INVESTORS *for*
PARIS COMPLIANCE

A Complaint to the Alberta Securities Commission

August 2025

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PART 1 - SUMMARY

1. This complaint is submitted to the Alberta Securities Commission (ASC) pertaining to the market activities of Cenovus and Enbridge.

2. Securities regulators in Canada have been clear that material environmental-related disclosures by market participants are subject to the same standards of accurate and complete disclosure as financial disclosures.

3. Moreover, the same regulators have repeatedly expressed concern regarding the prevalence of “overly promotional disclosure” in the form of greenwashing.

4. The existence of anti-greenwashing provisions overseen by the federal Competition Bureau does not replace the duty of securities regulators to enforce securities law in relation to greenwashing.

5. The companies in this complaint have acknowledged that climate-related transition poses material risks to their business, and by extension to their investors, and have responded with “net zero” commitments and programs.

6. The most credible global and Canadian energy models conclude that only dramatically reduced levels of fossil fuel production and consumption are consistent with net zero, and resulting standards outline transition metrics for oil and gas companies that include comprehensive scope 3 reductions targets and the shifting of a majority of capital expenditures into transition activities.

7. Neither Cenovus nor Enbridge have ever met such metrics, instead continuing to engage in significant fossil fuel expansion in direct contradiction to net zero.

8. Moreover, both companies have consistently engaged in overly promotional disclosure – greenwashing – in relation to their net zero activities, both directly and indirectly via industry associations.

9. Cenovus is engaging in further incomplete disclosure by removing its net zero disclosures without clarifying whether the company is still standing by its prior commitments.

10. The complainant therefore requests that the ASC conduct an investigation into the net zero disclosures of Cenovus and Enbridge and peer companies to remedy specific instances of overly promotional disclosure, and work with other provincial securities regulators on guidance related to net zero claims by publicly listed companies in Canada.

PART 2 - BACKGROUND

A. The Reporting Issuers and Regulator

11. This complaint is submitted to the Alberta Securities Commission (ASC). This is because it pertains to the market activities of the following registered reporting issuers whose principal jurisdiction is Alberta. Alberta is the principal securities jurisdiction for:
    - Cenovus Energy, profile number 000029116 (“Cenovus”)
    - Enbridge Inc., profile number 000001736 (“Enbridge”)

12. The ASC coordinates and harmonizes its work, along with other provincial securities regulators, via the Canadian Securities Administrators (CSA).

13. The CSA issues periodic staff notices on specific issues as part of this coordination and harmonization process.

B. The Complainant

14. The complainant operates as “Investors for Paris Compliance” (I4PC), which is a project of the Salal Foundation, a registered Canadian charity.

15. I4PC is a shareholder advocacy organization with a mission to hold Canadian publicly-listed companies accountable to their net zero commitments.

16. I4PC does this via in-depth analysis, engagement with companies, filing shareholder proposals, and investor outreach. It has filed proposals in the past with both Cenovus and Enbridge.

C. Legislation and Guidance

17. The *Alberta Securities Act* (S. 92(4.1)) prohibits misleading or untrue statements, including omission of relevant facts.

18. CSA guidance has established that these provisions apply equally to ESG-related disclosures. In 2010 the CSA issued Staff Notice 51-333 Environmental Reporting Guidance[1] in recognition of the emerging materiality of environmental issues. It states,

    > “Information relating to environmental matters is likely material if a reasonable investor’s decision whether or not to buy, sell or hold securities of the issuer would likely be influenced or changed if the information was omitted or misstated.”

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[1] Canadian Securities Administrators, Staff Notice 51-333, Environmental Reporting Guidance, (Oct. 2010).

19. In 2019 the CSA elaborated on climate-related issues with the publication of Staff Notice 51-358 Reporting of Climate Change-related Risks.[2] While the staff notice fleshes out the concepts of physical and transition risks, it also underlines that such disclosures carry the same obligations of accuracy and completeness as financial disclosure:

> "Securities legislation also contains general prohibitions against making statements that a person or company knows (or reasonably ought to know) are materially misleading or untrue. Misrepresentations in a continuous disclosure document also include an omission to state a material fact that is required to be stated or is necessary to be stated in order for that statement not to be misleading."

20. In 2022, the CSA issued Staff Notice 51-364 reviewing continuous disclosure issues for the prior years. One of the issues it flags is "overly promotional disclosure" related to greenwashing. It states,

> "We have observed an increase in issuers making potentially misleading, unsubstantiated or otherwise incomplete claims about business operations or the sustainability of a product or service being offered, conveying a false impression commonly referred to as "greenwashing"."

21. In 2024, the CSA published Staff Notice 51-365 reviewing continuous disclosure issues for the prior years, in which it provides several greenwashing examples.[3] The first example cited is:

> "Disclosure about a target to transition to net zero which can be misleading if the issuer does not indicate what is included in its net zero target and if the issuer has no credible plan to achieve such a target."

22. Staff Notice 51-365 further lays out what is expected from issuers when describing current and proposed ESG related activities:

> "In order to avoid misleading promotional language issuers should ensure that all ESG disclosures, whether voluntary or required, are factual and balanced. ESG disclosure should be specific and supported by facts and corporate activities, as applicable."

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[2] Canadian Securities Administrators, Staff Notice 51-358, Reporting of Climate Change-Related Risks (Aug. 2019).
[3] Canadian Securities Administrators, Staff Notice 51-365, Continuous Disclosure Review Program Activities for the fiscal years ended March 31, 2024 and March 31, 2023 (Nov. 2024).

