

our sustainability report

2017

TO OUR NEIGHBOURS AND STAKEHOLDERS

On behalf of the Leadership Team and the Board of Directors, we are pleased to share Enerplus' fourth annual Sustainability Report – summarizing our performance in 2017.

We continued to conduct our business in a safe and responsible way, and delivered profitable growth while maintaining our disciplined approach to capital spending.

It's not just these results that made the year a success; it's also how we accomplished our work. We proved once again we can achieve our goals and operate responsibly. We improved our record of environmental releases, outperformed our health and safety targets, found new and innovative ways to meet energy demands and make positive contributions to the communities in which we work.

At Enerplus, we are proud of what we do, how we do it and where we are headed in our continuous journey. Advancing on this path will mean continuing to progress our culture and reinforcing our commitment to a safe and responsible business, which will result in a stronger, more sustainable Enerplus.



Elliott Pew
Chairman of
the Board

Ian C. Dundas
President & CEO

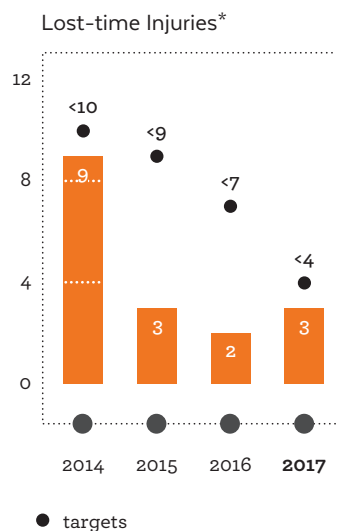
safety

At Enerplus, the most important thing we do is ensure each other's safety — that of our employees, contractors and stakeholders. We call this mindset "Owning Zero."

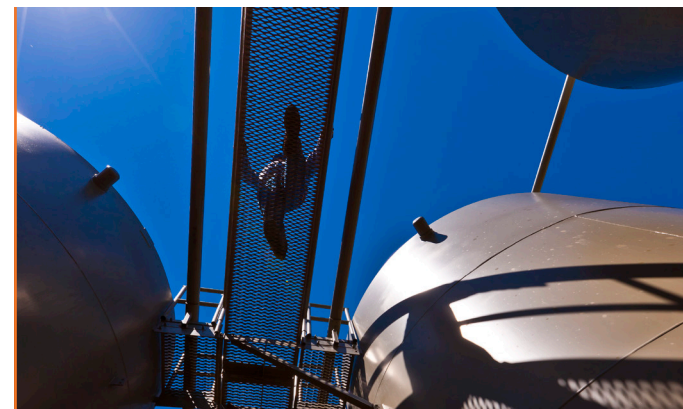
Enerplus' goal is zero incidents, ensuring everyone gets home safely. We are setting and achieving annual safety targets, holding monthly safety meetings, providing safety training and encouraging staff to identify and report all hazards.

As part of our incident management process, all incidents and near misses are also investigated for Serious Injury and Fatality Potential (SIFP). This process examines circumstances that could have been life threatening and builds upon our journey towards eliminating injuries. Everyone plays a part in safety, and we consider it a responsibility and obligation to stop or pause work if unsafe situations are identified.

To further our safety journey, we also introduced an Off-the-Job safety program that encourages workers to apply Owning Zero safety principles at home.



* A lost-time injury is recorded when a worker cannot return to work the day after an injury takes place.



CASE STUDY

Reducing Safety Risk in Tank Operations

Tank gauging is a daily task performed at many of our operational sites. While this is a standard task to take liquid measurements, it can be a hazardous one. We recognized the safety risk this posed to our workers and applied for special approval from the Bureau of Land Management to automate tank measurement in North Dakota. In recognition of this effort, Enerplus received the inaugural Excellence in Safety Award from the North Dakota Petroleum Council.

employees

Our people are critical to our success. Having the right culture is important to attracting and retaining talented workers and ensuring they work in an environment where they feel empowered and supported. This starts by emphasizing our core values: honesty, engagement, accountability, responsibility and teamwork. These guide how we interact with each other, how we lead and how work gets done.

