

ITEM G.103
FOR ACTION

<i>FOR PRESBYTERIAN MISSION AGENCY EXECUTIVE DIRECTOR'S OFFICE USE ONLY</i>			
A. Audit		E. Executive Committee	I. Ministerial Teams
B. Personnel & Nominating		F. Resource Allocation & Stewardship	P. Plenary
C. Property/Legal		G. Nurture the Body	
D. PC(USA), A Corporation		H. Outreach to the World	

Subject: Request authorization for MRTI to file shareholder resolution on reproductive health

Recommendation:

The Presbyterian Mission Agency Board authorize the committee on Mission Responsibility Through Investment (MRTI) to file or co-file a shareholder resolution on reproductive health in 2019.

Background:

In light of recent efforts across the country to curtail access to reproductive health care, a group of faith- and values-based investors with whom MRTI closely partners, is organizing a campaign to engage large US corporations about their policies and practices regarding reproductive health and reproductive rights. This is in-line with established PCUSA policy, including: “On Providing Just Access to Reproductive Health Care (Item 21-03)” from the 220th General Assembly (2012) which “seeks to protect all women’s and men’s access to comprehensive health care, including access to health services that enable responsible family planning and honor the exercise of individual conscience and the gift of human life,” and the 1992 “Report of the Special Committee on Problem Pregnancies and Abortion”.

MRTI is in the process of developing its 2019-2020 work plan, to be finalized at its next stated meeting in October. It has decided that given the push around the country to limit reproductive health access and the church’s policies on reproductive health, it is appropriate and prudent for the Presbyterian Church U.S.A., through MRTI, to engage companies and prepare to potentially file or co-file on a reproductive health resolution in 2019/2020. The exact companies included in the overall ecumenical engagement strategy will be determined later this fall. See Appendix I for a sample letter to be sent to companies, requesting information and dialogue.

Per the Guidelines for the MRTI Committee, the Presbyterian Mission Agency Board (PMAB) must initially authorize MRTI to file or co-file a shareholder resolution on particular issue area or concern (SEE Appendix II). MRTI has never filed a reproductive health resolution in the past, thus PMAB authorization is required.

DATE

Appendix 1

CEO
Company
Address

Dear CEO:

The undersigned institutional investors, asset owners and asset managers are writing today to request a dialogue with COMPANY about the urgent threats to reproductive health care in the United States, and to learn how COMPANY views its responsibilities and obligations in this area to its employees and the broader public. We are long term investors in the public markets, with combined assets under management of \$____.

We are writing to request a conversation with COMPANY to better understand your positions and policies related to insurance for sexual and reproductive healthcare, and we are also interested in COMPANY's benefits policies to support employees in their role as parents (such as paid parental and family leave, flexible hours, lactation accommodations, and child care options). We wish to learn whether COMPANY holds any public policy positions related to reproductive health care and rights, and how these may factor into your decisions related to your political spending and lobbying priorities.

In recent months, we have watched with growing alarm as access to reproductive health care has become increasingly curtailed. Meaningful access to contraception and abortion affords women better control of their reproductive health and the timing of pregnancy, with beneficial results for themselves, their families and careers.¹ As expressed by a Supreme Court majority in *Planned Parenthood of Southeast Pennsylvania v. Casey*, "The ability of women to participate equally in the economic and social life of the Nation has been facilitated by their ability to control their reproductive lives."² Conversely, laws that restrict the ability of an individual to manage her fertility can imperil her health, and disrupt or even derail her life. From an employers' perspective, these strains can impact attendance, productivity, and advancement at work. It has been estimated that health-related loss of productive time results in annual losses to businesses of approximately \$226 billion.³

Corporations and the economy as a whole benefit enormously from the participation of women in the workforce:

¹ We use "woman" most frequently in our communications to describe those in need of high quality contraceptive and abortion services, but note that it does not describe the identity of all those who can become pregnant, such as trans men, nonbinary and gender nonconforming individuals. We urge your company to construct policies that are sensitive to the needs of all who can become pregnant.

² *Planned Parenthood of Southeastern Pa. v. Casey*, 505 U.S. 833 (1992) available at <https://supreme.justia.com/cases/federal/us/505/833/>.

³ Sean Nicholson et al., *How to Present the Business Case for Healthcare Quality to Employers* 12 (Nov. 2005), available at <http://knowledge.wharton.upenn.edu/wp-content/uploads/2013/09/1303.pdf>.