23. CSA Staff Notice 51-365 also indicates that ESG related disclosures may constitute forward-looking information (FLI),[4] for example, disclosure about future plans to obtain a carbon neutral position. Noting that issuers must have a reasonable basis for FLI,[5] the notice further requires issuers to:

> "...identify the material risk factors that could cause actual results to differ materially, state the material factors or assumptions used to develop the FLI and describe its policies for updating the information."[6]

24. Finally, Staff Notice 51-365 states that in the context of ESG disclosure,

"...issuers are expected to have a reasonable basis for statements respecting future targets or plans and must disclose the material factors or assumptions underpinning those targets or plans and the material risks to achieving those targets or plans."

25. In sum, these CSA staff notices have established that:
    - Environmental disclosure can be material;
    - Such disclosure is subject to the same standards of veracity and completeness as financial disclosure;
    - Contrary to these standards, greenwashing is a growing trend, and
    - Nomenclature in ESG disclosure matters, as does quantification where appropriate, and full and accurate disclosure of the strategies and choices employed.

26. The federal *Competition Act* exists alongside provincial securities law and also contains prohibitions against greenwashing.

27. On May 28, 2024, the Canadian Parliament adopted the *Act to implement certain provisions of the fall economic statement tabled in Parliament on November 21, 2023 and certain provisions of the budget tabled in Parliament on March 28, 2023* (Bill C-59), which came into force on June 20, 2024.[7]

28. Bill C-59 strengthened the *Competition Act* by, among other amendments, introducing a new paragraph clarifying expectations regarding greenwashing. In particular, the updated *Competition Act* now prohibits:

> "[making] a representation to the public with respect to the benefits of a business or business activity for protecting or restoring the environment or mitigating the

[4] Canadian Securities Administrators. [National Instrument 51-102 Continuous Disclosure Obligations]() (2023), Part 4A.
[5] Ibid., s. 4A.2
[6] Ibid., s. 4A.3
[7] An Act to implement certain provisions of the fall economic statement tabled in Parliament on November 21, 2023 and certain provisions of the budget tabled in Parliament on March 28, 2023 (2024), c. 15.

environmental and ecological causes or effects of climate change that is not based on adequate and proper substantiation in accordance with internationally recognized methodology, the proof of which lies on the person making the representation." (s. 74.01(1)(b.2)).[8]

29. Note that nothing in the *Competition Act* nor in Bill C-59 supersedes Canadian securities legislation, nor removes the obligation for securities regulators to enforce this legislation or related guidance regarding overly promotional disclosure and greenwashing.

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[8] *Competition Act,* R.S.C. (1985), c. C-34. https://laws-lois.justice.gc.ca/eng/acts/c-34/page-11.html#h-89170

PART 3 - FACTS

A. Global methodologies have emerged to define and model net zero pathways at the economy and firm level

30. The concept of “net zero” was popularized particularly following the 2018 IPCC *Special Report on Global Warming of 1.5°C*[9] where it was defined: “Net zero carbon dioxide (CO_2) emissions are achieved when anthropogenic CO_2 emissions are balanced globally by anthropogenic CO_2 removals over a specified period.”

31. The study modelled 2050 as the specified period by which the world needs to reach net zero to have a credible chance at staying within 1.5° of warming. “Net zero by 2050” thereby became a common climate ambition and adopted as a target by many countries, investors, and companies.

32. Several global studies have emerged modelling the changes necessary at the global economy scale to reach net zero by 2050. One of the most authoritative is the International Energy Agency (IEA) *Net Zero by 2050: A Roadmap for the Global Energy Sector*.[10]

33. A key conclusion of the IEA *Roadmap* was “Net zero means huge declines in the use of coal, oil and gas” and that “There is no need for investment in new fossil fuel supply.”

34. The general conclusions of the IEA have been supported by other studies, including by the Canada Energy Regulator which modelled a Global Net-zero Scenario[11] that saw a 76% decline in Canadian oil production and a two-thirds drop in gas production by 2050.

35. BP’s net zero scenario projects a decline in oil usage of 85%,[12] and a decline in gas demand of 50% by 2050.[13] The Intergovernmental Panel on Climate Change projects declines in oil and gas demand of 60% and 45% over the same period, respectively for a 1.5°C scenario.[14]

36. Several global and national initiatives have emerged to define and model what net zero means at the firm level, including for oil and gas companies.

37. The Transition Pathway Initiative (TPI), a global initiative which provides “academically robust and independent assessments of how companies are transitioning in line with the

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9 Intergovernmental Panel on Climate Change, [Global Warming of 1.5°C](), IPCC Special Report (2018).
10 International Energy Agency, [Net Zero by 2050: A Roadmap for the Global Energy Sector]() (May 2021).
11 Canada Energy Regulator, [Canada’s Energy Future 2023: Energy Supply and Demand Projections to 2050]() (2023).
12 BP, bp [Energy Outlook, 2024 edition]() (2024) at 30.
13 Ibid at 40.
14 Intergovernmental Panel on Climate Change, [IPCC Sixth Assessment Report, Working Group III: Mitigation of Climate Change](), Summary for Policymakers (2022).

Paris Agreement",[15] provides guidance on climate practices for upstream and midstream oil and gas companies.[16]

38. TPI criteria for oil and gas company net zero alignment include:,
    - Has the company set quantitative targets for reducing its greenhouse gas emissions?
    - Does the company report on Scope 3 emissions?
    - Does the company support domestic and international efforts to mitigate climate change?
    - Does the company quantify the key elements of its emissions reduction strategy and the proportional impact of each action in achieving its targets?
    - Does the company commit to phasing out capital expenditure on carbon intensive assets or products?
    - Does the company align future capital expenditures with its long-term decarbonisation goals and disclose how the alignment is determined?
    - Does the company ensure consistency between its climate change policy and the positions taken by trade associations of which it is a member?

