

Enerplus 2023 Report: Forced Labour and Child Labour in Supply Chains

Summary

Based on our 2023 supply chain risk assessment and a review of our structure, activities, and supply chains, we consider our operations to be relatively low-level risk for forced labour and child labour. Our operations are conducted within Canada and the United States with no significant direct sourcing from other countries.

We identify a low-level risk related to purchases of materials manufactured overseas from distributors where we have limited visibility into the distributors supply chain. We did not find any instances of forced or child labour in our initial 2023 review.

In 2023 we increased awareness of forced labour and child labour and mitigated risk in our supply chains by strengthening our existing policy and due diligence processes. Examples of this include:

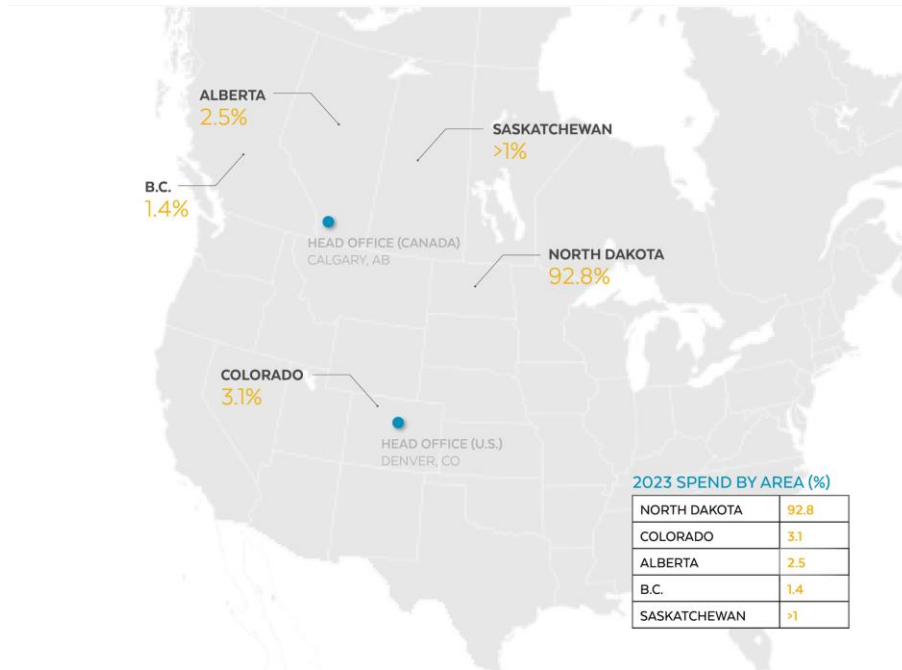
- Updating our Code of Business Conduct to specifically condemn forced and child labour in all forms. Additionally, we require all employees to promptly report any instance within the company or its supply chain.
- Requiring all Employees (employees, consultants, officers, and directors) to sign off on the revised Code of Business Conduct, including the forced labour and child labour statement.
- Training our Supply Chain Management group on the requirements of Bill S-211 and the risks of forced labour and child labour.
- Updating our Contractor Compliance process for our safety sensitive contractors to incorporate ESG questions including those pertaining to forced labour and child labour.

In February 2024 we announced our entry into a definitive arrangement with Chord Energy where Chord will acquire the outstanding shares of Enerplus. The transaction is expected to close mid-2024.

Structures, Activities, and Supply Chain

Enerplus is a responsible developer of high-quality crude oil and natural gas assets. Our operational focus area is the Bakken/Three Forks shale oil formation in the Williston Basin in North Dakota, USA. We also have operations in Colorado, USA, which are focused on crude oil production. Additionally, we are in the process of abandoning, reclaiming and remediating lands in the Canadian provinces of Alberta and British Columbia. Corporate head offices are located in both Calgary, Alberta, Canada and Denver, Colorado, USA. Lastly, we have a non-operated interest in the Marcellus shale gas region in Pennsylvania. As we do not have operational control of this asset, we do not have control of the operating organizations supply chain practices and it is therefore excluded from this disclosure.

Our supply chain focus is to secure the goods and services required for new oil and gas development, as well as for the operation and sustainment of existing operations from Canadian and United States based direct contractors. We have no significant direct sourcing from overseas. Our 2023 operated spend by regional area is shown in the map below:



Supply Chain Risk Assessment

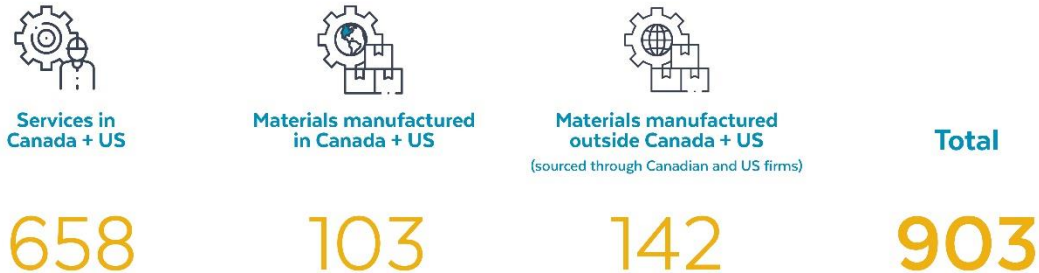
Our 2023 supply chain risk assessment focused on our tier one supply chain, defined as those companies who sell directly to us. We also conducted some preliminary reviews of our tier two supply chain, defined as those firms that sell to our tier one contractors.

