

PRESBYTERIAN CHURCH (USA)

2023 General Assembly Divestment/ Proscription List

Effective January 1, 2023
 Committee on Mission Responsibility Through Investment (MRTI)
 Compassion, Peace and Justice Ministries
 Presbyterian Mission Agency
 Approved by MRTI on October 7, 2022

The General Assembly of the Presbyterian Church (USA) urges divestment and/or proscription of some corporations due to their involvement in military-related production (MR), tobacco (TO), human rights violations (HR), environmental concerns (EN) and operating for-profit prisons (FPP).¹ The following is a comprehensive list of corporations or securities affected by those General Assembly policies, organized by policy screen.

	Top 5 Military-Related	Ticker	ISIN	Industry
1	Lockheed Martin Corporation	LMT	US5398301094	MR
2	Raytheon Technologies Corporation	RTX	US75513E1010	MR
3	Boeing Company, The	BA	US0970231058	MR
4	Northrop Grumman Corporation	NOC	US6668071029	MR
5	General Dynamics Corporation	GD	US3695501086	MR

Corporations among 100 leading military contractors with 50% of sales coming from military contracts

1	AAR Corp.	AIR	US0003611052	MR
2	Aerojet Rocketdyne Holdings, Inc.	AJRD	US0078001056	MR
	Aselsan Elektronik Sanayi Ve Ticaret AS			MR
3	(Aselsan AS)	ASELS	TRAASELS91H2	
4	Austal Ltd	ASB	AU000000ASB3	MR
5	Babcock International Group PLC	BCKIF	GB0009697037	MR
6	BAE Systems Plc	BAESF	GB0002634946	MR
7	Bharat Electronics Ltd.	BEL	INE263A01024	MR
8	Booz Allen Hamilton Holding Corporation	BAH	US0995021062	MR
9	BWX Technologies, Inc.	BWXT	US05605H1005	MR
10	CACI International Inc.	CACI	US1271903049	MR
11	Curtiss-Wright Corporation	CW	US2315611010	MR
12	Dassault Aviation SA	DUAVF	FR0000121725	MR
13	Elbit Systems Ltd.	ESLT	IL0010811243	MR
14	Hensoldt Holding GmbH	HAG	DE000HAG0005	MR

¹ The 183rd General Assembly, UPCUSA (1971) outlined investment policy guidelines, affirm that church investment is an instrument of mission and includes theological, social and ethical considerations (available here: https://www.presbyterianmission.org/wp-content/uploads/mrti_ga_policy_-_19711.pdf). The 116th General Assembly, PCUS (1976), also outlines guidelines around social responsibility and investments and highlights the importance of balancing social factors and priorities with investment decisions (available here: https://www.presbyterianmission.org/wp-content/uploads/mrti_ga_policy_-_19761.pdf). The 196th General Assembly, PCUSA (1984) outlines steps MRTI must follow when considering divesting from a company (available here: <https://www.presbyterianmission.org/wp-content/uploads/GA-1984-Divestment-Strategy.pdf>).

15	HII (Formerly Huntington Ingalls Industries)	HII	US4464131063	MR
16	Hindustan Aeronautics Ltd.	HAL	INE066F01012	MR
17	Israel Aerospace Industries	ARSP.B1	IL0011275471	MR
18	KBR, Inc.	KBR	US48242W1062	MR
19	Korea Aerospace Industries, Ltd.	047810	KR7047810007	MR
20	L3Harris Technologies	LHX	US5024311095	MR
21	Leonardo S.p.A.	FINMF	IT0003856405	MR
22	Leidos Holdings, Inc.	LDOS	US5253271028	MR
23	LIG Nex1 Co., Ltd.	079550	KR7079550000	MR
24	ManTech International Corporation	MANT	US5645631046	MR
25	Maxar Technologies, Inc.	MAXR	US57778K1051	MR
26	Mercury Systems, Inc.	MRCY	US5893781089	MR
27	Mitsubishi Group	MSBHF	JP3898400001	MR
28	Parsons Corporation	PSN	US70202L1026	MR
29	QinetiQ, Inc.	QQ	GB00B0WMWD03	MR
30	Rheinmetall Group	RNMBF	DE0007030009	MR
31	Saab Group	SAAB-B	SE0000112385	MR
32	Thales Group	THLEF	FR0000121329	MR
33	TransDigm Group Inc.	TDG	US8936411003	MR
34	Ultra Electronics Holdings PLC	ULE	GB0009123323	MR
35	Vectrus	VEC	US92242T1016	MR

