This type of company was introduced into the French commercial law landscape only recently, with the *Law of May 22, 2019, on Business Growth and Transformation*, known as the PACTE law.<sup>29</sup>

To be eligible for the title of *société à mission*, French companies must meet certain criteria, the main ones being the following:<sup>30</sup>

- The articles must specify a *raison d'être*, consisting of principles that guide the company's activities and its allocation of means and resources.
- The articles must specify one or more social or environmental objectives that the company is committed to pursuing through its business activities.
- The articles must specify the arrangements for monitoring the execution of this mission and provide that a *comité de mission* (mission committee) be responsible for this monitoring.
- An independent third-party body must verify the advancement or achievement of the company's social or environmental objectives.

With respect to monitoring the achievement of the company's societal objectives, a double verification process should be in place. First, a *comité de mission*, formed internally but separate from the company's governing bodies, will be responsible for monitoring the specific mission pursued by the company. It will be required to produce an annual report on the company's performance with respect to the fulfillment of its mission.<sup>31</sup>

Then, an independent third-party body, chosen by the company from a list of organizations accredited for this purpose, will also have to carry out a verification, at least every two years, to ensure that the company's activities are contributing to the achievement of its mission.<sup>32</sup> When the independent third-party body believes that one or more of the company's social and environmental objectives are not being met, the public prosecutor or any

interested person may apply to the court to order the company to remove any reference to the term "*société à mission*" from all instruments, documents or electronic media issued by the company.<sup>33</sup> It should be noted that before formulating its opinion, the verification body will have access to all documents held by the company.<sup>34</sup>

It should also be noted that *sociétés à mission* do not currently benefit from any government assistance, either in the form of subsidies or preferential tax treatment.<sup>35</sup>

An example of a *société à mission* is the French company Yves Rocher, whose stated mission is to reconnect people with nature.<sup>36</sup> To fulfil this mission, the company has amended its articles to incorporate a range of social and environmental objectives, such as connecting communities with nature, promoting biodiversity in the territories and fostering frugal innovation and responsible consumer behaviour.<sup>37</sup>

## 3. The situation in Canada

### A. British Columbia

In Canada, British Columbia is one of the most advanced provinces in introducing social enterprise business models. In 2012, it amended its Business Corporations Act to introduce Community Contribution Companies (hereafter "**C3**")<sup>38</sup> and has recently followed up by passing a bill enshrining Benefit Companies.<sup>39</sup>

#### i) Community Contribution Company (C3)

With respect to C3s, the resemblance to the British CIC model is significant. Like CICs, C3s must pursue objectives to benefit the community at large or a part of that community that extends beyond the group of individuals connected to the company.<sup>40</sup> These objectives may include health, environmental, cultural or educational benefits and must be included in the company's articles.<sup>41</sup>

Another similarity with CICs is that C3s are subject to a cap whenever they wish to declare dividends for their shareholders. The cumulative value of the dividends declared may not exceed 40% of the annual profits earned by the C3.<sup>42</sup> There are also restrictions on the transfer of the company's assets, both during its existence and upon its dissolution, to ensure that maximum resources are allocated to achieving societal objectives.<sup>43</sup>

Finally, C3s must produce an annual report that clearly and precisely sets out the positive impact of the



company's activities on the community per the objectives listed in its articles. This report must also disclose any asset transfers completed by the company and the reasons for them, as well as the value of the dividends declared.<sup>44</sup> The law does not clearly set out the consequences of publishing a report that is unsatisfactory in terms of positive community impact. Instead, the British Columbia government seems to be relying on the scrutiny of shareholders and consumers in this regard. As the Minister of Finance has stated: “[a]ccountability for C3s will be achieved through an annual public report, and by monitoring by the company’s shareholders and customers.”<sup>45</sup>

## ii) Benefit Company

Another social enterprise model present in the British Columbia legal landscape, which has already been briefly discussed in a [previous article](#), is that of Benefit Companies. This is essentially the Canadian version of the Benefit Corporation that we discussed in our analysis of the U.S. model.