We continually look for opportunities to strengthen our culture, recognizing the future of work in our industry demands that

we think and act differently. A plan was developed to shift our culture to meet emerging challenges by reinforcing individual and team accountabilities to support corporate results. Areas of emphasis included increasing the use of focused feedback and recognition. A real-time feedback tool was also piloted. This information will be used to continually track employee engagement and provide internal transparency on progress, in service of organization-wide accountability.

stakeholder engagement

We care about being a responsible operator in our communities and having open, honest interactions with our neighbours and stakeholders. We promote early involvement in our project planning to ensure our stakeholders have input on decisions and solutions. Throughout all stages of our developments, we actively engage with stakeholders through one-on-one conversations, group meetings, community events, open houses and surveys.



COLLABORATION IS KEY

Enerplus, along with previous companies, has drilled wells on my land for generations. What sets Enerplus apart is that they put in the extra effort of getting everyone together in the field so we are on the same page. This past winter in 30 below weather, we viewed new drill locations from the comfort of a couple of trucks, as the guys used 'georeferenced mapping' so I could see the proposed boundaries live as we drove around. As we looked at each site, we worked together to find a spot for the leases everyone was happy with.

— Laurie Rasmussen, landowner and rancher, Alberta



4,200

PARTICIPATED IN 11 COMMUNITY EVENTS IN CANADA, ATTENDED BY MORE THAN 4,200 OF OUR STAKEHOLDERS

\$732K

INVESTED \$732,000 TO SUPPORT COMMUNITIES THROUGH DONATIONS AND SPONSORSHIPS

community investment

We care about being an active partner in our communities where we live and work. We provide support through donations, sponsorships, in-kind contributions and the volunteer efforts of our people. Some of the notable examples in 2017 were:

- More than 130 employees, friends and family members took part in the annual Light the Night Walk in Denver and Calgary to raise over \$60,000 for the Leukemia & Lymphoma Society. The dollars raised will be used to support life-saving research.
- We funded the purchase of blood analyzer equipment for the McKenzie County Hospital in Watford City, North Dakota. We also donated Enerplus We Care Teddy Bears to bring comfort to young patients undergoing medical care at the hospital.
- We matched over \$35,800 in donations to charities and non-profit organizations made by our employees in Canada and the United States.



CASE STUDY

Sponsoring Pow Wow Events

Enerplus has been a long-time sponsor of pow wow events on the Fort Berthold Indian Reservation in North Dakota. Each year we provide sponsorship support. In 2017, we hosted a community lunch at the Mandaree Pow Wow, serving more than 400 participants and community leaders.

4,290 hrs

EMPLOYEES SPENT 4,290 HOURS ON CULTURE AND EDUCATIONAL DEVELOPMENT TRAINING



air emissions

Understanding and taking action to address air emissions is important to us because of the potential impact to health and the environment.

Our company actively monitors emissions and strives to continually improve the accuracy of its emissions data. We report emissions data to all required regulatory authorities and voluntarily report metrics to the Carbon Disclosure Project (CDP)'s climate program. Collaborating with industry peers also allows us to share knowledge and best practices to manage emissions.

As part of risk management, government policies and regulations on emissions are closely monitored. We have developed a plan to manage potential impacts to our business as a result of changing federal, state and provincial carbon policies.

environmental releases

Our goal is to prevent environmental releases from happening by having robust prevention controls and programs in place. We are committed to improving our release performance, as well as setting and achieving annual release targets to measure performance. Our operations are routinely inspected and we have established corrosion risk management and asset integrity management programs.



