

Appendix 1

Committee on Mission Responsibility Through Investment (MRTI) of the Presbyterian Church U.S.A.

Guideline Metrics - Company Scoring Evaluation

December 2023

KEY

Priority weighting scale: 5 = high; 3 = medium; 1 = low

Company Scores: 2 = company is actively implementing; 1= company partially implementing; 0 = no evidence of implementation

Weighted score: priority weight * company score

Guideline Metrics

Environment

1. Climate-related risks and opportunities identified over short (2025), medium (2026-2035) and long-term (2036-2050) (TCFD and CA 100+)
2. The impact of climate-related risks and opportunities on the organization's businesses, strategy and financial planning described (TCFD and CA 100+)
3. Business strategy in place and efforts made to limit temperature increase to 1.5 degrees Celsius (GA 2018 and CA 100+)
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+)
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.
6. Sets robust short-term (2026) goals for reducing greenhouse gas emissions 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.) (GA 2016 and CA 100+)
7. Sets robust medium-term (2027-2035) goals for reducing greenhouse gas emissions 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.) (GA 2016 and CA 100+)
8. Sets robust long-term (2036-2050) goals for reducing greenhouse gas emissions 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.) (GA 2016 and CA 100+)
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+)
10. Company is working to decarbonize capital expenditures. (CA 100+)
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+)
12. Discloses Scope 1, Scope 2 and if appropriate, Scope 3 GHG emissions, and related risks (TCFD and CA 100+)
13. Issues annual reports on the company's view of and response to material climate change risks and opportunities (GA 2016 and CA 100+)
14. Carbon intensity of operations is showing downward trend (CA 100+).
15. Water risk:
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)
16. Land and Biodiversity:
Company identifies nature-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)

Companies Scored

Priority weight	American		Conoco Phillips		Delta		Duke		Enbridge		Ford		GM		Kinder Morgan		Occidental		PPL		United	
	Score	Weighted Score	Score	Weighted Score	Score	Weighted Score	Score	Weighted Score	Score	Weighted Score	Score	Weighted Score	Score	Weighted Score	Score	Weighted Score	Score	Weighted Score	Score	Weighted Score	Score	Weighted Score
3	1	3	2	6	2	6	2	6	2	6	2	6	2	6	2	6	2	6	2	6	2	6
3	1	3	2	6	2	6	2	6	1	3	2	6	2	6	2	6	2	6	2	6	2	6
5	1	5	0	0	1	5	0	0	1	5	1	5	1	5	0	0	1	5	0	0	1	5
3	1	3	1	3	2	6	2	6	2	6	2	6	0	0	2	6	2	6	2	6	2	6
5	1	5	2	10	2	10	1	5	2	10	2	10	0	0	0	0	2	10	1	5	1	5
5	1	5	0	0	1	5	0	0	0	0	1	5	0	0	0	0	1	5	0	0	1	5
5	1	5	1	5	1	5	1	5	1	5	1	5	1	5	1	5	0	0	1	5	1	5
3	1	3	1	3	2	6	1	3	1	3	2	6	2	6	0	0	2	6	1	3	2	6
5	1	5	0	0	0	0	1	5	1	5	1	5	1	5	1	5	0	0	1	5	1	5
5	0	0	0	0	0	0	1	5	0	0	1	5	1	5	0	0	0	0	1	5	1	5
1	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
3	2	6	2	6	2	6	2	6	2	6	2	6	2	6	1	3	2	6	1	3	2	6
1	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	1	1
3	1	3	2	6	2	6	2	6	2	6	1	3	2	6	1	3	0	0	2	6	0	0
5	1	5	2	10	1	5	1	5	1	5	2	10	2	10	1	5	1	5	1	5	0	0
3	2	6	2	6	1	3	2	6	1	3	2	6	2	6	2	6	1	3	1	3	1	3

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17. Waste management: company discloses management of toxic waste and reduction efforts, if applicable. (MRTI and ACSWP 2022)

Social

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)
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. (S&P and GA 2018 ER)
(For example, does the company pay for and implement land restoration of affected areas?)
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)
4. Operations are considered from the perspective of their impact on employees, local communities, and society. (S&P, MRTI and GA 2012)
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.
6. Company takes steps in terms of occupational health, safety, and wellbeing of employees (S&P and GA 2012)
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)
8. Company has committed to the principles of a Just Transition (CA 100+)
9. Company has disclosed how it is planning for and monitoring progress towards a Just Transition (CA 100+)
10. Does company participate in the Voluntary Principles on Security and Human Rights?
11. Does company operate in conflict-affected and high-risk areas? (GA 2008) - if "yes", see endnote RE MRTI human rights policy implementation.
12. Corporate Human Rights Benchmark score
13. Other comments/ other human rights concerns?

