

**ITEM B.102**  
**FOR ACTION**

<i>FOR PRESBYTERIAN MISSION AGENCY EXECUTIVE DIRECTOR'S OFFICE USE ONLY</i>			
	A. Finance	E. Corporate Property, Legal, Finance	J. Board Nominating & Governance Subcommittee
X	B. Justice	F. PC(USA), A Corporation	P. Plenary
	C. Leadership	G. Audit	
	D. Worshiping Communities	H. Executive Committee	

**Subject: Mission Responsibility Through Investment Proxy Voting Recommendations**

**Recommendation:**

**That the Presbyterian Mission Agency Board:**

- 1. Affirm the proxy voting recommendations of the Committee on Mission Responsibility Through Investment (MRTI) contained in the 2015 Shareholder Resolution Directory (Appendix 1).**
- 2. Request the Presbyterian Church (USA) Foundation/ New Covenant Trust Company and the Board of Pensions to vote proxies on the shareholder resolutions submitted to companies in which they own stock in accordance with the recommendations listed in the 2015 Shareholder Resolution Directory (Appendix1).**
- 3. Urge the middle governing bodies, related institutions, congregations and individual members of the Presbyterian Church (USA) to give serious consideration to the proxy voting recommendations when they vote on shareholder resolutions.**

**Background**

Each year MRTI compiles a list of shareholder resolutions being filed with specific corporations on certain designated issues. For 2015, the issues addressed include environment, energy, equal employment opportunity, tobacco, corporate governance, international human rights, employee relations, employment and environmental standards, global finance and others.

MRTI during its meeting on February 13, 2015, examined each of these resolutions on the basis of General Assembly Investment Policy Guidelines for social concerns, and made a recommendation as to whether or not the resolution should be supported by the Presbyterian Church (USA), or whether a formal abstention should be recorded. These recommendations are transmitted to the Presbyterian Mission Agency Board for its affirmation. A summary of recommended proxy votes by company is contained in Appendix 1.

**Appendix 1**  
**MISSION RESPONSIBILITY THROUGH INVESTMENT**

**2015 SHAREHOLDER RESOLUTIONS**  
**DIRECTORY WITH PROXY VOTING**  
**RECOMMENDATIONS**

March 3, 2015

The Committee on Mission Responsibility Through Investment (MRTI) met on February 12, 2015, and reviewed shareholder resolutions being submitted to corporations for their 2015 Annual Meetings. These resolutions concern social and ethical issues related to the corporations' business operations and policies. MRTI adopted recommendations on voting of proxies in support or opposition to these resolutions, or whether a formal vote of abstention should be recorded.

The recommendations will be submitted for affirmation by the Presbyterian Mission Agency Board at its meeting on April 15-17, 2015. The recommendations will be communicated to middle governing bodies, related institutions, and congregations and individuals who have expressed interest in proxy voting as a part of socially responsible investing. This is a provisional document to guide shareholder votes which occur before April; any necessary updates will be provided after the board meeting.

**PROXY VOTING PROCESS**

MRTI reviewed resolutions that were submitted to 174 corporations. Many of these resolutions will not appear on the proxy statement when it is mailed to shareholders. Often negotiations between the corporation and the shareholder filing the resolution result in an agreement about the subject matter, and the resolution is withdrawn. Some resolutions may not appear because the corporation challenged them before the Securities and Exchange Commission (SEC) contesting that the resolutions failed to meet one or more of the SEC's rules and regulations. These objections refer to the substance of the resolution; or pertain to technical matters such as length of ownership of the stock. If the SEC finds merit in the corporation's arguments, the SEC will inform the corporation that it will take no action if the resolution is omitted from the proxy.

MRTI noted that some groups did not provide a copy of their resolutions. Thus, no formal recommendation was made. However, as some organizations previously have submitted resolutions with goals contrary to General Assembly Policy. MRTI urges shareholders to read the resolutions and vote their consciences. Any questions about GA policy can be directed to the MRTI office.