CASE STUDY

Using Wireless Technology to Prevent Leaks

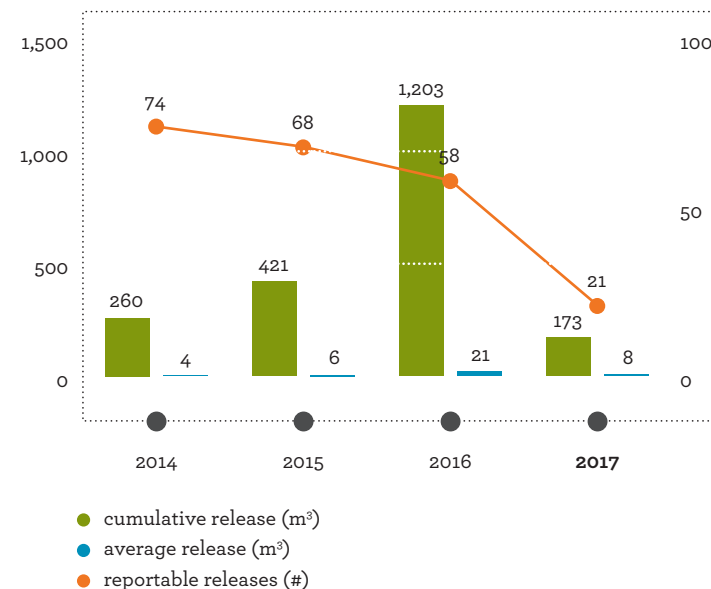
We developed a leak detection program in our Wainwright and Medicine Hat areas in Alberta, to use wireless technology to mitigate and prevent future leaks. The system detects small changes in pipeline pressure or volume and in the case of a potential leak, sends an immediate notification to the area operator, allowing us to respond promptly.

CASE STUDY

Flare Optimization, Reducing Emissions

Enerplus invested \$400,000 to install flare optimization equipment at three of our southeast Saskatchewan sites. The flare stacks were replaced with dual air-assisted flare stacks, resulting in more efficient combustion of the processed gas. This technology produces a clean, smokeless flare and eliminates nearly all methane and H₂S emissions.

Environmental Releases



Divestments of non-core properties, along with continuous improvement of asset integrity and leak detection programs have resulted in the reduction of reportable spills by 64% from 2016.

water

Water is used in all stages of oil and natural gas development. Reducing freshwater use and preserving water quality is important to our stakeholders, and we are working to minimize our impact on water resources.

Extensive project planning and risk assessments are conducted so we understand water issues around our operations. Using this knowledge, we look to reduce our freshwater requirements by using non-potable water and other alternatives wherever possible. We strive to recycle or reuse as much water as we can.

CASE STUDY

Reducing Freshwater Use at Oil Site

To minimize freshwater use at our Ante Creek site in west-central Alberta, we converted two wells to produce saline water for enhanced oil recovery. We also converted two batteries to allow other operators to truck additional saline water to our facilities, further reducing freshwater requirements at the site.

89%

RECYCLED AND REUSED
89% OF OUR WATER SUPPLY
ACROSS OPERATIONS

500,000 m²

RECLAIMED MORE THAN
500,000 M² OF LAND, THE
EQUIVALENT OF ABOUT
93 FOOTBALL FIELDS

248

SUCCESSFULLY ABANDONED
248 WELLS IN CANADA



environmental footprint

Recognizing the importance of biodiversity to a healthy ecosystem, we work to minimize our impact to the lands we use for operations.

We carefully consider environmental impacts at every stage of development and create plans to lower our footprint. Preserving and restoring biodiversity is a key factor in our planning, starting from pre-disturbance assessments to how we handle closure of operations. At the end of our projects, we decommission the site and return the land to pre-disturbance conditions.

We also safely abandon wells no longer needed for production. In 2017, we successfully abandoned 248 wells in Canada. We plan to abandon our first well in North Dakota in 2018 as part of our long-term commitment to manage aging wells across operations.

CASE STUDY

Reclamation Certificates

Successful reclamation of land can take on average five to seven years to complete. Enerplus has received a total of 1,718 reclamation certificates or equivalent on sites where we have operated.

