

Contact: Liz Duxbury, L.Duxbury@merid.org; 202-354-6450

Leading U.S. Businesses Call on Congress to Enact a Market-Based Approach to Climate Change *New initiative focused on working collaboratively with lawmakers to explore policy options*

(WASHINGTON – May 15, 2019) The CEOs of 13 U.S. and Global Fortune 500 companies or their subsidiaries, in collaboration with four leading environmental groups, today issued a call for action on climate change, including an economy-wide carbon pricing policy to meet the climate challenge at the lowest possible cost.

This new initiative, known as [The CEO Climate Dialogue](#) (The CEO Dialogue), urges the President and Congress to put in place a long-term federal policy as soon as possible, in accordance with a set of [six Guiding Principles](#) for climate legislation. The group aims to build bipartisan support for climate policies that will increase regulatory and business certainty, reduce climate risk, and spur investment and innovation needed to meet science-based emissions reduction targets.

Companies involved in The CEO Dialogue include BASF Corporation, BP, Citi, Dominion Energy, Dow, DTE Energy, DuPont, Exelon, Ford Motor Company, LafargeHolcim, PG&E Corporation, Shell, and Unilever. With input from four leading environmental groups – the Center for Climate and Energy Solutions, Environmental Defense Fund, The Nature Conservancy, and World Resources Institute – the group is committed to working with lawmakers to explore various policies designed to address carbon pricing.

The CEO Dialogue advocates for the following six principles to inform and accelerate federal climate legislation:

1. **Significantly reduce U.S. greenhouse gas emissions** so that the U.S. is demonstrably a leader on global efforts to effectively limit climate change. Specifically, U.S. policy should ensure the country is on a path to achieve economy-wide emissions reductions of 80% or more by 2050, with aggressive near- and mid-term emission reductions commensurate with this goal.
2. **Effective:** A key test of any climate policy is whether it will deliver timely emissions reductions across the economy and includes mechanisms that provide certainty that emission goals are met. The timeline for reductions must allow capital-intensive industries to adjust in an economically rational manner. Policies must encourage investment and planning decisions consistent with the timeframes needed. Policies must focus on emissions reductions outcomes, not specific resources or technologies.
3. **Market-based:** An economy-wide price on carbon is the best way to use the power of the market to achieve carbon reduction goals in a simple, coherent and efficient manner. We desire to do this at the least cost to the economy and households. Markets will also spur innovation and create and preserve quality jobs in a growing low-carbon economy.
4. **Durable and responsive:** Well-designed and stable policies will deliver predictable results and increase public support over time, providing durability across time and political cycles. Policies should be adaptive over time in terms of pace and scope of reductions as our understanding of climate change, policy impact, and technological changes evolves.
5. **Do no harm:** Policies must support the competitiveness of the U.S. economy. Policies must address emissions leakage that can undermine climate objectives. Policies must also safeguard against negative impacts on biodiversity, land, and water.
6. **Promote equity:** Unabated climate change is a major threat to the U.S. economy. Therefore, policies to address climate change, which may also entail some cost, must provide transparency and promote

affordability while distributing costs and benefits in such a way that promotes equity. Policies must include mechanisms to invest in American workers and in disadvantaged communities that have the least resources to manage the costs of climate change.

With these Guiding Principles, The CEO Dialogue will initiate constructive and ongoing discourse with members of Congress, focusing on the need for market-based policy solutions.

Commentary from CEO Dialogue participants:

BASF

“Climate change and global warming are among the most pressing challenges of our time. BASF products enable energy efficiency and climate protection in a variety of sectors. We work continuously to further reduce emissions from our production and have set ourselves the goal of CO₂ neutral growth until 2030. Through the CEO Dialogue, we will engage with stakeholders and develop solutions to safeguard our planet.”

— *Wayne T. Smith, Chairman & CEO, BASF Corporation*

BP

“BP supports the Paris goals and has long advocated for a well-designed, economy-wide price on carbon to help deliver them. That’s why we are proud to be a part of The CEO Climate Dialogue, which will help inform the bipartisan discussions needed to enact effective carbon-pricing policy in the U.S. Only by working together – industry, government and society – can we solve the dual challenge of providing more energy with fewer emissions and move toward the low-carbon future we all seek.”

— *Susan Dio, Chairman & President, BP America*

Dominion Energy

“For more than a decade, Dominion Energy has embraced the opportunity to deliver cleaner, affordable and reliable energy. Our CO₂ emissions have declined by more than 50%, and over 85% of our generation comes from low or no carbon sources. The CEO Climate Dialogue will work to build bipartisan solutions that promote innovation and achieve meaningful, economy-wide emission reductions while ensuring technological leadership and continued economic growth.”