Officers and directors of this type of company must integrate certain environmental and social factors into their decision-making processes. This is clearly illustrated by the requirement to include a statement in the company's articles, indicating that it conducts its activities responsibly and sustainably. The legislation further stipulates that this responsible and sustainable manner of conducting business means taking into account the well-being of persons affected by the company's operations and the fair and proportionate use of available social, environmental and economic resources.<sup>46</sup> Moreover, the officers and directors of a Benefit Company enjoy certain legislative protections for the actions they take in observance of the duties inherent in this type of business. Thus, the fact that an officer or director acts per the company's societal objectives will not, in itself, be considered a breach of his or her duty to act in the best interests of the company.<sup>47</sup> However, it should be remembered that officers and directors retain their fiduciary duty to the corporation. Thus, they will have to try to strike a delicate balance between shareholders' financial interests and the achievement of societal objectives.

In the same vein, the company must also choose and incorporate in its articles a “public benefit” to which its activities will be directed. This “public benefit” is described as a positive effect of an artistic, cultural, economic, environmental, medical, religious, scientific, or

technological nature.<sup>48</sup>

As with other social enterprises, the directors of Benefit Companies must publish an annual report setting out the progress or actions taken to promote the “public benefit” as defined in the articles. To assess its societal performance, the company will have to evaluate its actions against independent third-party standards. However, the company itself makes this assessment, not a third party or the government.<sup>49</sup> This report must ultimately be presented to shareholders and published on its website (if it has one).

The main difference between this type of company and the C3 model discussed above is the absence of restrictions on the value of dividends declared and the transfer of assets. It should also be noted that, unlike the C3 model, the societal performance of Benefit Companies will be evaluated against independent third-party standards. Finally, there is also a difference in these two business models' basic nature: Benefit Companies are for-profit corporations that must meet certain social or environmental imperatives, while C3s comprise an amalgam of specific elements of conventional businesses and non-profit organizations.

## B. Nova Scotia

For its part, Nova Scotia has drawn inspiration from the United Kingdom and the C3 model in British Columbia to incorporate Community Interest Companies into its legislative corpus.<sup>50</sup> Since this form is essentially modelled on the British and British Columbian initiatives, we will not discuss it in detail here.

## 4. The ISO 26000 standard



The application of the ISO 26000 standard, which sets out the main guidelines for an organization's social responsibility, enables companies to consider societal, environmental, legal, cultural, political and organizational diversity as well as differences in economic conditions, while being consistent with international norms of behaviour.<sup>51</sup>

This ISO standard does not aim at certification, but rather at providing guidelines for “understanding the social



responsibility of an organization, integrating social responsibility throughout an organization, communication related to social responsibility, enhancing the credibility of an organization regarding social responsibility, reviewing progress, improving performance and assessing the value of voluntary initiatives for social responsibility,<sup>52</sup> with a view to harmonizing CSR practices globally.” Why choose a social enterprise business model?

Without a doubt, the issue of the role of business in society is at the heart of current events. This is reflected not only by the various forms of social enterprises discussed herein but also by the annual letter from Larry Fink, CEO of BlackRock, entitled “*Purpose and Profits*.”<sup>53</sup> It should also be noted that companies that wish to work for the common good do not limit their commitment to defining their statutory corporate purpose; this commitment is additional to the traditional elements of governance, transparency and ethical awareness.

We should also recall the efforts of the working group set up by the former Prime Minister of the United Kingdom, David Cameron, which highlighted the concept of the “profit-with-purpose company.”<sup>54</sup> These companies are also characterized by their social and environmental mission and propose a “duty,” i.e. accountability of directors toward stakeholders.