**Weapons whose use can lead to mass or indiscriminate injury
(Nuclear/Chemical/Biological)²**

1	AECOM	ACM	US00766T1007	MR
2	Aeroteh SA	AER	ROAROBACNOR1	MR
3	Airbus SE	EADSY	NL0000235190	MR
4	Anhui Great Wall Military Industry Co.,Ltd.	601606	CNE1000036L1	MR
5	Aryt Industries Ltd.	ARYT	IL0005870147	MR
6	Ashot Ashkelon Industries	ASHO	IL0003120172	MR
7	AviChina Industry & Technology Company Limited	2357	CNE1000001Y8	MR
8	Bharat Dynamics Limited	BDL	NE171Z01018	MR
9	Brookfield Asset Management Inc.	BROXF	CA1125851040	MR
10	Brookfield Business Partners LP	BBU	BMG162341090	MR
11	China Aerospace Science & Industry Corp Ltd	CASZ (CH)	CND1000142N4	MR
12	China Aerospace Science & Technology Corp	CASTCZ (CH)	CND000000LJ6	MR
13	China Isotope & Radiation Corp.	1763 (HKG)	CNE1000031F4	MR
14	China National Nuclear Power Co., Ltd.	601985 (SHA)	CNE1000022N7	MR
15	China North Industries Group Corporation	000065 (SZSE)	CND10000KPW0	MR
16	China Poly Group Corporation	600048	CND100005VK1	MR

² Several companies were sanctioned via Executive Order 14032 on June 3, 2021, were not included in this list (<https://home.treasury.gov/system/files/126/14032.pdf>). Both the Board of Pensions of the Presbyterian Church U.S.A. and the Presbyterian Church U.S.A. Foundation/New Covenant Funds have policies against holding companies sanctioned by the government of the United States.

17	<u>China Shipbuilding Industry Co Ltd</u>	601989 (CH)	CNE100000J75	MR
18	<u>China Spacesat Co Ltd</u>	600118 (CH)	CNE000000SM3	MR
19	<u>CNNC International Limited</u>	2302 (HKG)	KYG2352X1262	MR
20	Cohort plc	CHRT	GB00B0YD2B94	MR
	Constructions Industrielles de la			MR
21	Mediterranee SA	COM	FR0000053399	
22	Ducommun Incorporated	DCE	US2641471097	MR
23	Fluor Corporation	FLR	US3438611002	MR
24	Fortive Corporation	FTV	US34959J1088	MR
25	GP Strategies Corporation	GPX	US36225V1044.	MR
26	Hanwha Aerospace Co Ltd	012450	KR7012450003	MR
27	Hanwha Corporation	000880	KR7000880005	MR
28	Honeywell Automation India Limited	HONAUT	INE671A01010	MR
29	Honeywell International Inc.	HON	US4385161066	MR
30	Jacobs Engineering Group Inc.	J	US4698141078	MR
31	L&T Finance Holdings	L&TFH	INE498L01015	MR
32	L&T Technology Services Limited	LTTTS	INE010V01017	MR
33	Larsen & Toubro Ltd	LTOUF	INE018A01030	MR
34	Larsen & Toubro Infotech Limited	LTI	INE214T01019	MR
35	Mindtree Limited	MINDTREE	INE018I01017	MR
	Moog, Inc.	MOG.A		
36		MOG.B	US6153942023	MR
37	Oceaneering International, Inc.	OII	US6752321025	
38	Poongsan Corporation	103140	KR7103140000	MR
39	Poongsan Holding Corp.	005810	KR7005810007	MR
40	Premier Explosives Ltd.	PREMEXPLN	INE863B01011	MR
41	Rolls-Royce Holdings Plc	RYCEY; RR	GB00B63H8491	MR
42	S&T Dynamics Co., Ltd.	003570	KR7003570009	MR
43	S&T Holdings Co., Ltd.	3928	KR036530	MR
44	Safran S.A.	SAFRY; SAF	FR0000073272	MR
	Science Applications International			MR
45	Corporation	SAIC	US8086251076	
46	SGL Carbon SE	SGLFF	DE0007235301	MR
47	Solar Industries India Ltd	SOLARINDS	INE343H01029	
48	Steel Partners Holdings LP	SPLP	US85814R1077	MR
49	Tata Power Company Limited	TATAPOWER	INE245A01021	MR
50	Textron Inc.	TXT	US8832031012	MR
51	Walchandnagar Industries	WALCHANNAG	INE711A01022	MR

