

GEOEXCHANGE & PUBLIC RELATIONS

*Building credibility & mastering crisis
management in a new climate*

FROM THE **GROUND UP**
OGA CONFERENCE 2018
February 27 - 28 | The Westin Toronto Airport | Toronto, ON



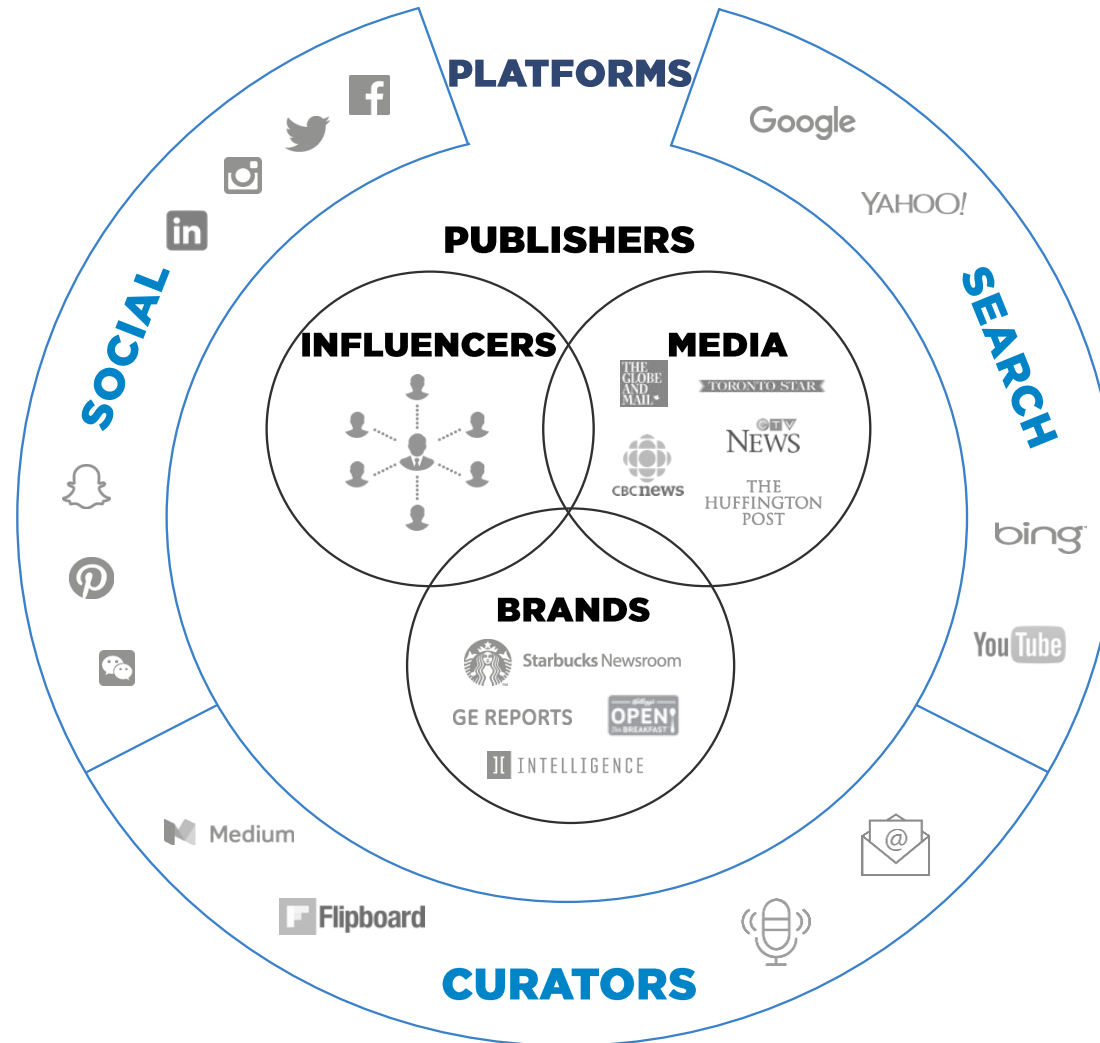
AGENDA

1. The Risk Landscape and Today's Operating Realities (10 mins)
2. Crisis Communications Fundamentals (20 mins)
3. Best Practices for Messaging and Managing the Media (15 mins)
4. Key Takeaways for OGA Members (5 mins)
5. Q&A (10 mins)

The background of the image is a dark, stormy sky with heavy, grey clouds. Several bright, jagged lightning bolts are visible, with one prominent bolt striking downwards on the right side. A solid blue triangle is positioned on the left side of the image, pointing towards the center. Overlaid on this background is the text "TODAY'S LANDSCAPE" in a bold, white, sans-serif font.