39. The Science Based Targets initiative (SBTi) states that climate-aligned target-setting must include scope 3 when scope 3 emissions make up at least 40% of total emissions.[17]

40. The World Benchmarking Alliance suggests that oil and gas companies should be investing 77% of capital expenditures into low-carbon technologies to align with a 1.5°C scenario.[18]

41. The IEA further suggests that oil and gas companies should be investing about half of their capital expenditures into clean energy by 2030 to align with a 1.5°C scenario.[19]

42. The Institutional Investors' Group on Climate Change (IIGCC) offers the following criteria, among others, for legitimate oil and gas sector transition plans[20]:
    - Recognition of a need for substantial reductions in fossil fuel production by 2050, beginning before 2030, particularly for oil;
    - Net zero GHG emissions ambition which covers most relevant scope 3 categories;
    - Reduction target implied by in-line or below relevant net zero pathway;
    - Quantification of individual decarbonization levers;

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[15] Transition Pathway Initiative, History and investor network (accessed July 2025).
[16] Transition Pathway Initiative, Oil and gas (accessed July 2025).
[17] Science Based Targets initiative, SBTi corporate net-zero standard, version 1.2 (Mar. 2025) at 24.
[18] World Benchmarking Alliance, Climate Energy Benchmark in Oil and Gas, Insights Report (July 2021) at 13.
[19] International Energy Agency, The Oil and Gas Industry in Net Zero Transitions, World Energy Outlook Special Report, (Nov. 2023) at 16.
[20] Institutional Investors' Group on Climate Change, Net Zero Standard for Oil & Gas (Apr. 2023).

- Targets to increase total green energy production;
- Clear strategies to decarbonise capital expenditures;

43. Climate Engagement Canada (CEC) has adapted similar criteria for the Canadian context and developed criteria to assess the alignment of oil and gas companies. To be considered net zero aligned, oil and gas companies must meet targets related to net zero ambition, short-, medium-, and long-term targets, decarbonisation strategy, capital allocation alignment, public policy engagement on climate, climate governance, just transition, and TCFD disclosure.

B. Cenovus and Enbridge have made net zero commitments, with corresponding communications, both directly and via associations

44. Cenovus recognized that the energy transition poses risks to its business model. The company states that "increasing focus on the timing and pace of the transition to a decarbonized economy and resulting trends will likely affect global energy demand and use, including the types of energy generally used by industry and individual consumers."[21]

45. In June 2021, Cenovus committed to net zero in its operations by 2050. The company made its commitment through the Pathways Alliance Commitment to "achieve net zero greenhouse gas (GHG) emissions from oil sands operations by 2050 to help Canada meet its climate goals, including its Paris Agreement commitments and 2050 net zero aspirations."[22]

46. Cenovus set an interim target of a 35% reduction in scope 1 and 2 emissions on a net equity basis by 2035.[23]

47. With regards to its strategy to achieve net zero, Cenovus made the following statements:
    - "Our company and industry are working to reduce emissions so we can help ensure the reliable, affordable and available energy supply needed to meet demand in a lower-carbon environment. Our goal remains making Canadian oil production the most sustainable in the world."[24]
    - "We expect to spend approximately $1 billion in our five-year business plan (2023-2027) on GHG emissions reduction opportunities, which will help us progress towards our target and net zero ambition."[25]
    - Strategies listed in this short term strategy include pilots and studies for small modular nuclear reactors and carbon capture.

[21] Cenovus Energy, 2022 ESG Report (2023).
[22] Pathways Alliance, Canada's largest oil sands producers announce unprecedented alliance to achieve net zero greenhouse gas emissions (June 2021).
[23] Cenovus Energy, 2022 ESG Report (2023) at 36.
[24] Cenovus Energy, 2021 ESG Report (2022).
[25] Cenovus Energy, 2022 ESG Report (2023) at 22.

- “Potential developments in Phase 2 (2028-2035) include achieving our methane reduction milestone, expanding carbon capture in downstream and oil sands assets, tying in to the Pathways foundational carbon capture and storage (CCS) network, and advancing low-carbon business opportunities.“[26]
- “Phase 3 (beyond 2035) outlines the technologies we’re pursuing to achieve our net zero by 2050 ambition. These initiatives include implementing the most efficient large-scale emissions reduction solutions, which could involve further CCS and process improvements, the use of small modular nuclear reactors for heat and power, and other low-carbon energy inputs.”[27]
- “We intend to complement these initiatives by advancing measured growth in targeted low-carbon business opportunities.”[28]

48. The Pathways Alliance, a consortium of six of Canada’s largest oil sands companies formed in 2021 and of which Cenovus is a member, has committed to achieve the goal of net zero greenhouse gas emissions from oil sands operations, defined as scope 1 and scope 2 emissions.[29]

49. The Pathways Alliance also made a number of communications[30] on behalf of its membership including Cenovus, saying:
    - “Oil sands are on a path to net-zero emissions,” and
    - "We're making clear strides to net zero."

50. In June 2024, Cenovus pulled all emissions disclosures and net zero statements from its website, replacing them with a “Competition Act Disclaimer" which states that “the current changes to the *Competition Act* impede [the company’s] ability to be transparent with the public.”[31] These disclosures and statements remain unavailable at this time.