Weapons whose use can lead to death of civilians

1	American Outdoor Brands Corporation	AOBC	US8317561012	MR
2	Clarus Corporation	CLAR	US18270P1093	MR

3	National Presto Industries, Inc.	NPK	US6372151042	MR
4	Olin Corporation	OLN	US680665AL00	MR
5	S&T Motiv Co., Ltd	064960	KR7064960008	MR
6	Smith & Wesson Brands, Inc.	SWBI	US8317541063	MR
7	Sturm, Ruger & Co., Inc.	RGR	US8641591081	MR
8	Taurus Armas SA	TASA4	BRFJTAACNOR5	MR
9	Vista Outdoor, Inc.	VSTO	US9283771007	MR

Top 10 Tobacco by Revenue

1	British American Tobacco p.l.c. British American Tobacco PLC Sponsored ADR	BATS	GB0002875804	TO
2	Philip Morris International Inc.	0A76	US1104481072	TO
3	PT Gudang Garam Tbk	BMT	US7181721090	TO
4	PT Gudang Garam Tbk Unsponsored ADR	BMTA	ID1000068604	TO
5	PT Hanjaya Mandala Sampoerna Tbk	BTI	US40157Q1094	TO
6	Karelia Tobacco Company Inc.	BATS	ID1000074008	TO
7	British American Tobacco Bangladesh Co Ltd	BATSN	GRS120003009	TO
8	Philip Morris CR	BMT	BD0259BATBC9	TO
9	British American Tobacco Malaysia Bhd.	BTAFF	CS0008418869	TO
10		BTI	MYL4162OO003	TO

Human Rights Violation

1	DXC Technology	DXC	US23355L1061	HR
2	Hewlett Packard Enterprise Co	HPE	US42824C1099	HR
3	HP Inc ³	HPQ	US40434L1052	HR
4	Caterpillar	CAT	US1491231015	HR
5	Motorola Solutions	MSI	US620076BF55	HR

For Profit Prisons

1	CoreCivic Plc	CXW	US22025Y4070	FPP
2	GEO Group	GEO	US36162J1060	FPP
3	Serco Group Plc	SRP	GB0007973794	FPP

Environmental

1	Chevron	CVX	US1667641005	EN
2	ExxonMobil	XOM	US30231G1022	EN
3	Marathon Petroleum	MPC	US56585A1025	EN
4	Phillips 66	PSX	US7185461040	EN
5	Valero	VLO	US91913Y1001	EN

Military-Related Investment Policy

³ MRTI has received consistent reports that HPE and HPQ are no longer in violation of PCUSA policies. MRTI will make a recommendation to remove these companies from the list at the 226th General Assembly (2024).

The General Assembly military-related divestment policy was first adopted in 1982 and has since been revised four times, most recently by the General Assembly in 1998. This policy is an outgrowth of the General Assembly's adoption of *Peacemaking: A Believer's Calling*, which asked the church to review its witness and seek additional ways to promote peacemaking. MRTI conducted a review of its engagements with military-related companies and developed guidelines consistent with the historic concerns of the General Assembly. These included concern about the overall spending on the military, over-dependence on military contracts by a company, and weapons that do not distinguish between combatants and non-combatants. Later amendments stemmed from General Assembly actions on foreign military sales and landmines, while this latest revision was conducted in collaboration with our research partner.

The guidelines that identify affected companies are:

- 1) Corporations that are among the five leading military contractors (measured as dollar volume of military contracts in the most recent year) until such time as the United States is no longer among the top ten nations ranked according to per capita military expenditures.
- 2) Corporations that are among the 100 leading military contractors and in addition are dependent on military contracts (domestic and/or foreign) for more than 50 percent of their sales. Insofar as sales to the military can be shown by the corporation to be merely general supplies readily available to civilians, rather than weapons production, such general supplies sales shall be excluded from the percentage of sales to the military for purposes of these criteria.
- 3) Corporations that are among the top five firms engaged in foreign military sales during the most recent fiscal year for which statistics are available.
- 4) Corporations that manufacture, use, repair, exhibit (for the purpose of selling), sell, distribute, import, or export, warehouse, or transport controversial weapons whose use can lead to mass or indiscriminate injury and/or death to civilians. Such weapons include:
 - a) Nuclear weapons: Explosive devices that derive their destructive force from nuclear reactions, either fission (fission bomb) or from a combination of fission and fusion reactions;
 - b) Chemical weapons: Chemicals used to cause intentional death or harm through its toxic properties as well as munitions, devices, and other equipment specifically designed to weaponize toxic chemicals;
 - c) Biological weapons: Microorganisms (e.g., virus, bacteria, fungi, toxins) that are produced and released deliberately to cause disease and death in humans, animals or plants;
 - d) Anti-personnel landmines: Devices designed to be exploded by the presence, proximity or contact of a person and that will incapacitate, injure, or kill one or more persons;
 - e) Cluster munitions: Conventional munitions that are designed to disperse or release explosive submunitions each weighing less than 20 kilograms, and includes those explosive submunitions;
 - f) White phosphorus: Incendiary and toxic chemical substance used as a filler in a number of different munitions that can be employed for a variety of military purposes;
 - g) Depleted uranium: Chemically toxic and radioactive heavy metal which is produced as a by-product of the enrichment of uranium for civil nuclear power programs and is used in armor-piercing munitions; and
 - h) "Assault-type" automatic and semi-automatic weapons.
 - i) Lethal Autonomous Weapon Systems (LAWS) (see explanation below)⁴