TODAY'S LANDSCAPE

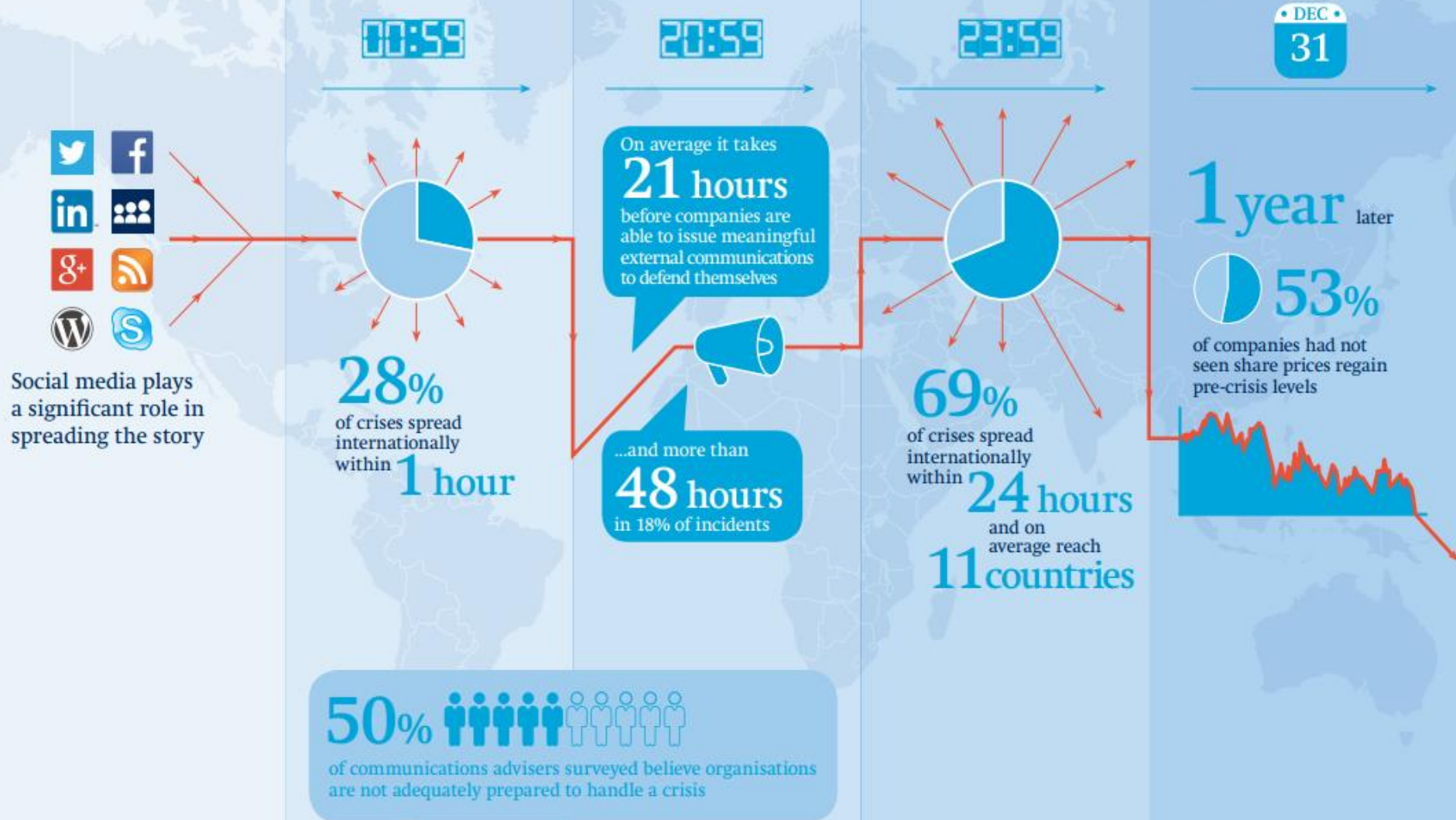
THE ECOSYSTEM HAS CHANGED



The likelihood that a company will face a game-changing crisis has risen by over **400%** in the last decade.

Containing a crisis in a digital age

More than one-quarter of crises spread to international media within an hour and over two-thirds within 24 hours. Despite six out of 10 cases providing days if not months of notice, it still takes an average of 21 hours for companies to respond, leaving them open to 'trial by Twitter'



TRADITIONAL RISKS



EMERGING RISKS



WHAT KEEPS YOU UP?

- Customer service issues
- Quality and safety issues (installation, reliability of technology)
- Online issues (bad HomeStars and Yelp reviews)
- Media issues (scrutiny/exposé on the geothermal industry or an installation gone wrong)
- Regulatory issues (major changes to industry regulations)
- Environmental / societal issues (ENGO activism)



'People are being duped': CBC exposes homegrown lies at farmers markets

Some Ontario vendors caught misleading consumers about the food for sale on their tables



