

CORPORATE SOCIAL RESPONSIBILITY
- Investment Policy Guidelines –

The following guidelines were adopted by the 183rd General Assembly, UPCUSA (1971), and are provided for your information. Affirming the concept of using investments as tools for mission, these guidelines provide handles for the practical implementation of the concept. A committee of the General Assembly Mission Council, the Committee on Mission Responsibility Through Investment is charged with the responsibility of implementing these guidelines:

- I. The 183rd General Assembly (1971) of the United Presbyterian Church, U.S.A. affirms that church investment is an instrument of mission and includes theological, social and ethical considerations.
 - A. The church appropriately has received and invested funds in support of its continuing mission.
 - B. Like its other functions investment must also be a part of the church's mission. Church investment policy involves not only sound economic but also theological considerations. Its central goal should match effective investment management with imaginative and efficient allocation of resources to programs that contribute positively to a Christian concept of humanity's spiritual and material well-being.
 - C. The mandate is consistent with the developing view that the private sector, corporately and individually, can no longer settle for immediate maximization of economic return, leaving to the public sector alone a concern for the public interest.
 - D. It is appropriate that the church's own determination of how social problems should be resolved should guide institutions within the church in reviewing their investment policies. The primary reference points in making these determinations should be the social and ethical teachings of the General Assembly and the Confession of 1967 as they focus on peace, racial justice, economic and social justice, and protection of the environment.
 - E. The church's investment decisions, as they seek to make investment an instrument of mission, should be part of a comprehensive rather than a fragmentary policy.
 - F. Individual Christians investing in corporate enterprises also have the responsibility to consider their own investment portfolios in the light of their Christian commitment and witness.

- G. Many Christians in positions of corporate responsibility need and deserve support and encouragement in fulfilling their Christian witness through their vocation.
- II. The 183rd General Assembly (1971) of the United Presbyterian Church, U.S.A. affirms ethical criteria and guidelines for church investors in pursuit of peace, racial justice, economic and social justice, and in the establishment of environmental responsibility.

“In each time and place there are particular problems and crises through which God calls the church to act. The church, guided by the Spirit, humbled by its own complicity and instructed by all attainable knowledge, seeks to discern the will of God and learn how to obey in these concrete situations.” (Confession of 1967, 9.43.)

A. The Pursuit of Peace

“God’s reconciliation in Jesus Christ is the ground of the peace, justice and freedom among nations which all powers of government are called to serve and defend. The church, in its own life, is called to practice the forgiveness of enemies and to commend to the nations as practical policies the search for cooperation and peace. This search requires that the nations pursue fresh and responsible relations across every line of conflict, even at risk to national security to reduce areas of strife and to broaden international understanding. Reconciliation among nations becomes peculiarly urgent as countries develop nuclear, chemical and biological weapons, diverting their manpower and resources from constructive uses and risking the annihilation of mankind.” (Confession of 1967, 9.45.)

The Confession of 1967 and General Assembly teachings on peace lead to the following guidelines for church investors:

1. They should look for ways to foster in the economy generally and in individual companies a reduction from the present level of war production and an increase in the manufacture of urgently needed non-military goods.
2. They should be especially critical of enterprises that use the political process to support increased military spending.
3. They should seek ways of persuading private enterprise to curtail production of weaponry whose use does not permit a distinction between civilian and combatant.

B. The Pursuit of Racial Justice

“God has created the peoples of the earth to be one universal family. In his reconciling love he overcomes the barriers between brothers and breaks down every form of discrimination based on racial or ethnic difference, real or imaginary. The church is called to bring all men to receive and uphold one another as persons in all relationships of life: in employment, housing, education, leisure, marriage, family, church and the exercise of political rights. Therefore the church labors for the abolition of all racial discrimination and ministers to those injured by it. Congregations, individuals or groups of Christians who exclude, dominate or patronize their fellowmen, however subtly, resist the Spirit of God and bring contempt on the faith which they profess.” (Confession of 1967, 9.44.)

The Confession of 1967 and General Assembly teachings on racial justice lead to the following guidelines for church investors:

1. They should continue to seek investment in enterprises fostering the economic development of minority people in this and all nations.
2. They should give special consideration and attention to investing in enterprises that directly attack the conditions that cause and sustain racial inequality and racism.
3. They should seek to promote in all enterprises in which they hold investments the eradication of corporate practices that consciously or unconsciously result in racial inequities, as well as (to promote) policies and practices that aid the self-development of minority groups and alleviate the conditions that have resulted in racism.
4. They should give special attention to the international operations of enterprises in which they invest to determine that their foreign practices meet the foregoing standards, and that the operations of those companies do not intentionally or inadvertently support racially repressive or exclusionary regimes.