⁴ Recommendation #7 from *Drones, War and Surveillance*, A Resolution, by the 221st General Assembly (2014) of the Presbyterian Church (U.S.A.) supports the inclusion of LAWS to this list: "[The PCUSA] supports the prohibition of fully autonomous or 'robot' drones that designate targets and 'decide' to shoot combatants based on computer calculations and automated reactions and urges the review of targeting decisions... that may lead to unintended deaths," (Available here: https://www.presbyterianmission.org/wp-content/uploads/drones_war_surveillance-2014.pdf).

Further, MRTI considers Lethal Autonomous Weapon Systems (LAWS) to be controversial since the decision to deploy lethal force is made by a machine, absent any meaningful human supervision. In MRTI's view, it is fundamentally problematic that such critical decisions concerning the use of force are not subject to meaningful human control.⁵

MRTI considers corporations that manufacture, use, repair, exhibit (for the purpose of selling), sell, distribute, import, or export, warehouse, or transport LAWS to be affected by the divestment policy. They are defined as a special class of weapon system that use sensor suites and computer algorithms to independently identify a target and employ an onboard weapon system to engage and destroy the target without manual human control of the system.

Finally, MRTI is concerned by the sale of weapons to states involved in armed conflicts where there are heightened risks of those weapons being used in ways that constitute serious and systematic violations of international humanitarian law (IHL). Through ongoing monitoring of current armed conflicts, MRTI's research provider identifies those states whose conduct of hostilities may result in violations of IHL (e.g., target selection, proportionality assessments, precautions taken to minimize harm to civilians) and those companies that are supplying the weapons being used. Criteria for additional research and analysis that may lead to conduct-based engagement, observation, or exclusion among military-related companies include corporations that supply weapons to governments of one or more countries/territories that receive a "severe risk" rating from our research provider as well as those that supply weapons to state or non-state actors that have been documented to violate IHL and human rights.

Tobacco Policy

The General Assembly's policy on tobacco-related investments recommends divestment and/or proscription of the top ten tobacco companies according to revenues.

The Presbyterian Church (U.S.A.) Foundation/New Covenant Funds proscribe investments in all tobacco companies.

Alcohol and Gambling

The General Assembly has never adopted a formal policy regarding investments in companies producing alcoholic beverages or engaged in gambling. However, the Presbyterian Church (U.S.A.) Foundation/New Covenant Funds have comprehensive policies proscribing investments in all such companies. These policies apply to both domestic and international companies.

⁵ This position reflects the concern highlighted by the report, *Drones, War, and Surveillance*, A Resolution, by the 221st General Assembly (2014) of the Presbyterian Church (U.S.A.), which states: "It is claimed that in November of 2012 the Department of Defense issued a ten-year moratorium on robotic drones, to analyze the ethics of "smart drones," as there is concern about the moral implications of self-directed robot drones that remove human decision from the killing process" (Available here: https://www.presbyterianmission.org/wp-content/uploads/drones_war_surveillance-2014.pdf).

Human Rights

It is in conflict-affected and high-risk areas (CAHRA), characterized by widespread human rights abuses and violations of national or international law, that people are most vulnerable to violations of their human rights. CAHRA may include international armed conflict (e.g., [Syria](#)); internal armed conflict (e.g., [Myanmar](#)); and military occupations (e.g., [Occupied Palestinian Territories](#)) or other areas of heightened risk (e.g., Xinjiang Uyghur Autonomous Region). Companies operating in CAHRA are at greater risk of causing, contributing to, or being directly linked with human rights harms, as defined by the UN Guiding Principles on Business and Human Rights.

