

News Release

Competition Act amendments silence Canadian businesses taking climate action

June 20, 2024

As the largest oil sands companies in Canada, and members of the Pathways Alliance, we are steadfast in our commitment to environmental performance and operational emissions reduction. To support our commitment, we have strived to be transparent about our actions and plans, which we believe is critical to building trust and driving improvement.

However, our ability to remain transparent has been significantly compromised as a result of Bill C-59, which was recently passed and includes amendments to the Competition Act related to environmental and climate disclosure. With these changes, it is possible that certain public representations by a business about the benefits of the work it is doing to protect or restore the environment or address climate change will violate the Competition Act and subject it to significant financial penalties unless the business can adequately and properly substantiate their claims according to “internationally recognized methodology,” which may or may not exist.

Creating a public disclosure standard that is so vague as to lack meaning and that relies on undefined “internationally recognized methodology” opens the door for frivolous litigation, particularly by private entities who will now be empowered to directly enforce this new provision of the Competition Act. This represents a serious threat to freedom of communication.

These amendments create significant uncertainty and risk for all Canadian companies regardless of sector, that communicate publicly about environmental performance, including actions to address climate change. As a result, we have been forced to remove information on environmental and climate performance, progress, and plans from our websites, social media platforms and other communications channels at this time. These actions are a direct consequence of this legislation and are not related to our commitments or belief in the accuracy of our environmental communications.

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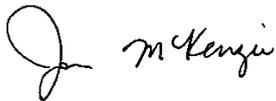
The result of this legislation, which has been quickly put in place with little or no consultation, is to silence Canadian businesses taking climate action. We will continue to impress on the federal government the need for clarity regarding these new amendments so that we and all other industries can share the important work we are doing to preserve and restore the environment and address climate change.



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Cautionary Statement: Statements of future events or conditions in this press release, including projections, targets, expectations, estimates, and business plans are forward-looking statements. Forward-looking statements can be identified by words such as achieve, aspiration, believe, anticipate, intend, propose, plan, goal, seek, project, predict, target, estimate, expect, forecast, vision, strategy, outlook, schedule, future, continue, likely, may, should, will and/or similar references to outcomes in future periods. Forward-looking statements in this press release include, but are not limited to, references to the viability, timing and impact of GHG emission reduction strategies; support for GHG emission reduction pathways from the Government of Alberta and the Government of Canada; the ability to enable GHG emission reductions from oil production and preserve economic contribution from the industry; the deployment of technologies to reduce GHG emissions; the ability to create jobs, accelerate development of the clean tech sector, provide benefits for other sectors and help maintain Canadians' quality of life; and making economic investments to ensure a successful transition of Canada to a net zero world and delivering long term value to shareholders. All references to GHG emission reduction in this announcement apply to emissions from oil sands operations (defined as scope 1 and scope 2 emissions).

Forward-looking statements are based on current expectations, estimates, projections and assumptions at the time the statements are made. Actual future results, including expectations and assumptions concerning: demand growth and energy source, supply and mix; amount and timing of emissions reductions; the adoption and impact of new facilities or technologies, including on reductions to GHG emissions; project plans, timing, costs, technical evaluations and capacities, and the ability to effectively execute on these plans and operate assets; that any required support for the pathways from the Government of Alberta and the Government of Canada will be provided; applicable laws and government policies, including climate change and restrictions in response to COVID-19; production rates, growth and mix; general market conditions; and capital and environmental expenditures, could differ materially depending on a number of factors. These factors include global, regional or local changes in supply and demand for oil, natural gas, and petroleum and petrochemical products and the resulting price, differential and margin impacts; political or regulatory events, including changes in law or government policy and actions in response to COVID-19; the receipt, in a timely manner, of regulatory and third-party approvals including for new technologies; lack of required support from the Government of Alberta and the Government of Canada; environmental risks inherent in oil and gas exploration and production activities; environmental regulation, including climate change and GHG regulation and changes to such regulation; availability and allocation of capital; availability and performance of third-party service providers; unanticipated technical or operational difficulties; project management and schedules and timely completion of projects; reservoir analysis and performance; unexpected technological developments; the results of research programs and new technologies, and ability to bring new technologies to commercial scale on a cost-competitive basis; operational hazards and risks; general economic conditions, including the occurrence and duration of economic recessions; and other factors referenced by the companies' in their most recent respective annual reports and management's discussion and analysis, as applicable.

Forward-looking statements are not guarantees of future performance and involve a number of risks and uncertainties, some that are similar to other oil and gas companies and some that are unique to the companies. Actual results may differ materially from those expressed or implied by its forward-looking statements and readers are cautioned not to place undue reliance on them. The companies undertake no obligation to update any forward-looking statements contained in this press release, except as required by applicable law.