



2016

+ it all
adds up

OUR SUSTAINABILITY REPORT

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Our 2016 Sustainability Report is the third annual report summarizing our people, responsibility, business, and performance. The information in this report is based on our company interest production and is reported in Canadian dollars and in metric units. Financial information contained herein is in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The report identifies areas where we have excelled and areas where we have work to do.


This report has been prepared in accordance with the GRI Standards: Core option.

To learn more about Sustainability at Enerplus, visit www.enerplus.com.

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.

We are committed to reporting on sustainability topics that matter most to our stakeholders.

To identify the topics of greatest interest to our stakeholders and of greatest relevance to our business, we conducted a formal materiality assessment in 2015. We consolidated a list of 43 topics from reporting guidance, to sustainability and corporate social responsibility reports. Click [here](#) for more detailed information on the topics that were identified. 

We continue to seek to understand what matters most to our stakeholders through our stakeholder engagement programs, employee surveys and interactions with our shareholders.

Materiality in the context of this report is not a judgement on societal importance. For example, issues surrounding human rights are of relevance, however the impact to us and our stakeholders is considered low as our operations are in countries where there are robust laws and enforcement on this topic.

The topics of highest importance have been grouped into three areas: Our People, Our Responsibility, and Our Business.



102-46, 102-47



+ about Enerplus

We are a North American energy producer with a concentrated portfolio of oil and natural gas assets in Canada and the United States.

Trading on the Toronto Stock Exchange (TSX) and the New York Stock Exchange (NYSE), we are committed to creating value for our shareholders through a disciplined capital investment strategy.

In 1986, Enerplus Resources Fund became Canada's first oil and natural gas royalty trust, converting into

Enerplus Corporation on January 1, 2011. Over the past 30 years, we have advanced our business and technical capabilities. We have bought, sold and developed billions of dollars of assets, focusing now on three distinct core areas in Canada and the United States. These core areas make up nearly 90% of our corporate production.

\$7.27/BOE

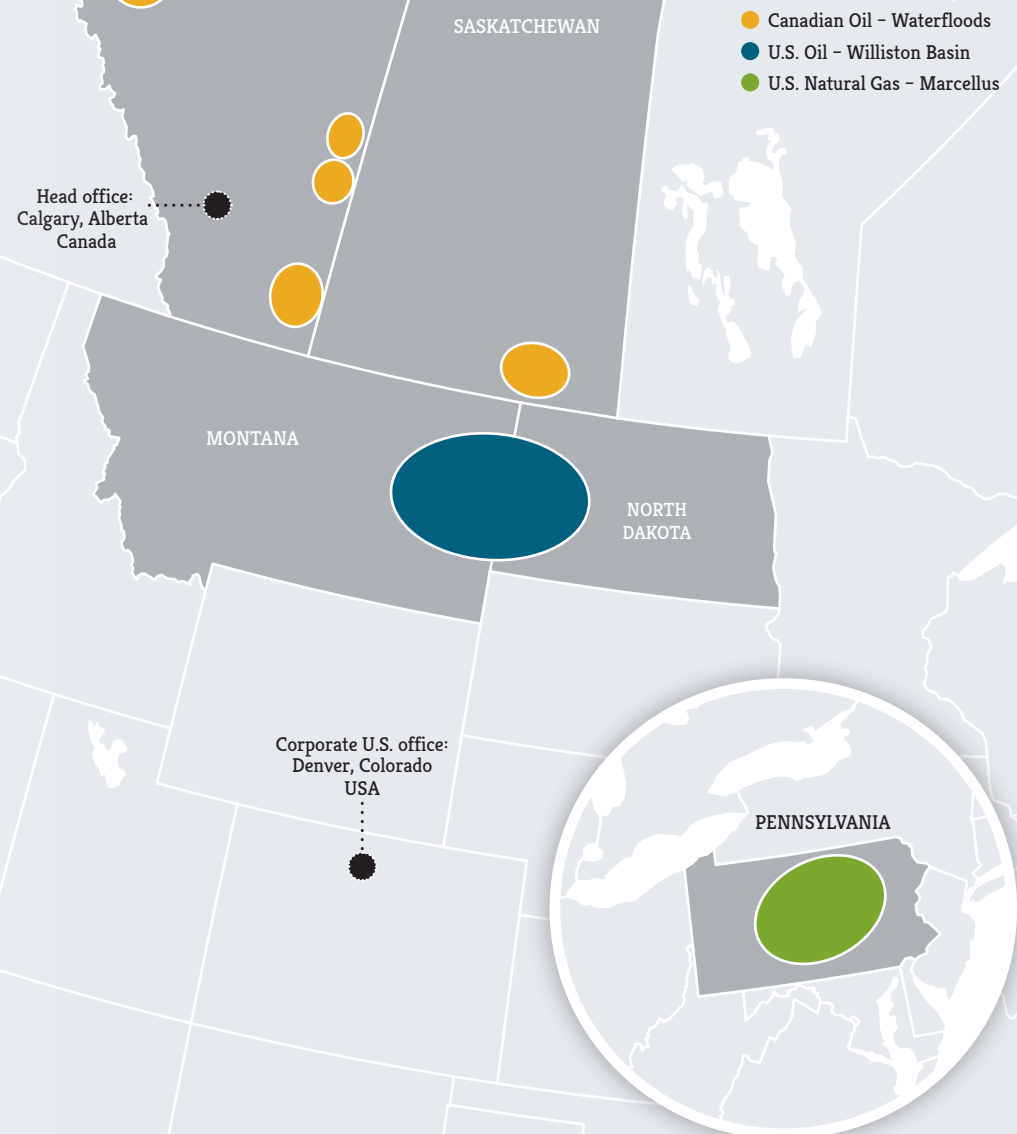
17% reduction in operating expenses, to \$7.27/BOE, compared to 2015

471

Employees (including full-time benefit and payroll consultants)

93,125 BOE/day

Average Daily 2016 Production



+ operations in 2016

3 

Core Areas

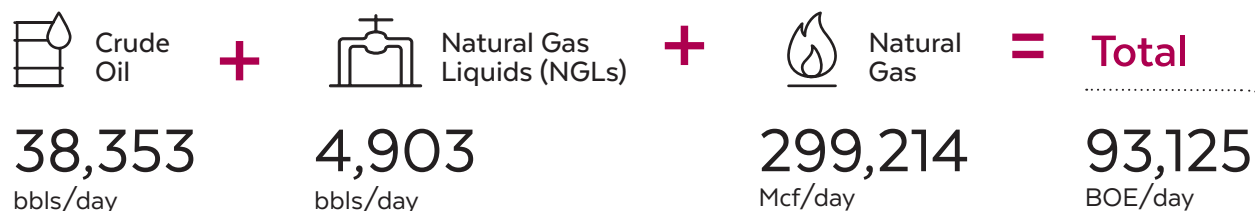
4,042 

Active Operated Wells

12 

Field Offices

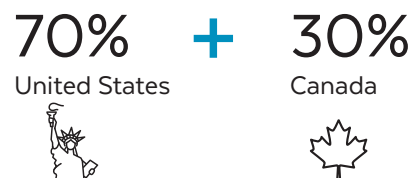
Average Daily Production



Production Volumes/Mix



Geographic Production Split



+ highlights

Financial and Operational

\$670M

Continued to focus our portfolio and realized strong value from our non-core asset divestments in 2016, selling 13,500 BOE/day (60% natural gas) of production for aggregate proceeds of \$670 million.

70%

Significantly strengthened our balance sheet in 2016, having reduced our total debt net of cash and restricted cash by 70%, or \$841 million, over the twelve-month period.

126%

Reserves replacement of 126% of 2016 production, before divestments.

+ message from our president & CEO

In this, our third sustainability report, we highlight performance across all facets of our business – from our environmental impact to safety, from regulatory compliance to community investment. As you read this document, we hope that you will appreciate how seriously we take our obligation to be a responsible community partner.

2016 was a pivotal year for Enerplus. Despite ongoing volatility in commodity prices, we advanced our goal of re-shaping our business for success in a lower commodity price environment. Strong operational performance, continued cost efficiencies and successful non-core

asset divestments have set Enerplus in a strong financial position with a robust financial future. I am particularly proud that these achievements happened in the same year that we realized the best safety performance in our company's history. However, despite our successes, there is always room for improvement: in 2016 we had two substantial pipeline releases. Although I am pleased with our response to these events, our goal is to eliminate these incidents altogether.

As a business, our ultimate goal is to be profitable. However, the way we work to achieve our goals is equally critical. We have published this report to provide our stakeholders a tool to assess our performance in these areas for themselves.

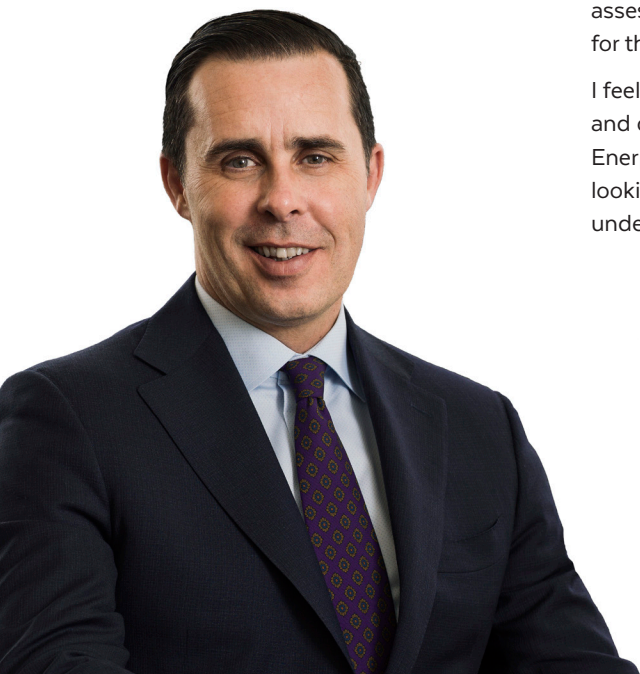
I feel privileged to lead the innovative and collaborative group of people at Enerplus, whose daily commitment to looking for better ways to do our work underpins our ongoing success.



Ian C. Dundas
President & CEO



102-14



+ letter from the chairman of the board

On behalf of the Board of Directors, I am pleased to share Enerplus' 2016 Sustainability Report. In its pages, the story of the company's continued sustainability journey is shared through highlights and challenges – both of which are critical to the learning and growth Enerplus strives for. The Board has oversight to ensure the commitment to safety, social and environmental responsibility, and to a culture of continuous improvement.

"It all adds up" is the ideal summary for the company's 30th year in business. Three decades of work by countless individuals has added up

to this moment in time. And in 2016, the company's focused work on its balance sheet and portfolio has added up, as Ian says, to a pivotal point for this company.

This is an important moment for Enerplus, and as Board members, we are excited to be a part of it.



Elliott Pew
Chairman of the Board



The safety and well-being of
our people and our communities
is our top priority.