Integrating human and environmental values into business models and factoring stakeholder interests in the decision-making process are increasingly seen as an integral part of doing business.<sup>55</sup>

Consumers are also becoming more concerned about the impacts of their consumption; this prompts a rethinking of the modes of production and distribution of goods and services. In this regard, we note that a recent Deloitte Millennial Survey found that 40% of respondents believe that the goal of business and the corporate world should be the improvement of society, not profit maximization.<sup>56</sup>

As a symptom of this shift, so-called “ethical” investments are becoming increasingly popular and are attracting new generations of investors. According to Morningstar’s June 2019 study, assets in environmental, social and governance (ESG) funds for retail investors have doubled since 2013.<sup>57</sup> In Canada, 51% of professionally managed assets are monitored to assess the company’s awareness and mitigation of the social and environmental risks associated with its activities. This figure rose by 42% between 2015 and 2017.<sup>58</sup>

Some are looking beyond the statutory social framework and addressing the “*raison d’être*” of a business. A *raison d’être* rests on three pillars: vision, mission and values. Having a clear *raison d’être* makes it possible for a company to propose an identity, set a course, and give meaning to its actions. As we observed in [one of our recent articles](#), this meaning is the result of ethical reflection and building ethical awareness within the company. Expressing a clear *raison d’être* is becoming a differentiating factor in an increasingly competitive environment. It also motivates all parties to collaborate on developing solutions. Such findings were confirmed in a study of 120 executives conducted by the Boston Consulting Group and Entreprises et Médias.<sup>59</sup> In particular, the study found that *raison d’être* was a strategic issue for two-thirds of the companies surveyed.

The desire for differentiation cannot be downplayed. The name recognition of a socially responsible company is an undeniable advantage in a market of socially responsible consumers. The words of author Patricia Thiery are particularly relevant in this regard:

“The strategic use of ethics can give companies a competitive advantage while encouraging them to play a leading role in solving social problems. Indeed, when a product is associated with a symbolic dimension of solidarity, this represents a potential point of preference in a purchasing decision. By making their purchases according to the ethical values conveyed by the products, consumers have a new form of power. These aggregate consumption choices represent an elective power that is akin to voting with our wallets, and consumers are gradually becoming aware of this.”<sup>60</sup>

Nonetheless, some people have reservations when the marketing aspect is raised since there can be a strong temptation for an opportunistic company to be ethical in name only.

Social enterprises face this same kind of pitfall. To counter this risk, we believe that independent monitoring and control structures must be put in place. These means of control should not be limited to creating internal monitoring tools but should, like the PACTE law provisions, provide for an audit of the company’s activities by an external and independent body.



## **A. CSR as a tool to attract foreign investment and promote our companies abroad**

The adoption of a Quebec corporate model that encourages companies to take social and environmental issues into account would add to the advantages of the Quebec jurisdiction when foreign investors are assessing the opportunity to establish themselves in North America. If Quebec were to offer a corporate vehicle that is at the forefront and innovative with respect to these issues, it would represent added value for foreign companies wishing to improve their social and environmental performance.

It should be noted that we also strongly encourage Canadian and Quebec companies operating abroad to equip their subsidiaries with a robust CSR strategy in order to: build support for their business projects within local communities; foster good relations with foreign companies and governments; and enhance our country's reputation on the international scene.

## **5. Conclusion: a source of inspiration for Quebec?**

In our view, the adoption of social or environmental objectives is entirely consistent with a company's efforts to ensure adherence to ethical decision-making processes by its board of directors. As we mentioned in a [previous article](#), taking into account various stakeholders' interests in the decision-making process is an integral part of the ethical shift in business that society expects. However, social or environmental objectives will necessarily involve the inclusion of the interests of various stakeholders within the decision-making process itself, thereby opening the door to ethical reflection.

Whatever the approach taken, it appears that the governments have an indispensable role to play, which society cannot do without. A clear legal framework is needed to encourage entrepreneurs to strengthen their

commitments to society and stakeholders.<sup>61</sup> Such legal recognition would allow the commitment of companies working for the common good to be properly valued. To quote authors Tchotourian and Morteo, "It is now possible for governments to actively participate in this common effort towards the well-being of society by establishing a close partnership with the private sector. This responsibility of the governments is one of the components of the harmonious development of society and the pursuit of the common good; it is the very foundation of political action."<sup>62</sup> This expected valuation by the governments could take the form of incentives, such as subsidies or tax credits.

