

**Committee on Mission Responsibility Through Investment (MRTI) of the Presbyterian Church U.S.A.**  
**Guideline Metrics Version 3.0**  
**Updated June 2023**

<b>Metrics</b>	<b>Priority weight</b> (High = 5; Med = 3; Low = 1)
<b>Environment</b>	
1. Climate-related risks and opportunities identified over short (2025), medium (2026-2035) and long-term (2036-2050) (TCFD and CA 100+)	3
2. The impact of climate-related risks and opportunities on the organization’s businesses, strategy and financial planning described (TCFD and CA 100+)	3
3. Business strategy in place and efforts made to limit temperature increase to 1.5 degrees Celsius (GA 2018 and CA 100+)	5
4. Scenario analysis and measurement, including risk assessment on demand and supply, within key business processes and investment decisions incorporated. (GA 2016 and CA 100+)	3
5. Puts an adequate* internal price on carbon and uses this price to make decisions on long-term projects (GA 2018 Carbon and CA 100+) *World Bank, per TCFD, recommends carbon pricing ranging from \$40 to \$80/ ton by 2020, and increasing that to \$50 to \$100 by 2030. Powering America Forward to Clean Energy looks at a rate of at \$15/t and increasing each year. \$40 was cited as a more aggressive starting point. Adequate here should be around \$40.	5
6. Sets robust short-term (2026 goal for reducing greenhouse gas emissions (GA 2016 and CA 100+) and describes performance against targets. (Robust means the target covers at least 95% of its Scope 1 and 2 emissions and most relevant Scope 3, where applicable).	5
7. Sets robust medium-term (2027-2035) goal for reducing greenhouse gas emissions (GA 2016 and CA 100+) and describes performance against targets. (Robust means the target covers at least 95% of its Scope 1 and 2 emissions and most relevant Scope 3, where applicable).	5
8. Sets robust long-term (2036-2050) goal for reducing greenhouse gas emissions (GA 2016 and CA 100+) and describes performance against targets. (Robust means the target covers at least 95% of its Scope 1 and 2 emissions and most relevant Scope 3, where applicable).	3
9. The company has a decarbonization strategy that explains how it intends to meet medium and long-term GHG reduction targets (GA 2016 and CA 100+)	5

10. Company is working to decarbonize capital expenditures. (CA 100+)	5
11. Organization discloses metrics used to assess climate-related risks and opportunities in line with its strategy and risk management process, including methodology used to determine alignment of future capital expenditures (TCFD and CA 100+)	1
12. Discloses Scope 1, Scope 2 and if appropriate, Scope 3 GHG emissions, and related risks (TCFD and CA 100+)	3
13. Issues annual reports on the company's view of and response to material climate change risks and opportunities (GA 2016 and CA 100+)	1
14. Carbon intensity of operations is showing downward trend (CA 100+)	3
15. <i>Water risk:</i> 14a. Water is included in company's business strategy planning. 14b. Company identifies operations in water-stressed areas. 14c. Mitigation programs are in place for efficient water use. 14d. There is evidence of water-efficient technology for operations. (GA – Water)	5
16. <i>Land and Biodiversity:</i> Company identifies <i>nature</i> -related risks and opportunities, including whether operations adversely impact biodiversity; policies and risk management processes in place concerning energy, land, and biodiversity; and whether operations lead to deforestation. (TNFD)	3
17. Waste management: company discloses management of toxic waste and reduction efforts, if applicable. (MRTI and ACSWP 2022)	1
18. Discloses insurers and reinsurers on new projects (MRTI)	<b>For information only</b>
<i>Other comments</i>	
<b>Social</b>	
1. Company has the following in place: a) Policy commitment to respect human rights b) A human rights due diligence process to identify, prevent, mitigate, and account for how they address their impacts on human rights c) Processes to enable the remediation of any adverse human rights impacts they cause or which they contribute (above from UN) d) Public commitment to prevent human trafficking and upholding human rights e) Evaluation of impact of its products on human rights (MRTI and GA 2014 – Human Rights)	3