51. Like Cenovus, Enbridge also recognizes transition risks. In its 2024 Sustainability Report, the company recognizes “carbon-related regulations, market trends and other reputational risks brought on by the energy transition” as risks to its business activities.[32]

52. In November 2020, Enbridge made a commitment to “achieving net-zero emissions from its operations by 2050, a goal that is deeply intertwined with [its] strategic capital allocation.”[33]

[26] Ibid.
[27] Ibid.
[28] Ibid.
[29] Pathways Alliance, Press Release: Oil Sands Pathways alliance outlines three-phase plan to achieve goal of net zero emissions (Oct. 2021).
[30] Greenpeace, Application for Inquiry into false and misleading representations made by the Pathways Alliance about their climate action and the climate impact of their business (Mar. 2023).
[31] Cenovus Energy, *Competition Act* disclaimer (accessed July 2025).
[32] Enbridge, 2024 Sustainability Report (accessed July 2025) at 81.
[33] Enbridge, Tomorrow is on (accessed July 2025).

53. Enbridge has made the following statements regarding its strategy to achieve net zero:
    - "In our capital allocation framework, all potential investments must have a clearly identified path to net zero."[34]
    - "We are also committed to reducing the intensity of GHG emissions from our operations by 35% by 2030 from 2018."[35]
    - "We're working to reduce methane emissions from our transmission and distribution networks."[36]
    - "We are pursuing renewable power generating opportunities in North America and Europe."[37]
    - "For industrial processes, we are investing in carbon capture and sequestration to help mitigate emissions from hard-to-abate processes such as steel and concrete production."[38]
    - "Helping customers switch from coal to natural gas."[39]

54. Enbridge reports fully on its scope 1 and 2 emissions. It reports limited scope 3 emissions which include categories 1-8 &15, and a partial reporting of category 11. Its category 11 reporting includes natural gas combustion from its utility customers, but excludes other downstream emissions from use of products in its pipelines.

C. Since their net zero commitments, Cenovus and Enbridge have continued to expand fossil fuel activity

55. Since making their net zero commitments, both Cenovus and Enbridge have continued to significantly expand their fossil fuel activity.

56. Cenovus has stated multiple times since making its net zero commitment that it intends to expand its oil production:
    - Its 2022 budget aimed to "deliver sustained production and growth in throughput over the next five years."[40]
    - In 2023, Cenovus President and CEO Alex Pourbaix expressed an intent to "continue growing the production of the company over the next five years."[41]
    - In March 2024, Cenovus published a plan to raise production by 19%, or 150,000 boe/d by 2028.[42]

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[34] Enbridge, 2024 Sustainability Report (accessed July 2025) at 82.
[35] Ibid at 16.
[36] Ibid at 17.
[37] Ibid at 23.
[38] Ibid at 25.
[39] Ibid at 26.
[40] Cenovus Energy, Cenovus releases 2022 budget, updated strategy and 5-year business plan (Dec. 2021).
[41] DOB Energy, CEO Interview: Midstream To Upstream Learning Curve Aside, Pourbaix Has Embraced Navigating Cenovus's Path Forward (Feb. 2023).
[42] Reuters, Canadian oil producer Cenovus to boost production 19% in five years (Mar. 2024).

57. Since making its net zero commitment, Cenovus has increased its annual capital expenditures into its upstream and downstream businesses by 100%.[43]

58. Cenovus has increased its oil and natural gas liquids production by 1.7% and 84.5%, respectively, since 2019.[44]

59. Since it has adopted a net zero target, Enbridge has expanded its gas transmission and liquids distribution network, its gas utility business, and has moved into LNG. It has active plans to further expand its fossil fuel businesses.

60. In 2022 Enbridge acquired a 30% stake in Woodfibre LNG, which will use gas from Enbridge's T-South pipeline system.[45]

61. In 2023 Enbridge acquired three more gas utilities from Dominion Energy, expanding its overall gas utility delivery to 9.3 billion cubic feet per day.[46]

62. In 2024 Enbridge completed its Venice Extension Project supplying the Venture Global Plaquemines LNG facility in Louisiana.[47]

63. The company's gas strategy includes the Aspen Point and Sunrise expansion programs in BC, the development of the Rio Bravo pipeline in Texas and the Blackcomb pipeline from the Permian Basin to Texas; the expansion of the Valley Crossing pipeline to serve Texas LNG; a potential Texas Eastern Expansion to serve new LNG capacity; and expansions to serve U.S. Gulf Coast industrial growth.[48,49,50]

64. In its 2025 Financial Outlook presentation, Enbridge Inc. identifies "~$50 billion of opportunities [which] adds growth visibility to [the] back-end of the decade." Among the opportunities identified are gas transmission expansions (Permian expansions, U.S. Gulf Coast investment) and liquids pipelines expansions (future Western Canada Sedimentary Basin/U.S. Gulf Coast expansions, Mainline investment).[51]

65. Enbridge is also expanding its oil delivery infrastructure. This includes regional oil sands expansions in the Western Canada Sedimentary Basin, as well as the Gray Oak pipeline expansion in Texas.[52]

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[43] Cenovus Energy, 2024 Annual Report (2024); Cenovus Energy, 2022 Annual Report (2022).
[44] Cenovus Energy, Cenovus Announces Fourth-Quarter and Full-Year 2024 Results (Feb. 2025); Cenovus Energy, Cenovus Announces 2021 Fourth-Quarter and Full-Year Results (Feb. 2022); Cenovus Energy, Cenovus Reports 2020 Fourth-Quarter and Full-Year Results, (Feb. 2021).
[45]Enbridge, Enbridge secures stake in Woodfibre LNG facility in BC (Jul. 2022).
[46] Enbridge, Gas utility acquisitions a 'once-in-a-generation opportunity' (Sept. 2023).
[47] Enbridge, Venice Extension Project (May 2022).
[48] Enbridge, 2025 Investor Day, (Mar. 2025) at 26-28.
[49] Enbridge, Aspen Point Program.
[50]Enbridge, Sunrise Expansion Program.
[51] Enbridge, Financial Outlook, (2025) at 7.
[52] Enbridge, 2025 Investor Day, (Mar. 2025) at 20.