+ our
people

+ looking back

2016 highlights

Continued focus on proactive identification of hazards and near misses, resulting in 5,215 potential hazards identified and 274 near misses reported in 2016.

Launched a Serious Injury and Fatality (SIF) potential program aimed at identifying and controlling significant potential hazards that could lead to a serious injury or fatality. Nineteen SIFs were identified and investigated in 2016.

Launched the annual Owning Zero Excellence (OZE) Award to recognize significant achievement by an individual or team to advance our Owning Zero mindset.

2016 challenges

Reducing our operating costs while maintaining a skilled contractor workforce and continuing to focus on safety.

+ looking forward

Year-over-year reduction in lost-time injuries and significant motor vehicle incidents.

Measure and improve the visibility of leadership safety commitment.

Train all operations staff on Serious Injury and Fatality (SIF) potential. Measure, investigate and share learnings of all SIFs.

Promote off-the-job (24/7) safety awareness.

+ safety

We are committed to promoting and supporting our Owning Zero culture in which employees and contractors share ownership of a workplace where all injuries can be prevented and everyone gets home safely at the end of each shift. Ensuring the health and safety of our employees, contractors and stakeholders in the communities where we operate is the most important thing we do.

Our Sustainability Information Management System (SIMS) is the central hub to track and report our safety performance, incidents, audits and inspections, and employee safety training records. We continually analyze the data to identify trends, seek improvement opportunities, and share learnings across the organization.

We have several key initiatives designed to support the continual improvement of our safety performance and culture, including:

- Setting annual corporate safety targets to drive improvement in our year-over-year safety performance,

- Hosting monthly safety meetings at our field locations and at our corporate offices in Calgary and Denver to review safety performance,
- Sharing learnings from hazard identifications, near misses, and recordable incidents. And discussing safety initiatives, processes and procedures,
- Providing ongoing safety training for our employees and contractors, and
- Proactively simulating emergency response scenarios to provide continual training for our emergency response teams.



+ our safety performance

In 2016, we had one of the strongest safety performance years in our history. We had eight recordable injuries compared with 18 in 2015, a 67% improvement year-over-year. Two of the recordable incidents were lost-time

injuries, an improvement from three in 2015. Our employee/contractor total recordable injury frequency (TRIF) improved to 0.81 in 2016 from 1.24 in 2015, an improvement of 33%.



+ 2016 owning zero excellence award recipient

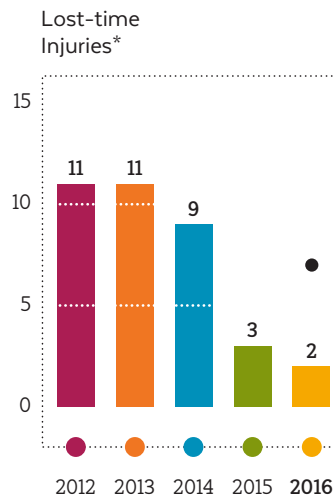
Our first award recipient, Patrick, Foreman - Southern Alberta Gas, displays our HEART (honesty, engagement, accountability, responsibility, and teamwork) values and incorporates safety into every conversation.

In 2016, he championed a safety management plan for facility turnarounds. His motto is "production only matters when it's safe production."



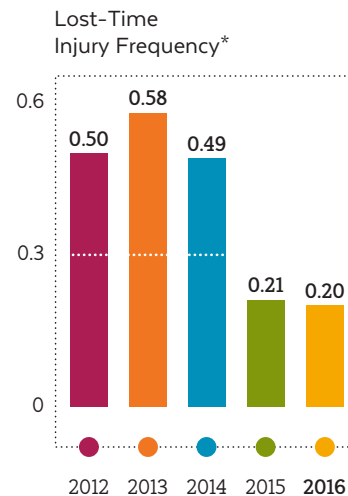
"Patrick is recognized as an exceptional safety leader by his peers. He sets a clear vision for safety. He regularly looks for ways to get his people, and others, involved in our Owning Zero journey."

- Ray Daniels, Senior Vice-President, Operations, People & Culture

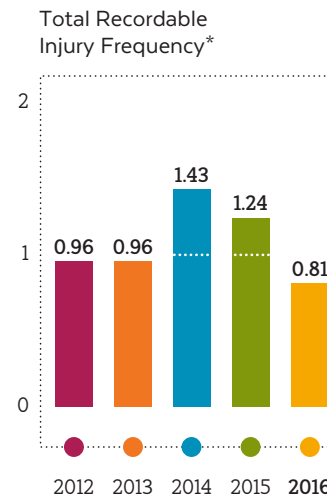


● target (<7)

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



* An industry standard safety metric. The number of lost time injuries (fatalities + lost work day cases) x 200,000 hours divided by total person hours.



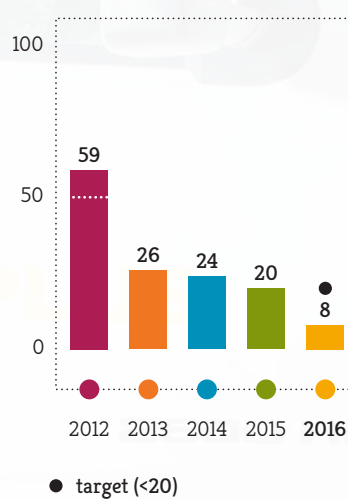
* An industry standard safety metric. The number of recordable injuries (medical treatment, restricted work, lost-time incidents) x 200,000 hours divided by total person hours.

+ keeping our people safe

While driving is an activity many of us do every day, it can be incredibly dangerous. In 2012, we experienced 59 motor vehicle incidents, resulting in the recognition that we needed a much stronger focus on motor vehicle safety. Accordingly, we began a safe driving communication campaign and initiated mandatory Defensive Driving training for all employees who drove on behalf of Enerplus. In 2013, we installed GPS units in all company vehicles to monitor speed, fast starts, hard braking, and location, and we set our first corporate Motor Vehicle

Incident (MVI) target. We also began a formal internal review process for all MVIs with field leaders, the Safety & Social Responsibility (S&SR) Action Committee, and S&SR Steering Committee. In 2015, we implemented a mandatory 360° vehicle walk-around for employees to identify potential hazards prior to driving. This concerted effort to improve motor vehicle safety has resulted in an 86% reduction in MVIs since 2012.

Motor Vehicle Incidents
(combined employee/contractor)



+ automatic tank gauging (ATG) project

Tank gauging is a daily task performed at many of our operations in the United States, where employees take liquid measurements in the oil tanks to determine product volume. While it is a standard task, it is also a hazardous one.

“The way we were doing it, with a worker at the top of the tank doing a manual read, followed the regulations. But, with the new technology available now, we just figured there had to be a better, safer way to do it,” explains Earl MacKay, Operations Superintendent, US Operations.

A team of our employees began working on that better, safer way and determined the best course of action would be to replace manual tank gauging with automatic tank gauging (ATG). While the team collects data to assess the accuracy of ATG compared to manual tank gauging, they have put in place an interim solution that involves the use of a vent line. The vent line allows gases to dissipate significantly before the tank’s hatch is opened. For the last year, Enerplus has been operating with this interim solution at several sites in Montana.

The team demonstrated such exceptional effort and significant contribution to our business that they were honoured with an Enerplus President’s Award.

“We encourage Enerplus employees to be empowered to look at things with fresh perspective, consider new technologies, share new ideas and continually look for ways to do things better,” said Ian Dundas, President & CEO. “This project is exactly what we are looking for. Big thanks to these employees, who are living our HEART values and going beyond their daily job responsibilities to demonstrate the kind of leadership that could very well change the way our industry performs this work.”

According to the National Institute for Occupational Safety and Health (NIOSH), from January 2010 to December 2015 there were at least ten oil and gas extraction worker fatalities associated with exposure to hydrocarbon gas and vapors (HGVs) and oxygen deficiency when the hatch was opened.



+ looking back

2016 highlights

Launched two new employee learning and development programs.

Surveyed employees about their perception of how agile we are as a company and our “performance everyday” approach.

Started an internal grassroots initiative to simplify processes and reduce costs across our business.

2016 challenges

Workforce reductions in response to commodity price uncertainty and divestment of non-core Canadian assets.

+ looking forward

Continue to evolve accountability, agility, and innovation within our culture.

Continue to support diversity and inclusion.

Enhance open and transparent communication and participation.

+ employees

At Enerplus, people are encouraged to work together and are empowered to look for new ways to do things to help us move forward. We could not meet the demands of our industry or maintain our reputation of being a sustainable, responsible operator without great people on our team.

While we celebrate individuality and respect diverse thinking, our “HEART” values are common to us all: honesty, engagement, accountability, responsibility, and teamwork.

+ evolving our culture

In addition to living our HEART values, we emphasize supporting our cultural beliefs at Enerplus. They guide how we interact with each other, how we lead, and how work gets done. Knowing our industry continues to change and evolve, we are using our culture to position ourselves to be more agile in service of innovation and productivity while maintaining high standards of work.



+ how agile are we?

Agility is about being able to respond to changing business conditions, and has become essential for companies in recent years. Some characteristics typical of companies, like hierarchy,

rigid structure, or drawn-out decision-making, can get in the way of agility, whereas others, like purpose, transparency, and diversity, support agility. In 2016, agility was an

important part of our success, and continues to be part of our people priorities in 2017.

+ engaging employees

We have several workplace practices in place to advance our desire for greater innovation within Enerplus.

Our Performance Everyday approach (rather than traditional performance management) recognizes that most employees want immediate feedback and coaching. Feedback on our program showed that 88% of employees are having regular conversations with their leader about the impact they are creating.

Our flexible time-away practice recognizes that work and life happen in the same day. We know employees put in effort well outside of the traditional “9 to 5, Monday to Friday” framework and that family commitments do not always happen on days off. Time off at Enerplus is based on the needs of the individual (assuming work expectations are met) rather than on factors like age, tenure, or years of service. Our concept was celebrated by Alberta Oil magazine, who touted us as one of Canada’s Top Energy Innovators for 2016.

Wellness is an important factor of employee engagement and our ability to operate in a sustainable, results-focused way. An example of our commitment to employee wellness in 2016 was through sponsorship of the Partners for Mental Health *Not Myself Today* program for building mentally healthier workplaces.



+ highlights

Aligned with our HEART values, we ask our employees to share their Honest feedback about our programs and initiatives through informal and formal channels. In 2016, we formally surveyed employees about organizational agility and about our performance everyday approach.

98%

98% of the respondents to our agility survey believe that organization agility is important to achieving our business goals in the next 12 months.

85%

85% of respondents to our performance everyday survey indicated they receive coaching and guidance from their leader to be successful.

+ attracting, retaining, and developing our people

In 2016, we welcomed 11 new employees to Enerplus, over 80% of whom came by way of an employee referral. We were also proud to continue to promote the development of emerging talent, as we hired nine co-op students in Canada and one in the United States in 2016. Twenty-one employees experienced development moves within our organization.