However, without binding legal instruments and reliable, uniform, and inexpensive analysis methods to allow for a real comparison, the risks of commodification and greenwashing are significant.

In the same vein, sanctions should be provided for in the event of a company's failure to comply with the social commitments it has undertaken, especially if it has promoted these commitments or has benefited from the financial incentives that have been put in place.

Legislators must also, in our view, offer some protection to the directors and officers of such companies to ensure that the achievement of societal objectives is not subordinated to the financial interests of shareholders. In this sense, the addition of legislative provisions specifying the role that the achievement of social or environmental objectives will play in fulfilling the duty to act in the company's best interests will be of significant importance.

Society's appetite for a new business model that will prioritize social and environmental issues calls for unprecedented legislative innovation in Quebec. The emergence of a multitude of corporate forms combining profitability and social responsibility is an opportunity for Quebec to draw inspiration from these models to make available a legal vehicle that would meet entrepreneurs' needs in this regard.



## Authors



**Christiane Brizard**  
Lawyer, Partner, Mediator  
T +1 438 844 7802  
christiane.brizard@langlois.ca



**Rémi-Pier Fournier**  
Lawyer  
T +1 438 843 8968  
remi-pier.fournier@langlois.ca



**Danielle Ferron, Ad. E.**  
Lawyer, Partner  
T +1 514 282 7806  
danielle.ferron@langlois.ca



**Guillaume François Larouche**  
Lawyer  
T +1 514 282 7814  
guillaume.larouche@langlois.ca



## Notes

- <sup>1</sup> <https://benefitcorp.net/policymakers/state-by-state-status>.
- <sup>2</sup> BRANELLEC, G. and Lee, J.-Y. *Benefit corporation: Faut-il introduire en France une nouvelle forme d'entreprise lucrative ayant l'obligation d'être utile socialement ou environnementalement?* in "Recherches en sciences de la gestion," 2015, No. 106, p. 163.
- <sup>3</sup> *Ibid*, p. 167.
- <sup>4</sup> MAY, Cheryl. *A new model: the role of the for-benefit corporation in Canada*. Toronto, 2017, p. 29.
- <sup>5</sup> "Stakeholders" include employees, suppliers, investors, consumers and the community at large.
- <sup>6</sup> BRANELLEC, G. and Lee, J.-Y., supra note 2, p. 165.
- <sup>7</sup> *Ibid*, p. 170.
- <sup>8</sup> *Ibid*, p. 169.
- <sup>9</sup> *Ibid*.
- <sup>10</sup> VERHEYDEN, Maxime. *Public Reporting by Benefit Corporations: Importance, Compliance and Recommendations*, in *Hastings Business Law Journal*, Vol. 14, No. 1 (2018), p. 57.
- <sup>11</sup> *Ibid*, see pages 68, 69 and 71 for Colorado and Minnesota.
- <sup>12</sup> *Ibid*, p. 53, 55.
- <sup>13</sup> *Ibid*, p. 58.
- <sup>14</sup> *Ibid*, p. 71.
- <sup>15</sup> *Ibid*, pp. 61-62, see also MURRAY, J. Haskell, *An Early Report on Benefit Reports*, in *West Virginia Law Review*, Vol. 118, No. 1 (2015), p. 47.
- <sup>16</sup> UK Public General Acts, 2006 c. 46. Online: <https://www.legislation.gov.uk/ukpga/2006/46/section/6>.
- <sup>17</sup> United Kingdom, Companies House, (n.d.), *The Community Interest Company Regulations 2005*, 2005 No. 1788. Online: <https://www.legislation.gov.uk/ukksi/2005/1788/introduction/made>.
- <sup>18</sup> *Ibid*, part 2, regulation 6.
- <sup>19</sup> *Ibid*, Explanatory Note.
- <sup>20</sup> *Companies (Audit, Investigations and Community Enterprise) Act 2004*, UK Public General Acts, 2004 c. 27, s. 35.
- <sup>21</sup> Subject to the restrictions applicable to *CICs limited by guarantee*, which may not declare dividends. On this subject, see: ESPOSITO, R. *The Social Enterprise Revolution in Corporate Law: A Primer on Emerging Corporate Entities in Europe and the United States and the Case for the Benefit Corporation*, in *William and Mary Business Law Review*, Vol. 4, No. 1, February 2013, p. 675.