PART 4 - SUBMISSIONS

66. It has been clear since the inception of their net zero commitments that neither Cenovus nor Enbridge has a credible plan to reach net zero. This can be seen via the contradiction of their fossil fuel expansion plans, their failure to shift capital expenditures, and the use of incomplete and misleading rhetoric.

A. Cenovus and Enbridge have a core net zero contradiction by expanding fossil fuel production and capacity

67. Every credible net zero by 2050 energy model shows dramatically declining fossil fuel production and use, consistent with the need to move away from carbon based energy to restore the balance of carbon emissions and removals that lies at the very core of "net zero."

68. In a 2022 report, the United Nations High-Level Expert Group on the Net-Zero Emissions Commitments of Non-State Entities stated that "non-state actors cannot focus on [...]tackling only a part of their emissions rather than their full value chain (scopes 1, 2 and 3)" and that they "cannot claim to be net zero while continuing to build or invest in new fossil fuel supply."[53]

69. In this context, by definition, any fossil fuel company expanding fossil fuel production or capacity – such as Cenovus or Enbridge – must demonstrate that it is displacing more than an equivalent amount of similar fossil fuels elsewhere in the world to be aligned with net zero.

70. Neither Cenovus nor Enbridge meets this test. Indeed, both implicitly reject net zero by embracing global energy futures that sustain fossil fuel use at levels that preclude attaining net zero.

71. For example, Enbridge makes misleading statements about global net zero pathways, including this:

> "Most global energy market forecasts, including the International Energy Agency (IEA), predict that an achievable path to net zero would require a mix of diverse energy sources, an "all of the above solution" that includes oil and gas."[54]

72. Yet, the phrase "all of the above solution" does not appear in the linked IEA document, and the IEA's net zero pathway instead foresees a significant downturn in global oil and gas production, a message opposite to the one Enbridge conveys.

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[53] United Nations' High-Level Expert Group on the Net Zero Emissions Commitments of Non-State Entities, Integrity Matters: Net Zero Commitments By Businesses, Financial Institutions, Cities And Regions, (Nov. 2022) at 7.
[54] Enbridge, 2024 Sustainability Report (accessed July 2025) at 11.

73. In its sustainability reports, Enbridge consistently includes historic graphs showing global energy use rising, instead of net zero aligned projections showing fossil fuels declining.

74. In a November, 2024 opinion piece, Cenovus executive chair Alex Pourbaix argues that "most countries are moderating their net zero ambitions as they realize the crippling cost and practical impossibility of replacing oil and gas in the near term with renewables and battery technology."[55] This is stated despite Cenovus supposedly having its own net zero commitment, and is refuted by recent data showing that 91% of new renewable energy projects are more cost-effective than fossil fuel alternatives.[56]

75. The contradiction regarding fossil fuel expansion vs. net zero manifests in the choices that Cenovus and Enbridge make regarding target setting and emissions reporting.

76. The Science Based Targets initiative (SBTi) states that climate-aligned target-setting must include scope 3 when scope 3 emissions make up at least 40% of total emissions.[57] The oil and gas sector's downstream emissions make up about 80% of total emissions.[58]

77. Yet, Cenovus' 2035 emissions reductions target only includes scope 1 and 2 emissions, ignoring its much larger scope 3 emissions. Such a target allows for oil production expansion inconsistent with the net zero energy transition.

78. Furthermore, Cenovus' emissions intensity record is not in line with its 2050 net zero commitment. Between 2018 and 2023, Cenovus decreased its emissions intensity by only 9%, or 1.8% per year on average. At this rate, the company's emissions intensity would only be 45% below 2018 levels by 2050.[59]

79. Regarding Enbridge, its 2030 target also only relates to its scope 1 and 2 emissions, and only on an "intensity" basis – reductions per unit of production, which allows absolute emissions to rise.[60] This lets Enbridge continue with its expansion of fossil fuel infrastructure, again inconsistent with the net zero energy transition.

80. Moreover, Enbridge provides no substantiation as to how its 35% intensity target for 2030 for operational emissions ladders up to its absolute net zero target for operations