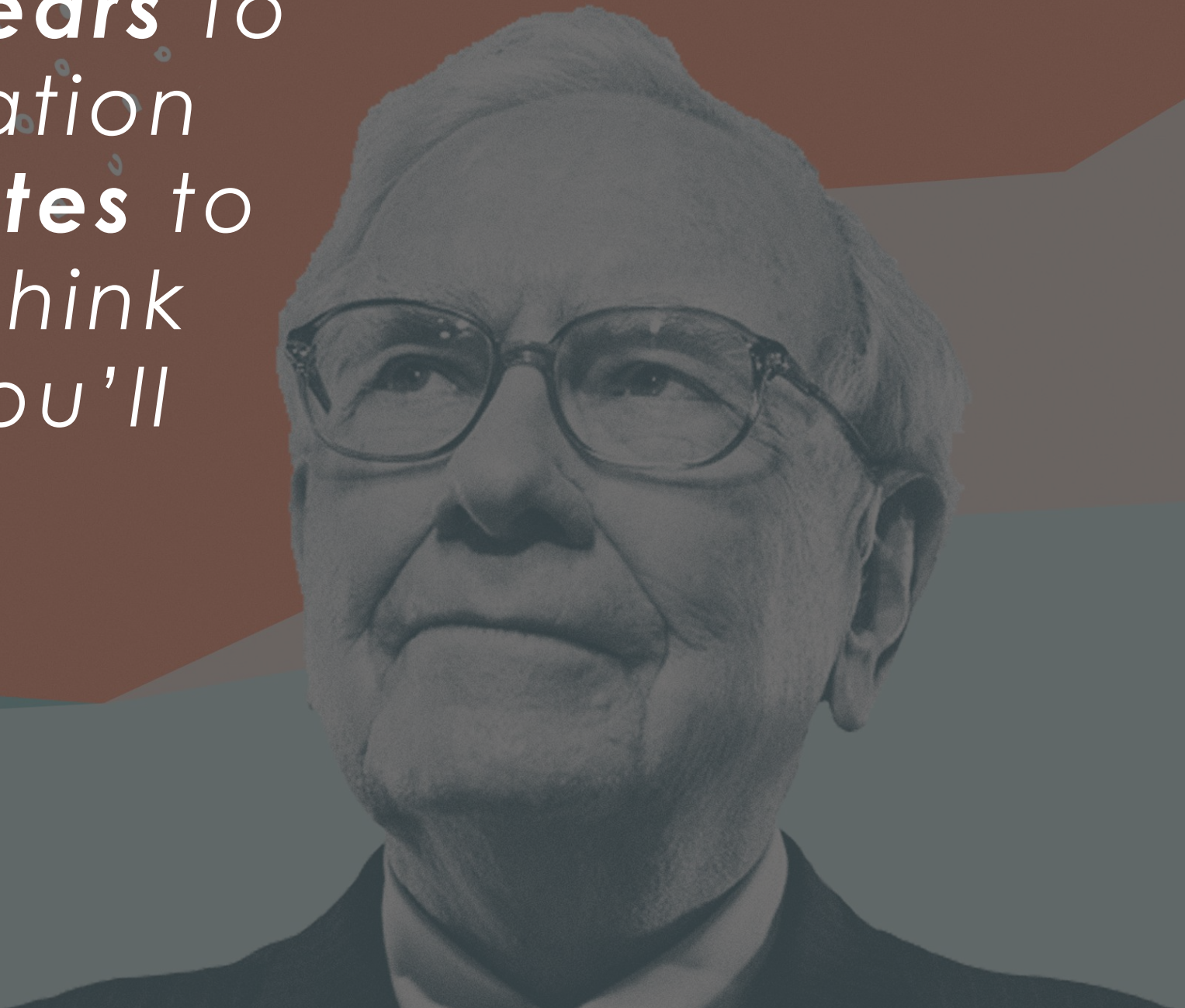
Farmer Lauren Nurse says farmers market customers 'should be able to have confidence in the food they're buying and who they're buying it from.' (CBC)



THE FUNDAMENTALS

*“It takes **20 years** to
build a reputation
and **five minutes** to
ruin it. If you think
about that, you’ll
do things
differently.”*

-Warren Buffet



TRUST-BUILDING ATTRIBUTES

Company Importance vs. Performance

	% Importance	% Performance	Gap
Integrity	62	34	28
Has Ethical Business Practices	66	37	29
Takes Responsible Actions To Address An Issue Or A Crisis	61	34	27
Has Transparent And Open Business Practices	58	32	26
Engagement	62	35	27
Treats Employees Well	68	38	30
Listens To Customer Needs And Feedback	63	36	27
Places Customers Ahead Of Profits	62	33	29
Communicates Frequently And Honestly On The State Of Its Business	54	32	22
Products	51	36	15
Offers High Quality Products Or Services	62	38	24
Is An Innovator Of New Products, Services Or Ideas	40	33	7
Purpose	45	28	17
Works To Protect And Improve The Environment	54	31	23
Creates Programs That Positively Impact The Local Community	47	30	17
Addresses Society's Needs In Its Everyday Business	44	28	16
Partners With NGOs, Government And Third Parties To Address Societal Issues	36	25	11
Operations	39	30	9
Has Highly-Regarded And Widely Admired Top Leadership	43	28	15
Ranks On A Global List Of Top Companies, Such As Best To Work For Or Most Admired	37	30	7
Delivers Consistent Financial Returns To Investors	38	31	7

Source: 2017 Edelman Trust Barometer Q80-639. How important is each of the following attributes to building your TRUST in a company? Use a 9-point scale where one means that attribute is "not at all important to building your trust" and nine means it is "extremely important to building your trust" in a company. (Top 2 Box, Importance) Q114-654. Please rate businesses in general on how well you think they are performing on each of the following attributes. Use a 9-point scale where one means they are "performing extremely poorly" and nine means they are "performing extremely well". (Top 2 Box, Performance) General Population, Canada.



WHAT IS A CRISIS?

A crisis is any sudden and unpredictable event – natural or human in origin – that invites external scrutiny and has the potential to negatively impact an organization's business, relationship and reputation with its stakeholders, corporate partners, employees, and the community.

Good indicators that you are in or near a crisis:

- It is severely impacting your ability to conduct business (license to operate)
- It grows to regional, national or global awareness
- It attracts attention of highly influential people or regulators/officials
- It is a severe and immediate threat to reputation