We reviewed both the commodities we purchase and the contractors we purchase from and further segmented these into three different categories based on the relative risk of forced labour and child labour. Each commodity and contractor were classified into the best fit category and the risk was assessed at the category level:

Category	Risk Assessment	Risk Assessment Rationale	Follow-up Actions
Materials manufactured in Canada/US	Low	Canadian/US regulations and enforcement	Continue to monitor
Services delivered in Canada/US	Low	Canadian/US regulations and enforcement	Expanded Contractor due diligence for all higher risk contractors
Materials sourced from Canada/US-based firms that were manufactured in other countries	Medium	Canadian/US regulations and enforcement on domestic companies and imports Medium risk due to the variety of materials we purchase from distributors that may be sourced from other countries with limited Enerplus visibility	Reviewed our supply chain for “At Risk” goods ¹ Review with targeted Contractors to assess their awareness level/policies

¹ [List of Goods Produced by Child Labor or Forced Labor | U.S. Department of Labor \(dol.gov\)](https://www.dol.gov/agencies/ilab/reports/child-labor/list-of-goods) - <https://www.dol.gov/agencies/ilab/reports/child-labor/list-of-goods>

THREE CATEGORY FOCUS - CONTRACTOR COUNT



The overall risk in our supply chain is low with operations limited to North Dakota, Colorado, Alberta, and British Columbia and a tier one supply chain that is based in Canada and the USA with no direct overseas purchasing.

As we do not have visibility into the supply chains of materials manufactured overseas and purchased from Canadian and USA based distributors, we recognize a medium risk related to these purchases. To better understand this risk, we reviewed the *List of Goods Produced by Child Labor or Forced Labor* published by the U.S Department of Labor, Bureau of International Labor Affairs¹ against the commodities we purchase. From our review, we discovered:

- Cement and sand are purchased from domestic United States sources, therefore there is minimal risk.
- Gloves, rubber gloves, and electronics are purchased from United States and Canadian-based distributors with a significant amount being manufactured overseas. We have contractual agreements with distributors that require adherence to laws and to our Code of Conduct, and also have an opportunity to understand our distributors supply chains and controls.

We did not identify any instances of the use of forced or child labour in our 2023 risk assessment.

Training

In 2023 we increased company-wide awareness of forced labour and child labour by adding a policy statement into our Code of Business Conduct and requiring all employees, consultants, officers and directors to read and acknowledge the Code – see “Policy and Due Diligence Process” below.

In addition, we required our supply chain personnel responsible for contracting and purchasing to attend training on Bill S-211, forced and child labour, and the signs of forced and child labour.

Policies and Due Diligence Processes

We strengthened our policies and procedures to assess our effectiveness in both our Code of Business Conduct and Contractor Due Diligence process.

Code of Business Conduct

Enerplus Corporation and all of its affiliates (“Enerplus” or the “Corporation”) are committed to maintaining the highest of business standards in our operations, wherever they may be. We recognize the importance of credibility, integrity, and trust to our success as a business.

Enerplus has a Code of Business Conduct that applies to all employees, consultants, officers and directors. Compliance to the terms of the Code of Business Conduct is mandatory and each person must annually certify they have read and comply with the Code of Business Conduct. In 2023 we added requirements specific to forced labour or child labour:

Forced Labour or Child Labour

At Enerplus, we are committed to upholding the highest ethical standards and ensuring that our operations, as well as those of our contractors and suppliers, reflect our dedication to social responsibility. We unequivocally condemn forced labour and child labour in all its forms and are fully committed to eradicating these practices from our company and supply chain.

As such, all Employees are required to promptly report any instance of forced labour or child labour that they become aware of within the company or its supply chain. Reporting such instances is not only a legal and moral responsibility but also a fundamental part of our commitment to sustainability and respect for human rights. We encourage employees to use the designated reporting channels, which will be treated with the utmost confidentiality and non-retaliation measures.

Annual certification was completed in January 2024.

Contractor Due Diligence Process

We require the use of approved contractors, which are companies under contract who meet or exceed our requirements. Primary requirements include:

- Contract in place that outlines contractor responsibilities including compliance with laws and our Code of Business Conduct.
- Higher risk contractors, being those performing safety sensitive work on our sites, are monitored in ISNetworld (www.isnetworld.com/en/).

Enerplus standard contract language requires contractors to comply with our Code of Business Conduct, which, as outlined in “Policies and Due Diligence Processes” includes forced labour or child labour statements. Further, quarterly, we review our spend with companies over \$100K to ensure they are covered by some form of contract.

We expanded our review process in ISNetworld to include Environmental, Social and Governance questions. This includes the following questions related to the use of forced labour and child labour:

- Does your company have a human rights policy?
 - 45% responded yes.
- Does your company provide human rights training and education for your employees?
 - 37% responded yes.
- Does your company have a policy condemning the use of forced labor?
 - 41% responded yes.

While adding the questions above has helped increase awareness amongst contractors, we will continue to encourage more contractors to take action.

Reporting Entity: Enerplus Corporation

Reporting Year: 2023

Governing Body That Approved Report: Reserves, Safety and Social Responsibility Committee

Approval Date: May 8, 2024

Approval and Attestation

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

I have the authority to bind Enerplus Corporation.

A handwritten signature in black ink that reads "Wade Hutchings". The signature is written in a cursive style with a long horizontal flourish at the end.

Wade Hutchings
Senior Vice President and Chief Operating Officer

Date: May 8, 2024