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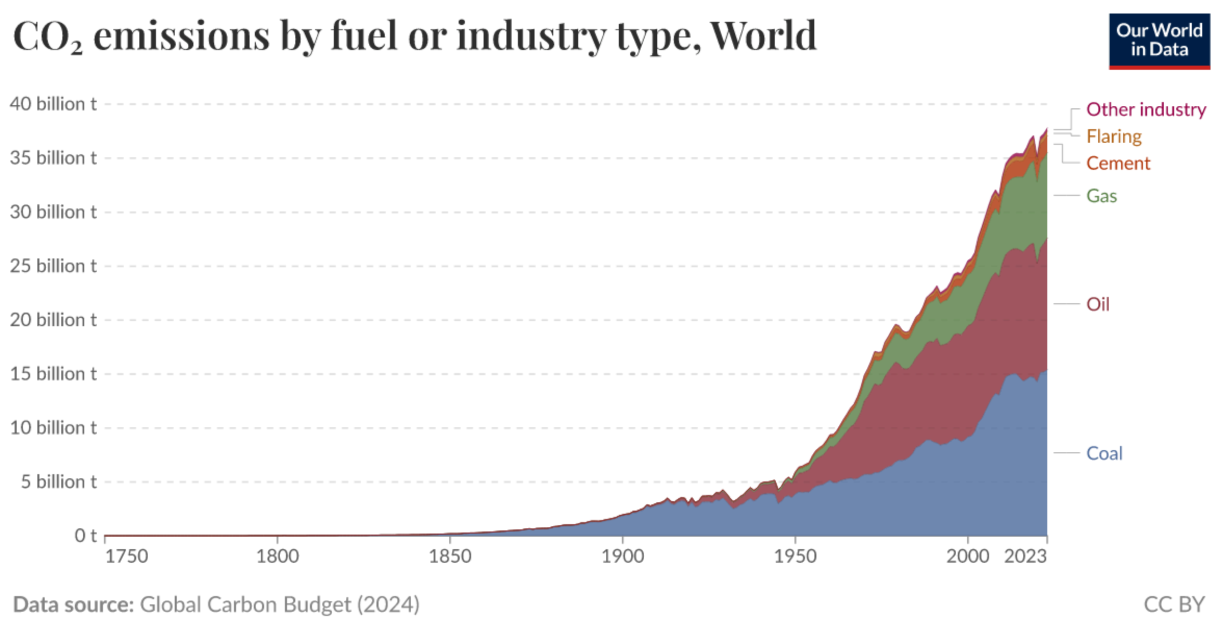
[55] Calgary Herald, Opinion: Canada's emissions cap is short-sighted and punitive (Nov. 2024).
[56] Yahoo Finance, New renewable projects now cheaper than fossil fuel alternatives: IRENA report (Jul. 2025).
[57] SBTi, SBTi Corporate Net-Zero Standard, (Mar. 2024) at 24.
[58] World Economic Forum, How the oil and gas industry can take a lifecycle approach to reducing emissions (Aug 2024).
[59] Government of Alberta, Alberta Oil Sands Greenhouse Gas Emission Intensity Analysis, (2025).
[60] Enbridge, 2024 Sustainability Report, (May 2025) at 11

by 2050. In its 2023 Sustainability report, Enbridge said that it had reached 105% of its 2030 target, amounting to only 20% of its 2050 target.[61]

81. Moreover, Enbridge refuses to report on or take responsibility for its full scope 3 emissions, rejecting accounting for its full category 11 emissions, or end use of the products in its pipelines outside of its utilities.[62] This leaves its investors in the dark regarding the company's growing exposure to transition risk given that it derives most of its revenue from the transit of products that are subject to net zero transition risk.

82. A 2024 I4PC analysis of Enbridge's full scope 3 emissions showed them to be 20 times more than the company reports, and projected to increase by an additional 27% if all planned, proposed and/or approved future gas transmission projects proceed.[63] That increase would now be higher with the addition of new expansion projects since the analysis was done.

83. While Enbridge consistently claims that gas is a core part of net zero because it can replace coal,[64] the evidence is that gas is simply adding to the fossil fuel energy mix and related emissions, as seen in the following graph:[65]



[61] Enbridge, 2023 Sustainability Report, (May 2024) at 14.
[62] Investors for Paris Compliance, Estimating Enbridge's Scope 3 Emissions, (Mar 2024) at 3.
[63] *Ibid.*
[64] Enbridge, Tomorrow is on: Enbridge and the energy transition (Accessed August 2025).
[65] Our World in Data, CO_2 emissions by fuel (Jan. 2024).

B. Cenovus and Enbridge have consistently failed to meet core transition metrics on net zero, particularly around CapEx

84. As seen above, global standards recommend that energy companies devote a majority of capital expenditures towards the energy transition to achieve net zero.

85. Yet, Cenovus' net zero strategy allocates $1 billion in capital to related activity between 2023 and 2027,[66] less than 5% of its capital expenditure budget as it invests heavily in fossil fuel expansion.[67]

86. Moreover, Cenovus has not subsequently disclosed whether that inadequate amount has actually been allocated, and what the emissions impact of those expenditures have been, if any.

87. Enbridge has not set any capital expenditure targets related to its net zero commitment.

88. Between 2020 and 2024, about 4% of Enbridge's capital expenditures were spent on renewable power generation, while at the same time the company was significantly expanding its fossil fuel network.[68,69]

89. Every independent net zero assessment of Cenovus and Enbridge has found both companies' capital expenditures misaligned with net zero. Such assessments have also outlined broader deficiencies in their plans.

90. In 2023, the Ontario Energy Board found that Enbridge's capital spending plan assumed continued growth of fossil fuel demand, and that its expansion plans were "not responsive to the energy transition and increase the risk of stranded or underutilized assets"[70].

91. TPI has identified the following deficiencies with Cenovus:[71]
    - Lack of quantification of key elements of its emissions reduction strategy and proportional impact of each action in achieving its targets;
    - Lack of commitment to phase out capital expenditure on carbon intensive assets or products;
    - Lack of alignment of future capital expenditures with its long-term decarbonisation goals, and disclosure of how that alignment is determined.

92. TPI's 'Carbon Performance' metric has also assessed Cenovus as not being in alignment with any short-term, medium-term, or long-term targets.

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[66] Cenovus Energy, 2022 ESG Report (2023) at 23.
[67] Cenovus, Cenovus announces 2024 budget (Dec. 2023).
[68] Enbridge, 2024 Annual Report, (Mar 2025) at 85.
[69] Enbridge, 2022 Annual Report, (Mar 2023) at 75.
[70] University of Calgary Faculty of Law, Utility Law Meets Net Zero (Feb. 2024).
[71] Transition Pathway Initiative, Cenovus Energy (Apr. 2024).

93. TPI has identified the following deficiencies with Enbridge:[72]
    - Lack of disclosure of actions necessary to meet its emissions reduction targets;
    - Lack of quantification of key elements of its emissions reduction strategy and proportional impact of each action in achieving its targets;
    - Lack of commitment to phase out capital expenditure on carbon intensive assets or products;
    - Lack of alignment of future capital expenditures with its long-term decarbonisation goals, and disclosure of how that alignment is determined.