C. The Pursuit of Economic and Social Justice

“The reconciliation of man through Jesus Christ makes it plain that enslaving poverty in a world of abundance is an intolerable violation of God’s good creation. Because Jesus identified himself with the needy and exploited, the cause of the world’s poor is the cause of his disciples. The church cannot condone poverty, whether it is the product of unjust social structures, exploitation of the defenseless, lack of natural resources, absence of technological understanding or rapid expansion of populations. The church calls every man to use his abilities, his possessions, and the fruits of technology as gifts entrusted to him by God for the maintenance of his family and the advancement of the common welfare. It encourages those forces in human society that raise men’s hopes for better conditions and provides them with opportunity for a decent living. A church that is indifferent to poverty or evades responsibility in economic affairs, or is open to one social class only, or expects gratitude for its beneficence makes a mockery of reconciliation and offers no acceptable worship to God.” (Confession of 1967, 9.46.)

The Confession of 1967 and General Assembly teachings on economic and social justice lead to the following guidelines;

1. They should continue to seek investment opportunities that will actually foster the economic development of the poor, not only in the United States but in other parts of the world.
2. They should constantly try to shape the decisions of enterprises in which they invest; to promote high quality, property represented commodities and services; to provide decent working conditions, wages, and other provisions conducive to the dignity and well-being of employees; to have positive and nonexploitive effects upon the communities or nations in which they locate; to develop employment policies and practices that do not discriminate on the basis of race, sex, religion or class; and to support the development and assistance of economic and social endeavors of indigent peoples at home and abroad.
3. They should be aware of an attempt to affect the patterns or corporate lobbying, philanthropy, and other policies so as to bring them into accord with the church’s understanding of economic and social justice.
4. They should, as they review the international policies and actions of enterprises in which they invest, consider the effects of those policies or actions on patterns of human rights in host countries and they should attempt to influence

corporate managements to change policies or actions which continue patterns which in the Church's view, tend to violate the human rights of citizens of said host countries.

D. The Achievement of Environmental Responsibility

"God has endowed man with capacities to make the world serve his needs and to enjoy its good things. Life is a gift to be received with gratitude and task to be pursued with courage. Man is free to seek his life within the purpose of God; to develop and protect the resources of nature for the common welfare...

"God's redeeming work in Jesus Christ embraces the whole of man's life...It includes man's natural environment as exploited and despoiled by sin. It is the will of God that his purpose for human life shall be fulfilled under the rule of Christ and all evil be banished from his creation." (Confession of 1967, 9.17-9.53.)

The Confession of 1967 and General Assembly teaching on the environment lead to the following guidelines for church investors.

1. They should take advantage of investment opportunities in enterprises making an effective effort to develop products that reduce environmental effects of their production methods or products.
2. They should attempt to help reshape corporate decision-making where:
 - (a) enterprises persist in violating existing pollution laws and are not being prosecuted by government authorities;
 - (b) enterprises manufacture products or exploit natural resources without demonstrating ecological safety; or
 - (c) enterprises frustrate the public welfare through their influence on environmental legislation.

III. Inasmuch as the Confession of 1967 did not address itself to the issue of the comprehensive rights and responsibilities of women in church and society, and the Guidelines for Church Investors have been based to a large extent on the Confession of 1967; and

Inasmuch as the actions of the General Assemblies of 1969, 1970, 1971, 1972 and 1973 call the church to recognition and support of the

aspirations of women, and the 182nd General Assembly (1970) took particular action reaffirming as a policy that enterprises in which it invests shall not discriminate against women:

The General Assembly Mission Council recommends that the 186th General Assembly (1974) add to the Investment Policy Guidelines adopted by the 183rd General Assembly (1971) the following:

1. They should seek investment opportunities in enterprises that encourage the full development of all persons, male and female.
2. They should exercise responsible stockholder obligations by raising questions in appropriate forums as to de facto and actual practices in recruitment, interviewing, employment conditions, employee benefits, training programs, promotion plans and targets and all other relevant policies with respect to women.
3. They should support and participate in serious affirmative action programs.
4. They should develop procedures for evaluating company policy with respect to the representation of women on the Board of Directors and in management personnel; and also company advertising new product development procedures, public relations activities, community involvement and charity contributions as they may make an impact on or show stereotyping and demeaning attitudes toward women.
5. They should seek information about international aspects of multinational entities which exploit the cultural bias as to role of women.

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