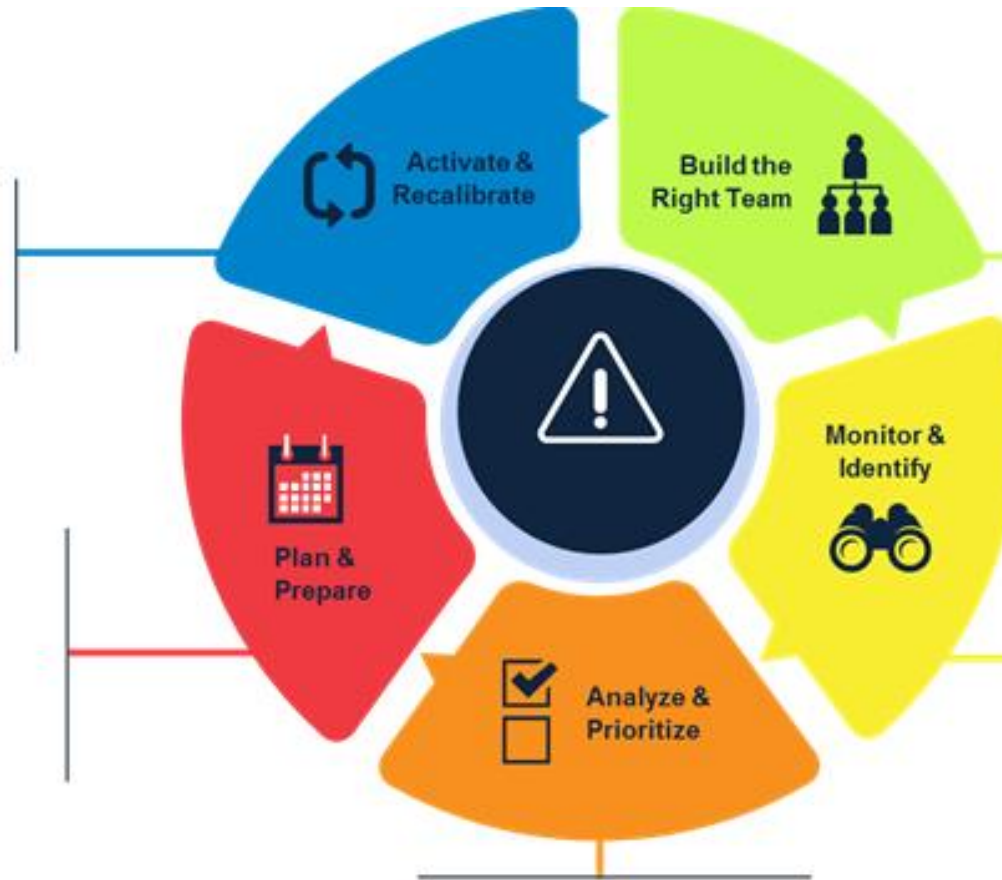
THE WRONG WAY TO MANAGE A CRISIS



THE RIGHT WAY TO MANAGE A CRISIS

- Be prepared to activate on a moments notice
- Learn form lessons, even during small events

- For highest probability risks, prepare response plans
- Train employees on response plans and educate on excitations



- Educate employees about reputational risk
- Identify teammates who will help out in a crisis
- Pre-identify external support/ resources if required

- Pay attention to your stakeholders by establishing reliable listening posts
- Ensure proper feedback mechanisms are in place
- Watch for 'early indicators' that there might be an issue

- Identify the issues or crises that would have the biggest impact on your organization
- Identify ways to mitigate your biggest concerns
- Identify what your stakeholders care about most

RELIABLE LISTENING POSTS

INTERNAL

- Worksite/site of an incident
- Reception or customer service channels
- Administration teams
- PR/communications team

EXTERNAL

- Customers
- News and online
- Social media and forums
(Facebook, Twitter, Yelp, HomeStars)
- Local mayor/gov. official/regulators
- Industry peers



HOW YOU RESPOND MATTERS MORE THAN WHAT HAPPENED

- Speed counts
- Own the facts (balance speed & accuracy)
- Be transparent, and true to your values
- Start with heart – empathize with impacted individuals/communities
- Don't try to minimize the situation
- Do the right thing
- Put the right face on your response
- Consider all media formats
- Consider all audiences/stakeholders



LEADERS TAKE THE LEAD

Per cent who agree that CEOs should be personally visible in discussing...