2. Do operations distress neighboring communities and/or historically marginalized/ oppressed communities (often Black, Indigenous and communities of color)? If so, company takes steps to mitigate those impacts. (For example, does the company pay for and implement land restoration of affected areas?) (S&P and GA 2018 ER)	5
3. Risk management program includes environmental and social impacts on neighbors (e.g., emissions' impact on local air quality, lending impact on local communities). (S&P, GA 2016 and GA 2018 ER)	5
4. Operations are considered from the perspective of their impact on employees, local communities, and society. (S&P, MRTI and GA 2012)	5
5. Do operations and/or products create reputational issues* for the company? If so, how are those issues managed and mitigated? (S&P, GA 2012 and GA 2008 God's Work) *Possible reputational issues might include events related to employee safety, diversity, benefits, sexual harassment, pay issues, etc.	1
6. Company takes steps in terms of occupational health, safety, and wellbeing of employees (S&P and GA 2012)	1
7. Company takes steps in terms of occupational health, safety, and wellbeing of suppliers, including supplier codes of conduct and enforcement of human rights with suppliers. (S&P and GA 2016: Just Compensation)	1
8. Company has committed to the principles of a Just Transition (CA 100+)	1
9. Company has disclosed how it is planning for and monitoring progress towards a Just Transition (CA 100+)	5
10. Does company participate in the Voluntary Principles on Security and Human Rights?	For info only
11. Does company operate in conflict-affected and high-risk areas? (GA 2008) If "yes", see "HR Policy Implementation" endnote.	For info only
12. Corporate Human Rights Benchmark score	For info only
13. Additional human rights concerns?	For info only
14. Other comments	
<b>Governance</b>	
1. Employee compensation is fair and adequate. (GA 2012)	1
2. The company supports the right of workers to organize, bargain collectively and advocate for family sustaining wages and benefits. (GA 2012)	1

3. Clearly defines board and management governance processes that acknowledge the scientific evidence of climate change (GA 2016) and importance of other social issues, including non-discrimination, promotion of equal opportunities and diversity. (CA 100 + and GA 2016: Toward Inclusiveness)	5
4. Ensures adequate oversight of climate change risk (GA 2016) and human rights issues (CA 100+)	5
5. Outlines strategic implications of a transition to low carbon energy system (GA 2016)	3
6. Board member analysis (MRTI) (includes board diversity*) (CA100+) *(diversity refers to diversity of demographics, experience/expertise, and inclusion of domestic and international experience)	3
7. Company leadership analysis for diversity* (*diversity refers to diversity of demographics and experience as info is publicly available) (MRTI, REAC)	1
8. Company has measures in place to promote employee diversity (MRTI, REAC)	1
9. Engages constructively with public policymakers and other stakeholders, including committing to conducting its policy engagement activities in accordance with the goals of the Paris Agreement.(GA 2016, GA 2016 Election Protection, CA 100+)	3
10. Ensures there is broad oversight and transparency about the company's lobbying activity and political spending, including activity by trade associations to which the company belongs, on climate change and related energy and regulatory issues. Oversight includes reviewing and disclosing trade association policy engagement positions and activities and alignment. (GA 2016: Election Protection and CA 100+, and other human rights and social issues. (CA100+ and GA 2014 Human Rights)	5
11. Company discloses positions on public policy issues such as: carbon pricing, renewable energy targets, and international negotiations on climate change (GA 2016 and GA 2016: Election Protection).	3
12. Company discloses positions on internal policy issues such as: corporate leave policies and freedom of association (GA 2008 God's Work)	3
13. Company is transparent on which office to contact regarding environmental/ social concerns and includes contact information. (MRTI)	1
Other comments	

### Score Range

**Red:** Overall, company has had poor record of shareholder engagement, poor record on ESG issues. Company may or may not acknowledge importance of ESG issues. Score range: 0-100

**Orange:** Company acknowledges importance of ESG issues, may or may not adopt policies to address the issues. Has conducted some shareholder engagement or is open to it. May not have displayed much progress in shareholder engagement. Score range: 100-135

**Yellow:** Company shows more progress on shareholder engagement; begins to implement policy with programs/plans, goals and targets; Develops metrics, starts measuring and disclosing information. Score range: 136-170

**Blue:** Good track record of shareholder engagement.

Company benchmarks its progress against others in industry/sector; conducts independent verification of its data and operations. Policies, programs, goals and targets in place for ESG issues and regularly discloses information. Score range: 171-205

**Green:** Company showing great efforts on shareholder engagement; is actively addressing ESG issues and there are few concerns. Company's strategic focus leads to demonstrable positive impact. Score range: 206-242  
(Adopted from ICCR hierarchy of impact)

#### **Sources and Notes:**

2022 General Assembly of the PCUSA (GA 2022). The 225<sup>th</sup> General Assembly (2022) received an MRTI report that included recommending divestment from five companies falling in the red category of Version 2.0 of the MRTI Guideline Metrics: Chevron, ExxonMobil, Marathon Petroleum, Phillips 66, and Valero Energy. The General Assembly directed MRTI “to continue engaging Climate Action 100+ companies that are a) headquartered in the United States, b) held by PC(USA) investing agencies, and c) identified by MRTI for engagement with deliberate haste in the 2023 and 2024 proxy seasons; and to report back to the 226th General Assembly (2024) with possible divestment recommendations for the companies that are not moving toward compliance using criteria established by the 222nd (2016) and 223rd General Assemblies (2018).”