**PRESBYTERIAN CHURCH (USA) SHAREHOLDER ENGAGEMENT**

For your information, eight resolutions that were filed or co-filed by MRTI using stock held in the Board of Pensions General Assistance Fund. These include **Phillips 66** on setting a greenhouse gas emissions reduction goal, **ConocoPhillips** on aligning executive compensation with reduced fossil fuel reserves, **Noble Energy** on reporting on sustainability in light of reduced demand for oil and gas, **Ultra Petroleum** on sustainability reporting, **Chevron**, **Exxon Mobil**, **Marathon Oil** and **Marathon Petroleum** on risk to carbon assets in light of climate change and need to reduce fossil fuel use. In addition, MRTI has continued to engage **United Continental Holdings** on combating human trafficking, and major banks on investments in climate-friendly projects.

**GENERAL ASSEMBLY DIVESTMENT POLICY**

It should also be noted that the General Assembly has a policy of not investing in certain corporations due to their involvement in military-related production or tobacco. Some of these corporations received shareholder resolutions. Although the General Assembly urges that stock in these companies not be held, MRTI formulated recommendations on proxy voting anyway as some organizations, congregations or individuals may still own stock in these corporations for various reasons, and yet utilize these recommendations as they consider voting their proxies. Companies on the GA divestment list will be marked with an asterisk.

For further information, please contact Rev. William Somplatsky-Jarman, Associate for Mission Responsibility Through Investment, at (888) 728-7228, Ext. 5809 (toll-free) or by email at Bill.Somplatsky-Jarman@pcusa.org.

**COMMITTEE ON MISSION RESPONSIBILITY THROUGH INVESTMENT  
2015 INDEX OF SHAREHOLDER RESOLUTIONS  
PROXY VOTING RECOMMENDATIONS**

A vote in support of the following shareholder resolutions is recommended except for the resolution at Hasbro on Senior Executive Equity Retention where the recommendation is to **ABSTAIN**. If votes have already been collected, a percentage of approval will be listed.

**KEY**

**WD** – This motion has been withdrawn due to other progress.

**SEC** – This motion is currently being challenged at the SEC.

**O** – This motion is omitted due to a ruling by the SEC.

<b>CORPORATION</b>	<b>SUBJECT</b>
3M Company	Set Goals for Increased Use of Renewable Energy- <b>WD</b>
AGL Resources Inc.	Adopt Quantitative GHG Reduction Targets
AMEREN (Union Electric)	Executive Compensation Based on Carbon Reduction Metrics Lobbying Expenditures Disclosure
AT&T Inc.	Political Contributions
Abbott Laboratories	Report on GMO Ingredients in Infant Formula Products
Aetna	Political Contributions
Alaska Communications Systems Group, Inc.	Discrimination Based on Sexual Orientation/Gender Identity
Alexion Pharmaceuticals, Inc.	Lobby Expenditures Disclosure

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Alliance One International, Inc.	No Worker Fees for Tobacco Employment
Altria Group, Inc.	Educate Re: Health Consequences of Tobacco Products No Worker Fees for Tobacco Employment
Amazon.com, Inc.	Responsible Lead Battery Recycling- <b>WD</b>
American Express Co.	Lobbying Expenditures Disclosure
Amgen Inc.	Simple Majority Vote
Anadarko Petroleum Corp.	Stranded Assets/Climate Change
Apple Computer, Inc.	Link Executive Compensation to Compliance Metrics Lobbying Expenditures Disclosure- <b>WD</b> Report on Tax Principles- <b>WD</b>
Archer-Daniels-Midland Company	Agricultural Supply Chain Impacts on Deforestation
Australia and New Zealand Banking Group	Assess/Report GHG Emissions from Lending Portfolio- <b>3.2%</b>
Avon Products, Inc.	Palm Oil Impacts on Deforestation & Human Rights
BB & T Financial Corp.	Sustainability Reporting/GHG Reduction Targets- <b>WD</b>
BP p.l.c.	Strategic Resilience for 2035 and Beyond – Climate Change
Bank of America Corp. Portfolio	Assess/Report GHG Emissions Resulting from Lending  Lobby Expenditures Disclosure Separate Chair & CEO- <b>WD</b>
Bank of New York Mellon Corp.	Proxy Voting Policies- <b>WD</b>
Berkshire Hathaway Inc.	Adopt Quantitative GHG Reduction Targets- <b>WD</b>
Black Rock, Inc.	Lobbying Expenditures Disclosure
Boeing Company	Lobbying Expenditures Disclosure
Bunge Ltd.	Agricultural Supply Chain Impacts on Deforestation
C. R. Bard, Inc.	Separate Chair & CEO Sustainability Reporting /GHG Reduction Targets
CLARCOR Inc.	Sustainability Reporting/GHG Reduction Targets
CONSOL Energy Inc.	Stranded Assets/Climate Change