Employees take part in our performance everyday approach, flexible time-away practice, incentive programs, recognition, benefits, and savings programs, including our 401K plan in the US and our registered and non-registered savings plans in Canada. Employees also have opportunities to get involved in our communities, and can leverage training dollars to suit their individual development goals. We recognize our people through both team and individual recognition awards.

For 2016, internally-led learning became a staple at Enerplus. Our employees seized the chance to learn from each other through two new programs:

- *ERFtalks* are designed to encourage employees to educate each other on different facets of our business, to build business acumen, and to share emerging issues or trends.
- *Ignite* sessions are designed to spark conversations around diversity, inclusion, work/life integration and career development.

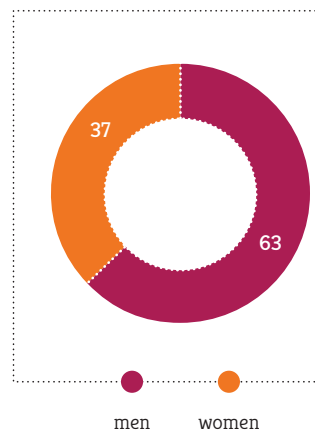
Both were met with highly favourable feedback and will continue in 2017.



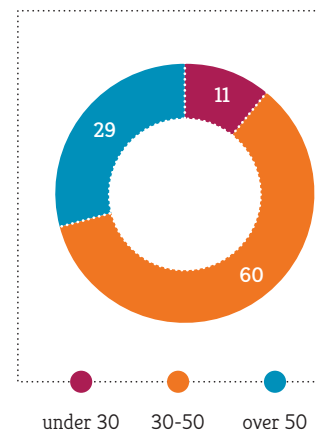
We experienced low voluntary turnover in 2016 (3%), consistent with peers and driven, in part, by commodity price uncertainty and market volatility our industry has been facing. We reduced our employee population by approximately 20%, as a result of the strategic divestment of certain non-core Canadian assets. Many employees who worked at these divested assets received employment offers from

the asset's new owners. In alignment with our HEART values, we took a compassionate approach with those leaving us. This included giving the employees time to talk through the changes with their teammates, and providing separation packages and transition support.

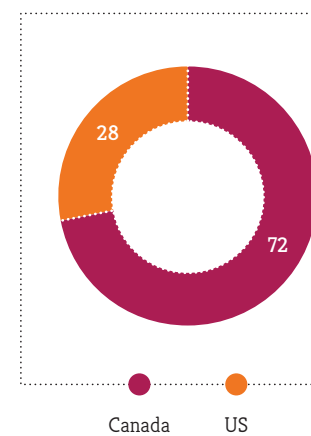
Workforce at a Glance –
Gender (percent)



Workforce at a Glance –
Age (percent)



Workforce at a Glance –
Area (percent)



+ highlights

Internally-led learning became a staple at Enerplus in 2016. Our employees are good at what they do and keen to share their knowledge with their peers.

\$270k

In 2016, despite tough economic circumstances, we spent approximately \$270,000 on employee training and development.

202

In 2016, 202 employees took advantage of the opportunity to learn from their peers as part of our ERFtalks program.

+ community

+ stakeholder engagement

Building and sustaining positive stakeholder relationships in the communities where we live and work is essential to our long-term success. We are committed to establishing and maintaining meaningful relationships with our stakeholders through open and honest conversations.

Our stakeholders are any individual or group with a vested interest in our projects or our company. Each

year, we identify stakeholders who may be directly or indirectly affected by our operations. We continually strive to strengthen our stakeholder relationships through engagement programs, and use information gathered through these programs to put communication channels in place.

Stakeholder Groups



- employees
- government and regulators
- industry peers and partners
- investors
- landowners and local communities
- local indigenous groups
- non-governmental organizations
- suppliers and service providers





adopt-a-well program

Since 2013, Enerplus and the Mandaree School in Ft. Berthold, North Dakota, have worked together on a unique oil and natural gas education program for eighth grade students. Each month, a different aspect of the oil and natural gas industry is presented, including “why we drill” and “what oil is used for.”

The students also get to visit their “adopted” well, Enerplus’ Fish West horizontal well in the Bakken formation.

“My students have enjoyed Enerplus’ visits over the years. These visits have given them a greater understanding of what is going on around and under them. The field trip and hands on meetings have been the best,” says G. Trana, high school science teacher.

In 2017, students from the first Adopt-A-Well class are graduating high school. “We are so incredibly proud to have known this group for five years – to have watched them learn and grow,” says Teresa Presser, Field Administrative Coordinator. “We’ll be there to cheer them on as they collect their diplomas!”



educating the community

To give North Dakota legislators a firsthand view of our work and the important role the oil and gas industry plays in local communities, we toured 30 legislators through our North Dakota operations during the North Dakota Petroleum Council’s 2016 Bakken Tour.

“Best rig tour that I have been on. Very informative. Presenters were very professional and very knowledgeable. Impressed by safety measures in place for spills,” commented David Rust, District 2 Tioga Republican.



updating the community

A new community newsletter specifically for the North Dakota community of Mandaree helps us highlight our involvement in the area and outline the actions we take as a safe, responsible operator in and around the community. We sent our first edition to community members in the fall of 2016.

+ highlights

Treating stakeholders with respect and empowering them with knowledge are a priority for us. Having face-to-face conversations and sharing experiences are two ways we demonstrate our commitment to this priority.

150

150 students attended Project Webfoot, Ducks Unlimited Canada’s wetland education series, sponsored by Enerplus.

4,000

We held 10 community events in Canada, attended by more than 4,000 of our stakeholders.

+ community investment

Our donations, sponsorships, in-kind contributions and the volunteer efforts of our employees turn our commitment to being active participants in our communities into action.

four pillars of giving



Healthcare and Research

We support medical research, treatment of illness and well-being.



Education

We support a strong future for our industry through education initiatives.



Safety and Environment

We support programs that improve health, safety and the environment.



Community Living

We support programs that improve the quality of life in our communities.



LLS: light the night walk

Members of the Denver office joined over 10,000 people for the Light the Night™ Walk to raise funds for the Leukemia & Lymphoma Society (LLS).

Enerplus raised more than \$80,000 and had over 100 employees and friends and family take part in the walk.



match it up

In 2016, Enerplus matched over \$55,000 in donations to charities and non-profit organizations made by our employees in Canada and the United States. Of that total amount, more than \$24,000 went to matching employee donations to the Canadian Red Cross for the May 2016 wildfire relief and recovery in Northern Alberta.

\$571K

\$571,000 spent in 2016 to support our communities in Canada and the United States through donations and sponsorships.



Enerplus olde tyme Christmas fair

For seven years running, Enerplus has participated in the Christmas fair in Medicine Hat, Alberta.

“The event has grown from several hundred attendees the first year to about 3,000 last year. We’ve received tremendous feedback from the community with many people returning each year. It’s a great chance for us to help put on a popular event for families, and to meet up with members of our community at the same time.”

– Joyce Gedny, Production Field Administrator, Enerplus



Calgary women's emergency shelter: toy mountain

Enerplus employees were happy to step up in late 2016 to help make sure all Calgary Women's Emergency Shelter clients would receive toys and essential items including clothing and diapers. In addition to donating several boxes full of items, employees attended a presentation to learn more about the realities of family violence in Calgary.

“Thanks to the generous gift of \$5,000 from Enerplus and from the efforts of its employees, we are able to support individuals and families in our community impacted by family violence and abuse, live healthier and safer lives.”

– Kim Ruse, Executive Director, Calgary Women's Emergency Shelter

Operating responsibly and mitigating our impact on air, water and land is essential to our business.




+ our
responsibility

+ looking back

2016 highlights

Of 78 abandoned wellsites in our Shackleton, Saskatchewan operating area, 67 had no suspected environmental impacts and went directly into the reclamation process.

In 2016, our Medicine Hat waterflood operation reduced its use of city wastewater by 51% compared to 2015.

2016 challenges

Missing our high risk non-compliance target of less than or equal to three events.

+ looking forward

Proactively plan for changing environmental and operational regulations, putting in place measures to reduce any impacts.

Year-over-year improvement in reducing environmental releases and increasing percentage of satisfactory regulatory inspections.

+ land and biodiversity

We work to minimize our environmental impact to the lands that we develop for our operations, recognizing the importance of biodiversity to a healthy ecosystem.

In Canada and the United States, there are comprehensive regulatory frameworks in place to identify and protect areas with high biodiversity value, such as wetlands or designated sensitive areas. We comply with these regulations, follow best industry practices, and strive to avoid development in protected areas.

We consider potential environmental impacts at each stage of development and create plans to mitigate our footprint. Prior to starting work, we conduct a pre-disturbance assessment to identify potential environmental sensitivities and avoid landscape constraints. Where possible, we address these sensitivities by altering project footprints or project timing to avoid sensitive periods, such as fish spawning or bird breeding windows.

+ biodiversity in action

In 2016, we abandoned 78 wellsites in our Shackleton, Saskatchewan operating area. Of these, 67 sites had no suspected environmental impacts and went directly into our reclamation process. These sites will be restored within one to three years to an equivalent land capability, depending on growing conditions, with intact biodiversity potential resulting in “no-net-loss” to biodiversity. The remaining 11 sites require remediation prior to moving to the active reclamation process.