80%

A crisis involving their company

79%

Talking about the company's purpose and vision

76%

Discussing the work their company has done to benefit society

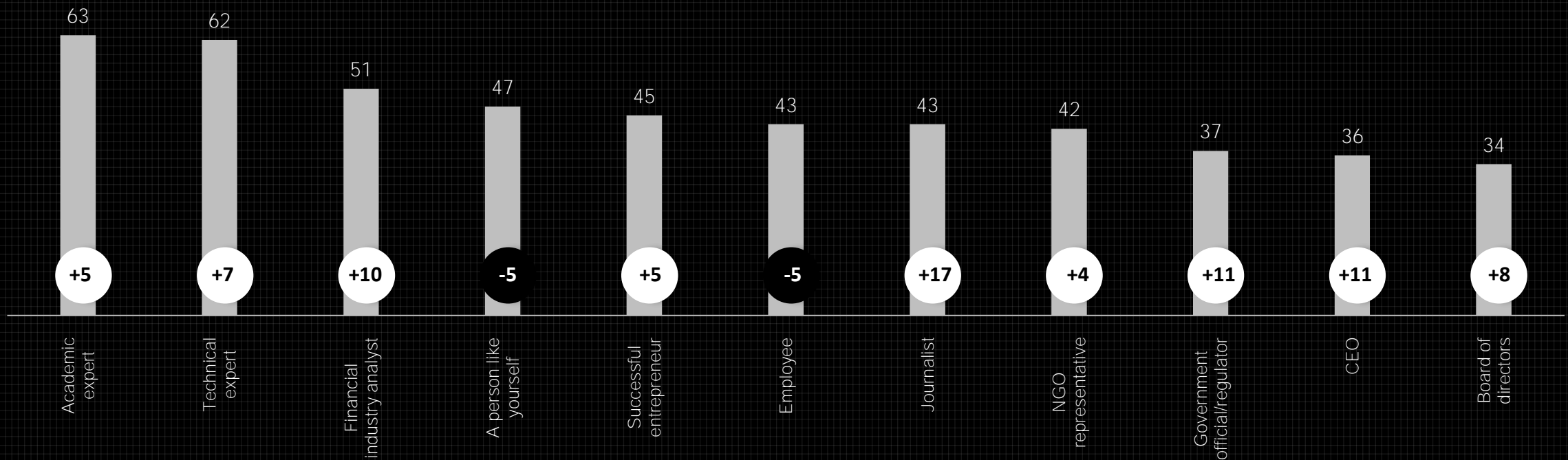
75%

Defining the culture of their company

CANADIANS RETURNING TO FIGURES OF AUTHORITY FOR TRUTH

— 0 + Y-to-Y Change

Per cent who rate each spokesperson as very/extremely credible, and change from 2017 to 2018, in Canada

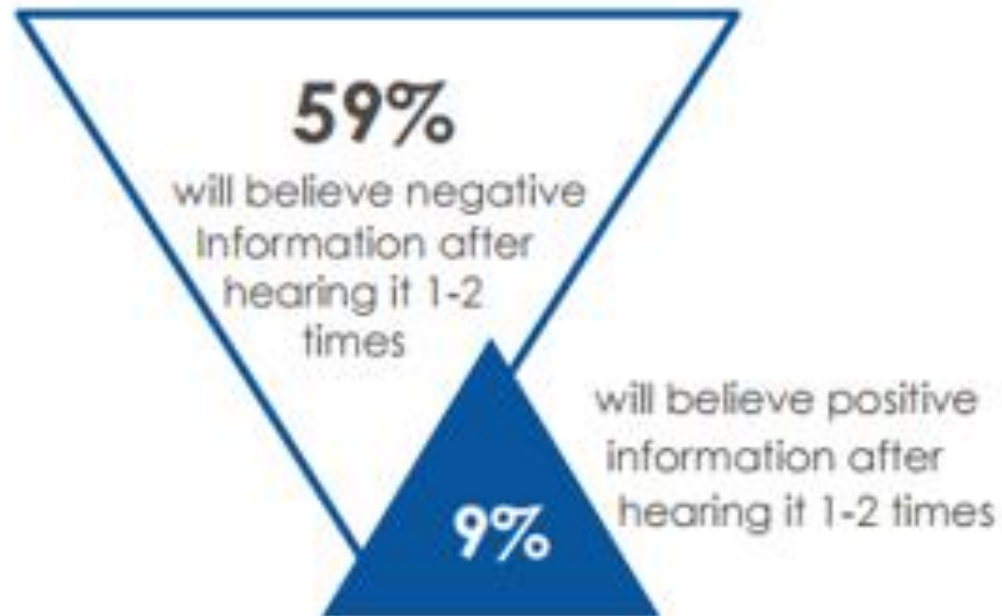


Source: 2018 Edelman Trust Barometer. CRE_PPL. Below is a list of people. In general, when forming an opinion of a company, if you heard information about a company from each person, how credible would the information be—extremely credible, very credible, somewhat credible, or not credible at all? (Top 2 Box, Very/Extremely Credible), question asked of half of the sample. **General population, Canada.**



TRUST MATTERS

WHEN A COMPANY IS NOT TRUSTED

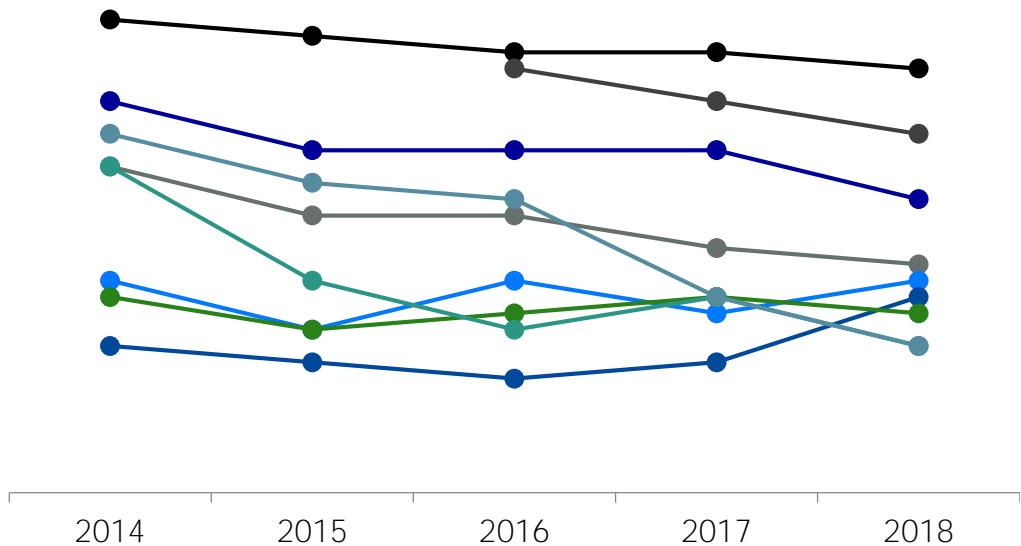


VS.