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Capital One Financial Corp.	Lobbying Expenditures Disclosure
Caterpillar Inc.	Human Rights – Amend & Monitor Policy
Calgene Corporation	Lobbying Expenditures Disclosure
Centerpoint Energy	Lobbying Expenditures Disclosure
Chesapeake Energy Corporation	Director with Environmental Expertise – Fracking
Chevron Corp.	Adopt Quantitative GHG Reduction Targets Country Selection Criteria - Burma Link Executive Comp. to Sustainability Performance- <b>WD</b> Lobbying Expenditures Disclosure Quantitative Risk Management Reporting for Shale Energy Operations Refrain from Political Spending Review Public Policy Advocacy – Climate Change- <b>WD</b> Capital Distribution/Carbon Asset Risk
Chipotle Mexican Grill, Inc.	Board Diversity Sustainability Reporting
Chubb Corporation	Sustainability Reporting
Cisco Systems, Inc.	Political Contributions
Citrix Systems	Board Diversity
Cleco Corporation	Adopt Quantitative GHG Reduction Targets
Cohen & Steers Inc.	Board Diversity- <b>WD</b>
Comcast Corp.	Lobbying Expenditures Disclosure Monitor Company’s Smoking in Movies Policies
Commercial Metals Co.	Sustainability Report/GHG Reduction Targets- <b>46.4%</b>
Commonwealth Bank of Australia	Assess/Report GHG Emissions from Lending Portfolio- <b>3.2%</b>
ConocoPhillips	Link Executive Incentives to Reduced Oil Demand Scenario Lobbying Expenditures Disclosure Risks Associated With Rail Transportation of Crude Oil- <b>WD</b>
Continental Resources	Sustainability Reporting/GHG Reduction Targets
Costco Wholesale Corp.	Adopt Time-Bound, Quantitative GHG Reduction Targets- <b>WD</b> Electronics Recycling

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Cullen/Frost Bankers, Inc. <b>WD</b>	Discrimination Based on Sexual Orientation/Gender Identity-
Danaher Corp.	Political Contributions
Dean Foods Company	Water Stewardship in the Agricultural Supply Chain
Devon Energy Oil	Financial Risk of Lower Than Expected Demand/Prices for Review Public Policy Advocacy - Climate Change
DineEquity, Inc.	Financial Risks of Childhood Obesity
Discovery Communications, Inc.	Board Diversity
Disney (Walt) Company/ABC	Resport on Public Health Impacts of Smoking in Movies- <b>O</b>
Dollar General	Pay Disparity
Dominion Resources, Inc.	Adopt Quantitative GHG Reduction Targets Executive Compensation Based on Carbon Reduction Metrics
Dow Chemical Company	Herbicide-Resistant Seeds & Grower Compliance- <b>WD</b>
Dr. Pepper Snapple Group Strategy	Adopt Comprehensive Beverage Container Recycling Board Oversight of Sugar Supply Chain Risks
DuPont Company	Agricultural Supply Chain Impacts on Deforestation Herbicide-Resistant Seeds & Grower Compliance Lobbying Expenditures Disclosure
Duke Energy Corp.	Political Contributions
Dunkin' Brands Group Products	Report on Use of Nano Materials in Company's Food
eBay Inc.	Board Diversity
EMC Corp.	Separate Chair & CEO
EOG Resources, Inc.	Political Contributions Set Reduction Targets for Methane Emissions
ESCO Technologies	Sustainability Reporting /GHG Reduction Targets- <b>28.2%</b>
Eastman Chemical Company	Lobbying Expenditure Disclosure