- Women comprised approximately 48% of the 53 million workers employed by private industry in 2016.⁴ Women are projected to account for 51% of the growth in total labor force from 2008 to 2018.⁵ <For NYC COMPANIES: Women comprise half (49.6 percent) of New York City’s workforce, contributing almost \$100 billion annually in earnings to the economy (Source: https://comptroller.nyc.gov/wp-content/uploads/documents/Gender-Wage-Gap-brief_040918.pdf).>
- The Center for American Progress has estimated that the increased number of women in the workforce in recent decades has added \$1.7 trillion gross domestic product to the national economy.⁶
- A study by PwC study found that increasing women’s participation in the workforce to the same level as men’s would increase the nation’s GDP by 5%.⁷

We see COMPANY’s appreciation for the contributions of its female workforce and customer base reflected in...[alternately for companies that aren’t doing much to promote gender equity: We see COMPANY’s recognition of these trends reflected in...[refer to their specific initiatives]

We believe it is incumbent upon America’s businesses to take action to protect the ability of their employees to access affordable and comprehensive reproductive health services, regardless of their geographical base or position within the company. Companies who make this commitment stand to become more competitive in the labor market. Many studies have pointed to the link between employee satisfaction and improved stock performance, operating margin, revenue per employee, and return on company assets.⁸

A patchwork of state and federal laws governs the quality, scope, accessibility and affordability of services related to reproductive health care. For example, in the area of contraception, the Affordable Care Act requires that most private health insurance plans cover at least one form of each of 18 FDA-approved methods for women without cost sharing, but a number of states require additional coverage that companies or their insurers could voluntarily assume. With respect to abortion, only four states require insurance coverage. State policies are similarly variegated with respect to paid parental leave and related benefits.

In our view, it is in the best interest of companies to offer comprehensive coverage and benefits in these areas. A recent poll conducted by Naral and The Harris Poll found that if choosing between two

⁴ https://www1.eeoc.gov/eeoc/statistics/employment/jobpat-eeo1/2016/index.cfm#select_label

⁵ U.S. Dept. of Labor. Women in the Labor Force in 2010. <https://www.dol.gov/wb/factsheets/qf-laborforce-10.htm>. Accessed 7/26/16.

⁶ Eileen Appelbaum *et al.*, Center for American Progress and the Center for Economic and Policy Research, *The Economic Importance of Women’s Rising Hours of Work: Time to Update Employment Standards 1* (Apr. 2014), available at <https://www.americanprogress.org/issues/economy/reports/2014/04/15/87638/the-economic-importance-of-womens-rising-hours-of-work/>.

⁷ https://www.strategyand.pwc.com/media/file/Strategyand_Empowering-the-Third-Billion_Full-Report.pdf

⁸ Glassdoor.com, “6 Studies Showing Satisfied Employees Drive Business Results,” December 5, 2017 at <https://www.glassdoor.com/research/satisfied-employees-drive-business-results/>.

employment offers, more than half of employed adults (52%) surveyed said that benefits offering full reproductive care would be a deciding factor. An even greater proportion (60%) say they would be more loyal to a company that offers coverage for prenatal care, family planning, and abortion care. Two in three (66%) agreed that all companies should publicly support women's reproductive freedom, and 61% said that access to reproductive health care should be a consideration when companies relocate or open new offices.⁹

We would also like to be better informed on COMPANY's public policy positions related to reproductive and family health care. According to research compiled by <insert source>, COMPANY has directly contributed \$000,000 to politicians who consistently seek to limit or revoke access to birth control and abortion, and <insert other findings re company's charitable contributions, PAC spending, indirect giving, etc.>. [Where applicable: As you are aware, this support has drawn unfavorable attention in the media/made company a target of consumer opposition/etc.]

We understand that many major U.S. employers are reviewing their approach to reproductive health care in light of recent developments, as well as their level of public disclosure. As such, we appreciate your careful consideration of the concerns expressed in this letter and our request for dialogue. We have also appended a series of questions for the dialogue that provide more specificity around the level of information we seek, and further background information on the issues. We look forward to your timely response, and an indication of your availability for a meeting to continue this dialogue in the coming weeks.

Please reply to Shelley Alpern, Director of Shareholder Advocacy, Rhia Ventures, at shelley@reprohealthinvestors.org.

Sincerely,

<Investors>

Cc: Investor Relations
Other company contacts as we have them

⁹ *Stand Up and Stand Out: The Business Case for Supporting Reproductive Rights*, Naral and The Harris Poll, November 2018 at <https://www.prochoiceamerica.org/wp-content/uploads/2019/04/NARAL-White-Paper.pdf>.

PRESBYTERIAN MISSION AGENCY BOARD

September 26 - 28, 2019

Compassion, Peace and Justice Ministry

APPENDIX II

EXCERPT FROM MRTI COMMITTEE PROCEDURES MANUAL:
SECTION III.B.3 –Guidelines for MRTI Committee Assigned Tasks

3. Recommend to the Presbyterian Mission Agency Board specific actions on the exercise of investor rights and responsibilities.

These investor rights and responsibilities are:

- a. The filing of shareholder resolutions. Following initial authorization by the Presbyterian Mission Agency Board of MRTI recommended shareholder resolutions on particular issues or concerns, the resolution(s) may be refiled or filed with another company upon approval by MRTI. All shareholder resolutions filed or refiled shall be reported at the next meeting of the Justice Committee of the Presbyterian Mission Agency Board.