- <sup>22</sup> MAY, Cheryl, supra note 5 at 27.
- <sup>23</sup> *Ibid*.
- <sup>24</sup> *The Community Interest Company Regulations 2005*, supra note 10, part 7, regulation 26.
- <sup>25</sup> Office of the Regulator of Community Interest Companies, *Regulator's status, role, function and location*, Department for Business, Energy & Industrial Strategy, UK, July 2017, p. 4.
- <sup>26</sup> *Companies (Audit, Investigations and Community Enterprise) Act 2004*, supra note 20, ss. 41-51.
- <sup>27</sup> ESPOSITO, R., supra note 21 at 678. See also: <https://www.gov.uk/hmrc-internal-manuals/company-taxation-manual/ctm40145#:~:text=A%20CIC%20is%20liable%20to,specific%20tax%20exemptions%2Freliefs%20available>.
- <sup>28</sup> A large number of companies have adopted this form. One notable example is Danone, which was the first listed company to adopt this form.
- <sup>29</sup> *Journal officiel de la République française* No. 0119 of May 23, 2019, Text No. 2. Accessed online: [https://www.legifrance.gouv.fr/affichTexte.do?sessionId=79AAF49D5A91B1A5898A4C48D980B341.tplqfr32s\\_2?cidTexte=JORFTEXT000038496102&categorieLien=id#JORFARTI000038496249](https://www.legifrance.gouv.fr/affichTexte.do?sessionId=79AAF49D5A91B1A5898A4C48D980B341.tplqfr32s_2?cidTexte=JORFTEXT000038496102&categorieLien=id#JORFARTI000038496249). See also: *Code de commerce*, art. L210-10.
- <sup>30</sup> *Ibid*, art. 176.
- <sup>31</sup> BAVOILLOT, F., *Gouvernance, RSE, entreprise à mission: nouvelles responsabilités pour les conseils d'administration et les administrateurs*, accessed online: [https://www.village-justice.com/articles/gouvernance-rse-entreprise-mission-une-responsabilite-nouvelle-pour-les\\_31634.html](https://www.village-justice.com/articles/gouvernance-rse-entreprise-mission-une-responsabilite-nouvelle-pour-les_31634.html).
- <sup>32</sup> *Code de commerce*, art. L210-10; *Decree No. 2020-1 of January 2, 2020, on sociétés à mission*, art. 3.
- <sup>33</sup> *Code de commerce*, art. L210-11.
- <sup>34</sup> *Decree No. 2020-1*, supra note 31.
- <sup>35</sup> *La société à mission: création ou conversion des entreprises au service d'enjeux sociaux et environnementaux*, Avity Société d'Avocats, accessed online: <https://avity-avocats.fr/la-societe-a-mission-creation-ou-conversion-des-entreprises-au-service-denjeux-sociaux-et-environnementaux/#:~:text=L%27int%C3%A9r%C3%AAt%20de%20la%20soci%C3%A9t%C3%A9,fi%20ou%20de%20subvention%20publique>.
- <sup>36</sup> HADDAD, Elsa et DELAUNAY, Charlotte, *Pourquoi et comment créer une société à mission*, 2020, accessed online: [https://www.village-justice.com/articles/pourquoi-comment-cree-une-societe-mission\\_33822.html](https://www.village-justice.com/articles/pourquoi-comment-cree-une-societe-mission_33822.html).
- <sup>37</sup> *Ibid*.
- <sup>38</sup> S.B.C. 2002, c. 57, ss. 51.91-51.99.
- <sup>39</sup> *Business Corporations Amendment Act (No. 2)*, 2019, 4<sup>th</sup> Sess., 41<sup>st</sup> Leg.
- <sup>40</sup> *Business Corporations Act*, supra note 20, s. 51.91(1).
- <sup>41</sup> *Ibid*, s. 51.92.
- <sup>42</sup> *Community Contribution Company Regulation*, B.C. Reg. 63/2013, s. 4. Accessed online July 16, 2020: [https://www.bclaws.ca/civix/document/id/lc/statreg/63\\_2013#section8](https://www.bclaws.ca/civix/document/id/lc/statreg/63_2013#section8).
- <sup>43</sup> *Business Corporations Act*, supra note 20, ss. 51.931, 51.95.
- <sup>44</sup> *Ibid*, s. 51.96.
- <sup>45</sup> HENDERSON G., *Could community contribution companies improve access to justice?* *Canadian Bar Review*, Vol. 94, No. 2, 2016, p. 223, referring to: BC Ministry of Finance, "Questions and Answers: Community Contribution Companies (C3s)." Accessed online:



<https://www2.gov.bc.ca/gov/content/governments/organizational-structure/ministries-organizations/ministries/finance>.

<sup>46</sup> *Business Corporations Amendment Act (No. 2)*, supra note 21, s. 5 (51.991), para. 1.

<sup>47</sup> *Ibid.*, (51.993) para. 3.

<sup>48</sup> *Ibid.*, (51.991) para. 1.

<sup>49</sup> Government of British Columbia, <https://www2.gov.bc.ca/gov/content/employment-business/business/managing-a-business/permits-licences/businesses-incorporated-companies/incorporated-companies/benefit-company>.

<sup>50</sup> Community Interest Company Act, S.N.S. 2012, c. 38.

<sup>51</sup> ISO, *Discovering ISO 26000: Guidance on social responsibility*, Geneva, 2014, p. 7.

<sup>52</sup> ISO, *Discovering ISO 26000: Guidance on social responsibility*, Geneva, 2014, p. 14.

<sup>53</sup> <https://www.blackrock.com/corporate/investor-relations/larry-fink-ceo-letter>.

<sup>54</sup> <https://www.civilsociety.co.uk/uploads/assets/uploaded/ceb4ca42-31a1-4064-afa0e5ed6c92b895.pdf>.

<sup>55</sup> See, for instance, the annual letters from Larry Fink, Chairman and Chief Executive Officer of BlackRock, online:

<https://www.blackrock.com/corporate/investor-relations/larry-fink-ceo-letter>.

<sup>56</sup> GIDDENS, Michele, *The Rise of B Corps Highlights the Emergence of a New Way of Doing Business*, August 3, 2018, accessed online on July 16, 2020: <https://www.forbes.com/sites/michelegiddens/2018/08/03/rise-of-b-corps-highlights-the-emergence-of-a-new-way-of-doing-business/#6905c2982ed2>.

<sup>57</sup> TANNER, Adrienne, *The case for ethical investing*, March 9, 2020, accessed online on July 16, 2020: <https://www.cpacanada.ca/en/news/pivot-magazine/2020-03-09-ethical-investing>.

<sup>58</sup> *Ibid.*

<sup>59</sup> <https://www.bcg.com/fr-fr/featured-insights/how-to/purpose-driven-business>. See also: <https://www.strategies.fr/blogs-opinions/idees-tribunes/4026081W/la-raison-d-etre-l-occasion-de-donner-du-sens-a-un-projet-collectif.html>.

<sup>60</sup> THIERY, P., *Marketing et responsabilité sociétale de l'entreprise: entre civisme et cynisme*, in *Décisions marketing*, No. 38 (April-June 2005), pp. 66-67.

<sup>61</sup> PEYRONEL, V. *Ethics and the Crisis of Anglo-Saxon Financial Capitalism in Capitalisme anglo-saxon et monde(s) anglophone(s): des paradigmes en question*, *Revue LISA*, Vol. XIII-No. 2 | 2015 para. 19.

<sup>62</sup> TCHOTOURIAN, I. & MORTEO, M. (2019). *Entreprises à mission sociétale: regard de juristes sur une institutionnalisation de la RSE*. *Vie & sciences de l'entreprise*, 208(2), p. 88. <https://doi.org/10.3917/vse.208.0072>.