

TERMS OF REFERENCE FOR THE HEALTH, SAFETY & ENVIRONMENT COMMITTEE

I. PURPOSE

The purpose of the Health, Safety & Environment Committee (the "Committee") is to assist the Board in carrying out its responsibilities by having responsible persons to ensure that Vermilion Energy Inc.'s (the "Corporation") activities are conducted in an environmentally responsible manner and the Corporation maintains the integrity of its health and safety policies.

II. COMPOSITION AND OPERATIONS

- A. The Committee shall be composed of not fewer than two directors and not more than five directors, all of whom shall be independent directors.
- B. The Committee shall operate in a manner that is consistent with the Committee Guidelines outlined in Tab 8 of the Board Manual.
- C. The Committee shall meet at least two times per year.

III. DUTIES AND RESPONSIBILITIES

The Committee shall:

- A. Annually review the Corporation's Health, Safety & Environment (HSE) Policy, the HSE long range strategic plan and, if appropriate, make recommendations to the Board.
- B. Consider whether the Corporation's Health, Safety & Environment Policies are effectively implemented, comply with applicable legislation and conform with industry standards.
- C. Review the Corporation's environment, health and safety activities and performance, including:
 - i) any contravention of an existing environment, health or safety regulation;
 - ii) any event or potential event that would, in the opinion of management, constitute a significant environment or safety occurrence;
 - iii) non-compliance issues;
 - iv) significant external or internal audit reports;

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- v) significant legislative and regulatory changes including policy proposals and modifications in major markets that could materially impact the Corporation's business;
 - vi) outstanding litigation as it relates to environment, health or safety matters; and
 - vii) material sustainability reporting initiatives such as the Corporate Sustainability Report (CSR) relating to the HSE content.
- D.** Review the Corporation's methods of communicating environment, health & safety policies and procedures.
- E.** Review the insurable risks related to environment, health and safety issues and evaluate cost/insurance benefits associated with those risks; concerning insurance, the Committee shall consult with and review the recommendations of the Audit Committee.
- F.** Meet separately (independent of any other management) with the management person responsible for health, safety & environment at least annually and report to the Board on such meetings.
- G.** Advise and make recommendations to the Board as appropriate on matters relating to environment, health and safety.

IV. ACCOUNTABILITY

- A.** The Committee Chair has the responsibility to make periodic reports to the Board, as requested, on environment, health and safety matters relative to the Corporation.
- B.** The Committee shall report its discussions to the Board by maintaining minutes of its meetings and providing an oral report at the next Board meeting.

V. COMMITTEE TIMETABLE

The timetable on the following pages outlines the Committee's schedule of activities.

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	<u>Task</u>	<u>Meeting⁽¹⁾</u>	
		<u>Q1</u>	<u>Q4</u>
A.	Review Environment, Health & Safety Policy Statement and HSE long range strategic plan		<input checked="" type="checkbox"/>
B.	Review implementation of Health, Safety & Environmental Policies	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
C.	Review management reports & recommendations	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
D.	Review communications plan	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
E.	Review insurable risks	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
F.	Meet independently with management person responsible for environment health & safety	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
G.	Review terms of reference for HSE Committee and make recommendations to the Board		<input checked="" type="checkbox"/>

Note:

- (1) Pursuant to the Terms of Reference for the Health, Safety & Environment Committee, the Committee is required to meet at least twice annually.