



BÂTIRENTE

—Régimes de retraite collectifs—

November 7, 2011

Bâtirente would like to thank ISS for inviting comments on the 2012 Draft Policies. We would like to comment on the policy on hydraulic fracturing proposals. We generally support proposals asking for greater disclosure of social and environmental risks. This is particularly important for activities with potentially high environmental impacts such as hydraulic fracturing. We therefore agree with proposals seeking greater disclosure on the “measures the company has taken to manage and mitigate the potential community and environmental impacts.” We would suggest clarifying whether this includes proposals seeking disclosure on how companies are engaging with communities. The main challenges for the gas industry in areas with little or no experience with hydrocarbon extraction, such as is the case in Quebec (and perhaps some states in the US), is to engage in an informed debate with appropriate local authorities and community organizations on the potential cost and benefits of hydrofracking and on the impacts to other environmental and land uses priorities, such as mitigating climate change and agriculture.

Bâtirente is a pension system intended for members of the Confederation of National Trade Unions (CNTU-CSN), Canada’s second largest labour association. As institutional investors, we have a duty to act in the best long-term interests of our beneficiaries. We believe this includes acting as responsible owners toward the various stakeholders of the corporations we invest in. As such, we engage with companies and seek improvements in the way they manage environmental, social and governance risk and opportunities as well as enhancing their contribution to sustainable development and the respect of human rights. Bâtirente is signatory to the United Nations’ Principles for Responsible Investment, a global network of over 850 investment industry participants with assets under management of approximately US\$30 trillion.

Kind regards,

Francois Meloche
Extra financial risks manager
Bâtirente inc.

francois.meloche@batirente.qc.ca