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Emerson	Lobbying Expenditures Disclosure- <b>39.8%</b> Political Contributions- <b>30.4%</b> Sustainability Reporting/GHG Reduction Targets- <b>39.3%</b>
Energen Corporation	Set Reduction Targets for Methane Emissions
Entergy Corp.	Executive Compensation Based on Carbon Reduction Metrics
Expedia, Inc.	Human Rights Risk Assessment
Expeditors International	Discrimination Based on Gender Identity/Expression- <b>WD</b>
Express Scripts	Lobbying Expenditures Disclosure- <b>WD</b>
Exxon Mobil Corporation	Adopt Quantitative GHG Reduction Targets Capital Distribution/Carbon Asset Risk Director with Environmental Expertise – Fracking Discrimination Based on Sexual Orientation/Gender Identity- <b>WD</b>  Link Executive Compensation to Sustainability Performance- <b>WD</b>  Lobbying Expenditures Disclosure Quantitative Risk Management: Shale Energy Operations Risks Associated With Rail Transportation of Crude Oil
Facebook Inc. Privacy/Marketing	Human Rights Risk Assessment – Children’s
FedEx Corporation Mascot	Reputational Risk: Association With Offensive Sports
First Interstate BancSystem, Inc.	Discrimination Based on Sexual Orientation/Gender Identity
First NBC Bank Holding Company <b>WD</b>	Discrimination Based on Sexual Orientation/Gender Identity- <b>WD</b>
FirstEnergy Corporation	Coal-Fired Power Plants: Carbon Dioxide Reduction Goals Lobbying Expenditures Disclosure
Franklin Resources, Inc.	Proxy Voting Policies
GEO Group Inc.	Lobbying Expenditures Disclosure
Gap, Inc. (The)	Pay Disparity
General Communications, Inc.	Discrimination Based on Sexual Orientation/Gender Identity
Genworth Financial, Inc.	Sustainability Reporting
Gilead Sciences, Inc.	Sustainability Reporting

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Google Inc.	Lobbying Expenditures Disclosure
Great Plains Energy Incorporated	Coal-Fired Power Plants: Carbon Dioxide Reduction Goals
Hasbro, Inc.	Senior Executive Equity Retention- <b>ABSTAIN</b>
Hess Corporation	Stranded Assets/Climate Change
Hewlett-Packard Company	Report on Sales to Foreign Military/Intelligence/Police
Hollyfrontier Resources	Sustainability Reporting/GHG Reduction Targets
Home Depot, Inc.	Pay Disparity Set Quantitative Goals: Increasing Renewable Energy
Sourcing	
IDEX <b>WD</b>	Discrimination Based on Sexual Orientation/Gender Identity-
International Business Machines Corp. (IBM)	Lobbying Expenditures Disclosure
International Flavors & Fragrances	Palm Oil Impacts on Deforestation & Human Rights
J.P. Morgan Chase & Co.	Lobbying Expenditures Disclosure
Kansas City Southern Industries, Inc.	Political Contributions
Kinder Morgan, Inc.	Transporting Fossil Fuels in a Low-Demand Scenario
Kohl's Corporation	Pay Disparity
Kraft Foods Inc.	Agricultural Supply Chain Impacts on Deforestation Environmental Impacts of Using Non-Recyclable Packaging Sustainability Reporting/GHG Reduction Targets
Kroger Co.	Environmental Impacts of Using Non-Recyclable Packaging Human Rights Risk Assessment Join the Fair Food Program (CIW) Pay Disparity
Lockheed Martin Corporation	Lobbying Expenditures Disclosure
Lorillard, Inc.	No Worker Fees for Tobacco Employment
Lowe's	Neonicotinoid-Containing Products & Pollinator Decline
Macy's, Inc.	Pay Disparity



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Marathon Oil Corp.	Set Reduction Targets for Methane Emissions
Marathon Petroleum	Adopt Quantitative GHG Reduction Targets Lobbying Expenditures Disclosure
MasterCard Incorporated	Lobbying Expenditures Disclosure
McDonald's Corp.	Non-Therapeutic Use of Antibiotics in Animals Palm Oil Impacts on Deforestation & Human Rights Pay Disparity
McGraw Hill Financial	Political Contributions
MeadWestvaco Corp.	Political Contributions
Mentor Graphics Corporation	Discrimination Based on Gender Identity/Expression
Minerals Technologies Inc.	Discrimination Based on Gender Identity/Expression
Mondelez International, Inc.	Environmental Impacts of Using Non-Recyclable Packaging
Monsanto	Lobbying Expenditures Disclosure
Morgan Stanley	Lobbying Expenditures Disclosure
Motorola, Inc.	Human Rights – Amend & Monitor Policy Lobbying Expenditures Disclosure
National Fuel Gas Company	Discrimination Based on Gender Identity/Expression
Noble Energy, Inc.	Climate Change: Planning for Reduced Demand for Oil/Gas
Northrop Grumman Corporation	Lobbying Expenditures Disclosure- <b>WD</b>
Occidental Petroleum Corporation	Lobbying Expenditures Disclosure
Omnicom Group Inc.	Equal Employment Opportunity (EEO) Separate Chair & CEO
PACCAR, Inc.	Discrimination Based on Gender Identity/Expression
PPG Industries, Inc.	Health Hazards of Lead Paint
Panera Bread Company	Risks Associated with Indefinite Use of Gestation Crates
PepsiCo, Inc.	Policy on Pesticide Pollution to Curtail Pollinator Decline
Pfizer, Inc.	Lobbying Expenditures Disclosure
Philip Morris International	No Worker Fees for Tobacco Employment