103-1, 103-2, 103-3, 304-1, 304-2, 304-3, 304-4

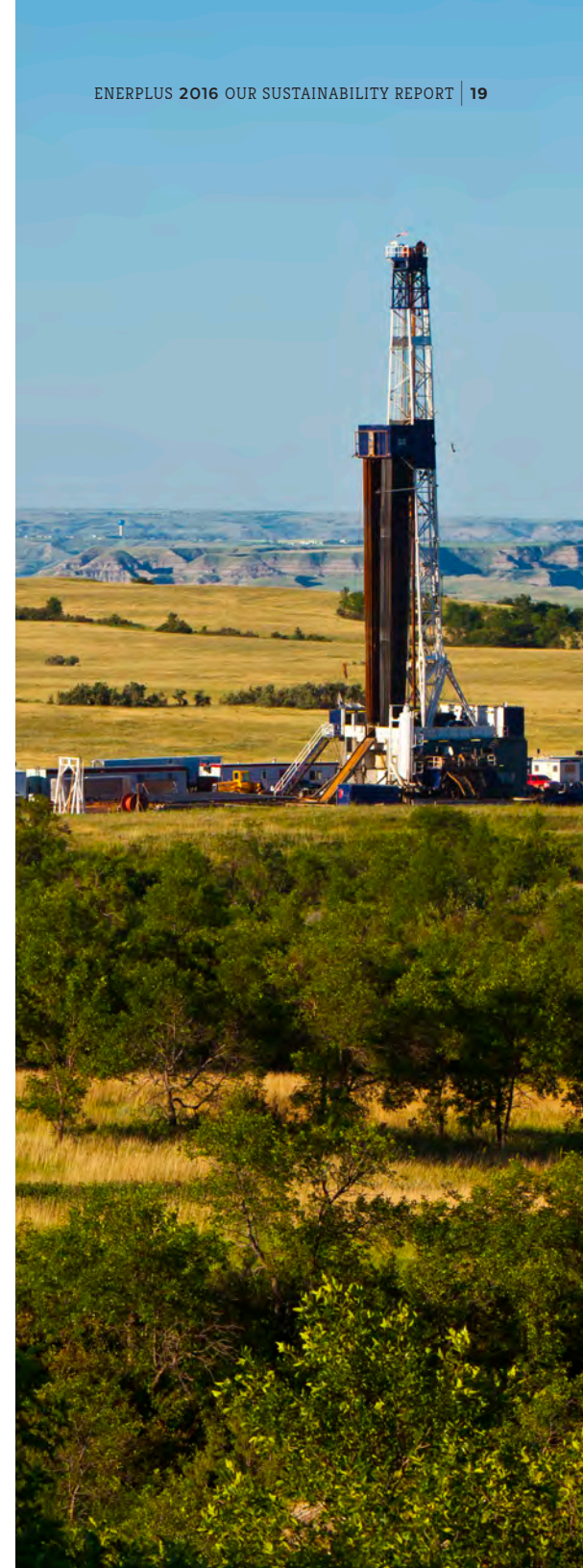
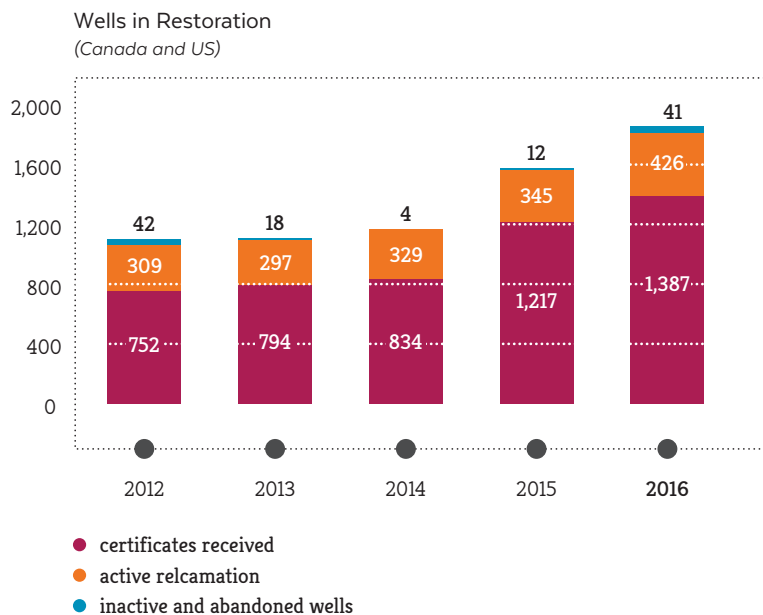
+ restoring our sites

Preserving and restoring biodiversity is a key consideration in how we handle the closure of operations. Requirements for this work vary between Canada and the United States, and we make sure we are compliant in the relevant jurisdiction.

In our Canadian areas of operation, we assess all inactive sites to determine what work is required to return them to equivalent land capability. This is called an environmental screening assessment (Phase 1).

- If environmental impacts are not suspected based on this assessment, the site goes directly into our active reclamation process where the soil and vegetation are returned to the condition of the surrounding land. Upon completion, we apply to the regulatory agency for a reclamation certificate. Closure is considered achieved upon receipt of the reclamation certificate.
- If the Phase 1 assessment shows that environmental impacts are likely to have occurred, a thorough environmental investigation (Phase 2) is conducted to determine the type and extent of the environmental impact present at the site and a remedial action plan is developed. Following remediation, the site progresses to the active reclamation process.

In the United States, once wellsites are abandoned, the ground is put back to the original contours of the landscape using topsoil that was preserved and stored during the initial construction of the site. With the help of local stakeholders, we ensure that appropriate native seed mixes are used to revegetate the site. Once the land has a minimum of 70% regrowth, we release it back to the surface landowner.



+ environmental release performance

Our intent is to prevent environmental releases from happening in the first place, and therefore we focus first and foremost on having prevention controls and programs in place.

We actively inspect our operations, and have corrosion risk management and asset integrity management programs. In the event of an unintended release, we document the event, investigate, and record all corrective actions. We track all releases and report any that meet provincial, state or federal reporting requirements. In 2016, we updated our release response guidelines to provide clarity and improve efficiencies.

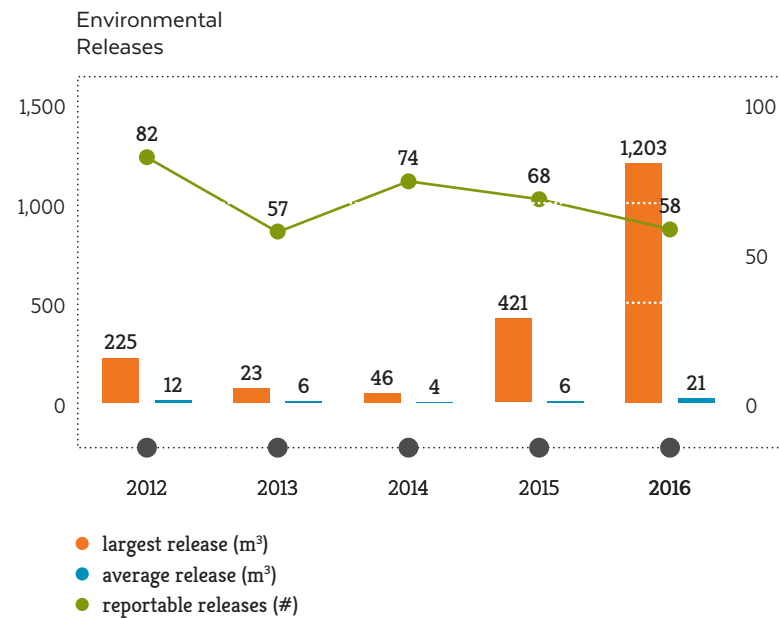
We are committed to improving our release performance, setting annual release targets to measure performance. In 2016, we did not meet our release targets, primarily due to two higher volume releases. Enerplus has spent over \$7 million in the last two years to mitigate releases. Initiatives include the installation or upgrading of leak detection equipment at several of our operating sites in Alberta, and the addition of emergency shutdown valves to approximately 30 salt water lines.

These releases resulted in the Alberta Energy Regulator (AER) identifying Enerplus in its February 2017 *Pipeline Performance Report* as having the highest number of high consequence pipeline incidents and the highest volume of product released for the year 2016. The releases were fully investigated as soon as they occurred in 2016. Remediation measures, agreed upon with the AER and affected property owners, were implemented and satisfied AER and property owner requirements.

We take this issue very seriously and have already taken several actions:

- Updated our Pipeline Operating and Maintenance Manual and provided associated training to our operators,
- Increased the number of internal pipeline audits, and
- Initiated a more comprehensive leak detection program.

We will also continue to invest in operational improvements, such as monitoring equipment and replacing steel pipelines and risers with non-metallic materials.



+ energy and emissions

Understanding our air emissions is important to us because of the potential impact to human health and the environment.

We actively monitor our emissions and strive to continually improve the accuracy of our emissions data. We voluntarily report our emissions metrics into CDP's Climate program (www.cdp.net).

We strive to comply with all applicable provincial, state and federal regulations and industry best practices. As the issue of air emissions is bigger than Enerplus, and even our industry, we work with regulators and collaborate

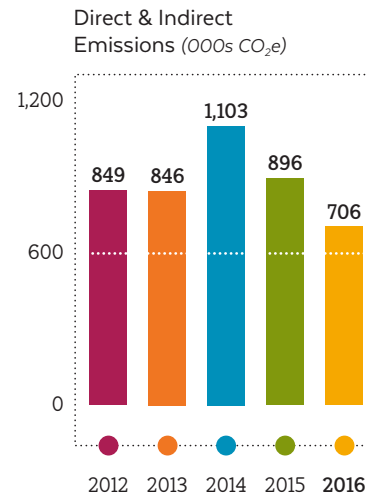
with our peers through industry associations to share knowledge about emission reduction opportunities and industry best practices, and to stay informed about proposed emissions regulations. In 2016, we conducted

a detailed greenhouse gas (GHG) regulation impact study to understand the potential business effects of anticipated emissions regulations.

+ how we manage air emissions

We review our projects and operations for opportunities to reduce our emissions, implementing new technology or processes when project economics are favourable. As an example, we installed 14 zero-emission, solar-powered chemical injection pumps in southern Alberta, replacing methane-venting pneumatic chemical injection pumps.

We reduced our total direct emissions by 21% in 2016 through improved flare gas capture and utilization rates in the United States, and from the sale of higher-emitting facilities in Canada.



+ leak detection and repair program

Our leak detection and repair program proactively identifies leaks, using technology including specialized thermal imaging cameras. If a leak is found, once repaired, we evaluate the findings to identify trends and proactive repairs that can be applied across our operations. Based on these results, we have also made significant changes to how we design our facilities.

For instance, we have eliminated fiberglass water storage vessels in our North Dakota operations, which has allowed us to better manage thief hatch designs in order to reduce unintended leaks from our storage tank systems.

+ highlights

We work to minimize our environmental impact, ensuring our compliance with regulatory frameworks and following best industry practices.

973

Saved roughly 973 tonnes CO₂e and avoided 666,560 truck miles in 2016.

60 years

Hydraulic fracturing is a safe, proven and government-regulated technology that has been used for over 60 years.

+ water

Water is an essential resource for oil and natural gas development. Reducing our freshwater use and preserving water quality is important to our stakeholders and we are working to minimize our impact on water resources.

Access to water is integrated into our project risk assessments and business strategy, and we comply with regulations to extract and dispose of water. We reduce our use of freshwater by using non-potable water and other alternatives whenever possible, and recycle as much water as we can to reduce the total amount of water used.

+ hydraulic fracturing

Hydraulic fracturing (also called “fracking”) is a technique used during the well completion process to access oil and natural gas trapped in hard, tight rock formations. It is a temporary operation that typically lasts one to five days. We use this technique primarily in our North Dakota operations.

Hydraulic fracturing is a safe, proven and government-regulated technology that has been used for over 60 years. We are aware its use has raised concerns in some jurisdictions, so we work with our stakeholders to address

any questions or concerns they may have, as we do with any aspect of our operations.

We comply with all regulations in Canada and the United States, and adhere to best practices and industry standards for well construction and hydraulic fracturing operating practices.