94. CEC has graded Cenovus as fully or partially misaligned with the following net zero criteria.[73]
    - Short-term (up to 2026) GHG reduction target(s);
    - Medium-Term (2027 and 2035) GHG reduction target(s);
    - Long-Term (2036-2050) GHG reduction target(s);
    - Capital allocation alignment;
    - Decarbonisation strategy.

95. CEC has graded Enbridge as fully or partially misaligned with the following net zero criteria.[74]
    - Short-term (up to 2026) GHG reduction target(s);
    - Medium-Term (2027 and 2035) GHG reduction target(s);
    - Long-Term (2036-2050) GHG reduction target(s);
    - Capital allocation alignment.

96. Carbon Tracker has graded Cenovus' lobbying activities as a D-. It notes that Cenovus "Advocates for a continued role for oil and gas in Canada's energy mix, and the expansion of production in Canada; Remains a member of industry associations assessed to be obstructive to Paris-aligned climate policy."[75]

97. Both Enbridge and Cenovus engage in public lobbying contrary to climate science, such as signing a letter to newly elected Prime Minister Mark Carney in 2025, calling for fossil fuel production growth and a rollback of environmental provisions.[76]

C. Cenovus and Enbridge have consistently engaged in overly promotional disclosure regarding net zero, both directly and via associations

98. By extensively using net zero terminology in their communications, Cenovus and Enbridge have led reasonable investors and the public to believe that their business

[72] Transition Pathway Initiative, Enbridge (Apr. 2024).
[73] Climate Engagement Canada, Cenovus Energy Inc (Jun. 2024).
[74] Climate Engagement Canada, Enbridge (Jun 2023).
[75] Carbon Tracker, Cenovus: Oil and Gas Company Profile, (May 2025) at 7.
[76] Enbridge, Build Canada Now: An open letter to the Prime Minister of Canada (Apr. 2025).

models are aligned with the net zero energy transition, which in fact threatens both their existing business and fossil fuel expansion plans.

99. While Cenovus' initial net zero commitment specified its focus on operational emissions, many of its subsequent communications refer to net zero generally.
    - Cenovus' Chief Sustainability Officer stated that "We have a net-zero ambition by 2050, and we feel like, as a company with emissions, we're very much responsible for being part of the climate solutions that we all need to be addressing right now."[77]
    - In Cenovus' 2022 Sustainability Report, the company makes no less than thirty unqualified mentions of its net zero target or ambition before specifying that this target is restricted to operational emissions.
    - At no point does Cenovus acknowledge that its expansion plans are inconsistent with all credible net zero energy models.

100. Cenovus has stated that its strategy is to "decarbonize the Canadian barrel of oil."[78] This is on its face a misleading oxymoron since any barrel of oil will be about 85% carbon.

101. Via incomplete disclosure both directly and indirectly through associations, Cenovus misleads the public and investors when it communicates about its net zero commitment and associated strategies:
    - It states: "Decarbonizing our oil and natural gas production and helping Canada achieve its net zero goal requires collaboration between industry and governments."[79] It fails to complete this disclosure by acknowledging that the products will still be mostly carbon, thereby at risk due to the transition to net zero.
    - It states: "Oil will continue to be part of a diversified global energy mix through 2050 and beyond."[80] It fails to complete this disclosure by acknowledging that all credible net zero energy models foresee a dramatic decline in oil and gas production.
    - It states: "Our industry has an important role in helping Canada achieve its Paris Agreement commitments and goal of net zero emissions by 2050."[81] It fails to complete this disclosure by pointing out that the oil sands are a major source of emissions growth in Canada.[82]
    - The Pathways Alliance, on behalf of Cenovus and other oil sands members, stated that "our industry has an important role to play in helping meet the national

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[77]Global Energy Show, Cenovus Energy Transition Strategy - A Sustainable Future - Global Energy Show (Aug. 2022).
[78] Cenovus Energy, 2022 ESG Report, (2023) at 22.
[79] Ibid at 6.
[80] Ibid at 19.
[81] Ibid at 22.
[82]CBC, Emissions from oilsands forecast to continue rising as oil production increases, says report (Nov. 2024).

goal of net-zero emissions by 2050."[83] This reframes the fact that the oil sands is a source of emissions growth to make it sound like this is an opportunity.

102. Through its membership in Pathways Alliance, Cenovus has engaged in a coordinated effort to convince the public and investors regarding the feasibility of Canadian oilsands' net zero alignment.

- Despite promoting CCS as the core mechanism through which Canadian oilsands can achieve net zero – often communicating this without prefacing the lack of downstream emissions consideration – Pathways Alliance has communicated its knowledge that CCS may not even be an economically credible method of reducing emissions.[84]
- An analysis by InfluenceMap suggests that Pathways Alliance's public CCS advocacy attempts to falsely brand oilsands as climate-friendly in pursuit of avoiding credible emissions regulation by the Canadian government.[85]

103. Enbridge consistently fails to qualify the scope of its net zero commitments across its sustainability documents, allowing investors to incorrectly believe their strategy targets genuine net zero. Its 2022 ESG dashboard states a goal of "Net-zero GHG emissions by 2050" without specifying that its targets only apply to scope 1 and 2 emissions and that it does not fully account for scope 3 emissions.[86] That same report makes five other claims of Enbridge's net zero target without specifications of the narrow scope of commitment.

104. In 2021, then Enbridge President Al Monaco stated that Enbridge is "Advancing a net zero future" and that the company has "new targets grounded in science and aligned with the goals of the Paris Agreement."[87] This is contradicted by the company's ongoing fossil fuel expansion activities, and by the setting of targets that permit this and that have been consistently discredited by independent analysis, as seen above.