2022 General Assembly of the PCUSA, Investing in a Green Future: A Vision for a Renewed Creation—From the Advisory Committee on Social Witness Policy (ACSWP 2022). The study and recommendations commemorate the 32nd anniversary of Restoring Creation for Ecology and Justice, approved by the 202nd General Assembly (1990) and provides a discussion on the intersections of environmental justice, environmental racism and economic justice.

2018 General Assembly of the PCUSA (GA 2018). The 223<sup>rd</sup> General Assembly (2018) received an MRTI Report that included pursuing engagement with companies on climate change issues. Excerpt from the General Assembly's response to the MRTI Report: “Direct MRTI to continue its engagement process with deliberate haste and continue to utilize its Guideline Metrics with corporations in the 2019 and 2020 proxy seasons and report back [three years of metrics] to the 224th General Assembly (2020) with divestment recommendations for the

companies who are not moving towards compliance with the General Assembly's criteria established by the 222nd General Assembly (2016). Companies previously identified by MRTI for this focused engagement include, but are not limited to, Chevron, ExxonMobil, ConocoPhillips, Marathon Petroleum, Valero Energy, Phillips 66, Duke Energy, Ford, General Motors."

2018 General Assembly of the PCUSA (GA 2018 Carbon). The 223<sup>rd</sup> General Assembly (2018) directed MRTI to continue engaging companies on climate change, "especially in support of carbon pricing." <https://www.pc-biz.org/#/search/3000325> World Bank, per TCFD, recommends carbon pricing ranging from \$40 to \$80/ ton by 2020, and increasing that to \$50 to \$100 by 2030. ([see here](#)) Powering America Forward to Clean Energy looks at a rate of at \$15/t and increasing each year. \$40 was cited as a more aggressive starting point. Adequate here should be around \$40.

2018 General Assembly of the PCUSA (GA 2018 ER). "On Responding to Environmental Racism and to Promote Environmental Justice." Excerpt from "On Responding to Environmental Racism and to Promote Environmental Justice". 2018. "3. Listen to the perspectives and voices of people most impacted by environmental racism with awareness to cultural diversity domestically and internationally. 4. In accordance with the Gospel, position the church's approach to environmental problems to include responses to the voices most directly impacted by environmental racism."

2016 General Assembly of the PCUSA (GA 2016). "Action on Fossil Fuel Divestment by the 222<sup>nd</sup> General Assembly of The Presbyterian Church U.S.A." Excerpt from MRTI Report to the 222<sup>nd</sup> General Assembly's Committee on Environmental and Immigration Issues. 2016. "Directs MRTI to pursue its focused engagement process on climate change issues with all corporations, particularly with those in the oil, gas, and coal sectors, and report back to the 223<sup>rd</sup> General Assembly (2018) with recommendations, including possible selective divestment if significant changes in governance, strategy, implementation, transparency and disclosure, and public policy are not instituted by the corporations during the engagements of MRTI and ecumenical partners."

2016 General Assembly of the PCUSA (GA 2016: Just Compensation). "A Resolution to ensure Just Compensation Practices for those Employed via Third Part Contractors." Available here: <https://www.pc-biz.org/#/search/3000080>

2016 General Assembly of the PCUSA (GA 2016: Toward Inclusiveness). "Toward Inclusiveness in Employment: The Presbyterian Church (U.S.A.) Churchwide Policy for Equal Employment Opportunity and Affirmative Action for General Assembly Agencies." Available here: <https://www.presbyterianmission.org/resource/churchwide-equal-employment-opportunity-and-affirm/>

2016 General Assembly of the PCUSA (GA 2016: Election Protection). "Election Protection & Integrity in Campaign Finance." Available here: <https://www.presbyterianmission.org/wp-content/uploads/Election-Protection-and-Integrity-in-Campaign-Finance-2016-ACSWP.pdf>