WHEN A COMPANY IS TRUSTED



GOOD NEWS: TRUST IN ENERGY IS ON THE RISE



Industry	2014	2015	2016	2017	2018	5 yr. Trend
Technology	74	73	72	72	71	-3
Health care	-	-	71	69	67	-
Food and beverage	69	66	66	66	63	-6
Consumer packaged goods	65	62	62	60	59	-6
Telecommunications	58	55	58	56	58	0
Energy	54	53	52	53	57	+3
Financial services	57	55	56	57	56	-1
Automotive	65	58	55	57	54	-11
Entertainment	67	64	63	57	54	-13

Source: 2018 Edelman Trust Barometer. TRU_IND. Please indicate how much you trust businesses in each of the following industries to do what is right. Again, please use the same 9-point scale where one means that you “do not trust them at all” and nine means that you “trust them a great deal”. (Top 4 Box, Trust), industries shown to half of the sample. General Population, Canada.

STILL, STUFF WILL HAPPEN...



CBCnews.ca

Mississauga plaza blast forces families out of nearby homes

Explosion destroyed building, shattered glass, prompted the evacuation of nearby apartments

THE
GLOBE
AND
MAIL

HVAC and plumbing installs complicate Etobicoke home rebuild

FROM THE GROUND UP

Everything hits at once



THE GLOBE AND MAIL
CANADA'S NATIONAL NEWSPAPER • FOUNDED 1844

Investors bail on landlocked Canadian oil as pipeline woes deepen

NATIONAL POST

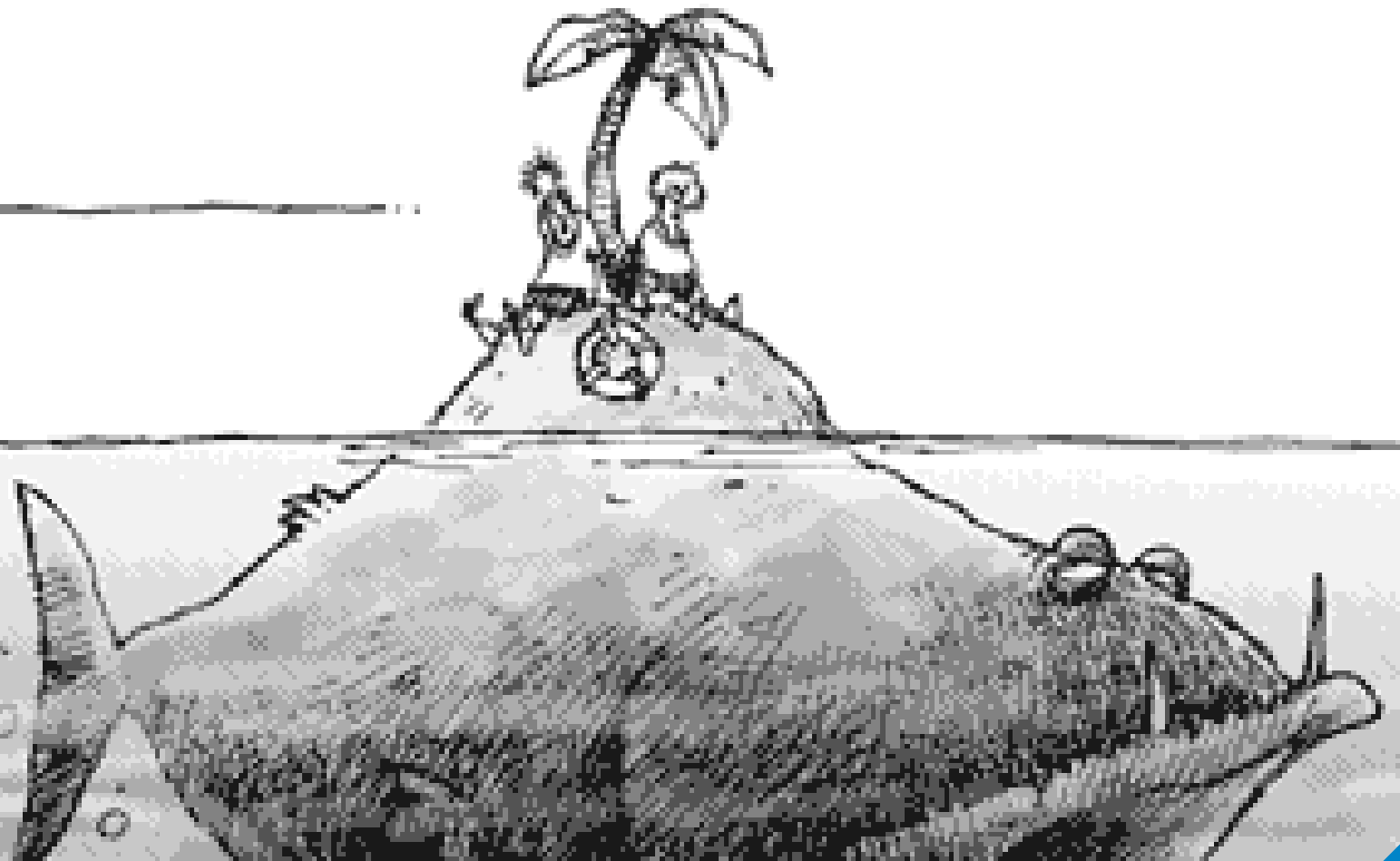
Untamed torrent of well water threatens multi-million dollar Vancouver homes

Breach of aquifer has Vancouver worried about formation of sinkhole

AT THE END OF THE DAY

WELL, LET'S
LOOK AT THE
BRIGHT SIDE...

HOW MUCH
WORSE CAN IT
POSSIBLY GET?



