

BUSINESS RESPONSE TO THE U.S. WITHDRAWAL FROM THE PARIS CLIMATE AGREEMENT

On June 1, 2017 President Donald Trump announced that the United States would withdraw from the Paris climate accord, an agreement within the United Nations Framework Convention on Climate Change (UNFCCC) dealing with greenhouse gas emissions mitigation, adaptation and finance starting in the year 2020. The withdrawal sparked reaction from political leaders, company CEOs and environmentalists around the globe.

Building on Weber Shandwick's ongoing research on CEO Activism, we examined corporate reactions to the withdrawal. To do this, we developed an inventory of corporate and CEO responses to the action and began tracking these responses on a daily basis. We analyzed them based on several criteria, including content and form of distribution. As of June 8th, we collected 118 such responses and share a summary of the response composition below.

Of the 118 responses through June 8, 2017...

- + 66% were issued by CEOs
- 65% came from companies headquartered in "blue" states (i.e., leaned Democratic in the 2016 presidential election);
 21% from "red" states (leaned Republican in the 2016 presidential election);
 14% from non-U.S. companies
- 72% voiced a clear, definitive opinion against the withdrawal; 9% explicitly supported the withdrawal; 19% took a neutral stance
- 40% were issued by companies on the 2017 Fortune 500 or 2016 Fortune Global 500
- + **34%** also responded to the president's January 2017 immigration ban order
- 4 34% signed the joint "We Are Still In" letter (a pledge from mayors, governors, CEOs and university presidents to "achieve and eventually exceed" America's commitment to the Paris climate change agreement)
- + 19% of messages mentioned the sentiment "disappointed/disappointing/disappointment"

Among President Trump's advisory councils...

- + 39% of Strategic and Policy Forum members responded. All but one statement, which was neutral, were clearly against the withdrawal. Another 17% of the members did not speak out, but their companies/organizations did.
- 26% of Manufacturing Jobs Initiatives members responded and all were clearly against the withdrawal. Another 44% of the members did not respond, but their companies/organizations did.

These messages were delivered in a variety of ways:

- + Company and/or CEO social networks: 64%
- + Media statements/interviews: 48%
- Statement on company website: 36%
- Other: 5% or less (op-ed/Medium, press release, email newsletter, statement on CEO's own website, CEO speech, employee memo)

The top sectors issuing these statements were:

+ Technology: 19%

+ Associations: 14%

+ Energy: 13%

+ Finance: 8%

+ Food, Beverages & Tobacco: 7%

+ Apparel: 6%

INSIGHTS: 1. Not every policy issue requires a response. Pick your battles. Make sure your actions align with your company's core values. Just one-third of companies that responded to the Paris climate accord also responded to the president's immigration ban in January 2017. 2. CEOs can speak out. Two-thirds of responders made their opinions known through the CEO. 3. Leverage coalitions or industry associations. Many rallied behind "We are still in." Associations were among the top "sectors" responding. There is strength in numbers. 4. Be social mediaready. Social was the primary message distribution platform for companies and CEOs in this case. 5. Traditional media relations is not overlooked. Media statements and websites were utilized for responses, far more than seen for the immigration ban where employee memos dominated.

For more information, please contact:

MICHO SPRING

Chair, Global Corporate Practice Weber Shandwick mspring@webershandwick.com **LESLIE GAINES-ROSS**

Chief Reputation Strategist Weber Shandwick Igaines-ross@webershandwick.com PAUL MASSEY

President, Powell Tate & Global Lead Social Impact, Weber Shandwick pmassey@webershandwick.com