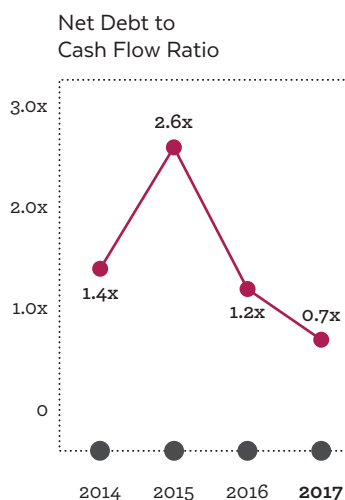
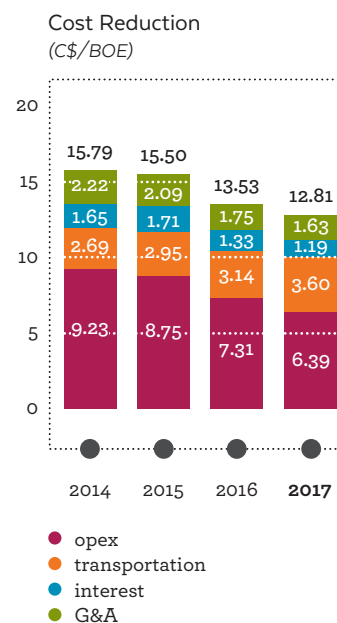
economic performance

Maintaining a profitable, resilient company creates value for our shareholders.

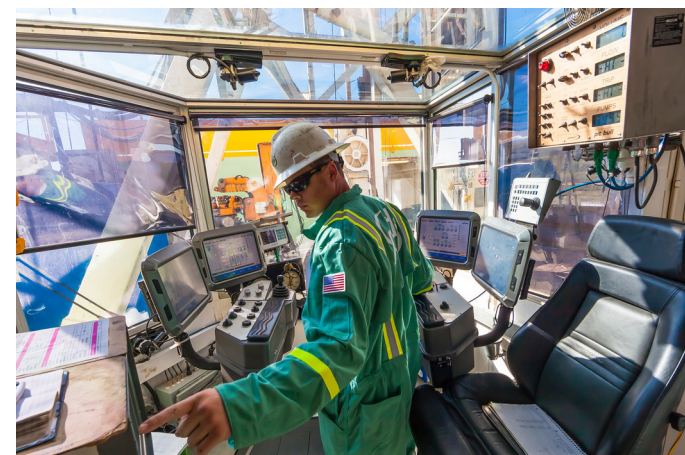
We monitor our corporate risks on an annual basis to ensure we understand and minimize matters related to reputation, governance, health and safety, regulatory, environment, and technology. Carrying out this analysis allows us to minimize risk and update our business plans.

In 2017, we continued to adjust our business to thrive in a challenging commodity price environment. We were disciplined with our capital

allocation decisions and further focused our portfolio through divestment of non-core assets. We delivered consistent operational performance while staying focused on safety. These strategies strengthened our operating performance and contributed to the sustainability of our business.



supply chain



We are committed to developing energy responsibly with a focus on building long-term relationships with local suppliers.

Each year we work with hundreds of suppliers in Western Canada and parts of the United States. Our contractors provide a wide range of goods and services supporting our engineering, drilling, completions, construction, and abandonment and reclamation of our facilities. Contractors must meet or exceed our rigorous criteria for health and safety, insurance and be financially stable in order to work for us. By implementing these criteria, we can remain fiscally competitive, reduce risk and attract top-tier contractors.



SHARING OUR FOCUS ON SAFETY WITH SUPPLIERS

We believe holding a contractor safety meeting was a great idea on Enerplus' part. It was an opportunity to bring everyone together and foster a positive working relationship, while clarifying expectations and facilitating constructive feedback. It was refreshing to see the emphasis that was put on the fact that we are all responsible for each other's safety.