— *Thomas F. Farrell, Chairman, President & CEO, Dominion Energy*

DTE Energy

“DTE is proud to be a part of The CEO Climate Dialogue. As we continue our journey toward an 80 percent reduction in carbon emissions by 2040 – and companies across our sector are on similar ambitious paths, we think it is important to join with our peers in other sectors and the environmental community to advocate for practical, economy-wide solutions to climate change.”

— *Gerry Anderson, Chairman & CEO, DTE Energy*

DuPont

“DuPont is pleased to be part of The CEO Climate Dialogue and support its guiding principles to accelerate the development of federal policy on climate change. At DuPont, our science and innovation is inextricably linked with sustainability practices that deliver specialized materials that contribute to a safer, healthier, more sustainable world. We believe strong, consistent policy measures and a cohesive regulatory environment are needed to accelerate the transition to a low-carbon economy and foster innovation, investment and economic growth.”

— *Marc Doyle, CEO-Elect, DuPont*

Exelon

“As the nation’s largest producer of clean energy, Exelon stands with our customers who demand swift action on climate change to protect our communities, our environment and the safety and reliability of our energy infrastructure. We have long-supported carbon pricing as the fastest, most economical way to both reduce emissions and encourage investment in new and existing clean power sources, so I am proud to join my peers in advocating for action through The CEO Climate Dialogue.”

— *Chris Crane, President & CEO, Exelon*

Ford

“Ford is deeply committed to reducing carbon emissions from our vehicles and facilities and believes that a comprehensive solution across all sectors is needed to address climate change. The CEO Climate Dialogue brings together a variety of voices from the business community to address climate policy issues urgently and in a universal way. We’re proud to be the first automaker to join the initiative as we invest more than \$11 billion to put new, electrified vehicles on the road even faster.”

— *Joe Hinrichs, President, Automotive, Ford*

LafargeHolcim

“Tackling the challenge of climate change is no easy task, and as industry leaders, we have an opportunity to join forces to advocate for climate legislation. It is critical we begin to set durable and achievable goals that help safeguard the environment while reducing our carbon footprint.”

— *Jamie Gentoso, CEO, US Cement, LafargeHolcim*

PG&E

“PG&E’s commitment to a clean energy future, and to helping California achieve its greenhouse-gas reduction goals, is as strong as ever. Effective climate policies start with a constructive dialogue among the full spectrum of stakeholders. We are proud to help lead that conversation.”

— *Bill Johnson, CEO & President, PG&E Corporation*

Shell

“We have long recognized the climate challenge and will continue to play our part in addressing it. That includes re-shaping our portfolio to produce lower carbon products and following up our emissions reductions aspirations with measurable targets – an industry first. Still, an effective carbon pricing policy, based on the guiding principles outlined by The CEO Climate Dialogue, is one of the strongest levers we can pull to foster innovation, inspire new technology and drive lower carbon consumer choices.”

— *Gretchen Watkins, President, Shell*

Unilever

“There is an urgent need for action on climate change, and no one person or company can solve it in isolation. It will require systemic change and cooperation from governments, companies and individuals. I am proud to join with U.S. business leaders from different sectors to support policy action, including carbon pricing.”

— *Amanda Sourry, President, Unilever North America*

Commentary from environmental organization partners:

C2ES

“The drive for climate solutions is building in Washington and boardrooms alike. It’s clear that economy-wide carbon pricing policy is an essential component of a comprehensive, cost-effective climate strategy. Companies have been stepping up, reducing their emissions, tracking their supply chains, and improving efficiency. But they’re also sending a message to Congress they can’t do it alone. By seizing opportunities right now for bipartisan progress on near-term steps, Congress can make vital progress toward a durable and effective market-based solution.”

— *Bob Perciasepe, President, Center for Climate and Energy Solutions (C2ES)*

Environmental Defense Fund

“The most underused tool for fighting climate change is corporate advocacy. Business voices matter to Congress, but the vast majority of companies have been missing from the climate policy debate — or even worse, have been lobbying against environmental progress. Together, the CEO Climate Dialogue companies are using their political influence to chart a new course for corporate sustainability leadership and drive down pollution across the economy.”

— *Fred Krupp, President, Environmental Defense Fund*

The Nature Conservancy

“Climate change is in my view the biggest challenge we face. And time is not on our side—we are in the race of our lives. It is critical that all of us—citizens, government officials, business leaders, everyone—act now. I’m very encouraged to see these CEOs step up and push for decisive action now.”

— *Mark Tercek, President & CEO of The Nature Conservancy*

World Resources Institute

“Demand for U.S. climate action is building. It is a welcome sign that these companies are coming forward with clear and strong principles for Congressional climate action. Such policies can benefit the economy as well as the planet. We need these companies and many others to make their voices heard.”

— *Andrew Steer, President & CEO, World Resources Institute*