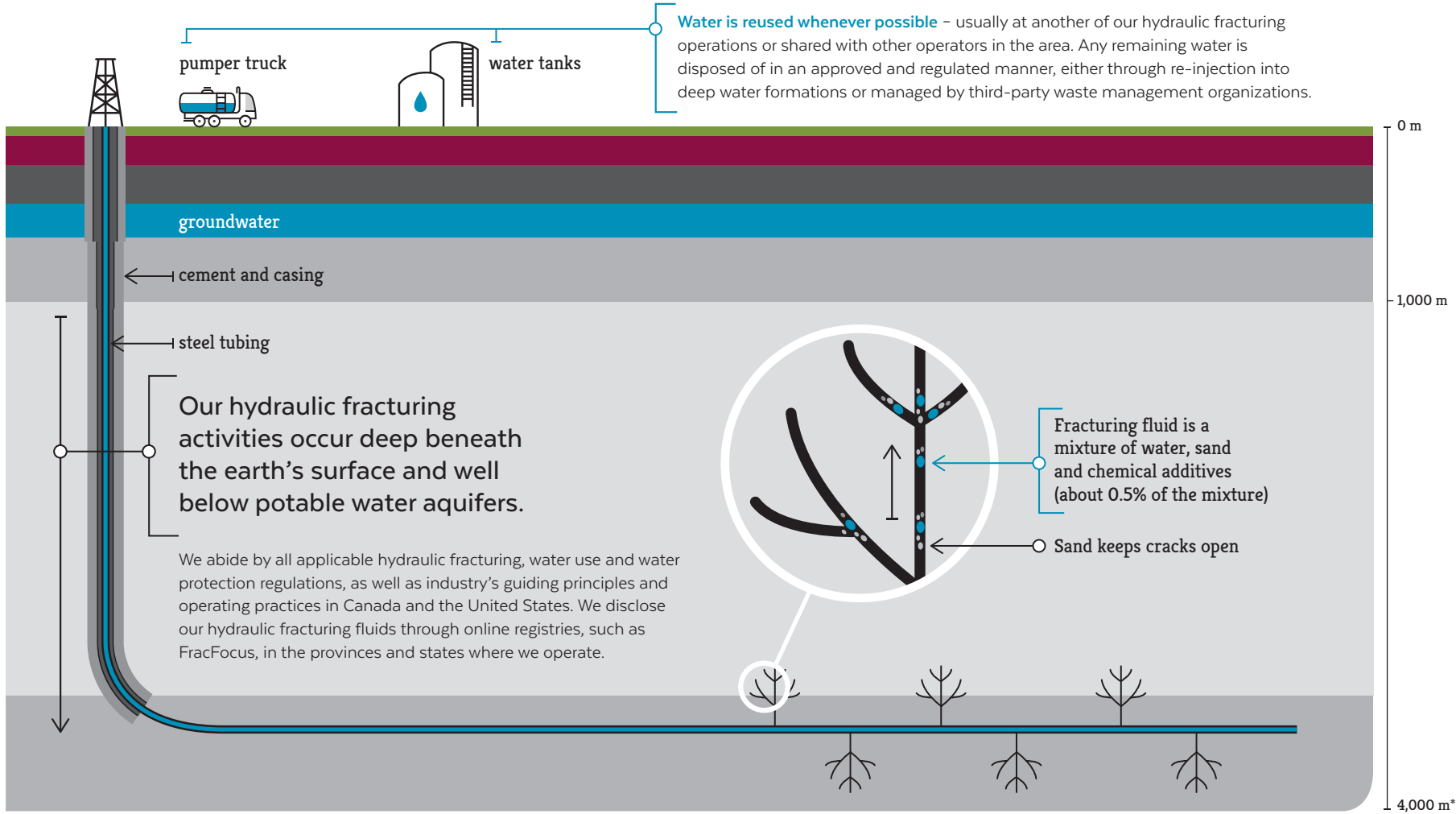
Water is needed for hydraulic fracturing, and although alternatives to freshwater can be used, often the most economically viable water source is fresh surface or ground water as it has the ideal chemistry to readily be used for hydraulic fracturing. Alternative water sources, such as deep saline aquifers or produced

water, have impurities that must be treated to lower salt content, remove hydrogen sulphide, and eliminate scaling chemicals before use.

In North Dakota, we conducted a pilot project in 2016 to evaluate the use of temporary above-ground pipelines to move water from the water source to the wellsite for our hydraulic fracturing operations. Typically, water is hauled to the site by tanker trucks. The pilot project demonstrated using the pipelines resulted in a significant reduction in the number of trucks using local roads, decreased road noise and dust, reduced vehicle emissions and had less impact on wildlife.



103-1, 103-2, 103-3



* The equivalent of 80 Olympic size swimming pools

+ how we manage water

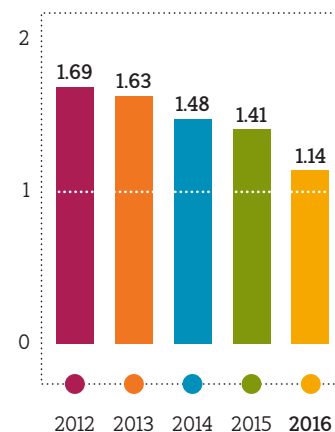
Monitoring, measuring and reporting all water used allows us to effectively manage its use. We voluntarily report our water use metrics in CDP's Water program.

When we require significant volumes of water for our operations, we first evaluate all water types (i.e., produced water, recycled water, deep saline groundwater, industrial and municipal wastewater and freshwater) available within the project area for technical feasibility and economic viability. Treatment, transportation, and procurement costs of each water source are calculated and compared to one another. In cases where freshwater is deemed the preferred option, we must comply with strict water

withdrawal regulations. For example, in Canada, no other water users in the area can be negatively affected, the surface elevation of lakes must not be significantly changed due to withdrawal, and minimum in-stream ecological flow requirements must remain intact. If all these conditions are not met, withdrawal of freshwater is not permitted by regulators.

We are continually looking for opportunities to reduce our use of freshwater. Since 2012, we have reduced our freshwater use by approximately 19%. In 2016, at our Medicine Hat waterflood operations, we reduced our use of city wastewater by 51% by using a saline water source well instead.

Freshwater Use
(million m³/year)



Maintaining a strong, successful
company creates value for our
shareholders.




**+ our
business**

+ looking back

2016 highlights

Divested of 13,500 BOE/day of non-core assets (60% natural gas).

Reduced our total debt net of cash and restricted cash by 70%, or \$841 million.

Reduced our discounted Asset Retirement Obligation (ARO) by \$36 million through divestments.

Over \$100 million in annual cost savings across operating, general and administrative, and interest expenses.

2016 challenges

Commodity price uncertainty and market volatility.

A challenging market in which to divest assets.

A year of political and regulatory change across the industry.

+ looking forward

Grow liquids production annually by 20% over the next three years.

Add top quartile inventory with scope.

Continue working to divest non-core assets.

Further reduce our Asset Retirement Obligation (ARO).

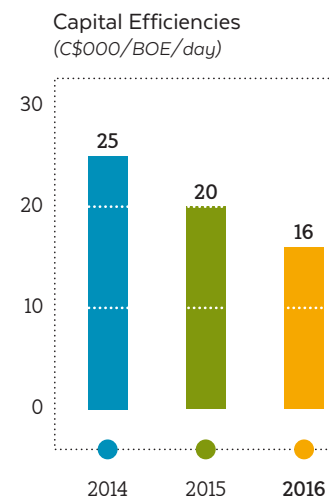
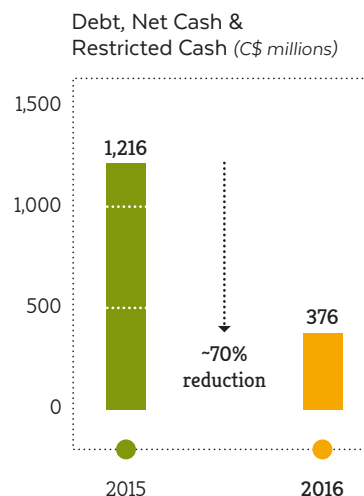
+ economic performance

Maintaining a strong, focused, and profitable company creates value for our shareholders. Once again in 2016, the energy sector was faced with commodity price and market volatility. Despite this uncertainty, Enerplus delivered exceptional operational performance and strengthened our financial position.

We took significant steps to improve our financial strength, including the divestment of non-core, lower-margin properties, an equity financing, further reducing our dividend, and maintaining a modest capital program. These actions resulted in a 70% reduction to our net debt, and significant improvements to the cost structure of our business.

Building off our \$75 million cost savings initiative in 2015, our employees continued looking for ways to optimize processes and gain efficiencies around how we go about our day-to-day activities. This continued focus resulted in over \$100 million in annual cost savings across operating, general and administrative, and interest expenses in 2016.

The improvements we have made to our capital and operating efficiencies, and our financial strength, position us well for reestablishing profitable growth in 2017.



+ risk management

Our business is subject to the risks and hazards associated with the oil and natural gas industry. We monitor and assess risks related to our operations and our business, including:


- reputation,
- governance,
- health and safety,
- regulatory and environmental matters, and
- technological matters.

We have established processes and programs to minimize the impacts of these risks.

Reduction in workforce has become a more common risk in our industry in recent years. With prolonged challenging economic conditions and our non-core asset divestments, we experienced a reduction to our employee population in 2016. We have made it a priority to ensure we are assessing potential risks associated with workforce reductions. Our leadership team set clear expectations for field and office employees on remaining focused on our safety mindset, Owning Zero. We also spent significant time making sure we continue to have sufficient

coverage of personnel in all areas to mitigate risks related to health, safety, and regulatory non-compliance.

Our risk management practices are embedded throughout the company and are designed to mitigate risks and maintain business continuity. Part of our risk management strategy includes a robust insurance program to mitigate financial loss, where possible, associated with our identified risks.

More information about our risk factors is available in our Financial Summary and Annual Information Form. Please visit www.enerplus.com. 

+ our S&SR risks

S&SR risk management includes identifying, evaluating, prioritizing, and minimizing or mitigating health, safety, regulatory compliance, and environmental risks, and identifying opportunities to improve. We believe we are, and expect to continue to be, in compliance with all material

applicable environmental laws and regulations and we have included appropriate amounts in our budget to continue to meet our ongoing environmental obligations.

+ project vivify

As we saw the economic realities of our industry prove damaging for some companies in 2016, Enerplus took the opportunity to fuel experimentation and new thinking. A cross-functional team gathered to lead efforts to simplify, streamline, and optimize how we carry out our business. Named “Vivify” – to enliven, brighten, and sharpen – the team collected over 250 ideas across 18 business themes from employees.

A total of seven work streams emerged with the common goal of improving our business. Projects and processes within these work streams varied from updating our reclamation/remediation process, to streamlining change requests, and improving weekly reporting. Each proved successful and has been implemented across our business.



+ governance and ethics

Our Board of Directors and Senior Leadership Team believe that strong corporate governance practices are essential to our operations. Our Board provides oversight of the company's operational, financial, health and safety, environmental and regulatory matters.

Our Board members bring a diverse array of technical expertise and direct industry experience. They are accountable for ensuring we deliver on our sustainability goals, and that our business activities are executed safely and responsibly. Working with our Senior Leadership Team, the Board evaluates our performance relative to internal targets, which often exceed industry and regulatory minimum requirements.