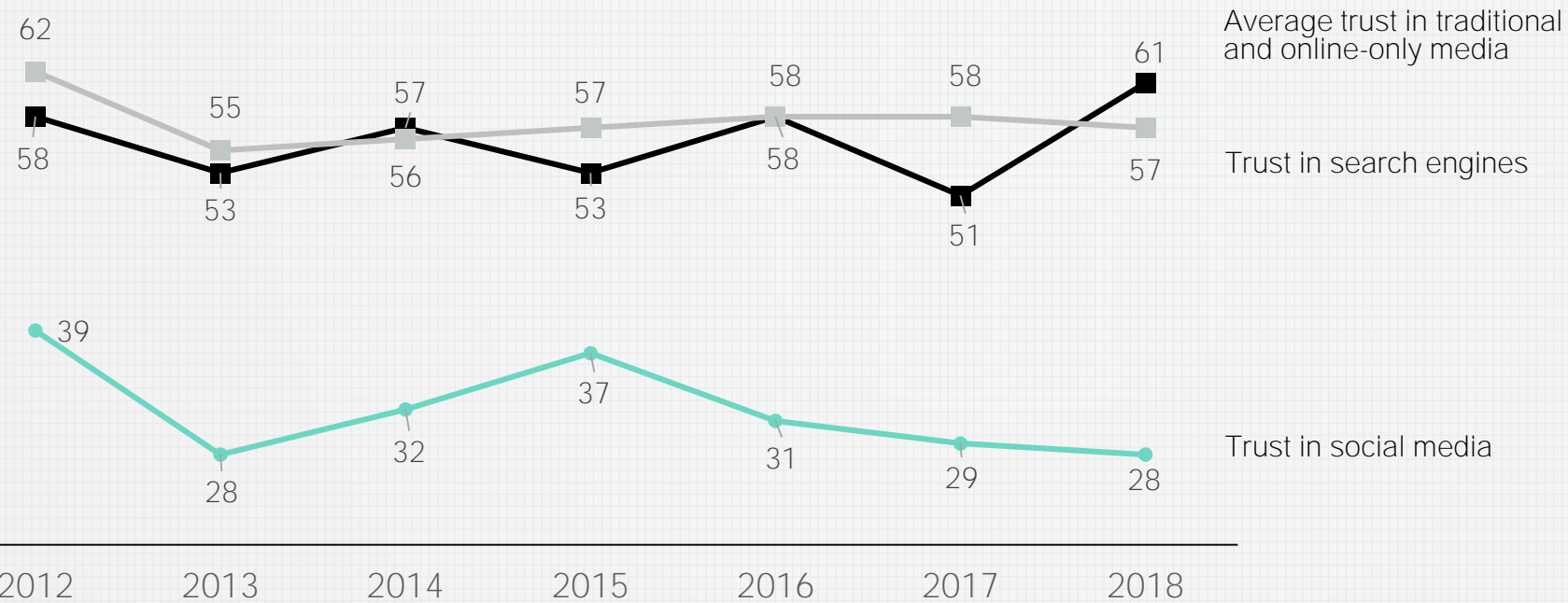


BEST PRACTICES

For Messaging & Managing the Media

TRUST IN JOURNALISM UP

Per cent trust in general news and information sources, 2012 to 2018, in Canada



+10
Journalism

-1
Search

-1
Social

Source: 2018 Edelman Trust Barometer. COM_MCL. When looking for general news and information, how much would you trust each type of source for general news and information? Please use a nine-point scale where one means that you "do not trust it at all" and nine means that you "trust it a great deal." (Top 4 Box, Trust), question asked of half of the sample. General population, Canada.

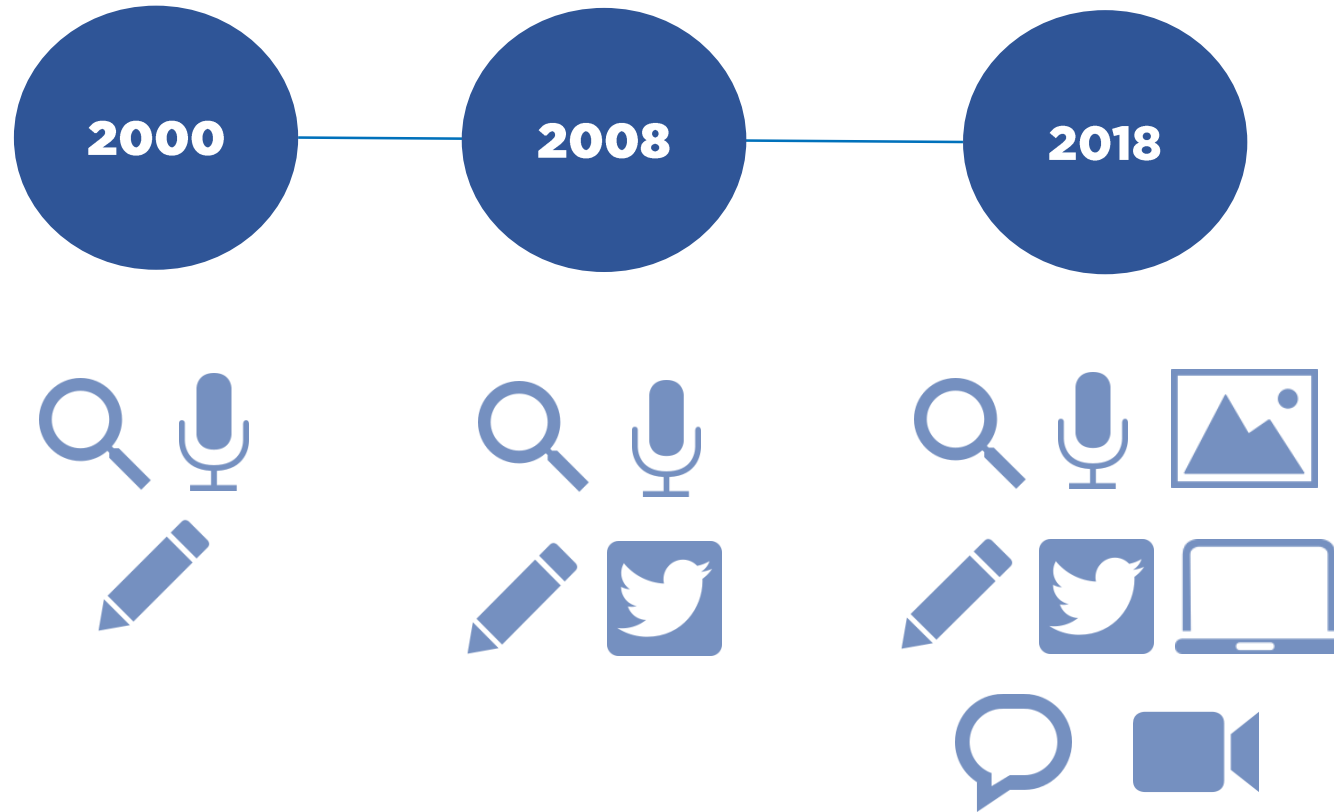
Journalism is an average of traditional media and online-only media.



