

Steven H. Gunby, President and CEO FTI Consulting 555 12th Street, NW, Suite 700 Washington DC 20004

June 28, 2018

Dear Mr. Gunby,

We contacted you and other leaders of the public relations industry in 2014 to ask about your company's climate change policies. Four years on, we would like to continue that conversation to determine if there have been any changes to your company's position or policies regarding climate change. A copy of our 2014 letter is attached.

As a result of our 2014-15 investigation, Edelman published its first ever "Position on Climate Change" and acknowledged new internal policies forbidding work that proffers climate change denial. They also decided to no longer take on work for coal interests, and set internal rules about 'greenwashing' and the use of front groups.¹

To refresh our 2014 letter of inquiry, we have several questions:

1. Does your company have a climate change position statement?

EDELMAN POSITION ON CLIMATE CHANGE²

Edelman fully recognizes the reality of, and science behind, climate change, and believes it represents one of the most important global challenges facing society, business and government today. To be clear, we do not accept client assignments that aim to deny climate change.

We believe that business, government and society must work together to address climate change by balancing the interdependent priorities of human development, the environment and the global economy. As such we support our clients' efforts to reduce emissions from their operations, improve energy efficiency, advance alternative fuels and sustainable energy solutions and lead in the transition to sustainable and socially responsible business models. We also work with clients to constructively participate in the dialogue around climate change and contribute to policy discussions, with the goal of making progress on this shared global challenge.

2. Has your company done internal carbon accounting?

Several other PR companies acknowledged to us that they had completed internal carbon accounting to allow work with companies like IBM, that require contractors to account for their carbon emissions.

3. Does your company have rules about what clients you will and will not take, or the types of tactics you deploy?

1 https://www.theguardian.com/environment/2015/sep/15/edelman-ends-work-with-coal-and-climate-change-deniers 2 https://www.edelman.com/about-us/position-climate-change

> Climate Investigations Center P.O. Box 91 | Alexandria, Virginia 22314 www.ClimateInvestigations.org



Some companies reported to us in 2014 that they had instituted internal policies to avoid working with certain industries or employing certain tactics, including setting up front groups or deploying astroturf grass roots groups. This pledge aligns with the PRSA Code of Ethics³, which lists such things as "Examples of Improper Conduct":

- Front groups: A member implements "grass roots" campaigns or letter-writing campaigns to legislators on behalf of undisclosed interest groups.
- A member deceives the public by employing people to pose as volunteers to speak at public hearings and participate in "grass roots" campaigns.

These questions are increasingly urgent as companies react to building pressure for social responsibility on climate change. For example, it recently came to light that the electric utility Entergy hired the Hawthorn Group PR firm, which engaged a company that paid 'actors' to pose as power plant supporters and give testimony in a public hearing, while instructing them explicitly not to disclose the arrangement. As details emerge, it appears all parties knew more than previously disclosed.⁴

This is reminiscent of revelations in 2009, also involving Hawthorn Group, then a contractor to the American Coalition for Clean Coal Electricity, a non-profit lobbying group of coal, rail and utility companies. Hawthorn Group was paid to generate opposition to an emerging climate change bill in Congress, and hired a "third party advocacy" subcontractor, Jack Bonner and Associates to do so. Bonner's company created fake letters opposing the bill, some on NAACP letterhead, which were addressed to members of Congress. Fake grassroots groups and fake letters are the very definition of *fake news* and weaken the credibility of the entire public policy arena.⁵

Thank you in advance for your time,

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Kert Davies Executive Director Climate Investigations Center

3 <u>https://www.prsa.org/ethics/code-of-ethics/</u>

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5 http://thehill.com/homenews/house/65443-coal-group-grassroots-firm-knew-of-forgeries-before-climate-vote

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