Our Board has five committees to help with corporate stewardship responsibilities, one of which is the S&SR Committee. We also have two non-board committees, consisting of executives and management, which report to the S&SR Board Committee.

Our Board and committees set the tone for our commitment to maintaining the highest business standards in our operations. At Enerplus, our HEART values are embedded in our business. We live by these values and they guide our actions.

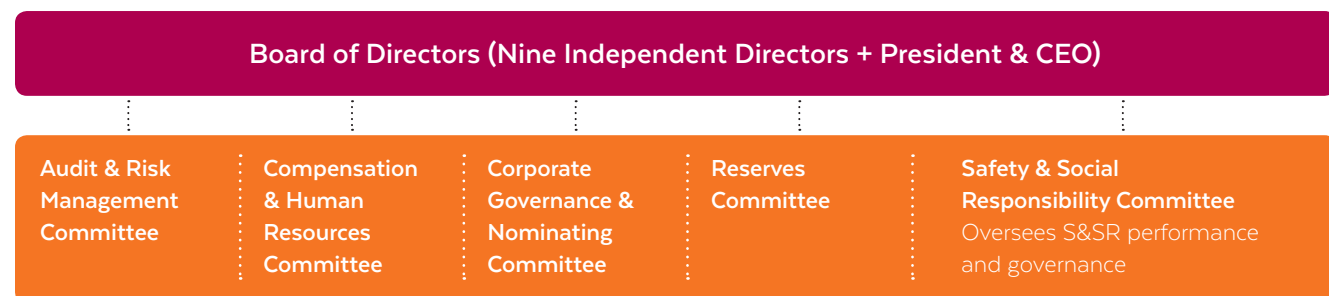
Our policies set out in detail the values and principles by which we are governed. Our Code of Business Conduct details our expectations for

employees, consultants and directors with respect to how to conduct their work ethically and lawfully, and at a level that exceeds minimum legal standards. It addresses topics such as honest and ethical conduct, conflicts of interest, compliance with applicable laws and company policies and procedures, use of corporate assets and opportunities, confidentiality of corporate information, reporting responsibilities and procedures,

and non-retaliation. We also have a Whistleblower Policy to encourage members of the public, employees, and directors to raise concerns regarding matters covered by the Code of Business Conduct.

More information about our committees, corporate governance, and policies is available in our Information Circular. Please visit www.enerplus.com. 

committees of the board



S&SR Steering Committee

Ensures activities align with S&SR Policy, strategy and objectives

S&SR Action Committee

Implements strategies and objectives; maintains and improves the S&SR Management System



+ supply chain

Enerplus is committed to developing energy responsibly with a focus on building long-term relationships with local suppliers and stakeholders. Selecting contractors and suppliers whose responsible business practices align with ours helps to protect the safety of our workers, ensures continued respect for the environment, allows us to maintain our cost competitiveness, and assists in building positive, long-term relationships in the communities where we operate.

Each year we work with thousands of landowners and vendors in Western Canada and parts of the United States. Working with local vendors

is good for Enerplus and our communities because it generates opportunities and economic benefits throughout the development process. In 2016, 64% of our contractors had an office in the province or state where the work was performed, and 50% of our spending was allocated to local contractors.

Our contractors and suppliers provide a wide range of goods and services supporting our engineering, drilling, construction, and operation of our facilities and offices. They must meet our rigorous criteria for health and safety, insurance, and legal matters, 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.

We evaluate our safety-sensitive contractors on an ongoing basis, looking at their safety performance, workers' compensation rating, safety program, and how they perform on our sites. We approve firms who meet or exceed our standards, and we require the use of approved firms for safety-sensitive work. If a firm that does work for us loses its approval status, we help them regain it, where possible. Where it is not possible, we replace them with other approved firms.

+ changes in the industry

The oil and gas services sector has undergone dramatic changes during the economic downturn and is in the early stages of recovery. These changes have introduced increased risk in

the availability of key goods and services and our ability to continue to deliver efficient, cost-effective and safe operations. We are evaluating and mitigating the potential effects of these risks

through our focus on contractor management, and will continue to monitor these issues as the industry recovery progresses and contractors work through expanding their service capacity.

+ highlights

Hiring locally where possible allows us to build long-term relationships with suppliers and stakeholders, and brings economic benefits to the areas where we work.

64%

64% of our contractors had an office in the province or state where the work was performed.

50%

50% of our spending was allocated to local contractors in 2016.



103-1, 103-2, 103-3, 102-9, 102-10, 204-1

+ highlights

Setting annual targets for regulatory compliance helps us to measure our performance, leading to tangible improvements.

93%

We surpassed our low risk non-compliance target for the third consecutive year, and achieved a 93% compliance rate for 2016.

221

We rated as satisfactory in 221 regulatory inspections out of 239.

+ regulatory compliance

Regulatory compliance is an integral part of our day-to-day operations and we strive to comply with all applicable rules and regulations. We set annual targets for regulatory compliance that help us to measure our performance and drive improvement.

+ our compliance

For the third consecutive year, we surpassed our low risk non-compliance target and achieved a 93% compliance rate for 2016, with 221 regulatory inspections out of 239 rated as satisfactory.

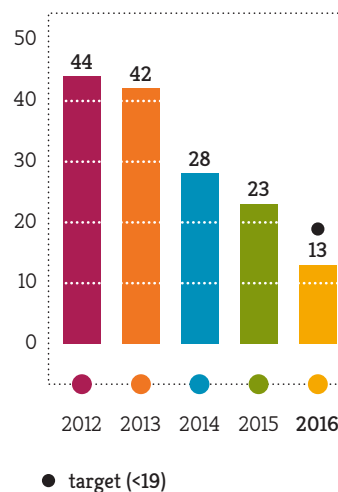
However, we received five high-risk non-compliance ratings, thereby not meeting our target of three or fewer. The majority of these high-risk non-compliance events were related to pipelines. For more detail, see the Environmental Release Performance section on page 20.

We recognize pipeline integrity is material to stakeholders, and are committed to working closely with regulators to meet or exceed any requirements.

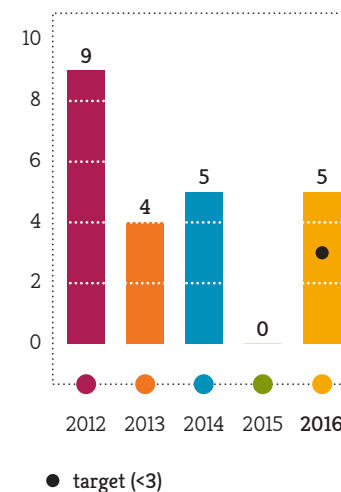
We train our field operators on how to inspect their facilities, pipelines and wellsites to ensure that all are in compliance with applicable regulations. Our robust internal audit

and inspection program identifies regulatory compliance deficiencies and opportunities for improvement.

Low-Risk
Non-Compliance



High-Risk
Non-Compliance



103-1, 103-2, 103-3



+ our
data tables

DATA TABLES

STAKEHOLDER FRAMEWORK

List of Key Stakeholder Groups*	Importance	Engagement/Feedback Mechanisms	Issues/Priorities/Concerns
Employees	<ul style="list-style-type: none"> • Key achievers of business results and performance • Enerplus ambassadors • Talent availability is impacted by our reputation as an employer of choice 	<ul style="list-style-type: none"> • Code of Business Conduct • Corporate Culture initiatives • Talent Workshops • EnerNet intranet site • Business updates and Town Halls • Quarterly newsletters • Employee engagement and materiality surveys • Board of Director field trip • Ambassador Working Group • Sustainability Report 	<ul style="list-style-type: none"> • Safety • Training and development • Corporate sustainability • Compensation and benefits • Corporate culture and leadership behaviours • Economic performance
Government and Regulators	<ul style="list-style-type: none"> • Decision makers on applications, laws, policies and regulations • Auditors and enforcers of policies and approvals 	<ul style="list-style-type: none"> • Applications • Discussions regarding business and government priorities • Compliance audits • Mitigation advice • Performance reports (environment, safety, regulatory) • Sustainability Report • Materiality Survey 	<ul style="list-style-type: none"> • Infrastructure development • Cumulative effects • Taxes and royalties • Legal and regulatory compliance
Industry Peers and Partners	<ul style="list-style-type: none"> • Potential for joint efforts, shared resources and synergies • Drivers of sector innovation 	<ul style="list-style-type: none"> • Synergy groups • Industry trade associations • Industry/community associations and discussion groups • Sustainability Report • Materiality Survey 	<ul style="list-style-type: none"> • Coordination of simultaneous operations or shared access • Environmental and safety performance • Sustainability and social license • Sharing of best practices and innovation
Investors	<ul style="list-style-type: none"> • Provide capital • Market performance impacts our brand reputation as financially sound and responsible • Support for business strategy allows flexibility in corporate spending, acquisitions and divestitures 	<ul style="list-style-type: none"> • Conferences/presentations • One-on-one meetings • Webcasts and podcasts • Video Q&A with the CEO • Annual and quarterly financial reports • Press releases • Annual General Meeting • Sustainability Report • Materiality Survey 	<ul style="list-style-type: none"> • Fiscal responsibility, returns and profitability • Short and long-term business strategy • Governance • Risk management • Economic performance • Environmental impacts (climate change, methane, hydraulic fracturing)

* Our stakeholders have been placed in alphabetical order.

STAKEHOLDER FRAMEWORK

List of Key Stakeholder Groups*	Importance	Engagement/Feedback Mechanisms	Issues/Priorities/Concerns
Landowners and Local Communities	<ul style="list-style-type: none"> • Shared interest in land use and access management • Potential to be directly affected by our operations • Direct witnesses to our performance in the field • Support for social license to operate • Shared emergency response resources 	<ul style="list-style-type: none"> • Direct and ongoing communication through workshops, committees to discuss development plans, potential mitigations and access management protocols • Community Investment • Community Events • Sustainability Report • Materiality Survey 	<ul style="list-style-type: none"> • Local area impacts (noise, weeds, dust, traffic, logistics) • Environmental impacts • Community Engagement and Investment • Emergency notification protocols • Business and employment opportunities
Local Indigenous Groups	<ul style="list-style-type: none"> • Potential to be directly affected by our operations • Longstanding treaty, title, historical and cultural connection to the land • Shared value creation through business contracts, employment opportunities 	<ul style="list-style-type: none"> • Direct engagement with Indigenous communities as needed or requested regarding specific project plans, business and employment opportunities and community investment • Participation in community events by invitation • Site visits and special assessments as appropriate • Sustainability Report • Materiality Survey 	<ul style="list-style-type: none"> • Environmental impacts • Land access management • Community Investment • Economic opportunities • Training, development and scholarships • Culture and traditional language retention
Non-Governmental Organizations	<ul style="list-style-type: none"> • Support sustainable, responsible development and social license • Influencers of public opinion, policy and reporting mechanisms • Increased public awareness 	<ul style="list-style-type: none"> • Direct and synergy meetings • Partnerships on education and conservation initiatives • Sustainability Report • Materiality Survey 	<ul style="list-style-type: none"> • Sustainability • Environmental performance • Mitigation and innovation • Best practices
Suppliers and Service Providers	<ul style="list-style-type: none"> • Delivering safe and responsible exploration, drilling, completions and production 	<ul style="list-style-type: none"> • Performance feedback • Training on safety and environmental standards and practices • Sustainability Report • Materiality Survey 	<ul style="list-style-type: none"> • Operational, Regulatory, and Health, Safety and Environmental performance • Short and long-term business strategy • Consistent and fair bidding practices

* Our stakeholders have been placed in alphabetical order.