Working with our research provider, MRTI identifies those companies whose countries of operation, value chain partners, and/or specific business activities result in heightened proximity to human rights harms. Once identified, MRTI engages selected companies to request that they take risk prevention and/or mitigation measures. If a company fails to sufficiently address their proximity to human rights harms within three years, MRTI will consider adding that company to the GA Divestment/Proscription list. Further, MRTI will consider recommending adding a company to the GA Divestment/Proscription if that company is unresponsive to multiple requests for dialogue, via letter of engagement and/or shareholder resolution.⁶ Currently, five companies are on the list because of General Assembly action.⁷

Publicly Traded For-Profit Prison Companies

As the 2003 General Assembly adopted a policy calling for the abolition of for-profit prisons, jails and detention centers, the 2014 General Assembly approved a recommendation that publicly traded companies operating such institutions would be added to the divestment and/or proscription list.

Environmental Policy

The 222nd General Assembly in 2016 directed 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 223rd 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.” Based on this directive, MRTI developed the [Guideline Metrics](#) to measure progress on governance, strategy, implementation, transparency and disclosure. The 223rd General Assembly (2018) adopted the Guideline Metrics as policy and named nine companies for focused engagement and to report back possible selective divestment recommendations to the 224th General Assembly (2020). The nine companies included: **Chevron, ExxonMobil, ConocoPhillips, Marathon Petroleum, Valero Energy,**

⁶ “The Pursuit of Peace” is highlighted as an investment goal in MRTI’s foundational 1971 policy (https://www.presbyterianmission.org/wp-content/uploads/mrti_ga_policy_-_19711.pdf). It discusses being critical of enterprises used to support increase military spending and private enterprises producing weapons “whose use does not permit a distinction between civilian and combat.” The importance of “peaceful pursuits” is further examined in the divestment from companies involved in Apartheid South Africa (1985-1993) and the divestment from Talisman, for unpeaceful pursuits in Sudan (2001-2004), and the 2014 action of the General Assembly (<https://www.pc-biz.org/#/search/4715>).

⁷ The General Assembly action was taken in 2014 (<https://www.pc-biz.org/#/search/4715>) and emphasized that financial investments of the PCUSA be invested in only peaceful pursuits. As of December 31, 2016, due to corporate proximity to human rights harms, there are now three companies including Hewlett Packard Enterprise, HP Inc., and DXC Technology.

Phillips 66, Duke Energy, Ford Motor Company and General Motors.

In 2019, MRTI voted to adopt a policy for the purposes of [its report to the 224th General Assembly](#) that any company scoring in the red by January 15, 2020, be recommended to be added to the 2021 General Assembly Divestment/Proscription list. Three companies scored in the red: **ExxonMobil, Marathon Petroleum, and Valero Energy**.

Due to the impact of COVID-19, the 224th General Assembly did not consider the MRTI Report and referred it to the 225th General Assembly (2022). As a result, **ExxonMobil, Marathon Petroleum, and Valero Energy** remained on MRTI's focused engagement list, and along with the remaining companies named by the 223rd General Assembly (2018), continued to be evaluated against the Guideline Metrics Framework. In 2022, the 225th General Assembly [approved MRTI's report](#), which included adding five companies to this list: Chevron, ExxonMobil Marathon Petroleum, Phillips 66, and Valero Energy. . The latest Guideline Metrics with company scores can be [found here](#).

Additional Information

In 2020, MRTI engaged Heartland Initiative, Inc. to provide research for implementing the Military-Related Divestment Policy by reviewing companies' business activities and their revenue sources. Following historical practice, when a company is first identified as meeting the General Assembly criteria for investment proscription (e.g., military-related revenues), it is placed on a watch list for potential action the following year. Similarly, should a company which has been on the General Assembly Divestment List not be identified during the subsequent year's screening process, it will remain on the list for one year and may be removed the following year if it is not identified during that year's screening process.

In 2019, due to increased research costs for implementing the Military-Related Divestment Policy, MRTI, in the interest of good stewardship of the church's resources, voted to move to a biennial full review of the policy in General Assembly years, and provide an update (if companies had been merged, acquired, or delisted) in non-General Assembly years.

For more information about these policies, and other MRTI activities including, proxy voting recommendations, dialogues with corporations and sample socially responsible investment policies for congregations and other PCUSA entities, please contact the Office of Faith-Based Investing and Corporate Engagement, at 888-728-7228, ext. 5035 or MRTI@pcusa.org.