A FEW THINGS ABOUT REPORTERS...

- They work for the reader
- They don't work for you
- They are seeking news
- They are paid to be skeptical and challenging

THE JOURNALIST'S GROWING "TO DO" LIST



WHY DO AN INTERVIEW?

- Present your side of the story and address inaccuracies
- Reach broad audiences through a reputable source
- Demonstrate transparency
- Drive preference for your products, enhance company's reputation
- Defuse controversy

If you don't over your message, someone else will offer theirs.

WHAT IF A REPORTER CALLS?

Do...

- Be respectful
- Ask:
 - Their name?
 - What organization / media outlet they represent?
 - How you can help?
 - Do they have a deadline?
 - Who else are they speaking to?
- Confirm action you will take
- Manage expectations on response times
- Politely close the conversation

Don't...

- Be aggressive
- Be defensive
- Get lured into comment or speculation
- Offer anything 'off the record'

BEFORE AN INTERVIEW...

- Research the reporter
- Gather background info
- Prepare a Q&A
 - Questions you expect will be asked
 - Questions you hope will be asked
 - Questions that keep you up at night
- Think about the points you want to get across



Edward Burkhardt

MONTREAL, MAINE & ATLANTIC RAILWAY CHAIRMAN



SO, WHAT DO YOU SAY?

- Demonstrate empathy – show you care
- Be consistent
- Make messages your own (be authentic)
- Demonstrate action(s)
- Tie back to values
- Reassure processes are in place

THE REACTIVE NARRATIVE

STEP 1

*Provide context
& background*

What are the known details/
sequence of events?

What action has been taken?

Why did this happen?

STEP 2

*Draw in your
audience*

What is the impact on
your audience?

Why should they care?

What are you doing to
help them?

STEP 3

*What are the
next steps?*

What action(s) will be taken?
Is there a solution? What is it?

Why do you believe the new
approach will prevent the
problem from recurring?

WHAT ABOUT SOCIAL / ONLINE?

- Monitoring is key: always be listening
- Think beyond Twitter and Facebook
- Know when to respond / engage
- Take difficult or sensitive conversations offline



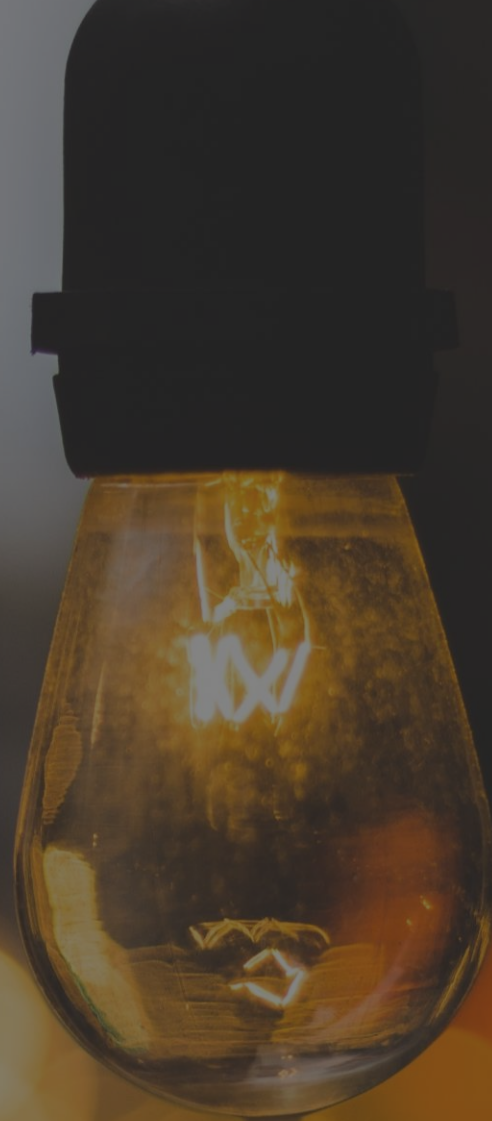


KEY TAKEAWAYS

OPPORTUNITY FOR OGA MEMBERS

- Be prepared!
- Pay attention
- Recognize the role you have to play as business leaders and owners – set the right tone
- Canadians have a renewed appetite for credible, authoritative voices
- Rising trust in energy gives you a platform to tell your story

QUESTIONS?





THANK YOU