NOTE: When data for performance indicators was not available a line entry (—) appears in the table.

SUPPLY CHAIN

		2014			2015			2016		
		Canada	U.S.	Corp.	Canada	U.S.	Corp.	Canada	U.S.	Corp.
Contractor Assessment										
Total Influenceable*	Percent of Spend	80	87	83	85	99	90	74	91	85
	Contractor Percent	56	88	60	85	91	86	85	92	86
Total Influenceable over \$25k CDN	Percent of Spend	98	100	98	82	94	88	94	99	98
	Contractor Percent	36	64	41	32	53	35	31	55	36
Total Safety Sensitive Influenceable over \$25k CDN	Percent of Spend	79	83	80	64	71	68	75	77	76
	Contractor Percent	58	65	60	18	32	21	60	63	61
Local Contractors										
Total Home Province - All States/Provinces		—	—	727	—	—	687	—	—	566
Total Contractors in ISNetwork		—	—	1,137	—	—	1,080	—	—	888
Percent Home State/Province		—	—	64	—	—	64	—	—	64
Percent Spent on Local Contractors		—	—	57	—	—	64	—	—	50

* Companies providing materials, equipment or services to Enerplus. This excludes entities such as government bodies, utilities, regulators, landowners, office-based consultants, employees and any other entity we cannot reasonably influence from a commercial perspective.

We have minimal direct engagement with offshore contractors, and the companies we deal with in that regard are law-abiding and reputable to the best of our knowledge.

SAFETY

	2012			2013			2014			2015			2016		
	Canada	U.S.	Corp.	Canada	U.S.	Corp.	Canada	U.S.	Corp.	Canada	U.S.	Corp.	Canada	U.S.	Corp.
Injury															
Employee TRI	1	2	3	2	2	4	3	0	3	2	5	7	0	2	2
Contractor TRI	13	5	18	10	4	14	15	8	23	7	4	11	1	5	6
Combined Employee/ Contractor TRI ⁽¹⁾	14	7	21	12	6	18	18	8	26	9	9	18	1	7	8
Employee TRIF	0.15	2.11	0.40	0.32	1.56	0.54	0.49	0.00	0.40	0.36	3.24	0.99	0.00	1.41	0.37
Contractor TRIF	1.59	0.81	1.26	1.28	1.12	1.23	2.25	2.03	2.17	1.33	1.85	1.48	0.41	2.39	1.32
Combined Employee/ Contractor TRIF ⁽²⁾	0.95	0.99	0.96	0.86	1.24	0.96	1.41	1.47	1.43	0.83	2.43	1.24	0.16	1.99	0.81
Fatalities	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Employee LTIF	—	—	—	0.32	1.56	0.54	0.33	0.00	0.26	0.00	0.65	0.14	0.00	0.70	0.19
Contractor LTIF	—	—	—	0.64	0.56	0.62	0.30	1.27	0.66	0.00	0.93	0.27	0.00	0.48	0.22
Combined Employee/ Contractor LTIF ⁽³⁾	0.41	0.70	0.50	0.50	0.82	0.58	0.31	0.92	0.49	0.00	0.81	0.21	0.00	0.57	0.20

SAFETY

	2012			2013			2014			2015			2016		
	Canada	U.S.	Corp.	Canada	U.S.	Corp.	Canada	U.S.	Corp.	Canada	U.S.	Corp.	Canada	U.S.	Corp.
ODR (Occupational Disease Rate)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
LTI Actual ⁽⁴⁾	6	5	11	7	4	11	4	5	9	0	3	3	0	2	2
LTI Target	—	—	—	—	—	—	—	—	<10	—	—	<9	—	—	<7
MVI Actual ⁽⁵⁾	47	12	59	15	11	26	11	10	21	13	7	20	2	6	8
MVI Target	—	—	—	—	—	—	—	—	<24	—	—	<20	—	—	<20

(1) TRI: Total Recordable Injury, an industry standard safety metric. The number of recordable injuries (medical treatment, restricted work, lost time incidents).

(2) TRIF: Total Recordable Injury Frequency, an industry standard safety metric. The number of recordable injuries (medical treatment, restricted work, lost time incidents) x 200,000 hours divided by total person hours.

(3) LTIF: Lost Time Injury Frequency, an industry standard safety metric. The number of lost time injuries (fatalities + lost work day cases) x 200,000 hours divided by total person hours.

(4) LTI: Lost Time Injury, an industry standard safety metric.

(5) MVI: Motor Vehicle Incidents, an industry standard safety metric.

ENVIRONMENT

	2012			2013			2014			2015			2016		
	Canada	U.S.	Corp.	Canada	U.S.	Corp.	Canada	U.S.	Corp.	Canada	U.S.	Corp.	Canada	U.S.	Corp.
Energy															
Energy Consumption															
Propane (MWh)	—	—	2,367	—	—	4,365	—	—	9,317	—	—	8,465	0	8,302	8,302
Diesel (MWh)	—	—	203,140	—	—	92,285	—	—	124,167	—	—	147,368	1,980	64,460	66,440
NG (MWh)	—	—	2,466,097	—	—	1,274,443	—	—	604,729	—	—	1,329,990	606,661	453,683	1,060,344
Total Fuel Consumption (MWh)	—	—	2,671,605	—	—	1,371,093	—	—	738,212	—	—	1,485,823	608,641	526,445	1,135,086
Total Electricity Consumption (MWh)	247,046	19,977	267,023	226,435	28,629	255,064	237,880	33,720	271,600	229,191	33,670	262,861	196,885	23,931	220,816
Total Energy Consumption (GJ)	5,460,068	1,291,287	6,751,355	5,077,463	1,822,672	6,900,135	3,929,603	4,291,517	8,221,120	3,889,609	4,832,352	8,721,961	2,541,213	4,670,579	7,211,792
Energy Intensity															
Intensity Ratio (GJ/BOE) ⁽¹⁾	0.35	0.18	0.30	0.36	0.22	0.30	0.31	0.44	0.36	0.33	0.42	0.38	0.28	0.41	0.35
Ratio Denominator (BOE)	15,632,802	7,024,608	22,657,410	14,200,676	8,156,034	22,356,710	12,824,885	9,785,440	22,610,325	11,798,481	11,440,664	23,239,145	9,003,768	11,412,849	20,416,617
Water															
Water Withdrawn by Source															
Surface Water (m ³ /yr)	1,208,311	—	1,208,311	959,052	336,315	1,295,367	775,685	273,087	1,048,772	675,826	391,308	1,067,134	393,859	579,182	973,041
Ground Water (m ³ /yr)	22,556,418	—	22,556,418	18,343,476	385,188	18,728,664	18,922,576	521,606	19,444,182	19,320,554	634,026	19,954,580	19,342,104	748,041	20,090,145
Municipal Water (m ³ /yr)	481,989	0	481,989	339,630	0	339,630	426,773	0	426,773	338,141	0	338,141	164,984	0	164,984
Total (m ³ /yr)	24,246,718	—	24,246,718	19,642,158	721,503	20,363,661	20,125,034	794,693	20,919,727	20,334,521	1,025,334	21,359,855	19,900,947	1,327,223	21,228,170
Volume of Water Recycled and Reused															
Total Volume (m ³ /yr)	23,038,407	—	23,038,407	19,683,106	385,188	20,068,294	19,349,349	521,060	19,870,409	19,658,695	264,238	19,922,933	19,507,088	373,460	19,880,548
Percentage of Total Volume	95	—	95	95	53	94	96	66	95	97	26	93	98	28	94

ENVIRONMENT

	2012			2013			2014			2015			2016		
	Canada	U.S.	Corp.	Canada	U.S.	Corp.	Canada	U.S.	Corp.	Canada	U.S.	Corp.	Canada	U.S.	Corp.
Biodiversity															
Habitats Protected															
Reclamation Certificates/ Releases Received	41	1	42	18	—	18	4	—	4	12	—	12	41	0	41
Active Operated Wells	7,089	258	7,347	6,764	281	7,045	6,763	296	7,059	4,809	296	5,105	3,715	327	4,042
Inactive Operated Wells	622	—	622	690	—	690	710	22	732	1,095	29	1,124	1,273	34	1,307
Temporarily Deferred Abandoned Wells	130	—	130	104	—	104	101	1	102	92	1	93	80	0	80
Abandoned Wells in Active Reclamation/Remediation	309	—	309	297	—	297	329	—	329	345	—	345	423	3	426
Emissions															
Scope 1 – Direct Greenhouse Gas															
Gross Direct GHG Emissions (CO ₂ e) ⁽²⁾	374,188	238,575	612,763	359,856	256,680	616,536	337,619	521,310	858,929	287,025	409,928	696,953	193,945	340,513	534,458
CO ₂ (tonnes)	452,466	217,666	670,132	445,785	227,551	673,336	200,953	425,426	626,379	182,544	381,552	564,096	130,524	318,287	448,811
CH ₄ (tonnes)	7,566	986	8,552	6,780	1,159	7,939	5,424	3,824	9,248	4,139	1,124	5,263	2,507	881	3,388
N ₂ O (tonnes)	4.6	0.6	5.2	4.1	0.5	4.6	3.5	1.0	4.5	3.4	0.9	4.3	2.5	0.7	3.2
Scope 2 – Indirect Greenhouse Gas															
Gross Indirect GHG Emissions (CO ₂ e)	228,734	8,397	237,131	217,260	12,304	229,564	228,589	16,121	244,710	186,358	12,979	199,337	161,446	10,174	171,620
Scope 3 – Other Indirect Greenhouse Gas															
Business Travel (CO ₂ e)	—	—	253	—	—	123	—	—	193	—	—	54	—	—	82
Upstream Leased Assets (CO ₂ e)	—	—	2,212	—	—	3,085	—	—	3,085	—	—	2,485	—	—	2,405
Greenhouse Gas Emissions Intensity															
Intensity Ratio	0.0385	0.0351	0.0375	0.0406	0.0330	0.0378	0.0470	0.0549	0.0504	0.0401	0.0370	0.0386	0.0390	0.0310	0.0350
Ratio Denominator (BOE)	15,632,802	7,024,608	22,657,410	14,200,676	8,156,034	22,356,710	12,824,885	9,785,440	22,610,325	11,798,481	11,440,664	23,239,145	9,003,768	11,412,849	20,416,617
Reduction of Greenhouse Gas															
GHG Emission Reduction (TCO ₂ e)	30,707	—	30,707	3,321	—	3,321	3,078	—	3,078	18,303	5,004	23,307	93,080	69,415	162,495
Significant Air Emissions															
NO ₂ (tonnes)	1,774	—	1,774	1,852	—	1,852	1,466	—	1,466	1,298	—	1,298	1,164	—	1,164
SO ₂ (tonnes)	762	—	762	701	—	701	1,068	—	1,068	911	—	911	650	—	650
VOC (tonnes)	39	—	39	39	—	39	11	—	11	65	—	65	0	—	0
PM (tonnes)	27	—	27	35	—	35	30	—	30	32	—	32	20	—	20