— Jason Tschritter, President and CEO, Vital Controls, Alberta



regulatory compliance



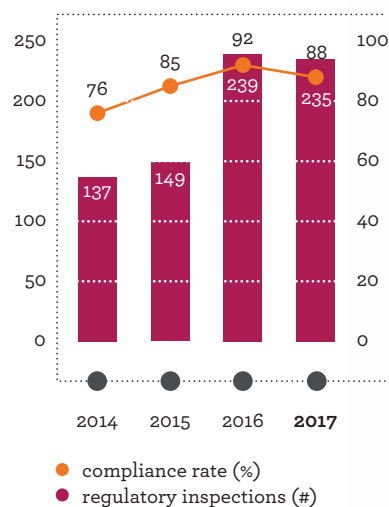
In a dynamic regulatory environment, we pride ourselves on operating at a high level of compliance with all applicable rules and regulations.

Our internal audit and inspection program proactively identifies opportunities for improvement. If compliance issues are identified, we take the necessary steps to remedy them.

We set and achieve annual compliance targets that help us to measure and drive performance. We also educate employees on regulatory requirements.

In 2017, we were rated satisfactory in 206 regulatory inspections out of 235. In jurisdictions such as Alberta and British Columbia where benchmarking data is available, Enerplus exceeds industry average compliance rates.

Regulatory
Inspections



WALKING THE TALK WITH SAFETY AND COMPLIANCE

As a regulatory advisor with 34 years with the Energy Resources Conservation Board (now Alberta Energy Regulator) and 11 years as an oil and gas industry consultant, I have been involved with many safety and continuous improvement planning programs. I can confidently say that Enerplus is far out in front when it comes to “walking the talk” with safety and compliance.

— Dan Sarnecki, Regulatory Consultant, Alberta



13%

REDUCED NET DEBT BY 13%,
OR \$50 MILLION, FURTHER
IMPROVING OUR BALANCE SHEET

494

WORKED WITH 494 LOCAL SAFETY
SENSITIVE CONTRACTORS
ACROSS OUR OPERATIONS

56%

56% OF OUR LOCAL CONTRACTORS
HAD AN OFFICE IN THE PROVINCE
OR STATE WHERE THE WORK WAS
PERFORMED; NEARLY HALF OF OUR
SPENDING WAS ALLOCATED TO
LOCAL CONTRACTORS

about Enerplus

We are a responsible developer of high quality crude oil and natural gas assets in Canada and the United States.

We focus on three distinct core areas that provide access to some of the best plays in North America: high growth U.S. oil opportunities in the Williston Basin in North Dakota and Montana; stable, low decline Canadian crude oil production from a variety of crude oil waterflood properties across Alberta and Saskatchewan; and U.S. natural gas assets including a concentrated land position in the Marcellus shale gas region in Pennsylvania.

OPERATIONS IN 2017

1,373

Active Operated Wells

9

Office Locations

\$3.3B

Total Enterprise Value

\$655M

Capital and Operating Spending

84,711 BOE/d

Average Production

Annual Average Production Volume Mix

48%



52%

Crude Oil & NGLs

Natural Gas

Geographic Production Split

77%



23%

United States

Canada

The information in this report is based on our company interest production and is reported in Canadian dollars and metric units. To learn more about sustainability at Enerplus and view the latest data, visit www.enerplus.com.

Canada Head Office

The Dome Tower, Suite 3000
333 - 7th Avenue SW
Calgary, AB T2P 2Z1
Phone: (403) 298-2200

U.S. Head Office

US Bank Tower, Suite 2200
950 - 17th Street
Denver, CO 80202-2805
Phone: (720) 279-5500



Our shares trade on the Toronto and New York stock exchanges under the symbol "ERF."

Disclaimer: Enerplus has taken care to ensure the information in this report is accurate. However, this report includes aspirational goals and targets, which will differ from actual results, and is for informational purposes only. Enerplus disclaims any liability whatsoever for errors or omissions. Further, some information in this report may have been disclosed previously in other Enerplus public disclosure, and such disclosure is not intended in any way to be qualified, amended, modified or supplemented by information herein. Please see our website for additional information on forward-looking statements, which we incorporate herein by reference.

With this report, we hope to increase your knowledge of Enerplus and our operations. This document does not provide investment advice, and readers are responsible for making their own financial decisions.

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