105. The same statement highlights "$3 billion in sustainable finance – including the first sustainability-linked loan and bond in our sector." Yet, such "linked" financing is not use-of-proceeds financing tied to net zero and can be used for general corporate purposes. These specific Enbridge "linked" instruments sparked controversy[88] since the company was then completing the Line 3 oil pipeline project, equivalent in emissions to adding 50 new coal fired power plants.[89] Enbridge does not in fact have a capital expenditure target specifically related to net zero.

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[83] Greenpeace, Application for Inquiry into false and misleading representations made by the Pathways Alliance about their climate action and the climate impact of their business, (Mar. 2023) at 17.
[84] Influence Map, The Canadian Oil Sands Playbook: An Analysis of Pathways Alliance (Jun 2024).
[85] Ibid.
[86] Enbridge, 2022 Sustainability Report, (Mar. 2023) at 14.
[87] Enbridge, 2021 Sustainability Report, (Mar. 2022) at 5.
[88] Associated Press, How mega-polluters take advantage of billions in green loans (Jan. 2025).
[89] Oil Change, A Giant Step Backward, (Jan 2019) at 2.

106. Despite refusing to take accountability for its full category 11 scope 3 emissions, Enbridge communicates about its "contribution to avoidance of third-party emissions" via its renewables and demand side management,[90] which is a metric regarding full category 11 emissions. This is cherry-picking one side of the emissions ledger; Enbridge's impact on the other side is many times greater.

107. Enbridge states that "In our capital allocation framework, all potential investments must have a clearly identified path to net zero"[91] and that it "won't participate" in any capital investments that are not net zero aligned.[92] Yet, it does not make public its capital allocation framework, nor does it specify what emissions scopes are considered relevant to this specific commitment. Meanwhile, it continues to allocate capital towards expanding fossil fuel infrastructure – including for oil – that is adding to global emissions.

108. Enbridge's "Pathways to Net Zero Emissions for Ontario" white paper engages in considerable greenwashing, promoting continued gas infrastructure as credibly aligned with net zero.[93]

- The document promotes hydrogen blending as a net zero aligned solution, despite being a marginal emissions reduction tactic relying on investments which extend the lifespan of gas infrastructure,[94] and not being net zero aligned.[95]
- The document promotes the delay of genuine net zero-aligned infrastructure development by promoting the continued use of gas with associated emissions.
- The document calls gas infrastructure key to the transition, re-framing carbon lock-in of infrastructure as a climate solution.

109. Enbridge's 2023 Sustainability Report calls Woodfibre LNG the "world's first net-zero LNG export facility," ignoring the considerable upstream and downstream emissions associated with LNG.[96]

D. Cenovus has been allowed to foster investor uncertainty with lack of clarity regarding its net zero commitment

110. Cenovus followed other oil sands companies in publicly withdrawing its net zero-related disclosures in the Spring of 2024, citing uncertainty related to Bill C-59's changes to anti-greenwashing provisions of the *Competition Act*.

111. Among Canadian industries, the oil sands companies in particular took this dramatic step.

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[90] Enbridge, 2021 Sustainability Report, (Mar. 2022) at 27.
[91] Enbridge, 2024 Sustainability Report (accessed July 2025) at 82.
[92] Enbridge, 2022 Sustainability Report, (Mar. 2023) at 16.
[93] Enbridge, Pathways to Net Zero Emissions for Ontario (Jun. 2022).
[94] SHIFT Action, High-risk gas assets owned by Canadian pension funds can't be saved by hydrogen (Jan. 2025).
[95] IEEFA, Blue Hydrogen: Not clean, not low carbon, not a solution (Sep. 2023).
[96] Enbridge, 2023 Sustainability Report, (May 2024) at 19.

112. The oil sands companies claimed new uncertainty regarding methodologies that determine greenwashing, but this overshadows the fact that the strengthening of the private right of action – particularly with regards to considerable potential penalties – enhanced the business risk of maintaining existing greenwashing practices.

113. Companies like Cenovus and Enbridge are particularly exposed to greenwashing allegations given the lack of credibility of their net zero commitments, a form of overly promotional disclosure that securities regulators have the power to curtail, independent of the *Competition Act*.

114. Market actors have been in the dark for over a year now regarding Cenovus' climate work and whether the company still maintains a nominal commitment to net zero. It has neither explicitly withdrawn this commitment – despite its executive chair's negative statements about net zero – nor affirmed it. For investors and financiers with their own net zero commitments, this is a form of uncertainty that could determine whether they associate with the company.

115. This lack of clarity by Cenovus is a form of incomplete disclosure disallowed by the *Alberta Securities Act*.

PART 5 - REMEDY SOUGHT

116. This complaint alleges that Cenovus and Enbridge have breached the Alberta *Securities Act* with longstanding and widespread inaccurate and incomplete disclosure related to net zero. The ASC and other securities regulators have established the materiality of environmental disclosures through staff notices and stated a general concern with overly promotional disclosure related to greenwashing. While this complaint could be filed with the Competition Bureau instead, investors have a strong interest in the credible and timely enforcement of securities law.

117. The following remedies are requested:

- An investigation be launched into existing and past climate disclosures of Cenovus and Enbridge to assess the accuracy and adequacy of their disclosures.
- Because the practices of Cenovus and Enbridge are repeated by other Alberta-registered oil and gas companies, that the investigation also consider evidence from peers and competitors.
- That overly promotional disclosure in relation to net zero be corrected for all Alberta-registered oil and gas companies.
- That the ASC work with the CSA on specific guidance related to the use of net zero terminology and claims by reporting entities in Canada, as it has done, among other matters, with ESG-related retail investing.