2014 General Assembly of the PCUSA (GA 2014 – Human Rights). "Mission Responsibility Through Investment: Engagement with Corporations on Israel – Palestine Issues from 2004-2013 – PMA." Available here: <https://www.pc-biz.org/#/search/4715>

Created by the PCUSA Office of Faith-Based Investment and Corporate Engagement

Version 1.0 Approved by MRTI June 13, 2017; Affirmed by the 223<sup>rd</sup> General Assembly of the PCUSA June 22, 2018

Version 2.0 Approved by MRTI on June 14, 2021; Affirmed by 225<sup>th</sup> General Assembly July 2022

Version 3.0 approved by MRTI on June 5, 2023

6/8/2023

2012 General Assembly of the PCUSA (GA 2012). “A Resolution on Workers’ Rights and Income Inequality – From the Advocacy Committee for Racial Ethnic Concerns.” Available here: <https://www.pc-biz.org/#/search/4079>

2008 General Assembly of the PCUSA (GA 2008). The 218<sup>th</sup> General Assembly (2008) received an MRTI report that included continued engagement with companies on Israel/ Palestine. In response, the GA recommended the following: *“Call upon all corporations doing business in the region to confine their business activity solely to peaceful pursuits, and refrain from allowing their products or services to support or facilitate violent acts by Israelis or Palestinians against innocent civilians, construction and maintenance of settlements or Israeli-only roads in East Jerusalem and the West Bank, the Israeli military occupation of Palestinian territory, and construction of the Separation Barrier as it extends beyond the 1967 ‘Green Line’ into Palestinian territories.”* (Minutes, 2008, Part 1, p. 1223)

2008 General Assembly of the PCUSA (GA 2008 God’s Work). “God’s Work in Women’s Hands: Pay Equity and Just Compensation.” Available here: [https://www.pcusa.org/site\\_media/media/uploads/\\_resolutions/pay\\_equity\\_and\\_just\\_compensation.pdf](https://www.pcusa.org/site_media/media/uploads/_resolutions/pay_equity_and_just_compensation.pdf)

2004 General Assembly of the PCUSA (GA Water). “Report and Recommendations on Limited Water Resources and Takings.” Available here: <https://www.presbyterianmission.org/wp-content/uploads/2-water-resources-2004.pdf>

CA 100+. Climate Action 100+. Available here: <http://www.climateaction100.org/>

TNFD, Taskforce on Nature-related Financial Disclosures: <https://tnfd.global/about/#work> and the Nature Action 100: <https://www.natureaction100.org/>

HR Policy Implementation: In 2021, MRTI reviewed and revised the process for implementation the PCUSA Human Rights policies as related to investments and corporate engagement. This will be incorporated into the General Assembly Divestment/ Proscription list. [Insert Link to forthcoming 2022 Divestment/Proscription List].

ICCR. “Hierarchy of Impact.” Available here: <http://www.iccr.org/our-approach/iccrs-hierarchy-impact>

S&P Global Ratings, RatingsDirect. “Proposal for Environmental, Social, And Governance (ESG) Assessments.” 2016. Available here: <https://www.spglobal.com/our-insights/Proposal-For-Environmental-Social-And-Governance-ESG-Assessments.html>.

TCFD (Task Force on Climate-Related Financial Disclosures). “Recommendations of the Task Force on Climate-related Financial Disclosures.” 2016. Available here: <https://www.fsb-tcfd.org/publications/recommendations-report/>

United Nations Human Rights, Office of the High Commissioner. “Guiding Principles on Business and Human Rights.” 2011. Available here: [http://www.ohchr.org/Documents/Publications/GuidingPrinciplesBusinessHR\\_EN.pdf](http://www.ohchr.org/Documents/Publications/GuidingPrinciplesBusinessHR_EN.pdf)

Source for sector-specific questions: “21<sup>st</sup> Century Engagement.” BlackRock and Ceres. 2015. Available here:  
<https://www.blackrock.com/corporate/en-us/literature/publication/blk-eres-engagementguide2015.pdf>

Ceres. “The 21<sup>st</sup> Century Corporation: The Ceres Roadmap For Sustainability.” 2010. Available here:  
[https://www.ceres.org/sites/default/files/2017-05/Ceres\\_Roadmap\\_for\\_Sustainability\\_2010.pdf](https://www.ceres.org/sites/default/files/2017-05/Ceres_Roadmap_for_Sustainability_2010.pdf)

PCUSA’s Committee on Mission Responsibility Through Investment (MRTI), internal communication between MRTI committee members and staff.