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Phillips 66	Adopt Quantitative GHG Reduction Targets Disclose Climate Risk due to Storm Surges/Sea Level Rise
Pinnacle West Capital Corporation	Lobbying Expenditures Disclosure
Priceline Group Inc.	Overseeing Privacy and Data Security Risks
Proctor & Gamble Company	Environmental Impacts of Using Non-Recyclable Packaging
Pulte Homes Inc.	Sustainability Reporting/GHG Reduction Targets
Qualcomm Inc. <b>WD</b>	Adopt Time-Bound, Quantitative GHG Reduction Targets-
RPC, Inc.	Sustainability Reporting/GHG Reduction Targets
Raytheon Company	Lobby Expenditures Disclosure
Reynolds American Inc.	No Worker Fees for Tobacco Employment
Rite Aid Corp.	Risk from Tobacco Sales in Pharmacies
Royal Dutch Shell plc	Strategic Resilience for 2035 and Beyond – Climate Change
Schnitzer Steel Industries, Inc.	Discrimination Based on Gender Identity/Expression
Sears Holdings Corp.	Human Rights Risk Assessment
Sensient Technologies Corporation	Adopt Quantitative GHG Reduction Targets
Sherwin-Williams Company	Health Hazards of Lead Paint
Silgan Holdings, Inc.	Board Diversity- <b>WD</b>
Southern Company	Adopt Quantitative GHG Reduction Targets
Southwestern Energy Company	Set Reduction Targets for Methane Emissions
Spectra Energy Corp.	Political Contributions
Staples, Inc.	Human Rights Risk Assessment
Starbucks Corp.	Report on GMO Ingredients in Products
Starwood Hotel & Resorts Worldwide, Inc.	Political Contributions
Stillwater Mining Company	Discrimination Based on Sexual Orientation/Gender Identity

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Superior Energy Services, Inc.	Human Rights Risk Assessment
Syntel, Inc.	Discrimination Based on Sexual Orientation/Gender Identity
T. Rowe Price Associates, Inv.	Proxy Voting Policies
TJX Companies, Inc.	Pay Disparity
Target	Pay Disparity- <b>WD</b>
Time Warner Cable Inc.	Lobbying Expenditures Disclosure
Time Warner Inc.	Adopt Time-Bound, Quantitative GHG Reduction Targets Monitor Company's Smoking in Movies Policies
Tootsie Roll Industries	Board Oversight of Environmental & Human Rights Risks
Tyson Foods, Inc.	Lobbying Expenditures Disclosure Water Impacts of Business Operations
Ultra Petroleum Corp.	Sustainability Reporting
Umpqua Holdings Portfolio	Assess/Report GHG Emissions Resulting from Lending
Union Pacific Corporation	Risks Associated With Rail Transportation of Crude Oil
United Parcel Service of America, Inc.	Lobbying Expenditures Disclosure
Universal Corporation	No Worker Fees for Tobacco Employment
Valero Energy Corporation	Adopt Quantitative GHG Reduction Targets
Verizon Communications Inc.	Pay Disparity Political Contributions Wireless Network Neutrality
Viacom, Inc.	Report on Public Health Impacts of Smoking in Movies
WPX Energy Inc.	Quantitative Risk Management: Shale Energy Operations
Walgreen Company	Link Executive Compensation to Sustainability Performance
Walmart Stores, Inc.	Lobbying Expenditures Disclosure Pay Disparity
Wells Fargo & Company	Lobbying Expenditures Disclosure
Wendy's International, Inc.	Sustainable Agriculture Policy (HR/GHG/Water)

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Wyndham Worldwide Corp.

Political Contributions

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Yum! Brands, Inc.

Palm Oil Impacts on Deforestation & Human Rights  
Pay Disparity

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