ENVIRONMENT

	2012			2013			2014			2015			2016		
	Canada	U.S.	Corp.	Canada	U.S.	Corp.	Canada	U.S.	Corp.	Canada	U.S.	Corp.	Canada	U.S.	Corp.
Effluents and Waste															
Water Discharge															
Total Volume (m ³ /yr) ⁽³⁾	22,547	—	22,547	8,191	363,040	371,231	19,876	341,464	361,340	20,334,521	1,025,334	21,359,855	19,900,947	1,327,223	21,228,170
Waste Disposal															
Non-Hazardous, Landfilled (metric tonne)	—	—	—	—	—	—	—	—	—	25,236	21,919	47,155	19,150	18,462	37,612
Hazardous, Landfilled (metric tonne)	—	—	—	—	—	—	—	—	—	65	—	65	160	—	160
Waste Recycled (metric tonne)	—	—	—	—	—	—	—	—	—	11,573	—	11,573	3,310	—	3,310
Significant Spills															
Pipeline Releases	33	—	33	24	—	24	44	—	44	43	—	43	44	1	45
Non-Pipeline Releases	25	24	49	18	15	33	16	14	30	13	12	25	5	8	13
Total Number	58	24	82	42	15	57	60	14	74	56	12	68	49	9	58
Pipeline Releases Volume (m ³)	635	—	635	222	—	222	85	—	85	289	—	289	1,017	0.8	1,017.08
Non-Pipeline Releases Volume (m ³)	171	180	351	36	73	109	141	34	175	122	10	132	179	6	185
Total Volume	806	180	986	258	73	331	226	34	260	411	10	421	1,196	6.8	1,202.8
Overall															
Environmental Protection Expenditures															
Abandonment, Reclamation and Remediation Expenditures (CDN\$ thousands)	19,268	637	19,905	14,324	2,282	16,606	18,716	693	19,409	13,395	1,540	14,935	6,974	1,400	8,374

(1) Calculation does not include equity (non-operated) operations.

(2) Scope 1 emissions have been updated from the estimate that was provided in the 2015 AIF.

(3) Water Discharge total volume has been retroactively updated based on 2015 CDP Water reporting change.

REGULATORY COMPLIANCE

	2012			2013			2014			2015			2016		
	Canada	U.S.	Corp.	Canada	U.S.	Corp.	Canada	U.S.	Corp.	Canada	U.S.	Corp.	Canada	U.S.	Corp.
Non-Compliance															
Significant Fines	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
High Risk Target	—	—	8	—	—	8	—	—	4	—	—	<5	—	—	<3
High Risk Actual	—	—	9	—	—	4	—	—	5	—	—	0	5	0	5
Low Risk Target	—	—	34	—	—	34	—	—	34	—	—	<25	—	—	<19
Low Risk Actual	—	—	44	—	—	42	—	—	28	—	—	23	10	3	13

ECONOMIC PERFORMANCE

(CDN\$ thousands)	2012			2013			2014			2015			2016		
	Canada	U.S.	Corp.	Canada	U.S.	Corp.	Canada	U.S.	Corp.	Canada	U.S.	Corp.	Canada	U.S.	Corp.
Financial Performance ^{(1) (6)}															
Revenues	817,843	547,699	1,365,542	782,276	834,522	1,616,798	807,941	1,041,371	1,849,312	414,384	637,997	1,052,382	269,196	612,930	882,126
Royalties	109,859	102,349	212,208	105,775	158,552	264,327	118,806	204,312	323,118	44,824	123,166	167,990	35,805	123,589	159,394
Production Taxes	11,660	44,964	56,624	10,076	60,312	70,388	9,223	72,299	81,522	5,511	45,388	50,899	2,553	34,864	37,417
Capital Expenditures	255,399	598,056	853,455	286,543	394,894	681,437	308,334	502,692	811,026	157,727	335,676	493,403	44,432	164,703	209,135
Land Acquisitions	13,581	13,626	27,207	9,159	31,159	40,318	1,990	7,585	9,575	34	3,601	3,635	—	5,117	5,117
Property Acquisitions	0	158,130	158,130	35,210	169,309	204,519	0	8,916	8,916	3,578	2,339	5,917	114,443	6,565	121,008
Operating Expenses ⁽²⁾	263,160	44,457	307,617	259,896	66,050	325,946	252,861	94,461	347,322	216,665	123,407	340,072	135,700	113,325	249,025
Employee Salaries and Benefits ⁽³⁾	106,175	16,254	122,429	125,910	23,480	149,390	101,162	27,472	128,634	99,861	29,825	129,686	69,587	28,985	98,572
Payments to Providers of Capital ⁽⁴⁾	352,941	—	352,941	273,085	—	273,085	283,340	—	283,340	198,411	—	198,411	80,882	—	80,882
Income Taxes Paid (Received)	(2,074)	3,722	1,648	(622)	8,511	7,889	(543)	5,541	4,998	(796)	(16,091)	(16,887)	(661)	(1,690)	(2,351)
Capital and Other Taxes ⁽⁵⁾	294	412	706	374	208	582	414	207	621	374	68	442	152	27	179
Community Investments															
Donations and Sponsorships	875	50	925	793	168	961	965	205	1,170	683	204	887	466	105	571

(1) Reported using financial information prepared in accordance with accounting principles generally accepted in the United States of America. U.S. dollar amounts have been translated into Canadian dollars consistent with the methodology outlined in Note 1 (j) of the Consolidated Financial Statements.

(2) Effective in 2015, Enerplus reclassified Marcellus gathering charges from Operating Expense to Transportation Expense on the Consolidated Financial Statements. All comparative periods have been restated to conform to the current period presentation. Operating Expenses exclude non-cash gains/losses on our fixed price electricity hedges.

(3) Comprised of all salary, bonus and benefit amounts included in General and Administrative and Operating Expenses in the Consolidated Financial Statements.

(4) Includes Interest Expense incurred on debt and Dividends paid to Shareholders. Interest Expense is paid on debt issued by Enerplus Corporation used for operating, investing and financing activities in both Canada and the U.S. Dividends are declared out of Enerplus Corporation but are paid to all shareholders.

(5) Comprised of property taxes, sales taxes, sales and use taxes, and franchise taxes included in General and Administrative Expenses in the Consolidated Financial Statements. Does not include similar amounts classified as Operating Expenses or Capital Expenditures in the Consolidated Financial Statements.

(6) Enerplus filed its first report under the Extractive Sector Transparency Measures Act ("ESTMA") on May 30, 2017. The report includes details on payments made to governments for the 2016 fiscal period and has been filed with Natural Resources Canada, and on Enerplus' website at www.enerplus.com.

HUMAN RESOURCES

	2012			2013			2014			2015			2016		
	Canada	U.S.	Corp.	Canada	U.S.	Corp.	Canada	U.S.	Corp.	Canada	U.S.	Corp.	Canada	U.S.	Corp.
Employees															
Total Number	637	101	738	575	132	707	577	149	726	455	133	588	340	132	472
Total Female	278	53	331	247	56	303	231	61	292	175	48	223	126	46	172
Total Male	359	48	407	328	76	404	346	88	434	280	85	365	213	86	299
Percentage of Total Employees Covered by Collective Bargaining Agreements ⁽¹⁾	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Employment															
New Hires	64	51	115	49	52	101	64	32	96	24	11	35	2	8	10
Voluntary Turnover	49	26	75	60	17	77	43	14	57	25	7	32	9	7	16
Diversity and Equal Opportunity															
Percentage of Individuals within the Board of Directors															
Age Group															
Under 30	—	—	0%	—	—	0%	—	—	0%	—	—	0%	—	—	0%
30 - 50	—	—	0%	—	—	8%	—	—	8%	—	—	11%	—	—	11%
Over 50	—	—	100%	—	—	92%	—	—	92%	—	—	89%	—	—	89%
Gender															
Female	—	—	8%	—	—	8%	—	—	17%	—	—	22%	—	—	22%
Male	—	—	92%	—	—	92%	—	—	83%	—	—	78%	—	—	78%
Percentage of Employees per Employee Category															
Age Group															
Under 30	11%	8%	11%	10%	13%	11%	12%	17%	13%	11%	16%	13%	12%	11%	11%
30 - 50	53%	45%	52%	56%	45%	54%	57%	51%	56%	59%	33%	53%	62%	55%	60%
Over 50	36%	47%	37%	34%	42%	35%	31%	32%	31%	30%	52%	35%	27%	34%	29%
Gender															
Female	44%	52%	45%	43%	42%	43%	40%	41%	40%	39%	36%	38%	37%	35%	37%
Male	56%	48%	55%	57%	58%	57%	60%	59%	60%	61%	64%	62%	63%	65%	63%
Training and Education															
Safety Training (hours)	—	—	—	—	—	—	—	—	9,000	—	—	12,412	—	—	6,828
Leader Training (hours)	—	—	—	—	—	—	—	—	—	—	—	1,330	—	—	1,048
Development Training (hours)	—	—	—	—	—	—	—	—	—	—	—	945	—	—	454

(1) Our employees are not unionized.

OUR INDUSTRY PARTNERS

TRADE ASSOCIATIONS

Our leaders and employees are involved in memberships with federal, provincial and state industry trade associations.

- Canadian Association of Petroleum Producers (CAPP)*
- Colorado Oil and Gas Association (COGA)
- Explorers and Producers Association of Canada (EPAC)*
- Independent Petroleum Association of America (IPAA)
- Montana Petroleum Association (MPA)*
- North Dakota Petroleum Council (NDPC)*
- Pennsylvania Independent Oil & Gas Association (PIOGA)
- Western Energy Alliance (WEA)
- West Virginia Oil & Natural Gas Association (WVONGA)

CORPORATE MEMBERSHIPS

Our corporate memberships include:

- Canadian Council for Aboriginal Business (CCAB)
- Circle For Aboriginal Relations (CFAR)
- Corporate Executive Board (CEB)
- International Association for Public Participation (IAP2)
- NAEM, The Association for EHS Management*

* Indicates Board of Directors level seat.





We welcome your thoughts, questions, and feedback on this report.

Contact: sustainability@enerplus.com

Stakeholder Engagement: (866) 955-5069
stakeholder_relations@enerplus.com

Investor Relations: (800) 319-6462
investorrelations@enerplus.com

Community Investment:
communityinvestments@enerplus.com