Governance

1. Employee compensation is fair and adequate. (GA 2012)
2. The company supports the right of workers to organize, bargain collectively and advocate for family sustaining wages and benefits. (GA 2012)
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: 4. Ensures adequate oversight of climate change risk (GA 2016) and human rights issues (CA 100+)
4. Ensures adequate oversight of climate change risk (GA 2016) and human rights issues (CA 100+)
5. Outlines strategic implications of a transition to low carbon energy system (GA 2016)
6. Board member analysis (MRTI) (includes board diversity*) (CA100+) *(diversity refers to diversity of demographics, experience/expertise, and inclusion of domestic and international experience)
7. Company leadership analysis for diversity* (*diversity refers to diversity of demographics and experience as info is publicly available) (MRTI, REAC)
8. Company has measures in place to promote employee diversity (MRTI, REAC)
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 and GA 2016 Election Protection, CA 100+)

Priority weight	American		Conoco Phillips		Delta		Duke		Enbridge		Ford		GM		Kinder Morgan		Occidental		PPL		United	
	Score	Weighted Score	Score	Weighted Score	Score	Weighted Score	Score	Weighted Score	Score	Weighted Score	Score	Weighted Score	Score	Weighted Score	Score	Weighted Score	Score	Weighted Score	Score	Weighted Score	Score	Weighted Score
1	2	2	1	1	1	1	1	1	1	1	2	2	1	1	1	1	1	1	1	1	1	1
									0	0					0	0			0	0		
									0	0					0	0			0	0		
3	1	3	1	3	1	3	1	3	1	3	2	6	2	6	1	3	2	6	1	3	1	3
5	2	10	1	5	1	5	1	5	0	0	1	5	2	10	2	10	1	5	1	5	2	10
5	1	5	1	5	1	5	1	5	2	10	1	5	1	5	2	10	1	5	1	5	1	5
5	1	5	1	5	1	5	1	5	1	5	1	5	1	5	2	10	1	5	1	5	1	5
1	1	1	2	2	1	1	2	2	0	0	1	1	2	2	2	2	1	1	2	2	1	1
1	1	1	1	1	1	1	1	1	1	1	2	2	2	2	1	1	1	1	1	1	1	1
1	2	2	1	1	1	1	1	1	1	1	1	1	1	1	1	1	0	0	1	1	1	1
1	0	0	1	1	0	0	1	1	1	1	1	1	1	1	0	0	0	0	1	1	0	0
5	0	0	1	5	0	0	0	0	0	0	1	5	0	0	0	0	0	0	0	0	0	0
0	for info only		info only		info only		info only		info only		info only		info only		info only		info only		info only		info only	
0	for info only		info only		info only		info only		info only		info only		info only		info only		info only		info only		info only	
0	for info only		info only		info only		info only		info only		info only		info only		info only		info only		info only		info only	
0	for info only		info only		info only		info only		info only		info only		info only		info only		info only		info only		info only	
1	2	2	1	1	1	1	2	2	1	1	1	1	2	2	1	1	1	1	2	2	1	1
1	2	2	1	1	1	1	1	1	1	1	1	1	1	1	0	0	1	1	1	1	2	2
5	2	10	1	5	2	10	2	10	2	10	2	10	2	10	2	10	2	10	2	10	2	10
5	1	5	1	5	1	5	1	5	1	5	2	10	2	10	1	5	1	5	1	5	1	5
3	2	6	2	6	2	6	2	6	1	3	2	6	2	6	1	3	2	6	2	6	2	6
3	1	3	1	3	1	3	2	6	2	6	2	6	2	6	1	3	2	6	2	6	1	3
1	1	1	1	1	1	1	2	2	2	2	2	2	2	2	1	1	1	1	1	1	1	1
1	1	1	2	2	1	1	2	2	2	2	2	2	2	2	1	1	0	0	2	2	1	1
3	1	3	1	3	1	3	1	3	1	3	1	3	1	3	1	3	1	3	0	0	1	3

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- 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)
- 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).
- 12. Company discloses positions on internal policy issues such as: corporate leave policies and freedom of association (GA 2008 God's Work)
- 13. Company is transparent on which office to contact regarding environmental/ social concerns and includes contact information. (MRTI)

Priority weight	American		Conoco Phillips		Delta		Duke		Enbridge		Ford		GM		Kinder Morgan		Occidental		PPL		United	
	Score	Weighted Score	Score	Weighted Score	Score	Weighted Score	Score	Weighted Score	Score	Weighted Score	Score	Weighted Score	Score	Weighted Score	Score	Weighted Score	Score	Weighted Score	Score	Weighted Score	Score	Weighted Score
5	1	5	1	5	1	5	1	5	2	10	1	5	1	5	1	5	1	5	0	0	2	10
3	1	3	2	6	1	3	1	3	2	6	1	3	1	3	1	3	1	3	1	3	1	3
3	1	3	1	3	1	3	1	3	1	3	1	3	1	3	1	3	1	3	1	3	1	3
1	2	2	1	1	0	0	1	1	2	2	1	1	0	0	1	1	1	1	2	2	0	0
Total Score		136.00		136.00		137.00		141.00		143.00		174.00		156.00		126.00		131.00		127.00		141.00

Recommended score key

Red: Overall, company may have poor record of shareholder engagement, poor record on environmental, social and governance (ESG) issues. Company may or may not acknowledge importance of ESG issues.

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.

101-135

Yellow: Company may show more progress on shareholder engagement; may begin to implement ESG policy with programs/plans, goals and targets; develops metrics, starts measuring and disclosing information.

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.

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

206-238