



STATEMENT ON REPORTING ETHICAL VIOLATIONS

Baytex Energy Corp. and its affiliates ("we", "us", "our" and "Baytex") are committed to maintaining the highest standards of honesty and accountability, and we recognize that our employees, contractors and suppliers (collectively, "Personnel") have an important role to play in achieving this goal. Our Personnel are likely to be the first to know when someone inside Baytex or connected with Baytex is acting improperly or illegally. If you learn of such conduct, you may be apprehensive about voicing your concerns as it may be viewed as being disloyal to Baytex or to the individuals involved, or that you do not believe that your concerns will be taken seriously, or you fear dismissal, harassment or other retaliation.

We take all misconduct very seriously, whether committed by officers, senior managers, employees or by suppliers, contractors or other agents. Misconduct by any Personnel connected with Baytex reflects poorly on our reputation and potentially exposes us to legal sanctions.

You are strongly encouraged to report any misconduct that you become aware of in the course of your employment or dealings with Baytex. The choice as to whether you include your name in the report or submit it anonymously rests with you. The submission of the report is the important part. If you include your name in the report, it will be kept in confidence and allow us to communicate with you. If you submit a report anonymously, it will be investigated and acted upon in the same manner as if your identity were known.

Although it is impossible to list all of the conduct we are concerned about, we would expect you to report:

- Any breach of our Code of Business Conduct and Ethics;
- Fraud, misappropriation, misrepresentation or other questionable practices related to the preparation or maintenance of our financial records;
- Failure to comply with, or efforts to circumvent, our internal compliance policies or internal controls;
- Criminal conduct;
- Failure to comply with legal or regulatory obligations;
- Actions that endanger health or safety, or that might cause environmental damage; and
- Actions that have the effect of concealing any of the foregoing.

As set forth in our Code of Business Conduct and Ethics, you are encouraged to talk to your supervisor, manager or other appropriate personnel should you become aware of any of the foregoing. In addition, we have established a more formal procedure for reporting suspected improper conduct. You may, instead of reporting a concern to a supervisor, manager or other staff member (or if you reported a concern, and feel it was not properly acted upon), make a report to any of the following individuals, by letter, email or telephone:

Name	Naveen Dargan	Edward D. LaFehr	James R. Maclean
Title	Chairman of the Audit Committee	President and Chief Executive Officer	General Counsel and Corporate Secretary
Address	% Baytex Energy Corp. 2800, 520 – 3 rd Ave. S.W. Calgary, AB T2P 0R3	Baytex Energy Corp. 2800, 520 – 3 rd Ave. S.W. Calgary, AB T2P 0R3	Baytex Energy Corp. 2800, 520 – 3 rd Ave. S.W. Calgary, AB T2P 0R3
Phone No.	403.815.6741	587.952.3000	587.952.3000
Email	dargans@shaw.ca	ed.lafehr @baytexenergy.com	james.maclean @baytexenergy.com

In the event that you do not feel comfortable informing your supervisor, manager or the individuals named above, you may report your concern by calling our confidential ethics hotline, which is operated by an independent third party, at (403) 250-0308. Your identity and all letters, e-mail and transcripts of telephone calls will be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation.

You may also communicate anonymously. Anonymous letters, e-mails and phone calls will be investigated and acted upon in the same manner as if your identity were known. If a report is submitted anonymously, Baytex will maintain anonymity to the extent possible, consistent with the need to conduct an adequate investigation.

All communications should contain as much specific detail as possible to allow the appropriate personnel to conduct an investigation of the reported matter. Written correspondence that identifies the sender will be acknowledged by the recipient.

Your report will be investigated internally or if necessary will be referred to the appropriate law enforcement or regulatory authorities. Reports that involve our accounting, auditing, internal controls and disclosure practices will be reviewed under the direction and oversight of the Audit Committee of the Board of Directors of Baytex (the "Audit Committee"). Corrective action will be taken when it is deemed necessary by the Audit Committee or other designated personnel.

The General Counsel and Corporate Secretary of Baytex will maintain a log of all reports, tracking their receipt, investigation and resolution, and prepare a periodic summary report for the Audit Committee.

You do not need absolute proof of misconduct to make a report, but we would expect that a basis for voicing your concerns exists. It will not always be clear that any particular action rises to the level of misconduct or illegal conduct. Individual judgment will be required on a case by case basis. We would prefer that you raise concerns and not keep them to yourself. If you make a report in good faith and it turns out that you were wrong, your concern will nonetheless be appreciated and will not subject you to disciplinary action. However, the filing of a report that is determined to be intentionally false or malicious may subject you to disciplinary action. We trust that, as in all areas of human interaction, Baytex personnel will act responsibly.

We prohibit retaliatory action against Personnel who, in good faith, report suspected wrongdoers, unless the individual reporting is one of the violators. We will not tolerate any harassment or intimidation of any

person who reports misconduct. Disciplinary action will be taken against any supervisor who retaliates (or encourages others to do so), directly or indirectly, against a person who reports misconduct.

In order to preserve the integrity of these procedures, it is imperative that all Personnel have the opportunity to raise concerns or report misconduct without fear of retribution. We are strongly committed to maintaining an environment in which reports are expected and accepted and in which our Personnel feel free to voice a concern or report a suspected violation without fear of retaliation.

Approved by the Audit Committee on December 14, 2018